

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
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

RECEIVED

AUG 29 2012

NMOCD ARTESIA

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 12265 49/80

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	Hearse State Tank Battery	Facility Type	Tank Battery

Surface Owner State	Mineral Owner	Lease No. (API#)	30-015-37927
		Closest well	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
E	36	19S	25E					Eddy

Latitude 32.6178 Longitude 104.4437

NATURE OF RELEASE

Type of Release	Oil and Produced Water	Volume of Release	30bbls oil 150bbls pw	Volume Recovered	30bbls oil 149bbls pw
Source of Release	4" line inside facility	Date and Hour of Occurrence	08/18/2012	Date and Hour of Discovery	08/18/2012 1:00 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?	Michelle Mullins	Date and Hour	08/19/2012 9:25 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.*


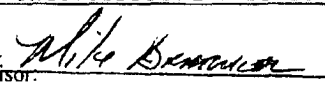
Describe Cause of Problem and Remedial Action Taken.*

A nipple on a 4" produced water line corroded inside the facility allowing the release of produced fluids. We have replaced all of the fittings inside the facility to prevent reoccurrence.

Describe Area Affected and Cleanup Action Taken.*

Initially 180bbls of produced fluid were released inside the lined facility at the Hearse State Tank Battery. We recovered 179bbls with a vacuum truck. All contaminated gravel has been removed from the facility and we have added clean gravel 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	Approved by	Signed By: 
Title:	HSE Coordinator	Approval Date:	SEP 21 2012
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	N/A
Date:	08/29/2012	Conditions of Approval:	N/A
Phone:	432-212-2399	Attached	<input type="checkbox"/>

* Attach Additional Sheets If Necessary

2RA-1301