

February 13, 2018

Mike Bratcher Oil Conservation Division, District 2 811 S First St. Artesia, NM 88210

Mark Naranjo New Mexico State Land Office 1001 S. Atkinson Roswell, NM 88230

Re: Deferral Request Letter Continental A State #001 API #: 30-015-29696

RP#: 2RP-3699

Unit Letter C Section 30, Township 17S, Range 29E

Mr. Bratcher/Mr. Naranjo

COG Operating, LLC (COG) is pleased to submit for your consideration the following deferral request for the Continental A State #001. This release occurred on May 9, 2016, in an unlined tank battery and the pasture adjacent to the battery berm. Background information, laboratory results, summary of remedial actions, and deferral requested are submitted herein.

# **BACKGROUND**

The Continental A State #001 release that occurred on May 9, 2016 is located in Unit Letter C, Section 30, Township 17 South, and Range 29 East in Eddy County, New Mexico. More specifically the latitude and longitude for this release are 32.811958 3 North and -104.1168976 West.

On May 9, 2016, a three (3) inch steel line failed due to corrosion. The failure resulted in the loss of approximately ten (10) barrels (bbls) of oil and six (6) bbls of produced water. A vacuum truck was utilized to recover freestanding fluids. Approximately ten (10) bbls of oil and four (4) bbls of produced water were recovered. The majority of the fluid remained within the earthen bermed containment. However there was some overspray that impacted the pasture adjacent to the eastern berm of the battery.

On June 10, 2016, COG personnel collected soil samples within the impacted area utilizing a hand auger. The maximum depth achieved with the hand auger was three (3) feet below ground surface (BGS). Due to the infrastructure in place further vertical delineation utilizing mechanical means is not possible.

# GROUNDWATER AND SITE RANKING

Based on the 2005 Chevron Texaco groundwater trend map, groundwater in the project vicinity is approximately one-hundred and seventy-five (175) feet below ground surface (BGS). Therefore the site ranking for this release is zero (0) based on the following:

Depth to groundwater >100-feet
Distance to surface water body >1000-feet
Wellhead Protection Area >1000-feet

# **Analytical Results**

Sample ID	Depth (feet)	Benzene (mg/kg)	Total BTEX (mg/kg)	Chloride (mg/kg)	Total TPH (mg/kg)
S-1	1	< 0.050	< 0.300	912	23.1
S-1	2	< 0.050	< 0.300	9460	14.9
S-1	3	< 0.050	< 0.300	11200	19.4

# **REMEDIAL ACTIONS**

- The impacted area was hand excavated to the maximum extent feasible without threatening the structural integrity of the surrounding infrastructure.
- All of the excavated material was hauled to an NMOCD approved solid waste disposal facility.
- The excavation was backfilled and contoured to match the surrounding location.

# **DEFFERAL REQUEST**

Due to the infrastructure present at this location further excavation activities are not feasible without threatening the structural integrity of the surrounding equipment and the safety of personnel. COG Operating, LLC respectfully requests that any further remedial activities be deferred until abandonment of the facility.

Should you have any questions or concerns please do not hesitate to contact me.

