

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

Form C-141
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

| | |
|---|----------------------------|
| Name of Company: COG Operating LLC | Contact: Robert McNeill |
| Address: 600 West Illinois Avenue, Midland TX 79701 | Telephone No. 432-230-0077 |
| Facility Name: NIGHTCAP 6 FEDERAL COM #003H | Facility Type: Battery |

| | | |
|------------------------|------------------------|----------------------|
| Surface Owner: Federal | Mineral Owner: Federal | API No. 30-025-41589 |
|------------------------|------------------------|----------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| C | 6 | 20S | 32E | 330 | North | 2020 | West | Lea |

Latitude 32.6087646 Longitude - 103.8074799

NATURE OF RELEASE

| | | |
|--|---|--|
| Type of Release: Produced Water | Volume of Release: 22 bbls | Volume Recovered: 20 bbls |
| Source of Release: Gasket Failure | Date and Hour of Occurrence: 6/24/2015 7:00 am | Date and Hour of Discovery: 6/24/2015 7:00 am |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input 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.*

RECEIVED
By OCD District 1 at 1:01 pm, Jul 14, 2015

Describe Cause of Problem and Remedial Action Taken.*

This release was caused by a gasket failure on a heater treater. A vacuum truck was dispatched to recover all standing fluid.

Describe Area Affected and Cleanup Action Taken.*

This release occurred within the lined berm of the separation equipment. All fluid were able to be recovered, the facility repaired and put back into service.

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: Amanda Trujillo | Approved by Environmental Specialist:  | |
| Title: Senior Environmental Coordinator | Approval Date: 07/14/2015 | Expiration Date: /// |
| E-mail Address: atrujillo@concho.com | Conditions of Approval: /// | Attached <input type="checkbox"/> |
| Date: July 8, 2015 Phone: 575-748-6940 | | ogrid 229137 IRP-3725 |

* Attach Additional Sheets If Necessary

nJXK1519547670 pJXK1519547960

COG OPERATING LLC
NIGHTCAP 6 FEDERAL #3H
UL C SEC.6-T20S-R32E
330' FNL & 2020' FWL
LEA COUNTY, NM
API #30-025-41589
NMNM-107392