NM OIL CONSERVATION

District I 1625 N. French Dr., Hobbs, NM 88240

District II 811 S. First St., Artesia, NM 88210 DEC 2 8 2016

District III 1000 Rio Brazos Road, Aztec, NM 87410

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87503 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 August 8, 2011

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 239/37							Contact: Robert McNeill							
							Telephone No. 432-683-7443							
								Flowline						
Surface Owner: Federal Mineral Owner:							API No. 30-015-02971							
LOCATION OF RELEASE														
Unit Letter	Section	Township	Range	Feet from the		South Line		from the	East/V	Vest Line		County		
H	13	17S	29E	1980		Vorth		735	1	East		Eddy		
Latitude 32.8364334 Longitude 104.0220566 NATURE OF RELEASE														
Type of Release:							Volume of Release;			Volume Recovered:				
Oil and Produced Water Source of Release:							15bbls Oil & 25bbls PW Date and Hour of Occurrence:			10bbls Oil & 20bbls PW Date and Hour of Discovery:				
Flowline								2016 7:00		December 22, 2016 7:00 am				
Was Immediate Notice Given?							If YES, To Whom?							
							Mr. Bratcher – NMOCD / Ms. Tucker - BLM							
By Whom? Dakota Neel							Date and Hour: December 22, 2016 3:08 pm							
Was a Watercourse Reached? ☐ Yes ☒ No							If YES, Volume Impacting the Watercourse.							
If a Watercourse was Impacted, Describe Fully.*														
Describe Cause of Problem and Remedial Action Taken.*														
The release was caused by a flowline leak on a buried flowline. The old flowline was abandoned and installed a new line.														
Describe Area Affected and Cleanup Action Taken.*														
The release was within a pasture. A vacuum truck was dispatched to remove all freestanding fluids. Concho will have the spill area sampled to delineate 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: Relecca Haskell Printed Name: Rebecca Haskell							OIL CONSERVATION DIVISION OUT OF THE PROPERTY							
Printed Name: Rebecca Haskell Approved by Environmental Specialist:														
Title:	s	enior HSE Co	ordinator			Approval Da	te: \	4111		Expiration	pate: N	H		

Conditions of Approval: Sel Attached

12/28/2016

rhaskell@concho.com

432-683-7443

Phone:

E-mail Address:

ARP-4052

^{*} Attach Additional Sheets If Necessary

Operator/Responsible Party,

It is the Division's obligation under both the Oil & Gas Act and Water Quality Act to provide for the protection of public health and the environment. Our regulations (19.15.29.11 NMAC) state the following,

The responsible person shall complete <u>division-approved corrective action</u> for releases that endanger public health or the environment. The responsible person shall address releases in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with 19.15.30 NMAC. [emphasis added]

Release characterization is the first phase of corrective action unless the release is ongoing or is of limited volume and all impacts can be immediately addressed. Proper and cost-effective remediation typically cannot occur without adequate characterization of the impacts of any release. Furthermore, the Division has the ability to impose reasonable conditions upon the efforts it oversees. As such, the Division is requiring a workplan for the characterization of impacts associated with this release be submitted to the OCD District II office in Artesia on or before 2/3/17. If and when the release characterization workplan is approved, there will be an associated deadline for submittal of the resultant investigation report. Modest extensions of time to these deadlines may be granted, but only with acceptable justification.

The goals of a characterization effort are: 1) determination of the lateral and vertical extents along with the magnitude of soil contamination. 2) determine if groundwater or surface waters have been impacted. 3) If groundwater or surface waters have been impacted, what are the extents and magnitude of that impact. 4) The characterization of any other adverse impacts that may have occurred (examples: impacts on vegetation, impacts on wildlife, air quality, loss of use of property, etc.). To meet these goals as quickly as possible, the following items must, at a minimum, be addressed in the release characterization workplan and subsequent reporting:

- Horizontal delineation of soil impacts in each of the four cardinal compass directions. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. This is not an exclusive list of potential contaminants. Analyzed parameters should be modified based on the nature of the released substance(s). Soil sampling must be both within the impacted area and beyond.
- Vertical delineation of soil impacts. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. As above, this is not an exclusive list of potential contaminants and can be modified. Vertical characterization samples should be taken at depth intervals no greater than five feet apart. Lithologic description of encountered soils must also be provided. At least ten vertical feet of soils with contaminant concentrations at or below these values must be demonstrated as existing above the water table.
- Nominal detection limits for field and laboratory analyses must be provided.
- Composite sampling is not generally allowed.
- Field screening and assessment techniques are acceptable (headspace, titration, EC [include algorithm for validation purposes], EM, etc.), but the sampling and assay procedures must be clearly defined. Copies of field notes are highly desirable. A statistically significant set of split samples must be submitted for confirmatory laboratory analysis, including the laterally farthest and vertically deepest sets of soil samples. Make sure there are at least two soil samples submitted

for laboratory analysis from each borehole or test pit (highest observed contamination and deepest depth investigated). Copies of the actual laboratory results must be provided including chain of custody documentation.