Sincerely,

Sheldon Litan Sheldon L. Hitchcock HSE Coordinator slhitchcock@concho.com

# Enclosed:

Appendix I: Site Diagram

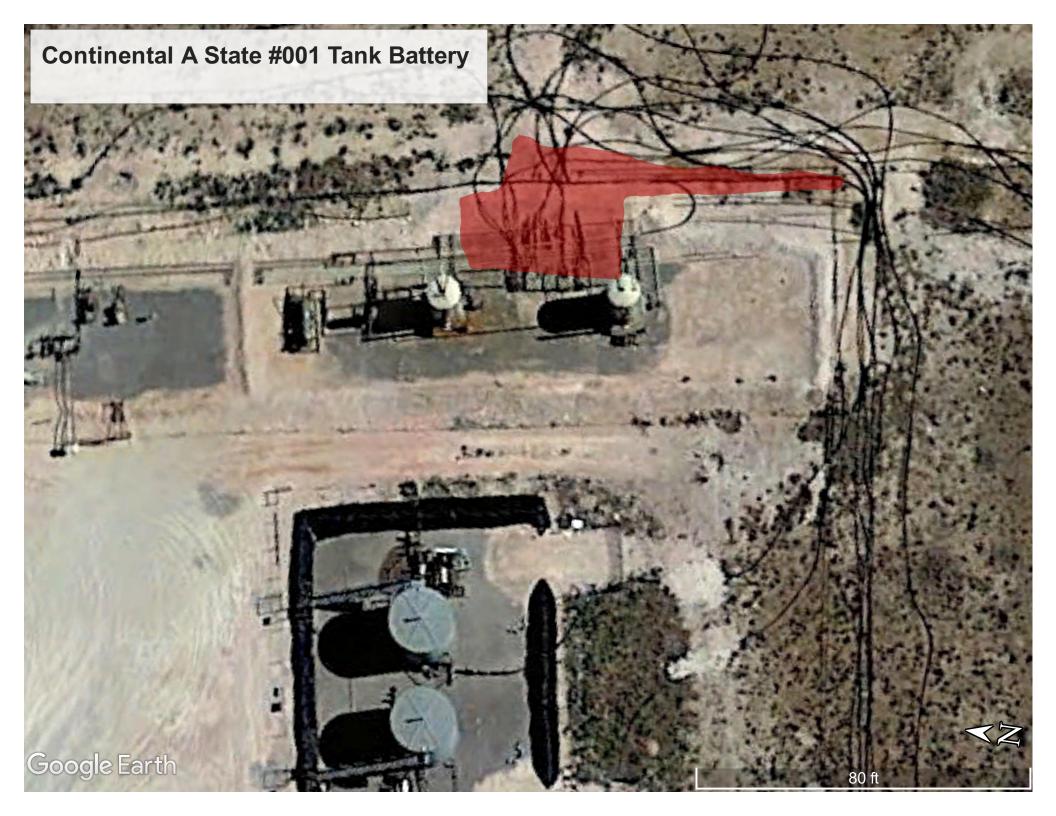
Appendix II: Groundwater Data Appendix III: Initial C-141 (Copy)

Appendix IV: Final C-141

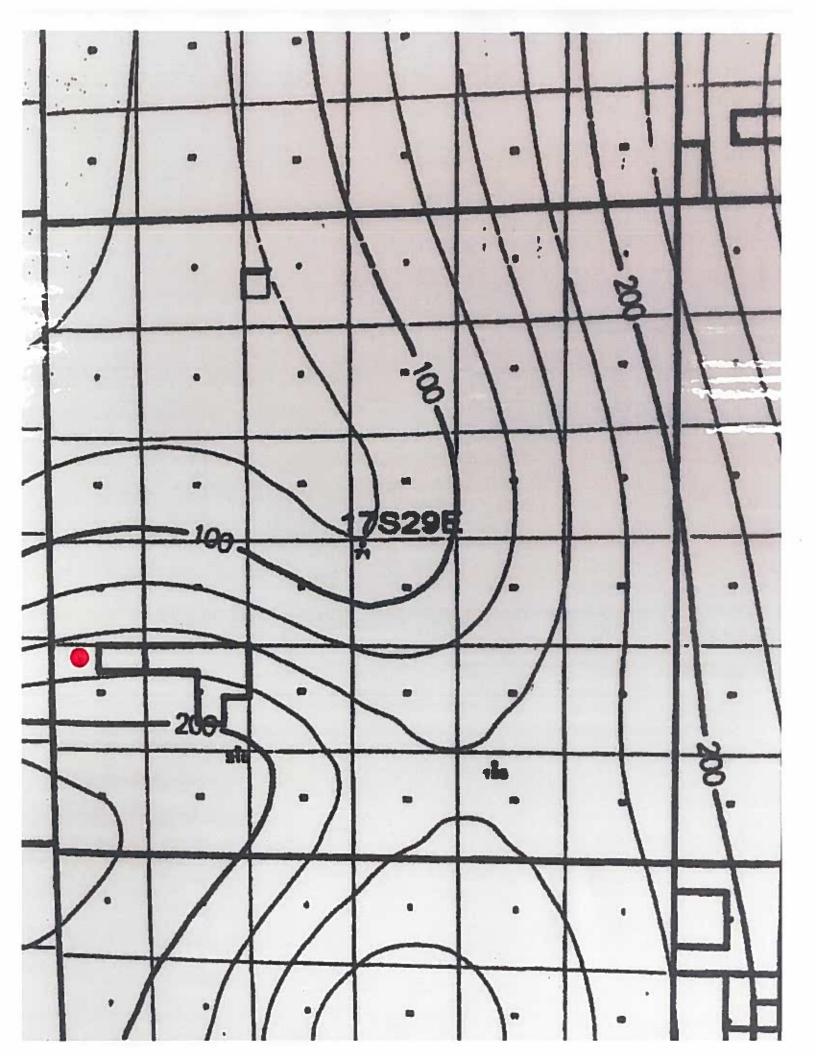
Appendix V: Laboratory Analytical Reports and Chain-of-Custody Forms

