

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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 August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report X Final Report

Name of Company:	COG Operating LLC	Contact:	Robert McNeill
Address:	600 West Illinois Avenue, Midland TX 79701	Telephone No.	432-683-7443
Facility Name:	MACHO NACHO STATE #002H	Facility Type:	Tank Battery

Surface Owner:	State	Mineral Owner:	API No.	30-025-39883
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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
H	02	24S	33E	1870'	North	330'	East	Lea

Latitude 32.2343559 Longitude 103.6039429

NATURE OF RELEASE

Type of Release:	Oil and Produced Water	Volume of Release:	21bbls of & 42bbls of Produced Water	Volume Recovered:	20bbls of & 41bbls of Produced Water
Source of Release:	Heater Treater	Date and Hour of Occurrence:	11-11-2016 11:35 am	Date and Hour of Discovery:	11-11-2016 11:35 am
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Ms. Lynch - NMOCD / Ms. Groves - SLO		
By Whom?	Robert Grubbs Jr.	Date and Hour:	Tue 11/15/2016 8:50 AM		
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.*

APPROVED

By Olivia Yu at 3:47 pm, Dec 18, 2017

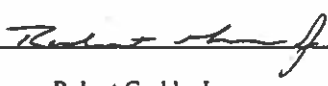

Describe Cause of Problem and Remedial Action Taken.*

The release was caused by a gasket that failed on a heater treater. Replaced the gasket with a Viton gasket.

Describe Area Affected and Cleanup Action Taken.*

This release occurred within a lined facility. A vacuum truck was dispatched to remove all freestanding fluids. Concho has had the free fluids and any impacted material inside the lined facility removed. The liner has been cleaned and the facility back in operation.

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:	Robert Grubbs Jr.	Approved by Environmental Specialist:	
Title:	Senior HSE Coordinator	Approval Date:	12/18/2017
E-mail Address:	rgrubbs@concho.com	Expiration Date:	xx/xx/xxxx
Date:	March 9, 2017	Phone:	432-683-7443
		Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

1RP-4519