

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

SEP 28 2012

NMOCD ARTESIA

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

nJMW 1229051242

| | | | | | | | |
|-----------------|--|--|--|---------------|--|-------------------------------|--|
| Name of Company | | COG OPERATING LLC 217955 | | Contact | | Pat Ellis | |
| Address | | 550 W. Texas, Suite 100, Midland, TX 79701 | | Telephone No. | | 432-230-0077 | |
| Facility Name | | Patron 23 Fed #1H Tank Battery | | Facility Type | | Tank Battery | |
| Surface Owner | | Federal | | Mineral Owner | | Lease No. (API#) 30-015-36776 | |

OPERATOR

☒ Initial Report

☒ Final Report

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| D | 23 | 25S | 29E | | | | | Eddy |

Latitude 32.12004 Longitude 103.96192

NATURE OF RELEASE

| | | | | | |
|--|--|--|------------|-----------------------------------|-----------------------|
| Type of Release | Produced water | Volume of Release | 20bbbls | Volume Recovered | 19bbbls |
| Source of Release | 3" union on water fill line | Date and Hour of Occurrence | 09/14/2012 | Date and Hour of Discovery | 09/14/2012 12:00 p.m. |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | | | |
| By Whom? | Date and Hour | | | | |
| 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 3" union on the water fill line came loose allowing the release of fluid. The 3" union has been tightened. | | | | | |
| Describe Area Affected and Cleanup Action Taken.* | | | | | |
| Initially 20bbbls were released from the 3" union and we were able to recover 19bbbls with a vacuum truck. The entire release was contained inside the lined walls of the facility. All free fluid has been recovered and contaminated gravel has been removed. Fresh gravel has been added to the facility as necessary. This 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: | | OIL CONSERVATION DIVISION | | | |
| Printed Name: Josh Russo | | Approved by District Supervisor: Signed By <i>Mike Benavides</i> | | | |
| Title: HSE Coordinator | | Approval Date: OCT 16 2012 | | Expiration Date: | |
| E-mail Address: jrusso@conchoresources.com | | Conditions of Approval: | | Attached <input type="checkbox"/> | |
| Date: 09/28/2012 Phone: 432-212-2399 | | | | | |

* Attach Additional Sheets If Necessary

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

Nov. 16, 2012

2RP-1325