District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1700 Rio Britzos Road, Aztec, NM 87410 trict IV 120 S. St. Francis Dr., Santa Fe, NM 87505

## State of New Mexico Energy Minerals and Natural Resources

Form C-141 Revised August 8, 2011

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe. NM 87505 Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  |                                  | Rel         | ease Notifi                           | catio                                      | on and Co                                                            | orrective A                 | ctio                                          | n             |                            |                     |             |  |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------|-------------|---------------------------------------|--------------------------------------------|----------------------------------------------------------------------|-----------------------------|-----------------------------------------------|---------------|----------------------------|---------------------|-------------|--|--|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  |                                  |             |                                       |                                            | OPERATOR   Initial Re                                                |                             |                                               |               |                            | $\boxtimes$         | Final Repor |  |  |
| Name of Company COG OPERATING LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                  |                                  |             |                                       |                                            | Contact                                                              | Robert Mo                   | Neill                                         |               |                            |                     |             |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  |                                  |             |                                       |                                            |                                                                      | No. 432-230-                |                                               | ······        |                            |                     |             |  |  |
| Facility Name Skelly Unit #975                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                  |                                  |             |                                       |                                            | Facility Typ                                                         |                             | · · · · · · · · · · · · · · · · · · ·         |               |                            |                     |             |  |  |
| Surface Owner Federal Mineral Owner                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                  |                                  |             |                                       |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  |                                  |             |                                       |                                            |                                                                      | · ·                         |                                               |               |                            | PI No. 30-015-36356 |             |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | -p                                               |                                  | <del></del> |                                       |                                            | N OF REI                                                             |                             | ·                                             |               |                            |                     |             |  |  |
| Unit Letter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | etter Section Township Range Feet from the North |                                  |             |                                       | VSouth Line Feet from the East/            |                                                                      |                             | West Line   County                            |               |                            |                     |             |  |  |
| В                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 23                                               | 175                              | 31E         |                                       |                                            | •                                                                    |                             | 1                                             |               | Eddy                       |                     |             |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  | ·                                |             | atituda N. 27 G                       | da 31/ 102 9202                            | 100                                                                  |                             | ( <u>************************************</u> |               |                            |                     |             |  |  |
| Latitude <u>N 32.82599°</u> Longitude <u>W 103.83930°</u> NATURE OF RELEASE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                  |                                  |             |                                       |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |
| Type of Rela                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | acc Oil ar                                       | d Penduced u                     | enter       | 1177.                                 |                                            | Volume of Release   5 bbls oil   Volume Recovered   4 bbls oil and 2 |                             |                                               |               |                            |                     |             |  |  |
| Type of Release Oil and Produced water                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                  |                                  |             |                                       |                                            |                                                                      | 1                           |                                               |               |                            | produced water      |             |  |  |
| Source of Release Chemical injection line on well                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                  |                                  |             |                                       |                                            |                                                                      | Date and Hour of Occurrence |                                               |               | Date and Hour of Discovery |                     |             |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  |                                  |             |                                       |                                            |                                                                      | 10/21/2013                  |                                               |               | 10/21/2013 @ 3:40 pm       |                     |             |  |  |
| Was Immediate Notice Given? If YES, To Whom?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                  |                                  |             |                                       |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  |                                  | Yes 🗵       | 🛮 No 🔯 Not R                          | equire                                     | 3                                                                    |                             |                                               |               |                            |                     |             |  |  |
| By Whom?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                  |                                  |             |                                       |                                            | Date and Hour                                                        |                             |                                               |               |                            |                     |             |  |  |
| Was a Watercourse Reached?  ☐ Yes ⊠ No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                  |                                  |             |                                       |                                            | If YES, Volume Impacting the Watercourse.                            |                             |                                               |               |                            |                     |             |  |  |
| and the same of th | •                                                |                                  |             |                                       |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |
| r'a Waterro                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | urse was Im                                      | nacted Descr                     | he Fully    |                                       |                                            |                                                                      |                             | ******                                        |               |                            |                     |             |  |  |
