

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 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

| | |
|--|--|
| Name of Company COG Operating LLC | Contact Pat Ellis |
| Address 550 W. Texas, Suite 1300 Midland, Texas 79701 | Telephone No. (432) 230-0077 |
| Facility Name Jenkins B Federal #12 | Facility Type Well |
| Surface Owner: Federal | Mineral Owner |
| | Lease No. NMLC-054988-B (API#) 30-015-31559 |

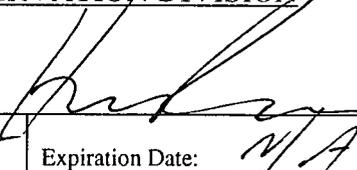
LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| F | 20 | 17S | 30E | 2310' | North | 2310' | West | Eddy |

Latitude N 32.853001° Longitude W 103.959150°

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release: Oil | Volume of Release: 160 bbls 35 | Volume Recovered: 145 bbls 20 |
| Source of Release: Equalizer | Date and Hour of Occurrence: 3/13/10 8/1/10 | Date and Hour of Discovery: 3/13/2010 8/1/10 |
| 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 | |
| By Whom? Josh Russo | Date and Hour 08-02-2010 1:36 p.m. | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. N/A | |
| If a Watercourse was Impacted, Describe Fully.* N/A | | |
| Describe Cause of Problem and Remedial Action Taken.* A 1/2" nipple on the wellhead failed causing the release. Replaced all fittings with stainless steel. | | |
| Describe Area Affected and Cleanup Action Taken.* Tetra Tech inspected site and collected samples to define spills extent. Soil that elevated chloride concentrations was removed and hauled away for proper disposal. Site was then brought up to surface grade with clean backfill material. Tetra Tech prepared closure report and submitted to NMOCD for review. | | |
| 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: Ike Tavarez (Agent for COG) | Approved by District Supervisor:  | |
| Title: Project Manager | Approval Date: 3/13/10 | Expiration Date: N/A |
| E-mail Address: Ike.Tavarez@TetraTech.com | Conditions of Approval: Final | Attached <input type="checkbox"/> |
| Date: 5/24/11 Phone: (432) 682-4559 | | |

* Attach Additional Sheets If Necessary

282-508