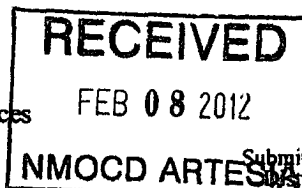


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

NMLB1204731721

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	Fir Federal Tank Battery	Facility Type	Tank Battery

Surface Owner	Federal	Mineral Owner		Lease No. (API#)	30-015-32069
---------------	---------	---------------	--	------------------	--------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	25	17S	27E					Eddy

Latitude 32 48.160 Longitude 104 14.276

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	20bbls	Volume Recovered	0bbls
Source of Release	Water tank	Date and Hour of Occurrence	01/30/2012	Date and Hour of Discovery	01/30/2012 8:00 a.m.
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required				
By Whom?	If YES, To Whom?				
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.*

Water haulers did not keep up with their hauling schedule causing this water tank to run over. We have cut back on the trucking companies responsibilities for Concho to ensure they are not overloaded and won't miss any facilities.

Describe Area Affected and Cleanup Action Taken.*

Initially 20bbls of produced water was released from the water tank and we were unable to recover any fluid from the release. The majority of the release was contained inside the berm walls with a small portion seeping through the berm. Tetra Tech will sample the spill site area to delineate any possible contamination from the release and we will present a 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			Signed By Approved by District Supervisor:	
Title:	HSE Coordinator			Approval Date:	FEB 16 2012
E-mail Address:	jrusso@conchoresources.com			Expiration Date:	
Date:	02/08/2012	Phone:	432-212-2399	Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:

3/16/2012

2RP-1025