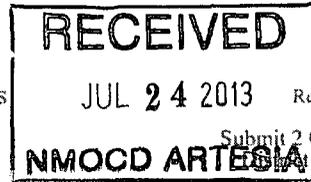


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

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 Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

nJMW 1320729010 OPERATOR Initial Report Final Report

Name of Company	COG OPERATING LLC <i>229137</i>	Contact	Pat Ellis
Address	600 West Illinois Avenue, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Lakewood AQE State SWD #001	Facility Type	SWD
Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-22233

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	30	19S	26E					Eddy

Latitude 32.63342 Longitude 104.42331

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	500bbls	Volume Recovered	480bbls
Source of Release	Steel flowline	Date and Hour of Occurrence	07-22-2013	Date and Hour of Discovery	07-22-2013 06:15am
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher - NMOCD		
By Whom?	Michelle Mullins	Date and Hour	07-22-2013 6:39pm		
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 on the steel flowline due to corrosion. The line has been replaced to prevent recurrence					
Describe Area Affected and Cleanup Action Taken.*					
Initially 500bbls of produced water were released from a steel flowline we were able to recover 480bbls with vacuum trucks. All free fluid has been recovered. The spill was located north of the pad in the adjacent pasture. Tetra Tech will sample the spill site area to delineate any possible contamination from the release and we will present a 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: <i>Robert Grubbs Jr.</i>		OIL CONSERVATION DIVISION	
Printed Name:	Robert Grubbs Jr.	Approved by District Supervisor:	Signed By <i>Mike Bratcher</i>
Title:	Senior Environmental Coordinator	Approval Date:	JUL 26 2013
E-mail Address:	rgrubbs@econcho.com	Expiration Date:	
Date:	07-24 -2013	Phone:	432-661-6601
Conditions of Approval: Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:			Attached <input type="checkbox"/>

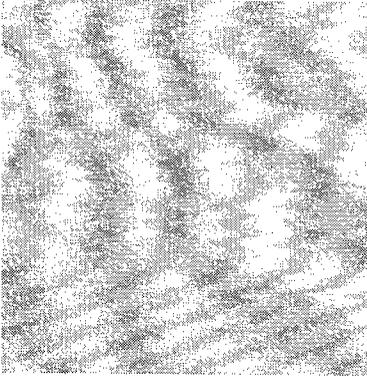
* Attach Additional Sheets If Necessary

August 26, 2013

2RP-1748

Bratcher, Mike, EMNRD

From: Robert Grubbs <RGrubbs@concho.com>
Sent: Wednesday, July 24, 2013 11:28 AM
To: Bratcher, Mike, EMNRD
Cc: Robert McNeill; Tavarez, Ike; Kujawski, Marcus (Marcus.Kujawski@tetrattech.com)
Subject: C-141 Initial Report - Lakewood AQE State SWD #001 (SWD)
Attachments: Lakewood AQE State SWD #001 (SWD) -- Date Of Release --07-22-2013.pdf



Mr. Bratcher,

Please see attached the C-141 Initial Report for a release that occurred on 07-22-2013 at our Lakewood AQE State SWD #001 (SWD) in Eddy County New Mexico. We plan to assess the spill area timely.

Thank you,

Robert Grubbs Jr.
Sr. Environmental Coordinator
432.683.7443 (main)
432.818.2369 (direct)
432.661.6601 (ccll)
rgrubbs@concho.com
Mailing Address:
One Concho Center
600 W. Illinois Avenue
Midland, Texas 79701



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Bratcher, Mike, EMNRD

From: Michelle Mullins <MMullins@concho.com>
Sent: Monday, July 22, 2013 5:39 PM
To: Bratcher, Mike, EMNRD
Cc: Robert Grubbs
Subject: Lakewood AQE State #1 SWD-Immediate Notification

Mr. Bratcher:

At approximately 7:00 a.m. on 7/22/2013, a produced fluid release was discovered at the above-referenced location. An estimated 500 barrels of produced fluid was released. The cause of the release is currently under investigation. We will follow up within 15 days with a C-141 Report. GPS coordinates, legal description and driving directions are listed below.

32.63342 104.42331

Lakewood AQE State SWD #1
Sec 30 T19S R26E
1980' FNL & 1980' FWL
Eddy County, NM
API 30-015-22233

From 285, travel south to Rock Daisy Road. Turn west. Travel to first road to the north. Location is on the right.

Michelle Mullins

HSE Field Tech

2407 Pecos Avenue

P.O. Box 1630

Artesia, NM 88211-1630

Phone: (575)746-2010

Cell: (432) 934-1052

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