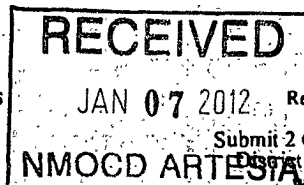


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

nmlb/203329834

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company:	COG OPERATING LLC <i>229/37</i>	Contact:	Pat Ellis
Address:	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No:	432-230-0077
Facility Name:	Crypt 30 State 1	Facility Type:	Tank Battery

Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-37973
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
3	30	19S	26E					Eddy

Latitude 32 37.836 Longitude 104 25.716

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	20bbls	Volume Recovered	19bbls
Source of Release	Ball valve on filter pot	Date and Hour of Occurrence	12/23/2011	Date and Hour of Discovery	12/23/2011 7:00 a.m.
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" 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.*

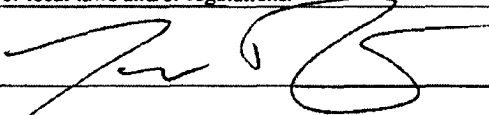
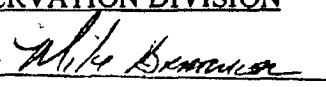
Describe Cause of Problem and Remedial Action Taken.*

A faulty ball valve at the filter pot caused the release of fluid. The faulty ball valve has been replaced.

Describe Area Affected and Cleanup Action Taken.*

Initially 20bbls were released and we were able to recover 19bbls with a vacuum truck. This facility is lined with a 40mil plastic liner. All standing fluid has been removed and clean gravel has been added as necessary. The tank battery 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:				OIL CONSERVATION DIVISION	
Printed Name:	Josh Russo			Signed By  Approved by District Supervisor:	
Title:	HSE Coordinator			Approval Date:	FEB 02 2012
E-mail Address:	jrusso@conchoresources.com			Expiration Date:	
Date:	01/05/2012	Phone:	432-212-2399	Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

2RP-993