

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

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

AUG 31 2010

NMOCD ARTESIA

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

NMLB 1031450923

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	COG OPERATING LLC 229137	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Red Lake Sand Unit #45	Facility Type	Steel flowline
Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-33198

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	20	17S	28E					Eddy

Latitude 32 48.688 Longitude 104 11.678

NATURE OF RELEASE

Type of Release	Produced fluid	Volume of Release	10bbls	Volume Recovered	0bbls
Source of Release	Steel flowline	Date and Hour of Occurrence	08/29/2010	Date and Hour of Discovery	08/29/2010 11:30 a.m.
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?		Date and Hour			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

If a Watercourse was Impacted, Describe Fully.*

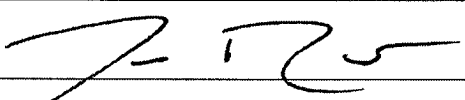
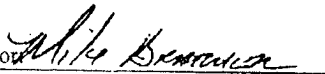
Describe Cause of Problem and Remedial Action Taken.*

A hole developed in the Red Lake Sand Unit #45 steel flowline due to corrosion. The steel flowline has been repaired and we are in the process of replacing all steel flowlines to poly flowlines.

Describe Area Affected and Cleanup Action Taken.*

Initially 10bbls of produced fluid was released from the flowline and we were unable to recover any fluid with a vacuum truck. The dimensions of the spill area are 20' x 120' in the pasture directly adjacent to the ruptured flowline. (The closest well location to the release is the Red Lake Sand Unit #43, 330' FSL 1650' FNL, Unit O. Sec. 20-T17S-R28E, Eddy Co., NM, B-8435, API# 30-015-33196). Tetra Tech will sample the spill site area to delineate any possible contamination from the release and we will present a remediation work plan to the NMOCD 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:	Josh Russo	Approved by District Supervisor:	
Title:	HSE Coordinator	Approval Date:	NOV 10 2010
E-mail Address:	jrusso@conchoresources.com	Expiration Date:	
Date:	08/31/2010	Phone:	432-212-2399

Conditions of Approval:

REMEDATION per OCD Rules and
Guidelines. SUBMIT REMEDIATION
PROPOSAL BY: 12/10/2010

Attached ☐

* Attach Additional Sheets If Necessary

2RP-476