

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 Department

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

Form C-141
Revised August 24, 2018
Submit to appropriate OCD District office

| | |
|----------------|---------------|
| Incident ID | NCS2003551447 |
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | | | |
|-------------------------|--|------------------------------|----------------|
| Responsible Party | COG Operating, LLC | OGRID | 229137 |
| Contact Name | Jennifer Knowlton | Contact Telephone | (575) 748-1570 |
| Contact email | JKnowlton@concho.com | Incident # (assigned by OCD) | NCS2003551447 |
| Contact mailing address | 600 West Illinois Avenue, Midland, Texas 79701 | | |

Location of Release Source

Latitude 32.6089 Longitude -103.5082
(NAD 83 in decimal degrees to 5 decimal places)

| | | | |
|-------------------------|-----------------------------|----------------------|--------------|
| Site Name | Black Pearl 1 Federal #002H | Site Type | Tank Battery |
| Date Release Discovered | December 15, 2019 | API# (if applicable) | 30-025-42293 |

| | | | | |
|-------------|---------|----------|-------|--------|
| Unit Letter | Section | Township | Range | County |
| B | 01 | 20S | 34E | Lea |

Surface Owner: ☐ State ☒ Federal ☐ Tribal ☐ Private (Name: _____)

Nature and Volume of Release

Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)

| | | |
|--|--|---|
| <input checked="" type="checkbox"/> Crude Oil | Volume Released (bbls) 5 | Volume Recovered (bbls) 0 |
| <input checked="" type="checkbox"/> Produced Water | Volume Released (bbls) 5 | Volume Recovered (bbls) 0 |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| <input type="checkbox"/> Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) |
| <input type="checkbox"/> Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |

Cause of Release

The release was caused by a wellhead failure.
The release was on the pad. A vacuum truck was dispatched to remove all freestanding fluids.
Concho will evaluate the site to determine if we may commence remediation immediately or 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.

| | |
|----------------|--|
| Incident ID | |
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| | |
|---|--|
| Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, for what reason(s) does the responsible party consider this a major release? |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? | |

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

| | |
|--|---|
| <input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately. | |
| If all the actions described above have <u>not</u> been undertaken, explain why: | |
| Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation. | |
| I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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. | |
| Printed Name Brittany N. Esparza Signature:  email: besparza@concho.com | Title: HSE Administrative Assistant Date: 01/03/2020 Telephone: (432) 221-0398 |
| <u>OCD Only</u> Received by:  Date: 2/4/2020 | |

***** **LIQUID SPILLS - VOLUME CALCULATIONS** *****

Location of spill: COG -Black Pearl 1 Fedral 2H

Date of Spill: 15-Dec-2019

If the leak/spill is associated with production equipment, i.e. - wellhead, stuffing box, flowline, tank battery, production vessel, transfer pump, or storage tank place an "X" here: ☒

Input Data:

If spill volumes from measurement, i.e. metering, tank volumes, etc. are known enter the volumes here: **OIL:** 0.0 BBL **WATER:** 0.0 BBL
If "known" spill volumes are given, input data for the following "Area Calculations" is optional. The above will override the calculated volumes.

| Total Area Calculations | | | | | | | Standing Liquid Calculations | | | | | | | | |
|-------------------------|-------------------|--------|--------|----------|---------|---------|------------------------------|--|-------------------|--------|--------------|------|---------|------|----|
| Total Surface Area | | width | length | wet soil | | | Standing Liquid Area | | width | length | liquid depth | | oil (%) | | |
| | | | | depth | oil (%) | | | | | | | | | | |
| | Rectangle Area #1 | 35 ft | | 40 ft | X | 1.00 in | 50% | | Rectangle Area #1 | 0 ft | X | 0 ft | X | 0 in | 0% |
| | Rectangle Area #2 | 150 ft | X | 45 ft | X | 0.50 in | 50% | | Rectangle Area #2 | 0 ft | X | 0 ft | X | 0 in | 0% |
| | Rectangle Area #3 | 0 ft | X | 0 ft | X | 0 in | 0% | | Rectangle Area #3 | 0 ft | X | 0 ft | X | 0 in | 0% |
| | Rectangle Area #4 | 0 ft | X | 0 ft | X | 0 in | 0% | | Rectangle Area #4 | 0 ft | X | 0 ft | X | 0 in | 0% |
| | Rectangle Area #5 | 0 ft | X | 0 ft | X | 0 in | 0% | | Rectangle Area #5 | 0 ft | X | 0 ft | X | 0 in | 0% |
| | Rectangle Area #6 | 0 ft | X | 0 ft | X | 0 in | 0% | | Rectangle Area #6 | 0 ft | X | 0 ft | X | 0 in | 0% |
| | Rectangle Area #7 | 0 ft | X | 0 ft | X | 0 in | 0% | | Rectangle Area #7 | 0 ft | X | 0 ft | X | 0 in | 0% |
| | Rectangle Area #8 | 0 ft | X | 0 ft | X | 0 in | 0% | | Rectangle Area #8 | 0 ft | X | 0 ft | X | 0 in | 0% |

