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

Name of Company

Surface Owner: State

Section

32

Attach Additional Sheets If Necessary

Township

17S

30E

Phone: (432) 682-4559

Unit Letter

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State of New Mexico Energy Minerals and Natural Resource RECEIVED

Form C-141 Revised October 10, 2003

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NOV 0 1 2012 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

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NMOCD ARTESIA **Release Notification and Corrective Action OPERATOR** Initial Report Final Report COG Operating LLC Contact Pat Ellis 550 W. Texas, Suite 1300 Midland, Texas 79701 (432) 230-0077 Telephone No. Facility Name 6" transition on water line (Sand Tank 32 State Com #2) Facility Type Water Line Lease No. (API#) 30-015-29513 Mineral Owner Closest well location LOCATION OF RELEASE Range Feet from the North/South Line Feet from the East/West Line County

Latitude N 32.78840° Longitude W 103.99165°

NATURE OF RELEASE Type of Release: Produced Water Volume of Release 100 bbls Volume Recovered 75 bbls Source of Release: Transition in 6" poly line Date and Hour of Occurrence Date and Hour of Discovery 05/16/2012 05/16/2012 7:00 a.m. Was Immediate Notice Given? If YES, To Whom? Mike Bratcher - OCD By Whom? Michelle Mullins Date and Hour 05/16/2012 8:17 p.m. Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No N/A If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* A ruptured transition in the 6" water transfer line caused the release. We have replaced the transition and returned the line into service. Describe Area Affected and Cleanup Action Taken.* Tetra Tech personnel inspected the site and collected samples to define the spills extent. Soil that exceeded RRAL was removed and hauled away to R360 for proper disposal. The site was then brought up to surface grade with clean backfill material. Tetra Tech prepared a closure report and submitted it to NMOCD for review. I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. **OIL CONSERVATION DIVISION** Signature: Approved by District Supervisor: Printed Name: Ike Tavarez Title: Project Manager Approval Date: 11 Expiration Date: E-mail Address: Ike.Tavarez@TetraTech.com Conditions of Approval: