

RECEIVED JUL 16 2010

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

30-015-31790

Release Notification and Corrective Action

NMLB 1030158102

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	COG OPERATING LLC 229137	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Beech Federal #2 Tank Battery	Facility Type	Tank Battery
Surface Owner	Federal	Mineral Owner	
		Lease No.	NMLC-058181

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	25	17S	27E					Eddy

Latitude 32 48.140 Longitude 104 13.725

NATURE OF RELEASE

Type of Release	Produced Water	Volume of Release	20bbls	Volume Recovered	23bbls
Source of Release	Heater Treater	Date and Hour of Occurrence	07/04/2010	Date and Hour of Discovery	07/04/2010 9:00 a.m.
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required				
By Whom?	If YES, To Whom?				
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.*					
Heater treater fire tube gasket failed. The heater treater fire tube gasket has been replaced and the heater treater has been put back into service.					
Describe Area Affected and Cleanup Action Taken.*					
Initially 20bbls of produced water was released from the heater treater. Due to rainwater, we were able to recover 23bbls of free fluid from a low area where the fluid pooled behind the heater treater. All free fluids were recovered. The dimensions of the pooling area was 20' x 40'. All fluid was contained inside the firewall of the facility. (The closest well location to the release is the Beech Federal #2, API# 30-015-31790, Unit J, Sec. 25-T17S-R27E, 1650' FSL 1650' FEL, 32.8023065 - 104.229053). 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 / BLM 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.					
Signature:		OIL CONSERVATION DIVISION			
Printed Name: Josh Russo		Approved by District Supervisor: <i>M. L. Brannon</i>			
Title: HSE Coordinator		Approval Date: OCT 28 2010 Expiration Date:			
E-mail Address: jrusso@conchoresources.com		Conditions of Approval: Remediation per NMOCD Rules & Guidelines			
Date: 07/16/2010 Phone: 432-212-2399		Attached <input type="checkbox"/>			

* Attach Additional Sheets If Necessary

Remediation proposed approved 10/28/10 2RP-453