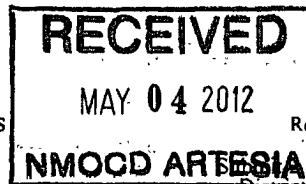


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Release Notification and Corrective Action

NMLB/215338324

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	COG OPERATING LLC <i>229157</i>	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Continental A State #12	Facility Type	Well location

Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-35052
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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
I	30	17S	29E					Eddy

Latitude 32 48.696 Longitude 104 07.157

NATURE OF RELEASE

Type of Release Produced water	Volume of Release 60bbbs	Volume Recovered 52bbbs
Source of Release 2" nipple at wellhead	Date and Hour of Occurrence 04/28/2012	Date and Hour of Discovery 04/28/2012 8:00 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	
By Whom? Michelle Mullins	Date and Hour 04/28/12 6:59 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.*

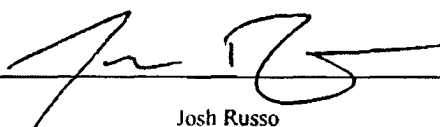
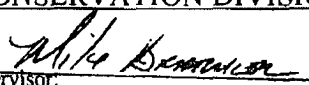
Describe Cause of Problem and Remedial Action Taken.*

A 2" nipple failed between the check valve and wellhead at the Continental A State #12 well location. The wellhead connections have been replaced.

Describe Area Affected and Cleanup Action Taken.*

Initially 60bbbs of produced water was released from the wellhead and we were able to recover 52bbbs with a vacuum truck. The fluid streamed from the wellhead into the pasture where it collected in a 10' x 20' area. All free fluid has been picked up from the pasture and the pad location has been scraped. Tetra Tech will sample the spill site area in the pasture to delineate any possible contamination from the release and we will present the NMOCD with a work plan 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 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: JUN 01 2012	Expiration Date:
E-mail Address: jrusso@conchoresources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 05/04/2012 Phone: 432-212-2399	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 7/1/2012	

* Attach Additional Sheets If Necessary

2RP-1143