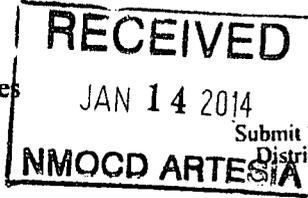


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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  
Submit Copies to appropriate District Office in accordance with Rule 116 on back side of form

**Release Notification and Corrective Action**

*nJMW 1402942895* OPERATOR  Initial Report  Final Report

Name of Company	COG OPERATING LLC <i>229137</i>	Contact	Robert McNeill
Address	600 West Illinois Avenue, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	N G Phillips State #036	Facility Type	Flowline
Surface Owner	State	Mineral Owner	Lease No. (API#) 30-015-24776

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	27	17S	28E					Eddy

Latitude 32 47.965 Longitude 104 09.400

**NATURE OF RELEASE**

Type of Release	Oil and produced water	Volume of Release	2bbls of oil 3bbls of produced water	Volume Recovered	0bbls of oil 0bbls of produced water
Source of Release	Flowline	Date and Hour of Occurrence	01-08-2014	Date and Hour of Discovery	01-08-2014 09:25am
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.*					
Connection on a steel flowline corroded. Replaced the bad joints with new steel line.					
Describe Area Affected and Cleanup Action Taken.*					
Initially 2bbls of oil and 3bbls of produced water were released. We were able to recover 0bbls of oil and 0bbls of produced water. Concho will have the spill site sampled 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:	<i>Robert Grubbs Jr.</i>	Approved by District Supervisor:	
Printed Name:	Robert Grubbs Jr.	Signed By:	<i>Mike Deane</i>
Title:	Senior Environmental Coordinator	Approval Date:	JAN 29 2014
E-mail Address:	rgrubbs@concho.com	Expiration Date:	
Date:	01-14-2014	Phone:	432-661-6601

Conditions of Approval:  
Remediation per OCD Rule & Guidelines. **SUBMIT REMEDIATION PROPOSAL NO LATER THAN: March 1, 2014**

Attached

*2RP-2170*

\* Attach Additional Sheets If Necessary