

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

RECEIVED

DEC 07 2010

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 1034139240

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	Woolley Federal #7	Facility Type	Flowline

Surface Owner	Federal	Mineral Owner		Lease No.	NMLC-028936-A (API#) 30-015-31258
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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
K	21	17S	30E					Eddy

Latitude 32 48.862 Longitude 103 59.078

NATURE OF RELEASE

Type of Release	Produced fluid	Volume of Release	70bbls	Volume Recovered	50bbls
Source of Release	2 ½ inch nipple at road crossing	Date and Hour of Occurrence	11/26/2010	Date and Hour of Discovery	11/26/2010 2:00 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 Terry Gregston—BLM		
By Whom?	Josh Russo	Date and Hour	11/27/2010 2:54 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.*

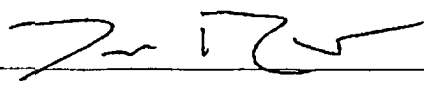
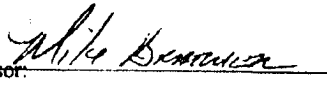
Describe Cause of Problem and Remedial Action Taken.*

2 ½ inch nipple failed at the road crossing; the nipple has been replaced and the line has been returned back into service.

Describe Area Affected and Cleanup Action Taken.*

Initially 70bbls of produced fluid was released and we were able to recover 50bbls with a vacuum truck. The spill area measured 10' x 420' east of the GPS coordinates on the lease road and 10' x 20' southeast of the origin in the pasture. The lease road has had been scraped, back-dragged, and returned to its previous condition. (The closest location to the release is the Woolley Federal Tank Battery, Unit C, Sec.28-T17S-R30E, Eddy County NM). Tetra Tech will sample the spill site area in the pasture to delineate any possible contamination from the release and we will present a remediation work plan to the NMOCD/BLM 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: DEC 07 2010	Expiration Date:
E-mail Address: jrusso@conchoresources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12/06/2010 Phone: 432-212-2399	REMEDATION per OCD Rules and Guidelines. <u>SUBMIT REMEDIATION PROPOSAL BY: 1/7/2011</u>	

* Attach Additional Sheets If Necessary

2RP-493