

NM OIL CONSERVATION
ARTESIA DISTRICT

MAY 17 2016

Form C-141
Revised August 8, 2011

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
200 Rio Brazos Road, Aztec, NM 87410
District IV
20 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
Submit Report to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

NAB1413452026

| | | | |
|------------------|--|--|---------------------------------------|
| OPERATOR | | <input checked="" type="checkbox"/> Initial Report | <input type="checkbox"/> Final Report |
| Name of Company: | COG Operating LLC <u>229137</u> | Contact: | Robert McNeill |
| Address: | 600 West Illinois Avenue, Midland TX 79701 | Telephone No. | 432-683-7443 |
| Facility Name: | NERVOUS HORZ COM #002H | Facility Type: | Tank Battery |
| Surface Owner: | State | Mineral Owner: | API No. 30-015-37143 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| A | 26 | 18S | 31E | 330 | North | 530 | East | East |

Latitude 32.7104416 Longitude 103.8161163

NATURE OF RELEASE

| | | |
|---|--|---|
| Type of Release: Produced Water | Volume of Release: 22bbls of produced water | Volume Recovered: 12bbls of produced water |
| Source of Release: 3" steel pipeline | Date and Hour of Occurrence: 05-09-2016 11:30am | Date and Hour of Discovery: 05-09-2016 11:30am |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? | Date and Hour: | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
A 3" steel pipeline failed due to corrosion. Replaced the bad section of pipe with a new joint of 3" steel line.

Describe Area Affected and Cleanup Action Taken.*
The release covered a 50' X 20' area inside the tank battery. All free fluids were recovered; an initial cleanup was performed and the facility was put back into service. Concho will have the spill site sampled to delineate any possible contamination from the release and we will present a remediation work plan to the NMOCD 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: <u>Robert Grubbs Jr.</u> | OIL CONSERVATION DIVISION | |
| Printed Name: Robert Grubbs Jr. | Signed By: <u>Mike L...</u> Approved by Environmental Specialist: | |
| Title: Senior Environmental Coordinator | Approval Date: <u>5/18/16</u> | Expiration Date: <u>N/A</u> |
| E-mail Address: rgrubbs@concho.com | Conditions of Approval: Remediation per O.C.D. Rules & Guidelines SUBMIT REMEDIATION PROPOSAL NO | |
| Date: 05-17-2016 Phone: 432-683-7443 | Attached <input type="checkbox"/> | |

Each Additional Sheets If Necessary
LATER THAN: 6/14/16 2RP-3698