- •Probable depth to shallowest protectable groundwater and lateral distance to nearest surface water. If there is an estimate of groundwater depth, the information used to arrive at that estimate must be provided. If there is a reasonable assumption that the depth to protectable water is 50 feet or less, the responsible party should anticipate the need for at least one groundwater monitoring well to be installed in the area of likely maximum contamination.
- If groundwater contamination is encountered, an additional investigation workplan may be required to determine the extents of that contamination. Groundwater and/or surface water samples, if any, must be analyzed by a competent laboratory for volatile organic hydrocarbons (typically Method 8260 full list), total dissolved solids, pH, major anions and cations including chloride and sulfate, dissolved iron, and dissolved manganese. The investigation workplan must provide the groundwater sampling method(s) and sample handling protocols. To the fullest extent possible, aqueous analyses must be undertaken using nominal method detection limits. As with the soil analyses, copies of the actual laboratory results must be provided including chain of custody documentation.
- Accurately scaled and well-drafted site maps must be provided providing the location of borings, test pits, monitoring wells, potentially impacted areas, and significant surface features including roads and site infrastructure that might limit either the release characterization or remedial efforts. Field sketches may be included in subsequent reporting, but should not be considered stand-alone documentation of the site's layout. Digital photographic documentation of the location and fieldwork is recommended, especially if unusual circumstances are encountered.

Nothing herein should be interpreted to preclude emergency response actions or to imply immediate remediation by removal cannot proceed as warranted. Nonetheless, characterization of impacts and confirmation of the effectiveness of remedial efforts must still be provided to the OCD before any release incident will be closed.

Jim Griswold

OCD Environmental Bureau Chief 1220 South St. Francis Drive Santa Fe, New Mexico 87505 505-476-3465 jim.griswold@state.nm.us

Weaver, Crystal, EMNRD

Rebecca Haskell < RHaskell@concho.com> From: Sent: Wednesday, December 28, 2016 4:06 PM

To: Bratcher, Mike, EMNRD; Weaver, Crystal, EMNRD; stucker@blm.gov

Cc: Jim Amos (jamos@blm.gov)

Subject: (C-141 Initial) Burch Keely Water Flood Satellite C Flowline 12/22/16 (30-015-02971) **Attachments:**

Burch Keely Water Flood Satellite C Flowline Initial C-141 12-22-16 (30-015-02971),pdf

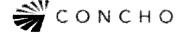
Mr. Bratcher / Ms. Tucker,

Attached is a C-141 for your consideration. If you have any additional questions please feel free to contact me.

Thank You,

Becky Haskell Senior HSE Coordinator COG Operating LLC 600 W Illinois Avenue | Midland, TX 79701 Direct: 432-818-2372 | Main: 432.683.7443 Cell: 432-556-5130

rhaskell@concho.com



From: Dakota Neel

Sent: Thursday, December 22, 2016 3:08 PM

To: Heather Patterson; Mike.Bratcher@state.nm.us; Weaver, Crystal, EMNRD; stucker@blm.gov; James Amos@blm.gov

Cc: Robert McNeill; Rebecca Haskell

Subject: (Notification) Burch-Keely Water Flood Satellite "C" Flowline Leak

Mr. Bratcher/Ms. Tucker,

COG Operating LLC is reporting a release on the Burch-Keely Water Flood Satellite "C" Flowline.

Section 13 Township 17S Range 29E

The release occurred on 12-22-2016 at approximately 7:00 AM.

Estimated Released: Approx. 15 bbls of Oil & 25 bbls of Produced Water Estimated Recovered: Approx. 10 bbls of Oil & 20 bbls of Produced Water.

This release was caused by a flowline leak on a buried fiberglass flowline. This release occurred on the lease road and in the pasture. A vacuum truck was dispatched to recover the standing fluid. This area is being evaluated and a C-141 will be submitted. If you have any additional questions please feel free to contact me.

Thank You,

Dakota Neel

HSE Coordinator COG Operating LLC Cell: 432-215-2783 dneel2@concho.com

2407 Pecos Ave. Artesia, NM 88210



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HSE Coordinator COG Operating LLC Cell: 432-215-2783 dneel2@concho.com

2407 Pecos Ave. Artesia , NM 88210



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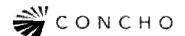
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Becky Haskell Senior HSE Coordinator COG Operating LLC 600 W Illinois Avenue | Midland, TX 79701 Direct: 432-818-2372 | Main: 432.683.7443

Cell: 432-556-5130 rhaskell@concho.com



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