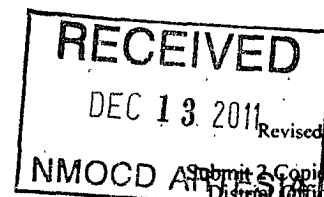


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Release Notification and Corrective Action

AMLB1135350565 OPERATOR ☒ Initial Report ☐ Final Report

Name of Company	COG OPERATING LLC 229137	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	BKU Central Tank Battery	Facility Type	Tank Battery

Surface Owner	Federal	Mineral Owner		Lease No.	30-015-29809
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BKU #221 LOCATION OF RELEASE 30-015-27764

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	25 24	17S	29E					Eddy

Latitude 32 49.161 Longitude 104 01.546

NATURE OF RELEASE

Type of Release Oil	Volume of Release 120bbls	Volume Recovered 115bbls
Source of Release Oil tank	Date and Hour of Occurrence 12/03/2011	Date and Hour of Discovery 12/03/2011 6:00 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 Jim Amos-BLM Terry Gregston-BLM	
By Whom? Josh Russo	Date and Hour 12/05/2011 8:48 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 hole developed in an oil tank at the facility causing the release. The tank was isolated and has been prepared for repairs.

Describe Area Affected and Cleanup Action Taken.*

Initially 120bbls of crude oil were released from the oil tank with the hole in it. We were able to recover 115bbls with a vacuum truck. The entire release was completely contained inside the facility walls of the tank battery. All free fluid has been recovered and the contaminated soil will be scraped and hauled to a disposal. 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/BLM 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	
Title: HSE Coordinator	Approval Date: DEC 19 2011	Expiration Date:
E-mail Address: jrusso@conchoresources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12/12/2011 Phone: 432-212-2399	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 1/19/2012	

* Attach Additional Sheets If Necessary

2RP-977