

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

MAY 11 2012

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

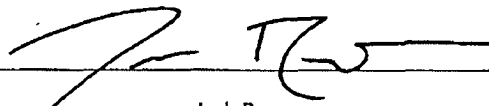
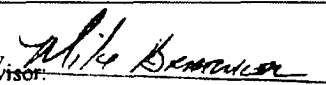
nMLB/215840445		OPERATOR		<input checked="" type="checkbox"/> Initial Report	<input checked="" type="checkbox"/> Final Report
Name of Company	COG OPERATING LLC 229137	Contact	Pat Ellis		
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077		
Facility Name	Skelly 973 Tank Battery	Facility Type	Tank Battery		
Surface Owner	Federal	Mineral Owner	Lease No. (API#) 30-015-36283 Closest well		

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	21	17S	31E					Eddy

Latitude 32.8257 Longitude 103.8739

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	80bbls	Volume Recovered	79bbls
Source of Release	Filter pot	Date and Hour of Occurrence	05/01/2012	Date and Hour of Discovery	05/01/2012 6:30 a.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher-OCD Jim Amos-BLM Terry Gregston-BLM		
By Whom?	Michelle Mullins	Date and Hour	5/1/12 1:48PM	EMAIL	
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 1/2" nipple failed on the top of the filter pot allowing the release of produced water. All fittings have been replaced with stainless steel.					
Describe Area Affected and Cleanup Action Taken.*					
Initially 80bbls were released into the lined facility walls at the Skelly 973 Tank Battery. We were able to recover 79bbls with a vacuum truck. All free fluids from the release have been picked up and the contaminated gravel has been removed from the facility. We added clean gravel to the facility as necessary. The tank battery has been returned to its prior location.					
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 06 2012		Expiration Date: N/A	
E-mail Address: jrusso@conchoresources.com		Conditions of Approval: N/A		Attached <input type="checkbox"/>	
Date: 05/11/2012		Phone: 432-212-2399			

* Attach Additional Sheets If Necessary

2RP-1151