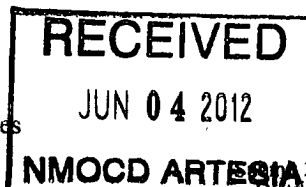


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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



Form C-141
Revised October 10, 2003
Copies to appropriate
Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

nMLB 1216449449

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	Skelly 968 Tank Battery	Facility Type	Tank Battery

Surface Owner	Federal	Mineral Owner		Lease No. (API)# 30-015-35816
				Closest Well

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	15	17S	31E					Eddy

Latitude 32 49.25 . Longitude 103 48.20

NATURE OF RELEASE

Type of Release	Oil	Volume of Release	10bbls	Volume Recovered	9bbls
Source of Release	Oil tank	Date and Hour of Occurrence	05/18/2012	Date and Hour of Discovery	05/18/2012 8:00 a.m.
Was Immediate Notice Given?	If YES, To Whom?				
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required				
By Whom?	Date and Hour				
Was a Watercourse Reached?	If YES, Volume Impacting the Watercourse.				
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				

If a Watercourse was Impacted, Describe Fully.*

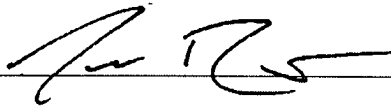
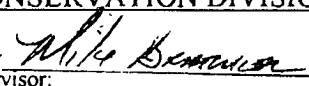
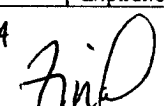
Describe Cause of Problem and Remedial Action Taken *

Equalizer valve was closed causing the oil tank to fill and overflow. The equalizers have been opened.

Describe Area Affected and Cleanup Action Taken.*

Initially 10bbls of oil were released into the lined facility and we were able to recover 9bbls with a vacuum truck. All free fluid has been recovered and contaminated gravel has been removed as necessary. We have added fresh gravel to the facility. This tank battery 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: 	OIL CONSERVATION DIVISION	
Printed Name: Josh Russo	Signed By  Approved by District Supervisor:	
Title: HSE Coordinator	Approval Date: JUN 12 2012	Expiration Date: N/A
E-mail Address: jrusso@conchoresources.com	Conditions of Approval: N/A	Attached <input type="checkbox"/>
Date: 06/01/2012 Phone: 432-212-2399		

* Attach Additional Sheets If Necessary

2RP-1162