

RECEIVED

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

JUN 25 2010

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS, NM

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	PRONGHORN SWD SYSTEM	Facility Type	SWD - LINE (dresser sleeve rubber)
Surface Owner	Federal	Mineral Owner	
		Lease No.	API# 30-025-32735

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	23	18S	32E					Lea

Latitude 32 43.833 Longitude 103 43.965

WTR 150'

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	15bbls	Volume Recovered	10bbls
Source of Release	Dresser Sleeve	Date and Hour of Occurrence	06/18/2010	Date and Hour of Discovery	06/18/2010 11:00 a.m
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson—OCD Geoffrey Leking—OCD Paul Evans—BLM			
By Whom?	Josh Russo	Date and Hour	06/19/2010 1:47 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.*

The dresser sleeve rubber failed inside the valve box. This has been replaced and put back into service.

Describe Area Affected and Cleanup Action Taken.*

A valve dresser sleeve rubber failed and caused a 5bbls release in the valve box north of the lease road. No fluid could be recovered and the dimensions of the spill area are 20' x 30' on COG's ROW north of the valve box. Also, there was a small stream of fluid measuring 25' x 1' that went down the gutter of the lease road to the west. While making emergency repairs, we drained the line recovering 10bbls of produced water from the valve box. The chloride concentration in this area is 135,500 mg/l. (The closest well location to this release is the Mewbourne Oil Company, QPBSSU 3-7, NM OCD Order #R-9985, (init 1) 2310 FSL 990 FEL, Sec. 23-T-18S-R32E, Lea county, NM, NMNM88523X). Tetra Tech will sample the spill site area to delineate any possible contamination and we will present a remediation work plan to the BLM/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	Approved by District	
Title:	HSE Coordinator	Approval Date:	6.23.10
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	8.23.10
Date:	06/22/2010	Phone:	432-212-2399
		Conditions of Approval:	Attached <input type="checkbox"/>
		SUBMIT FINAL C-141 w/ Docs BY IRP# 6.10.2569	

* Attach Additional Sheets If Necessary

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