District I 1625 N. French Dr., Hobbs, NM 88240 District II BII S. First St., Artesia, NM 88210 District III 1000 Rio Brazes Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

NM OIL CONSERVATION

ARTESIA DISTRICT

JUN 07 2016 Form C-141 Revised August 8, 2014

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Submited Conversion appropriate District Office in Recordinates with 19.15.29 NMAC.

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

State of New Mexico

Energy Minerals and Natural Resources

| Release | Notifi | cation | and | Corre | ctive . | Action | |
|---------|--------|--------|------|-------|---------|--------|---|
| | _ | . (| OPEI | RATOR | | ſ | X |

BI410053915 Initial Report Final Report Name of Company: COG Operating LLC 059 Contact: Robert McNeill Address: 600 West Illinois Avenue, Midland TX 79701 Telephone No. 432-230-0077 Facility Name: SRO SWD #103 Facility Type: SWD

Surface Owner: State

Mineral Owner: State

API No. 30-015-24462

LOCATION OF RELEASE

| Unit Letter Sect | ion Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|--------------------|----------------|-------|---------------|------------------|---------------|----------------|--------|
| M1' | 265 | 28Ē | 660' | South | 660' | West | Eddy |

Latitude 32.0369301 Longitude -104.1160126

NATURE OF RELEASE

| Type of Release: | Volume of Release: | Volume Recovered: | | | | |
|--|--|--|--|--|--|--|
| Oil Source of Release: | 15 bbls oil Date and How of Occurrence: | 13 bbls oil Date and Hour of Discovery: | | | | |
| Flowline | 5/28/2016 unknown | 5/28/2016 12:00 pm | | | | |
| Was Immediate Notice Given? | If YES, To Whom? | There is the resta but | | | | |
| Yes 🗍 No 🛛 Not Required | 1 | | | | | |
| By Whom? | Date and Hour; | | | | | |
| Was a Watercourse Reached? | If YES, Volume Impacting the Watercourse. | | | | | |
| If a Watercourse was Impacted, Describe Fully.* | | | | | | |
| | | | | | | |
| Describe Cause of Problem and Remedial Action Taken.* This release was caused by a check valve failure on a flowline inside the containment. A vacuum truck was dispatched to recover the standing fluid inside the containment. | | | | | | |
| Describe Area Affected and Cleanup Action Taken.* | | | | | | |
| This release occurred within the lined containment. Concho will have the spill site inspected for 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 CONSER | VATION DIVISION | | | | |
| Signature: Pobert 2. herld | · · · · · · · · | NI 1 | | | | |
| Printed Name: Robert McNeill | Approved by Environmental Spicing 1/4 Decarding | | | | | |
| Title: Environmental Manager | Approval Date: U 8 1 U | Expiration Date: N/A | | | | |
| E-mail Address: rmeneill@concho.com | Conditions of Approval | | | | | |
| Date: June 6, 2016 Phone: 432-230-0077 | Conditions of Approval Remediation per O.C.D. R SUBMIT REMEDIATION P | ROPOSAL NO | | | | |
| Attach Additional Sheets If Necessary | LATER THAN: | P - ARP-3720 | | | | |