Appendix VI: Photographic Documentation

# APPENDIX I



# APPENDIX II



# APPENDIX III

District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 90 Rio Brazos Road, Aztec, NM 87410 rict IV 20 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

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

Form C-141

Revised August 8, 2011

			Rele	ease Notific	ation and Co	orrective A	ction		
					OPERA'	ГOR		l Report	☐ Final Report
Name of Co	mpany:	COC	i Operati	ng LLC	Contact:		Robert McNe	ill	
Address:	600 West	Illinois Ave	nue, Mic	lland TX 79701	Telephone 1	Vo.	432-683-744	3	
Facility Nan	ne: CO	NTINENTA	L A STA	TE BATTERY	Facility Typ	e:	Tank Battery	<i>r</i>	
7 f O		G		127 10			Labrat	20.0	15.00/0/
Surface Own	ner:	State		Mineral C	wner:		API No	. 30-0	15-29696
				LOCA	TION OF RE	LEASE			
Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line		County
C	30	17S	29E	330	North	1409	West		Eddy

Latitude 32.8119583 Longitude 104,1168976 NATURE OF RELEASE Type of Release: Volume of Release: 10bbls of oil Volume Recovered: 10bbls of oil Oil and Produced Water 6bbls of produced water 4bbls of produced water Source of Release: Date and Hour of Occurrence: Date and Hour of Discovery: Steel flowline 05-09-2016 2:45pm 05-09-2016 2:45pm Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☐ Not Required By Whom? Date and Hour: Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No a Watercourse was Impacted, Describe Fully.\* Describe Cause of Problem and Remedial Action Taken.\* A 3" steel line corroded due to age. Replaced the corroded section of pipe with a new joint of 3" steel pipe. Describe Area Affected and Cleanup Action Taken.\* A 20' X 4' area inside the facilities dike and a 1' X 1' outside the dike in the pasture were affected by the release. All free fluids were recovered; an initial cleanup was performed and the facility was put back into service. Concho will have the spill site sampled to delineate 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 CONSERVATION DIVISION Signature: Printed Name: Robert Grubbs Jr. Approved by Environmental Specialist: Title: Senior Environmental Coordinator Approval Date: **Expiration Date:** Conditions of Approval: E-mail Address: rgrubbs@concho.com

Attached Date: 05-17-2016 Phone: 432-683-7443

lach Additional Sheets If Necessary

# APPENDIX IV

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

Submit 1 Copy to appropriate District Office in

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

accordance with 19.15.29 NMAC.

Attached

Form C-141

Revised April 3, 2017

### **Release Notification and Corrective Action OPERATOR** Initial Report Final Report Name of Company: COG Operating, LLC (OGRID# 229137) Contact: Robert McNeill Address: 600 West Illinois Avenue, Midland TX 79701 Telephone No.: **432-683-7443** Facility Name: Continental A State #001 Facility Type: **Tank Battery** Surface Owner: State Mineral Owner: State API No.: 30-015-29696 LOCATION OF RELEASE Unit Letter Feet from the North/South Line Feet from the East/West Line Section Township Range County C 30 17S 29E 330 North 1409 West Eddy Latitude: 32.8119583 Longitude: -104.1168976 NAD83 NATURE OF RELEASE Type of Release: Oil and Produced Water Volume of Release: Volume Recovered: 10bbls of Oil & 6bls of PW 10bbls of Oil & 4bbls of PW Source of Release: Steel Flowline Date and Hour of Occurrence: Date and Hour of Discovery: 5/9/2016 2:45pm 5/9/2016 2:45pm Was Immediate Notice Given? If YES, To Whom? ☐ Yes ☐ No ☐ Not Required By Whom? Date and Hour: Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☐ No If a Watercourse was Impacted, Describe Fully.\* Describe Cause of Problem and Remedial Action Taken.\* A 3" steel line corroded due to age. Replaced the corroded section of pipe with a new joint of 3" steel pipe. Describe Area Affected and Cleanup Action Taken.\* A 20' x 4' area inside of the facilities dike and a 1' x 1' outside of the dike in the pasture were affected by the release. All free fluids were recovered. Concho excavated the impacted area to the extent feasible without threatening the structural integrity of infrastructure. The site will be fully remediated upon abandonment of the facility. 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 CONSERVATION DIVISION Signature: Sheldon Jutan Approved by Environmental Specialist: Printed Name: Sheldon L. Hitchcock **Expiration Date:** Title: HSE Coordinator Approval Date:

