NM OIL CONSERVATION

ARTESIA DISTRICT

DEC 01 2017

Form C-141 Revised April 3, 2017

District | 1625 N. French Dr., Hobbs, NM 88240 District | 11 811 S. First St., Artesia, NM 88210 District | 11 1000 Rio Brazos Road, Aztec, NM 87410 District | 17 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

* Attach Additional Sheets If Necessary

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

State of New Mexico

Energy Minerals and Natural Resources

Submit 1 Copy to appropriate District Office in RECEIVED NMAC.

Release Notification and Corrective Action													
NABI734038101							ror .		⊠ Initia	al Report		Final Report	
Name of Company: COG Operating, LLC (OGRID# 229137)							bert McNeill						
							Telephone No.: 432-683-7443						
Facility Name: SRO STATE COM #002H							Facility Type: Tank Battery						
Surface Owner: State Mineral Owner: S							State API No.: 30-015-37141						
LOCATION OF RELEASE													
Unit Letter P	Section 32	Township 25	Range 28	Feet from the 430		South Line South	Feet from the 330		Vest Line East	County	County Eddy		
Latitude: 32.080101 Longitude: -104.1018906 NAD83													
NATURE OF RELEASE													
Type of Release: Produced Water							Volume of Release: Volume Recovered:						
Source of Release: Water Transfer Pump							30 BBLS Date and Hour of Occurrence:			28 BBLS Date and Hour of Discovery:			
										1/30/2017 8:00 am			
Was Immediate Notice Given? ☑ Yes ☐ No ☐ Not Required							If YES, To Whom?						
							Crystal Weaver-NMOCD Amber Groves-NMSLO						
By Whom? Rebecca Haskell							Date and Hour: 11/30/2017 2:34						
Was a Watercourse Reached? ☐ Yes ☑ No							If YES, Volume Impacting the Watercourse.						
If a Waterco	urse was Im	pacted, Descr	ibe Fully.	+		1			***************************************				
		•	•										
Describe Cause of Problem and Remedial Action Taken.*													
Two to one swedge failed and resulted in a 30 BBL release. The swedge was replaced.													
Describe Area Affected and Cleanup Action Taken.*													
The fluid impacted the lined containment and the adjacent well pad. A vacuum truck was dispatched to recover 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.													
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regulations a	ll operators	are required t	o report a	nd/or file certain r	elease no	otifications a	nd perform correc	ctive act	ions for rel	eases which	n may er	ndanger	
public health	or the envi	ronment. The	acceptan	ce of a C-141 repo	ort by the	NMOCD m	arked as "Final R	eport" o	ioes not rel	ieve the ope	rator of	liability	
				investigate and rotance of a C-141									
		ws and/or reg		Addice of a C 141	report d	oes not rene.	- are operator of	· copons					
							OIL CONSERVATION DIVISION						
Signature:							Na 14 11, 21						
Printed Nam	e; Christopl		Approved by Environmental Specialist:										
Title; HSE C			Approval Date: 12/4/17 Expiration Date: 1 N/H										
E-mail Addr	peer appara		Conditions of Approval CO (MTA) Mattached (May)										
Date: 12/1/2		concno.com	Pl	ione: 575-746-201		Conditions of Approval: SLL Mtached Decree 4510							

Operator/Responsible Party,

The OCD has received the form C-141 you provided on 12/01/17 regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number ACD has been assigned. Please refer to this case number in all future correspondence.

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 1/01/18. 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
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