| nt'a Watercourse was Impacted, Describe Fully.*  NM OIL CONSERVATION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                  |                                  |             |                                       |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  |                                  |             |                                       |                                            |                                                                      |                             |                                               | ARTES         | IA DISTR                   | ICT                 |             |  |  |
| All and                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                  |                                  |             |                                       |                                            |                                                                      | JUN <b>0 6</b> 2014         |                                               |               |                            |                     |             |  |  |
| Describe Cau                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | se of Proble                                     | m and Reme                       | lial Action | n Taken,*                             |                                            |                                                                      |                             |                                               |               | <b>U 6</b> - ZU            | 14                  |             |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  |                                  |             |                                       |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |
| A stainless steel 90 on the chemical injection line broke. Replaced the stai                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                  |                                  |             |                                       |                                            | tainless steel 90                                                    | nless steel 90. RECEIVED    |                                               |               |                            |                     |             |  |  |
| Describe Are                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | a Affected a                                     | ind Cleanup A                    | action Tak  | en.*                                  |                                            |                                                                      |                             | ,                                             |               |                            |                     |             |  |  |
| I to initially and an                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                  | L1 C - :1 4                      | e LL1e.     |                                       |                                            |                                                                      |                             | 11/                                           |               | 4 1.3.1.                   | - *1                | 1251        |  |  |
| initially an es                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | itimated 5 o                                     | ots of oil and                   | Dois or p   | produced water w                      | ere rei                                    | enseu from a sig                                                     | imiess steel 90.            | we wer                                        | e able to res | over 4 bbis                | oil and             | i 2 obis or |  |  |
| produced water with a vacuum truck. The spill was located on the well pad. Remediation was completed in accordance with a remediation plan approved verbally by Mike Bratcher of NMOCD and approved by Mike Burton of the BLM via email on 02/26/2014.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                  |                                  |             |                                       |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                  |                                  | mira appr   |                                       |                                            |                                                                      |                             | • • •                                         |               |                            |                     |             |  |  |
| I hereby certi                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | fy that the i                                    | nformation gi                    | ven above   | is true and comp                      | icte to                                    | the best of my                                                       | knowledge and u             | ndersta                                       | nd that purs  | uant to NM                 | OCD n               | iles and    |  |  |
| regulations al                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | operators:                                       | ere required to                  | report an   | id/or file certain r                  | elease                                     | notifications an                                                     | d perform correc            | tive act                                      | ions for rela | ases which                 | may er              | dunger      |  |  |
| public health                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | or the envir                                     | onment. The                      | acceptanc   | e of a C-141 repo                     | ort by th                                  | te NMOCD ma                                                          | rked as "Final R            | eport" d                                      | loes not reli | eve the oper               | rator of            | liability   |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  |                                  |             | investigate and re                    |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                  |                                  |             |                                       |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |
| Teacture States                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | ar rood, rate                                    | is bride or toga                 | 11110113.   |                                       |                                            |                                                                      | OIL CONS                    | SEDV                                          | MOITA         | DIVISIO                    | )N!                 |             |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                  | _                                |             | ,                                     | ļ                                          |                                                                      | OIL COIN                    | DUIX V                                        | ATION         | DIVIDIO                    |                     |             |  |  |
| Signature:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                  |                                  |             |                                       |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |
| Printed Name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | : Robert                                         | Grubbs Jr.                       | . /         | /                                     | Approved by I                              | Environmental S                                                      | pecialis                    | " Hr                                          | 4/            | سرآ                        | _                   |             |  |  |
| Title: Senio                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | or Environm                                      | ental Coordir                    | ator        |                                       | Approval Date: 8/12/14 Expiration Date: NA |                                                                      |                             |                                               |               |                            |                     |             |  |  |
| mail Addre                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                  | s@concho.co                      |             | · · · · · · · · · · · · · · · · · · · |                                            |                                                                      | -/-/-                       |                                               |               |                            |                     |             |  |  |
| J-man Adore                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 33. IKIUU                                        | Conditions of Approval: Attached |             |                                       |                                            |                                                                      |                             |                                               |               |                            |                     |             |  |  |

Phone: (432) 661-6601