Conditions of Approval:

Phone: 575-746-2010

E-mail Address: slhitchcock@concho.com

<sup>\*</sup> Attach Additional Sheets If Necessary

# APPENDIX V



June 21, 2016

LUPE CARRASCO
COG Operating, LLC
500 W. ILLINOIS
Midland, TX 79701

RE: CONTINENTAL A STATE BATTERY

Enclosed are the results of analyses for samples received by the laboratory on 06/15/16 14:15.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-15-7. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at <a href="https://www.tceq.texas.gov/field/ga/lab">www.tceq.texas.gov/field/ga/lab</a> accred certif.html.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2 Haloacetic Acids (HAA-5)
Method EPA 524.2 Total Trihalomethanes (TTHM)
Method EPA 524.4 Regulated VOCs (V1, V2, V3)

Celey D. Keine

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



# Analytical Results For:

COG Operating, LLC LUPE CARRASCO 500 W. ILLINOIS Midland TX, 79701 Fax To: None

Received: 06/15/2016 Sampling Date: 06/10/2016

Reported: 06/21/2016 Sampling Type: Soil

Project Name: CONTINENTAL A STATE BATTERY Sampling Condition: Cool & Intact
Project Number: NONE GIVEN Sample Received By: Jodi Henson

Project Location: NONE GIVEN

# Sample ID: S1-1' (H601319-01)

BTEX 8021B	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	06/16/2016	ND	1.96	98.0	2.00	0.357	
Toluene*	<0.050	0.050	06/16/2016	ND	1.99	99.5	2.00	0.686	
Ethylbenzene*	<0.050	0.050	06/16/2016	ND	1.83	91.7	2.00	0.552	
Total Xylenes*	<0.150	0.150	06/16/2016	ND	5.71	95.2	6.00	0.128	
Total BTEX	<0.300	0.300	06/16/2016	ND					
Surrogate: 4-Bromofluorobenzene (PID	100 9	73.6-14	0						
Chloride, SM4500CI-B	mg/	kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	912	16.0	06/17/2016	ND	432	108	400	0.00	
TPH 8015M	mg/	kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	06/16/2016	ND	190	95.2	200	1.69	
DRO >C10-C28	23.1	10.0	06/16/2016	ND	190	95.0	200	0.960	
Surrogate: 1-Chlorooctane	78.4	% 35-147	,						
Surrogate: 1-Chlorooctadecane	86.2	% 28-171							

# Cardinal Laboratories \*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whistoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results related only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



# Analytical Results For:

COG Operating, LLC LUPE CARRASCO 500 W. ILLINOIS Midland TX, 79701 Fax To: None

Received: 06/15/2016 Sampling Date: 06/10/2016

Reported: 06/21/2016 Sampling Type: Soil

Project Name: CONTINENTAL A STATE BATTERY Sampling Condition: Cool & Intact
Project Number: NONE GIVEN Sample Received By: Jodi Henson

Project Location: NONE GIVEN

### Sample ID: S1-2' (H601319-02)

BTEX 8021B	mg/	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	06/16/2016	ND	1.96	98.0	2.00	0.357	
Toluene*	<0.050	0.050	06/16/2016	ND	1.99	99.5	2.00	0.686	
Ethylbenzene*	<0.050	0.050	06/16/2016	ND	1.83	91.7	2.00	0.552	
Total Xylenes*	<0.150	0.150	06/16/2016	ND	5.71	95.2	6.00	0.128	
Total BTEX	<0.300	0.300	06/16/2016	ND					
Surrogate: 4-Bromofluorobenzene (PID	102 9	% 73.6-14	0						
Chloride, SM4500Cl-B	mg/	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	9460	16.0	06/17/2016	ND	432	108	400	0.00	
TPH 8015M	mg/	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	06/17/2016	ND	190	95.1	200	0.0594	
DRO >C10-C28	14.9	10.0	06/17/2016	ND	190	94.8	200	2.04	
Surrogate: 1-Chlorooctane	79.7	% 35-147	7						
Surrogate: 1-Chlorooctadecane	83.6	% 28-171							

