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 accordance with 19,15,29 NMAC.

Form C-141 Revised April 3, 2017

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

Release Notification and Corrective Action													
							TOR		✓ Initial	al Report		Final Report	
Name of Company: COG Operating, LLC (OGRID# 229137)							Contact: Robert McNeill						
Address: 600 West Illinois Avenue, Midland TX 79701 Facility Name: White Falcon 16 State #023H							Telephone No.: 432-683-7443 Facility Type: Well						
Surface Owner: State Mineral Owner:							: State API No.: 30-025-43699						
						N OF RE	LEASE						
Unit Letter D	Section 16	Township 25S	Range 35E	Feet from the 226		/South Line North	Feet from the 812		West Line West	County Lea			
Latitude: 32.13689 Longitude: -103.377934 NAD83													
NATURE OF RELEASE													
Type of Release: Produced Water							of Release:	Volume Recovered:					
Source of Release: Flowline							53bbls Date and Hour of Occurrence:			15bbls Date and Hour of Discovery:			
						11/18/2017 2:00pm			11/18/2017 2:00pm				
Was Immediate Notice Given?							If YES, To Whom?						
✓ Yes ☐ No ☐ Not Required													
By Whom? Rebecca Haskell							Amber Groves-NMSLO Date and Hour: 11/18/2017 5:19pm						
Was a Watercourse Reached?							If YES, Volume Impacting the Watercourse.						
☐ Yes ☒ No							DECEIVED						
If a Watercourse was Impacted, Describe Fully.*													
By Olivia Yu at 8:31 am, Nov 28, 2017													
Describe Cause of Problem and Remedial Action Taken.*													
A third party contractor struck a buried poly flowline coming from the White Falcon 16 State #001H Battery while digging. The line was repaired and put back into service.													
Describe Are	a Affected a	and Cleanup A	ction Tak	en.*									
The release was contained to a 66' x 30' area on the north edge of the location. A vacuum truck was dispatched to the site to recover 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.													
regulations al public health should their of or the environ	I operators or the envir operations h nment. In a	are required to ronment. The ave failed to a	report an acceptanc dequately CD accept	d/or file certain re e of a C-141 repo investigate and re	elease nert by the emediate	otifications e NMOCD (e contamina	y knowledge and u and perform corre narked as "Final R tion that pose a thr we the operator of	ctive act leport" d reat to gr	ions for rele loes not reli round water	eases which eve the oper , surface wa	may er ator of ter, hu	ndanger Tiability man health	
						OIL CONSERVATION DIVISION							
Signature: Stolden Ation							a L						
· ·							Approved by Environmental Specialist:						
Title: HSE Coordinator							Approval Date: 11/28/2017 Expiration Date:						
E-mail Address: slhitchcock@concho.com						Conditions of Approval:							
Date: 11/20/2 Attach Addit		te If Nacare		one: 575-746-20	10	see att	ached directi	ve					

Operator/Responsible Party,

The OCD has received the form C-141 you provided on _11/20/2017_ regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number _1RP-4881__ 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 _1_ office in __Hobbs____ on or before _12/28/2017_. 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