District 1 1625 N. French Dr , Hobbs, NM 88240 District 11. 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV

State of New Mexico Energy Minerals and Natural Resource

Oil Conservation Division

1220 South St. Francis Dr.

Form C-141 ed October 10, 2003

District Office in accordance with Rule 116 on back side of form

1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Release Notification and Corrective Action \$1.74 miles 1.57 NMLB1208339775 **OPERATOR** Final Report COG OPERATING LLC 224/37 Name of Company Pat Ellis Contact. 550 W. Texas, Suite 100, Midland, TX 79701 Address Telephone No. 432-230-0077 Burch Keely Unit 13-A Facility Type **Facility Name** Tank Battery Surface Owner Mineral Owner Federal Lease No. NMLC-028784B LOCATION OF RELEASE BKU# 386 30-015-33797 Township Unit Letter Section Feet from the North/South Line Feet from the East/West Line Range E 17S 29E 13 Eddy Latitude 32 50.180 Longitude 104 01.583 32.8363 104.0264 NATURE OF RELEASE Type of Release Produced water Volume of Release 110bbls Volume Recovered 108bbls Source of Release Water tank Date and Hour of Occurrence Date and Hour of Discovery 02/26/2012 02/26/2012 10:00 a.m. Was Immediate Notice Given? If YES, To Whom? Mike Bratcher-OCD Jim Amos-BLM Terry Gregston-BLM Date and Hour 02/27/2012 2:59 p.m. By Whom? Josh Russo 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.* Water tank ran over due to plugged filter pot. Filters have been replaced. Describe Area Affected and Cleanup Action Taken.* Initially roughly 110bbls were released from the water tank and we were able to recover 108bbls from the lined facility. The entire release was contained inside the lined facility. Contaminated gravel has been removed and we have added clean gravel to the facility as necessary. The facility has been 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. Signature: Printed Name: Josh Russo Title: Expiration Date: N **HSE Coordinator** Conditions of Approval: E-mail Address: jrusso@conchoresources.com Attached

03/08/2012 Attach Additional Sheets If Necessary 432-212-2399

2RP-1062