

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

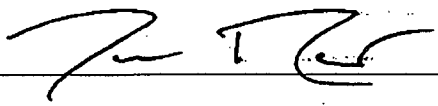
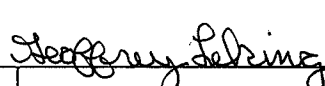
|                 |  |               |                                   |
|-----------------|--|---------------|-----------------------------------|
| Name of Company | COG OPERATING LLC                          | Contact       | Pat Ellis                         |
| Address         | 550 W. Texas, Suite 100, Midland, TX 79701 | Telephone No. | 432-230-0077                      |
| Facility Name   | GC #27 FEDERAL TANK BATTERY                | Facility Type | Tank Battery                      |
| Surface Owner   | Federal                                    | Mineral Owner |                                   |
|                 |  | Lease No.     | NM-029405B<br>(API#) 30-025-39264 |

**LOCATION OF RELEASE**

|             |         |          |       |               |                  |               |                |        |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| N           | 20      | 17S      | 32E   |               |                  |               |                | Lea    |

Latitude 32.81569 Longitude 103.78975

**NATURE OF RELEASE**

|  |   |  |            |                                   |            |
|--|---|--|------------|-----------------------------------|------------|
| Type of Release  | Produced water  | Volume of Release  | 21 bbls    | Volume Recovered                  | 20 bbls    |
| Source of Release  | Water tank  | Date and Hour of Occurrence  | 02/26/2010 | Date and Hour of Discovery        | 02/26/2010 |
| Was Immediate Notice Given?  | <input type="checkbox"/> Yes <input 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.*  |   |  |            |                                   |            |
| The pump could not propel fluid at a sufficient rate, due to line pressure. Water trucks were called but did not arrive fast enough to prevent the tank from running over.   |   |  |            |                                   |            |
| Describe Area Affected and Cleanup Action Taken.*  |   |  |            |                                   |            |
| The release was completely contained inside the dike wall that is lined with 40 mil plastic. 21 bbls of produced water was initially released and a vacuum truck was able to recover 20 bbls. The saturated gravel has been removed and hauled to the appropriate disposal facility. Clean gravel has been replaced as necessary. The facility has been returned to its prior condition.   |   |  |            |                                   |            |
| 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:    |   | <b>OIL CONSERVATION DIVISION</b>   |            |                                   |            |
| Printed Name: Josh Russo   |   | Approved by: <br>ENV. ENGINEER: District Supervisor |            |                                   |            |
| Title: HSE Coordinator   |   | Approval Date: 12/15/10  |            | Expiration Date: _____            |            |
| E-mail Address: jrusso@conchoresources.com   |   | Conditions of Approval:  |            | Attached <input type="checkbox"/> |            |
| Date: 12/15/2010 Phone: 432-212-2399   |   |  |            | IRP-12-10-2670                    |            |

\* Attach Additional Sheets If Necessary