

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 April 3, 2017

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 Production, LLC (OGRID #217955) | Contact: Robert McNeill |
| Address: 600 West Illinois Avenue, Midland TX 79701 | Telephone No. 432-683-7443 |
| Facility Name: Bebidas State #002H | Facility Type: Tank Battery |

| | | |
|----------------------|----------------------|----------------------|
| Surface Owner: State | Mineral Owner: State | API No. 30-025-40855 |
|----------------------|----------------------|----------------------|

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| N | 16 | 23S | 33E | 392 | South | 1,887 | West | Lea |

Latitude 32.2985573 Longitude -103.5797043 NAD83

NATURE OF RELEASE

| | | |
|---|---|--|
| Type of Release: Produced Water | Volume of Release: 5 bbl. | Volume Recovered: 4.5 bbl. |
| Source of Release: Piping Leak | Date and Hour of Occurrence: June 15, 2018 11:30am | Date and Hour of Discovery: June 15, 2018 11:30am |
| 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.*

RECEIVED
By *CHernandez* at 8:05 am, Jun 21, 2018

Describe Cause of Problem and Remedial Action Taken.*

The release was caused by a leak in the piping. The pipe has been replaced.

Describe Area Affected and Cleanup Action Taken.*

The release occurred within the lined facility. A vacuum truck was dispatched to remove all freestanding fluids. Concho will have the spill area evaluated for any possible impact from the release and we will present a remediation work plan to the NMOCD for approval prior to any significant remediation activities.

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: <i>DeAnn Grant</i> | OIL CONSERVATION DIVISION | |
| Printed Name: DeAnn Grant | Approved by Environmental Specialist: <i>CH</i> | |
| Title: HSE Administrative Assistant | Approval Date: 6/21/2018 | Expiration Date: |
| E-mail Address: agrant@concho.com | Conditions of Approval: | Attached <input checked="" type="checkbox"/> |
| Date: June 18, 2018 Phone: (432) 253-4513 | Please inspect liner in question. Provide NMOCD with a concise report of the inspection with affirmation the liner has and will continue to contain liquids. | |

nCH1817230233

* Attach Additional Sheets If Necessary