

RECEIVED MAY 17 2010

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-33100
7 Kmw 1035745612

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	COG OPERATING LLC	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Red Lake Sand Unit South	Facility Type	Tank Battery

Surface Owner	State	Mineral Owner	Lease No. 647 (API#) 30-015-33100
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	29	17S	28E					Eddy

Latitude 32.8111 Longitude 104.2027

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	25bbls	Volume Recovered	0bbls
Source of Release	Discharge line at transfer pump	Date and Hour of Occurrence	05/03/2010	Date and Hour of Discovery	05/03/2010 3:00 p.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?		Mike Bratcher - OCD	
By Whom?	Josh Russo	Date and Hour	05/04/2010 2:36 p.m.		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

If a Watercourse was Impacted, Describe Fully.*

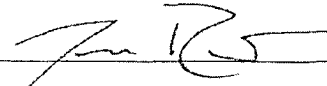
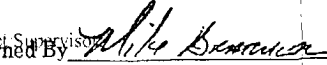
Describe Cause of Problem and Remedial Action Taken.*

The discharge line on a produced water transfer pump ruptured at the Red Lake Unit South Tank Battery. The discharge line has been repaired and put back into service.

Describe Area Affected and Cleanup Action Taken.*

The discharge line at the transfer pump released 25bbls of produced water that ran across the location to the lease road. The release traveled west at the least road for 30 yards. It then ran 100 yards North down a pipeline ROW. We were unable to recover any fluid. The width of the fluid stream never got over 4' wide. The pad location will be scraped and the contaminated soil will be hauled off to the appropriate facility. (The closest well location to the release is the Red Lake Sand Unit #38 injection well, Unit D, Section 29-T17S-R28E, 330 FNL & 330 FWL, 32.81138 104.20546) Tetra Tech will sample spill site area to delineate any possible contamination from the release and we will present a remediation work plan to the NMOCDC for approval prior to any significant remediation work.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCDC rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCDC marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCDC acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Josh Russo	Approved by District Supervisor Signed By: 	
Title: HSE Coordinator	Approval Date: 3/3/11	Expiration Date:
E-mail Address: jrusso@conchoresources.com	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	
Date: 05/06/2010 Phone: 432-212-2399	Attached <input type="checkbox"/>	

* Attach Additional Sheets If Necessary

PROPOSAL NOT LATER THAN:
4/3/11 2 RP-537

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@conchoresources.com]
Sent: Tuesday, May 04, 2010 1:36 PM
To: Bratcher, Mike, EMNRD
Cc: Pat Ellis
Subject: FW: Red Lake South Spill

Mike,

I wanted to notify you of a release that we had yesterday. Feel free to get in touch with me if you have any questions or concerns.

Thanks,

Joshua Russo

HSE Coordinator
550 W. Texas Ave, Suite 100
Midland, Texas 79701
Phone: (432) 683-7443
Cell: (432) 212-2399
jrusso@conchoresources.com



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From: Rick Wright
Sent: Monday, May 03, 2010 6:36 PM
To: Pat Ellis; Joshua Russo
Cc: Kent Greenway; Ryan Faulkenberry
Subject: Red Lake South Spill

On 5-3-10, at 3:00pm, the discharge line on the water transfer pump ruptured on the Red Lake South Battery. The produced water ran North across location to the lease road, then West for 30 yards. It then ran 100 yards North down a pipeline ROW never getting over 4 ft. wide. We estimate a release of 25bbbls, but we were unable to recover any fluid. The discharge line has been repaired and put back in service. The location will be scraped and contaminated soil hauled-off. We will await instructions before doing anything further. Legal description below.

Red Lake Sand Unit Tank Battery
NW/4 NW/4, Sec.20,T17S,R28E
Eddy Co. 647