Surrogate: 1-Chlorooctadecane 83.6 % 28-171

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# Analytical Results For:

COG Operating, LLC LUPE CARRASCO 500 W. ILLINOIS Midland TX, 79701 Fax To: None

Received: 06/15/2016 Sampling Date: 06/10/2016

Reported: 06/21/2016 Sampling Type: Soil

Project Name: CONTINENTAL A STATE BATTERY Sampling Condition: Cool & Intact Sample Received By: Project Number: NONE GIVEN Jodi Henson

Project Location: NONE GIVEN

### Sample ID: S1-3' (H601319-03)

BTEX 8021B	mg/	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	06/16/2016	ND	1.96	98.0	2.00	0.357	
Toluene*	<0.050	0.050	06/16/2016	ND	1.99	99.5	2.00	0.686	
Ethylbenzene*	<0.050	0.050	06/16/2016	ND	1.83	91.7	2.00	0.552	
Total Xylenes*	<0.150	0.150	06/16/2016	ND	5.71	95.2	6.00	0.128	
Total BTEX	<0.300	0.300	06/16/2016	ND					
Surrogate: 4-Bromofluorobenzene (PID	100 9	% 73.6-14	0						
Chloride, SM4500Cl-B	mg/	/kg	Analyze	d By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	11200	16.0	06/17/2016	ND	432	108	400	0.00	
TPH 8015M	mg/	/kg	Analyze	d By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	06/17/2016	ND	190	95.1	200	0.0594	
DRO >C10-C28	19.4	10.0	06/17/2016	ND	190	94.8	200	2.04	
Surrogate: 1-Chlorooctane	79.3	% 35-147	7						
Surrogate: 1-Chlorooctadecane	74.6	% 28-171							

Surrogate: 1-Chlorooctadecane 74.6 % 28-171

Cardinal Laboratories \*=Accredited Analyte

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### **Notes and Definitions**

QM-07 The spike recovery was outside acceptance limits for the MS and/or MSD. The batch was accepted based on acceptable LCS

recovery.

ND Analyte NOT DETECTED at or above the reporting limit

RPD Relative Percent Difference

\*\* Samples not received at proper temperature of 6°C or below.

\*\*\* Insufficient time to reach temperature.

Chloride by SM4500Cl-B does not require samples be received at or below 6°C

Samples reported on an as received basis (wet) unless otherwise noted on report

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# CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240 (575) 393-2326 FAX (575) 393-2476 Company Name: COG Operating LLC

Project Manager: Lupe Carrasco	
Address: 2208 West Main	P.O. #: ANALYSIS REQUEST
Artesia State: NM Zin	pany: COG Operating LLC
(575) 748-6940 <b>Fax #</b> :	
	Address: 600 W Illinois
ontinental A State Batte	City: Midland
Project Location:	: TX Zir
Sampler Name: Lupe Carrasco	Phone #: (Appropri
- Pro Callasco	To 1 (432) 221-0388
MATRIX	PRESERV. SAMPLING
WATER	
G)RAB (CONTAROUND (ASTEW DIL LUDGE	
S S	IC O1
\$1-3'	6/10/16 × × ×
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LEASE NOTE: Liability and Damages, Cardinal's liability and others.	
ervice. In no event shall Cardinal be liable for negligence and any other cause whatsoever shall be deemed warved unless made in contract or tort, shall be limited to the amount paid by the client for the filiaties or successors arising out of or related to the consequental damages, including without linears.	shall be limited to the amount paid by the client for the
Verifful IS neo By:    Cardinal regardless of whether such claim is based upon any of the above stated reasons or otherwise.    Cardinal regardless of whether such claim is based upon any of the above stated reasons or otherwise.	rse, or loss of profits fourned by client, its substituties, its substituties, it substitut
elinquished By:  Timp: 15  Received By:	Phone Result: Yes No Add'l Phone #:  Fax Result: Yes No Add'l Fax #:  REMARKS: GCarrasco@concho.com  atruillo@concho.com
Delivered By: (Circle One)	
Sample Condition Cool Intact Pres 1 Yes	CHECKED BY:
_	

# APPENDIX VI







