

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

OPERATOR

Initial Report Final Report

Name of Company	COG Operating LLC	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Big George State Tank Battery	Facility Type	Tank Battery
Surface Owner	State	Mineral Owner	
			Lease No. (API#) 30-015-28759

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	12	17S	28E					Eddy County, NM

Latitude N 32 50.869 Longitude W 104 07.595

NATURE OF RELEASE

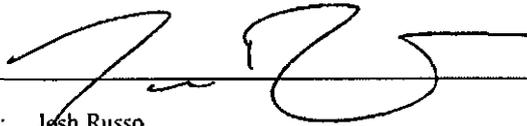
Type of Release	Produced water	Volume of Release	50 bbls	Volume Recovered	45 bbls
Source of Release	Water tank	Date and Hour of Occurrence	07/27/2011	Date and Hour of Discovery	07:27/2011 @ 10:00 a.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher-OCD			
By Whom?	Josh Russo	Date and Hour	07/28/2011 @ 9:35 a.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.*
A sudden rush of production caused a tank overflow due to an alarm system failure. The alarm has been repaired. Free-standing fluids were recovered via vacuum truck.

Describe Area Affected and Cleanup Action Taken.*
Initially 50 bbls of water were released from the tank inside the facility walls of the Big George State Tank Battery. We were able to recover 45 bbls with a vacuum truck. The spill area measured approximately 30' x 30' inside the facility walls. All free fluid was picked up and the impacted soil has been removed and disposed at a NMOCD-approved facility. Remediation was completed in accordance with a NMOCD approved remediation plan. A clay liner was installed and the site was backfilled.

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	Approved by District Supervisor:	<i>Accepted For Record</i> <i>HMP 7/16/12</i>
Title:	HSE Coordinator	Approval Date:	Expiration Date:
E-mail Address:	jrusso@conchoresources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date:	07-26-2012	Phone:	432-212-2399

* Attach Additional Sheets If Necessary

2 RP-854

Due to equipment Defect final clean up until site abandonment