District 1 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

Santa Fe, NM 87505

SEP 27 2012

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Form C-141 Revised October 10, 2003

Oil Conservation Division 1220 South St. Francis Dr.

NMOCD ARTESIA mit 2 Copies to appropriate District Office in accordance with Rule 116 on back

side of form

Release Notification and Corrective Action **OPERATOR** Initial Report Final Report COG OPERATING LLC Contact Pat Ellis 550 W. Texas, Suite 100, Midland, TX 79701 Address Telephone No. 432-230-0077 **Facility Name** GJ West Coop Trunkline Facility Type Trunkline Surface Owner State Mineral Owner Lease No. (API#) 30-015-25492 Wells tied into trunkline 30-015-03163 ◀ LOCATION OF RELEASE Feet from the North/South Line Unit Letter Section Township Range Feet from the East/West Line County 175 28 29Ē Eddy R Latitude 32 48.512 Longitude 104 04.600 NATURE OF RELEASE Type of Release Produced water w/ skim oil Volume Recovered 5bbls Volume of Release 8bbls Source of Release Trunkline Date and Hour of Occurrence Date and Hour of Discovery 09/20/2012 09/20/2012 11:00 a.m. Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☒ No ☒ Not Required By Whom? Date and Hour 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.* Corrosion caused a hole to develop in our GJ West Coop Unit #74 and 125 trunkline. A temporary clamp has been added to this trunkline until we are able to replace it. Describe Area Affected and Cleanup Action Taken.* Initially 8bbls were released from the corroded trunkline and we were able to recover 5bbls with a vacuum truck. A temporary clamp has been added to this trunkline until we are able to replace it. 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 for approval 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. OIL CONSERVATION DIVISION Signature: Signed By Approved by District Supervisor: sh Russo Printed Name: 5 2012 Title: **HSE** Coordinator **Expiration Date**: E-mail Address: jrusso@conchoresources.com Conditions of Approval: Attached 09/27/2012 Date: Phone: 432-212-2399

* Attach Additional Sheets If Necessary

Remediation per OCD Rules & **Guidelines. SUBMIT REMEDIATION** PROPOSAL NOT LATER THAN: