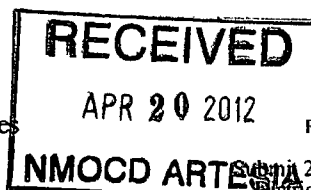


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 116 on back side of form

Release Notification and Corrective Action

nmlb 12/28 58264		OPERATOR		<input checked="" type="checkbox"/> Initial Report	<input type="checkbox"/> 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 Texaco State BE Tank Battery		Facility Type Tank Battery			
Surface Owner State		Mineral Owner		Lease No. (API#) 30-015-04181 Texaco State BE #1 well	

LOCATION OF RELEASE

Unit Letter B	Section 16	Township 17S	Range 30E	Feet from the	North/South Line	Feet from the	East/West Line	County Eddy
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Latitude **32 29.020** Longitude **104 13.607**

NATURE OF RELEASE

Type of Release Oil and Produced water	Volume of Release 4bbls oil 8bbls pw	Volume Recovered 3bbls oil 7bbls pw
Source of Release Fire tube	Date and Hour of Occurrence 04/11/2012	Date and Hour of Discovery 04/11/2012 5:00 a.m.
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.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

A hole developed in the fire tube at the heater treater inside the tank battery. This caused the heater to catch fire and burn a flow line. The fire tube has been repaired.

Describe Area Affected and Cleanup Action Taken.*

Initially 12bbls of fluid were released from the flow line and we were able to recover 10bbls with a vacuum truck. The spill was contained inside the dike walls of the tank battery with exception of a small overspray area outside of the dike. The overspray area has been treated with Micro-blaze. Tetra Tech will sample the spill site area 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:		OIL CONSERVATION DIVISION	
Printed Name: Josh Russo		Signed By: Approved by District Supervisor.	
Title: HSE Coordinator		Approval Date: MAY 07 2012	Expiration Date:
E-mail Address: jrusso@conchoresources.com		Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 6/7/2012	Attached <input type="checkbox"/>
Date: 04/20/2012 Phone: 432-212-2399			

* Attach Additional Sheets If Necessary

2RP-1116

Bratcher, Mike, EMNRD

From: Joshua Russo [jrusso@concho.com]
Sent: Friday, April 20, 2012 3:54 PM
To: Bratcher, Mike, EMNRD
Cc: Tavaréz, Ike; Dorey, Kim; Franklin, Tom K.
Subject: C-141 Initial Report - Texaco State BE Tank Battery
Attachments: TEXACO STATE BE TANK BATTERY -- DATE OF RELEASE -- 04-11-2012.pdf

Mr. Bratcher,

Please see attached the C-141 Initial Report for a release that occurred at the Texaco State Be Tank Battery. We plan to assess the spill area timely.

Thank you,

Joshua Russo

HSE Coordinator
550 W. Texas Ave, Suite 100
Midland, Texas 79701
Phone: (432) 683-7443
Cell: (432) 212-2399
jrusso@conchoresources.com



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