District 1 1625 N. French Dr., Hobbs, NM 88240 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410

State of New Mexico Energy Minerals and Natural Resources SEP 2 0 2010

RECEIVED

Form C-141 Revised October 10, 2003

NMOCD ARTESIA Copies to appropriate

Oil Conservation Division Santa Fe, NM 87505

office in accordance with Rule 116 on back 1220 South St. Francis Dr. 1220 S. St. Francis Dr., Santa Fe, NM 87505 side of form 10-015-35777 **Release Notification and Corrective Action**

nMLB1030938472 **OPERATOR** M Initial Report Final Report COG OPERATING LLC 229/37 Pat Ellis Name of Company Contact 550 W. Texas, Suite 100, Midland, TX 79701 Address Telephone No. 432-230-0077 Facility Name GJ West Coop Unit South Water Distribution Site Facility Type Injection line Mineral Owner Surface Owner State Lease No. QJ West Coop U+ #170 LOCATION OF RELEASE Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line County 29E Eddy R 28 178 Latitude 32 48.655 Longitude 104 04.555 NATURE OF RELEASE Type of Release Produced water Volume of Release 100bbls Volume Recovered 50bbls Source of Release Nipple off of injection line 90 Date and Hour of Occurrence Date and Hour of Discovery 09/17/2010 2:00 p.m. 09/17/2010 Was Immediate Notice Given? If YES, To Whom? Mike Bratcher-OCD By Whom? Josh Russo Date and Hour 09/17/2010 5:57 p.m. Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ⊠ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* A nipple came loose off of the 90 on the injection line. All old fittings were replaced with new fittings. Describe Area Affected and Cleanup Action Taken.* Initially 100bbls of produced water was released due to the faulty fitting at the 90 on the injection line. We were able to recover 50bbls with a vacuum truck. The spill area has the dimensions of 10' x 600' in the pasture. (The closest well location to the release is the GJ West Coop Unit #170, Unit B, Sec.28-T178-R29E, 565' FNL 1330' FEL, Eddy Co., NM, API# 30-015-35777). 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. OIL CONSERVATION DIVISION Signature: Approved by Di Signed Byis Mily Printed Name: Josh Russo NOV 0 5 2010 Title: HSE Coordinator Approval Date: **Expiration Date:** Conditions of Approval-E-mail Address: jrusso@conchoresources.com Attached

* Attach Additional Sheets If Necessary

432-212-2399

Date: 09/20/2010

REMEDIATION per OCD Rules and Guidelines. SUBMIT REMEDIATION PROPOSAL BY: 12/6/2010

2RP-462

Bratcher, Mike, EMNRD

From:

Joshua Russo [jrusso@conchoresources.com]

Sent:

Monday, September 20, 2010 12:52 PM

To:

Bratcher, Mike, EMNRD

Cc: Subject: Pat Ellis; Tavarez, Ike; Dorey, Kim

Subject.

C-141 Initial Report - GJ Wesrt Coop Unit South Water Distribution Site

Attachments:

GJ WEST COOP UNIT SOUTH WATER DISTRIBUTION SITE -- DATE OF RELEASE --

09-17-2010.PDF

Mr. Bratcher,

Please see attached the C-141 Initial Report for the GJ West Coop Unit South Water Distribution Site.

Thank you,

Joshua Russo

HSE Coordinator 550 W. Texas Ave, Suite 100 Midland, Texas 79701 Phone: (432) 683-7443

Cell: (432) 212-2399

irusso@conchoresources.com

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Bratcher, Mike, EMNRD

From:

Joshua Russo [jrusso@conchoresources.com]

Sent:

Friday, September 17, 2010 4:57 PM

To:

Bratcher, Mike, EMNRD

Cc:

Pat Ellis; 'ike.tavarez@tetratech.com'

Subject:

GJ injection site spill immediate notification

Mr. Bratcher,

Please see below the detailed description of a release that occurred earlier today at 2:00 p.m. We will follow up with a C-141 Initial Report.

Thank you,

From: Rick Wright

To: Pat Ellis; Joshua Russo

Cc: Ron Beasley; Kent Greenway; Gail Lamb

Sent: Fri Sep 17 17:00:47 2010 Subject: GJ injection site spill

On 9-17-10 at 2:00 am, a nipple came loose on an injection line near the GJ West COOP Unit #170. Approximately 100 bbls of produced water was released into the pasture and we recovered 50 of those bbls. The spill area is 10' X 600'. The nipple and surrounding hardware was replaced and the line returned to service. GPS coordinate, closest well description, and driving directions below.

N 32* 48.655 W 104* 04.555 GJ West COOP Unit #170 Unit "B" Sec.28-T17S-R29E 565' FNL & 1330' FEL Eddy County, NM East of Artesia to CR212, T/S .45mi to location on west.

Thanks,

Rick Wright **Production Foreman** COG Operating, LLC 2407 Pecos Ave. Artesia, NM 88210 575.746.2010 office 432.528.5363 cell 575.746.2096 fax

rwright@conchoresources.com

⇒ CONCHO

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