<u>District I</u> 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 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

RECEIVE

APR 26 2011

Form C-141 Revised October 10, 2003

NMOCD ARTIFAL Apples to appropriate District Office in accordance

with Rule 116 on back side of form

Release Notification and Corrective Action **OPERATOR** Initial Report **Final Report** Name of Company COG OPERATING LLC Contact Pat Ellis 550 W. Texas, Suite 100, Midland, TX 79701 Address 432-230-0077 Telephone No. SRO SWD #103 **Facility Name** SWD Facility Type Lease No. (API#) 30-015-34462 Surface Owner State Mineral Owner LOCATION OF RELEASE Township Fast/West Line Unit Letter Section Range Feet from the North/South Line Feet from the County 17 Eddy M 265 28E Latitude 32 02.232 Longitude 104 06,944 NATURE OF RELEASE Type of Release Produced water Volume Recovered 198bbls Volume of Release 200bbls Source of Release Produced water tank Date and Hour of Occurrence Date and Hour of Discovery 04/18/2011 04/18/2011 5:00 a.m. Was Immediate Notice Given? If YES, To Whom? Mike Bratcher-OCD By Whom? Josh Russo Date and Hour 04/19/2011 3:53 p.m. Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken * The release occurred due to several new wells being flowed back to the SWD causing an increased volume of water. We have curtailed water flowback and have installed automatic valves to shut off water input and maintain appropriate levels. Describe Area Affected and Cleanup Action Taken.* Initially 200bbls of fluid was released from the produced water tank and we were able to recover 198bbls with vacuum trucks. The entire release was completely contained inside the dike walls of the facility. This facility is lined with a 40mil plastic liner. The spill area measured 30' x 105' inside the facility. Contaminated gravel will be removed as necessary. Clean gravel will be added to the facility as needed. The SWD will be returned to its prior condition. I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations. OIL CONSERVATION DIVISION Signature: Approved by District Supervisor Josh Russo Printed Name: Title: **HSE** Coordinator Approval Date: E-mail Address: Conditions of Approval: jrusso@conchoresources.com

432-212-2399

Phone:

* Attach Additional Sheets If Necessary

04/21/2011

Date

2RP-763

Attached