okay

production system leak - DAILY PRODUCTION DATA REQUIRED

Average Daily Production: Oil 0 BBL Water 0 BBL 0 Gas (MCFD)

Total Hydrocarbon Content in gas: 0% (percentage)

Did leak occur before the separator?: ☒ YES ☒ N/A (place an "X")

H2S Content in Produced Gas: 0 PPM

H2S Content in Tank Vapors: 0 PPM

Amount of Free Liquid Recovered: 0 BBL okay

Percentage of Oil in Free Liquid Recovered: 0% (percentage)

Liquid holding factor *: 0.14 gal per gal

Use the following when the spill wets the grains of the soil.

* Sand = **0.08** gallon (gal.) liquid per gal. volume of soil.
* Gravelly (caliche) loam = **0.14** gal. liquid per gal. volume of soil.
* Sandy clay loam soil = **0.14** gal liquid per gal. volume of soil.
* Clay loam = **0.16** gal. liquid per gal. volume of soil.

Use the following when the liquid completely fills the pore space of the soil:

Occurs when the spill soaked soil is contained by barriers, natural (or not).
* Clay loam = **0.20** gal. liquid per gal. volume of soil.
* Gravelly (caliche) loam = **0.25** gal. liquid per gal. volume of soil.
* Sandy loam = **0.5** gal. liquid per gal. volume of soil.

| | | | | | | | |
|----------------------------------|----------------------|--------------------|--------------------|--|----------------------|--------------------|--------------------|
| Total Solid/Liquid Volume: | <u>8,150</u> sq. ft. | <u>199</u> cu. ft. | <u>199</u> cu. ft. | Total Free Liquid Volume: | <u>sq. ft.</u> | <u>cu. ft.</u> | <u>cu. ft.</u> |
| Estimated Volumes Spilled | | | | Estimated Production Volumes Lost | | | |
| | | H2O | OIL | | | H2O | OIL |
| Liquid in Soil: | | <u>5.0</u> BBL | <u>5.0</u> BBL | Estimated Production Spilled: | | <u>0.0</u> BBL | <u>0.0</u> BBL |
| Free Liquid: | | <u>0.0</u> BBL | <u>0.0</u> BBL | | | | |
| Totals: | | <u>5.0</u> BBL | <u>5.0</u> BBL | Estimated Surface Damage | | | |
| | | | | Surface Area: | <u>8,150</u> sq. ft. | | |
| Total Liquid Spill Liquid: | | <u>5.0</u> BBL | <u>4.96</u> BBL | Surface Area: | <u>.1871</u> acre | | |
| Recovered Volumes | | | | Estimated Weights, and Volumes | | | |
| Estimated oil recovered: | <u>BBL</u> | check - okay | | Saturated Soil = | <u>44,567</u> lbs | <u>398</u> cu. ft. | <u>15</u> cu. yds. |
| Estimated water recovered: | <u>BBL</u> | check - okay | | Total Liquid = | <u>10</u> BBL | <u>417</u> gallon | <u>3,467</u> lbs |

Air Emission from flowline leaks:

Volume of oil spill: - BBL
Separator gas calculated: - MCF
Separator gas released: - MCF
Gas released from oil: - lb
H2S released: - lb
Total HC gas released: - lb
Total HC gas released: - MCF

Air Emission of Reporting Requirements:

New Mexico
HC gas release reportable? NO
H2S release reportable? NO

Texas
NO
NO