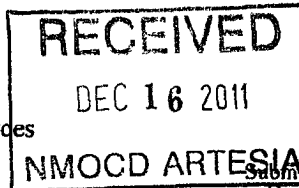


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Release Notification and Corrective Action

nMLB/1135450699

OPERATOR

☒ Initial Report ☒ Final Report

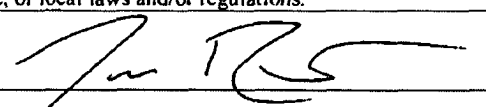
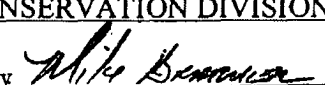
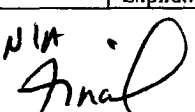
Name of Company	COG OPERATING LLC 229137	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	High Net Federal SWD	Facility Type	SWD Facility
Surface Owner	Federal	Mineral Owner	
		Lease No. (API#)	30-015-35602

LOCATION OF RELEASE

Unit Letter (lot) 2	Section 2	Township 25S	Range 28E	Feet from the	North/South Line	Feet from the	East/West Line	County Eddy
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Latitude 32.16625 Longitude 104.05631

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	175bbbls	Volume Recovered	174bbbls
Source of Release	Water tank	Date and Hour of Occurrence	12/09/2011	Date and Hour of Discovery	12/09/2011 6:00 a.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 Jim Amos-BLM Terry Gregston-BLM		
By Whom?	Josh Russo	Date and Hour	12/12/2011 11:26 a.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.* A power failure at the SWD facility disable high level alarms which resulted in a water tank overflow. Electricians restored power supply and transponder has been repaired.					
Describe Area Affected and Cleanup Action Taken.* Initially 175bbbls of produced water were released from the water tank inside the SWD facility. We were able to recover 174bbbls with vacuum trucks. All free fluid has been recovered and contaminated gravel has been hauled to disposal. This facility is lined with a 40mil liner. The equipment has been steamed and new gravel has been added to the facility as necessary. The facility has been returned to its prior condition.					
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD 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, NMOCD 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		Signed By:  Approved by District Supervisor.			
Title: HSE Coordinator		Approval Date: DEC 20 2011		Expiration Date: N/A	
E-mail Address: jrusso@conchoresources.com		Conditions of Approval: N/A 		Attached <input type="checkbox"/>	
Date: 12/15/2011 Phone: 432-212-2399					

* Attach Additional Sheets If Necessary

2RA-982