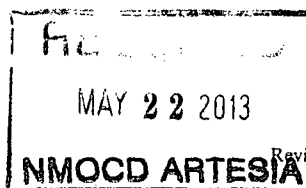


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 229137** Contact **Pat Ellis**
Address **600 West Illinois Avenue, Midland, TX 79701** Telephone No. **432-230-0077**
Facility Name **SKELLY UNIT #989** Facility Type **TANK BATTERY**

Surface Owner **FEDERAL** Mineral Owner Lease No. (API#) **30-015-36498**

LOCATION OF RELEASE

| | | | | | | | | |
|-------------------------|----------------------|------------------------|---------------------|--------------------------|-----------------------------|--------------------------|---------------------------|-----------------------|
| Unit Letter F | Section 23 | Township 17S | Range 31E | Feet from the | North/South Line | Feet from the | East/West Line | County EDDY |
|-------------------------|----------------------|------------------------|---------------------|--------------------------|-----------------------------|--------------------------|---------------------------|-----------------------|

Latitude **32.82191**

Longitude **104.84353**

NATURE OF RELEASE

| | | |
|---|---|--|
| Type of Release Oil and produced water | Volume of Release 14bbls Oil 1bbl Produced water | Volume Recovered 13bbls Oil 1bbl Produced water |
| Source of Release 1" leaking valve | Date and Hour of Occurrence 05-09-2013 | Date and Hour of Discovery 05-09-2013 2:00am |
| 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 1" valve was leaking by filling up containment and running over into lined dike. Replaced valve to prevent reoccurrence.

Describe Area Affected and Cleanup Action Taken.*

Initially 14bbls of produced fluids were released due to a leaking valve. We were able to recover 14bbls of produced fluids with a vacuum truck. The spill was completely contained inside the lined facility walls. All free fluid has been recovered. Any contaminated gravel has been removed, the liner has been steam cleaned, and we have replaced with fresh gravel as necessary. This 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.

OIL CONSERVATION DIVISION

Signature: *Robert Grubbs Jr.*
Printed Name: **Robert Grubbs Jr.**

Approved by District Supervisor:

Signed By *Mike Deaton*

Title: **Senior Environmental Coordinator**

Approval Date: **MAY 29 2013**

Expiration Date:

E-mail Address: **rgrubbs@concho.com**

Conditions of Approval:

Attached ☐

Date: **05-17-2013** Phone: **432-661-6601**

* Attach Additional Sheets If Necessary

2RF-1665