

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

State of New Mexico
Energy Minerals and Natural Resources

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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

AUG 04 2016

Submit Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB1421834053

| Name of Company: | | OPERATOR | | <input checked="" type="checkbox"/> Initial Report | <input type="checkbox"/> Final Report |
|---|-------|----------------|----------------|--|---------------------------------------|
| COG Operating LLC | | Contact: | Robert McNeill | | |
| Address: 600 West Illinois Avenue, Midland TX 79701 | | Telephone No. | 432-683-7443 | | |
| Facility Name: CLUSTER STATE COM #001H | | Facility Type: | Flowline | | |
| Surface Owner: | State | Mineral Owner: | API No. | 30-015-37547 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| D | 16 | 26S | 27E | 380' | North | 330' | West | Eddy |

Latitude 32.0486679 Longitude 104.2026672

NATURE OF RELEASE

| | | | | | |
|--|--|---|--------------------------|-----------------------------|-------------------------|
| Type of Release: | Produced Water | Volume of Release: | 10bbls of Produced Water | Volume Recovered: | 0bbls of Produced Water |
| Source of Release: | Flowline | Date and Hour of Occurrence: | 08/03/2016 10:30 am | Date and Hour of Discovery: | 08/03/2016 10:30 am |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | | | | |
| By Whom? | If YES, To Whom? | | | | |
| Was a Watercourse Reached? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| If YES, Volume Impacting the Watercourse. | | | | | |
| If a Watercourse was Impacted, Describe Fully.* | | | | | |
| Describe Cause of Problem and Remedial Action Taken.* | | | | | |
| A polyline was damaged by a vehicle or road equipment. Replaced damaged section of line. | | | | | |
| Describe Area Affected and Cleanup Action Taken.* | | | | | |
| This release occurred on a 4" polyline on the side of the road. A spill area of 200'X1'. Concho will have the spill site sampled to delineate any possible contamination from the release and we will present a remediation work plan to the NMOCD for approval prior to any significant remediation work. | | | | | |
| I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. | | | | | |
| Signature: | OIL CONSERVATION DIVISION | | | | |
| Printed Name: | Robert Grubbs Jr. | Approved by Environmental Specialist: | | | |
| Title: | Senior Environmental Coordinator | Approval Date: | 8/5/16 | Expiration Date: | N/A |
| E-mail Address: | rgrubbs@concho.com | Conditions of Approval: | | | |
| Date: | August 4, 2016 | Remediation per O.C.D. Rules & Guidelines | | | |
| Phone: | 432-683-7443 | Attached <input type="checkbox"/> | | | |

* Attach Additional Sheets If Necessary

SUBMIT REMEDIATION PROPOSAL NO
LATER THAN: 9/8/16 2RP-3820