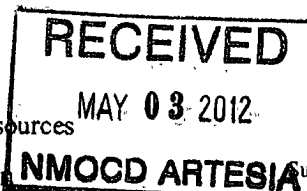


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 1.16 on back  
side of form

Release Notification and Corrective Action

NMLB/12/5255011

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	Eggs State Tank Battery	Facility Type	Tank Battery

Surface Owner	State	Mineral Owner		Lease No. (API#)	30-015-37260
				Closest well location	

LOCATION OF RELEASE

Eggs St Con 1H

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	8	25S	30E					Eddy

Latitude 32 09.013 Longitude 103 53.999

NATURE OF RELEASE

Type of Release	Oil	Volume of Release	130bbls	Volume Recovered	129bbls
Source of Release	Oil tanks	Date and Hour of Occurrence	04/18/2012	Date and Hour of Discovery	04/18/2012 7:00 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	04/18/2012 4:17 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.\*

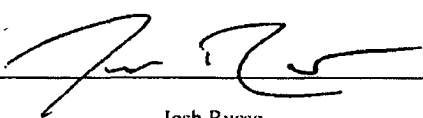
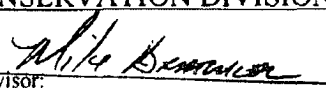
Describe Cause of Problem and Remedial Action Taken.\*

Valve on water dump closed at a valve setting that by-passed fluid to stock tanks. The Eggs State #1H was shut in until the tank levels could lower to their normal levels.

Describe Area Affected and Cleanup Action Taken.\*

Initially 130bbls were released from the oil tanks and we were able to recover 129bbls with a vacuum truck. All standing fluid has been removed from the 40mil lined tank battery. Contaminated gravel has been removed and replaced with fresh gravel as necessary. The tank battery lined has been steamed and this 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:	MAY 29 2012
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	04/01/2012	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary

Remediation per OCD Rules &  
Guidelines. **SUBMIT REMEDIATION  
PROPOSAL NOT LATER THAN:**  
6/29/2012

2RA-1139