

2135 S. Loop 250 W.
Midland, Texas 79703
United States
ghd.com

Our ref.: 12682080-LTR-NMOCD-1

November 26, 2025

New Mexico Oil Conservation Division
506 W. Texas Avenue
Artesia, New Mexico 88210

Closure Report
COG Operating, LLC
Keg Shell 35 O CTB Release
Unit Letter G, Section 35, T26S, R28E
GPS: 32.002100001, -104.05701
Eddy County, New Mexico

1. Introduction

GHD Services Inc. (GHD), on behalf of COG Operating, LLC, prepared this *Closure Report* to document Site assessment activities at Keg Shell 35 O CTB (Site). The purpose of the assessment was to determine the presence or absence of impacts to soil following a release of produced water within a lined containment at the Site. Based on field observations, COG Operating, LLC is submitting this *Closure Report*, describing Site assessment activities that have occurred and requesting closure for Incident Number nAPP2523849227.

2. Site Description and Release Summary

The Site is in Unit G, Section 35, Township 26 South, Range 28 East, in Eddy County, New Mexico (32.002100001° N, 104.05701° W) and is associated with oil and gas exploration and production operations on Federal Land managed by the Bureau of Land Management (BLM).

On March 30, 2025, approximately 24 barrels (bbls) of produced water were released into the lined containment due to corrosion noted on a produced water pump. A vacuum truck was dispatched to the Site to recover free-standing fluids; all 24 bbls of released produced water were recovered from within the lined containment. The release was reported to the New Mexico Oil Conservation Division (NMOCD) on August 26, 2025, and was subsequently assigned Incident Number nAPP2523849227.

3. Site Characterization and Closure Criteria

The Site was characterized to assess applicability of Table I, Closure Criteria for Soils Impacted by a Release, of Title 19, Chapter 15, Part 29 (NMAC 19.15.29) of the New Mexico Administrative Code (NMAC). Results from the characterization desktop review are summarized below and a Site Map is presented on **Figure 1**.

According to the soil survey provided by the United States Department of Agriculture National Resources Conservation Services, the soils located within the Site consists of Reeves-Reagan loams, 0 to 3 percent slopes, and Russler-Ector association, 0 to 9 percent slopes. The Site is located within an area of medium karst potential.

Depth to groundwater at the Site is estimated to be 20 feet below ground surface (ft bgs) based on the nearest groundwater well data. Groundwater was determined utilizing the New Mexico Office of the State Engineers (NMOSE) database for registered water wells. The nearest permitted groundwater well with depth to groundwater data is C 04022 POD2 located approximately 1.38 miles northwest of the Site. The well was completed to a depth of 250 ft bgs on May 12, 2017, with groundwater encountered during drilling activities at 145 ft bgs. Static groundwater was later documented at 20 ft bgs. A copy of the well referenced record is included in **Attachment A**.

The Site is not within 300 feet (ft) of any continuously flowing watercourse or any other significant watercourse. There are no lakebeds, sinkholes or playa lakes within 200 ft of the Site. The closest playa is approximately 3.29 miles east of the Site, and the nearest riverine wetland is 1.39 miles east. There are no permanent residences, schools, hospitals, institutions or churches within 300 ft of the Site. The closest residence is greater than 5 miles from the Site. The nearest fresh water well utilized for livestock watering is greater than 5 miles north of the Site. There are no subsurface mines or 100-year floodplains within 300 ft of the Site. The location of the Site is depicted on **Figure 1**. A detailed map of the Site is provided on **Figure 2**. The Site Characterization Documentation is included in **Attachment B**.

Based on the results of the Site Characterization desktop review, the following NMOCD Table I Closure Criteria (Closure Criteria) apply.

Table 3.1 *Closure Criteria for Soils Impacted by a Release (NMAC 19.15.29.12)*

Regulatory Standard	Benzene (mg/kg)	BTEX (mg/kg)	TPH (GRO+DRO) (mg/kg)	TPH (GRO+DRO+MRO) (mg/kg)	Chloride (mg/kg)
19.15.29.12 NMAC Table I Closure Criteria for Soils Impacted by a Release.	10	50	--	100	600

Notes:
 --- = not defined.
 mg/kg = milligrams per kilogram.
 TPH = total petroleum hydrocarbons.
 GRO+DRO+MRO = Gasoline Range Organics + Diesel Range Organics + Motor Oil/Lube Range Organics.
 BTEX = benzene, toluene, ethylbenzene, and xylene.

4. Site Assessment Activities

The liner inspection notice was provided on October 6, 2025. A liner integrity inspection was performed on October 9, 2025. The liner was visually inspected and no rips, tears, holes, or damages in the liner were observed. The liner was determined to be intact with no integrity issues. Photographic documentation of the liner inspection is presented in **Attachment C**.

5. Closure Request

Based on the liner inspection and assessment activities at the Site, COG Operating, LLC respectfully requests that no further actions be required, and requests closure for Incident Number nAPP2523849227 be granted.

Should you have any questions or require further information regarding this report, please do not hesitate to contact the undersigned.

Regards,



Kayla Taylor
Senior Project Manager

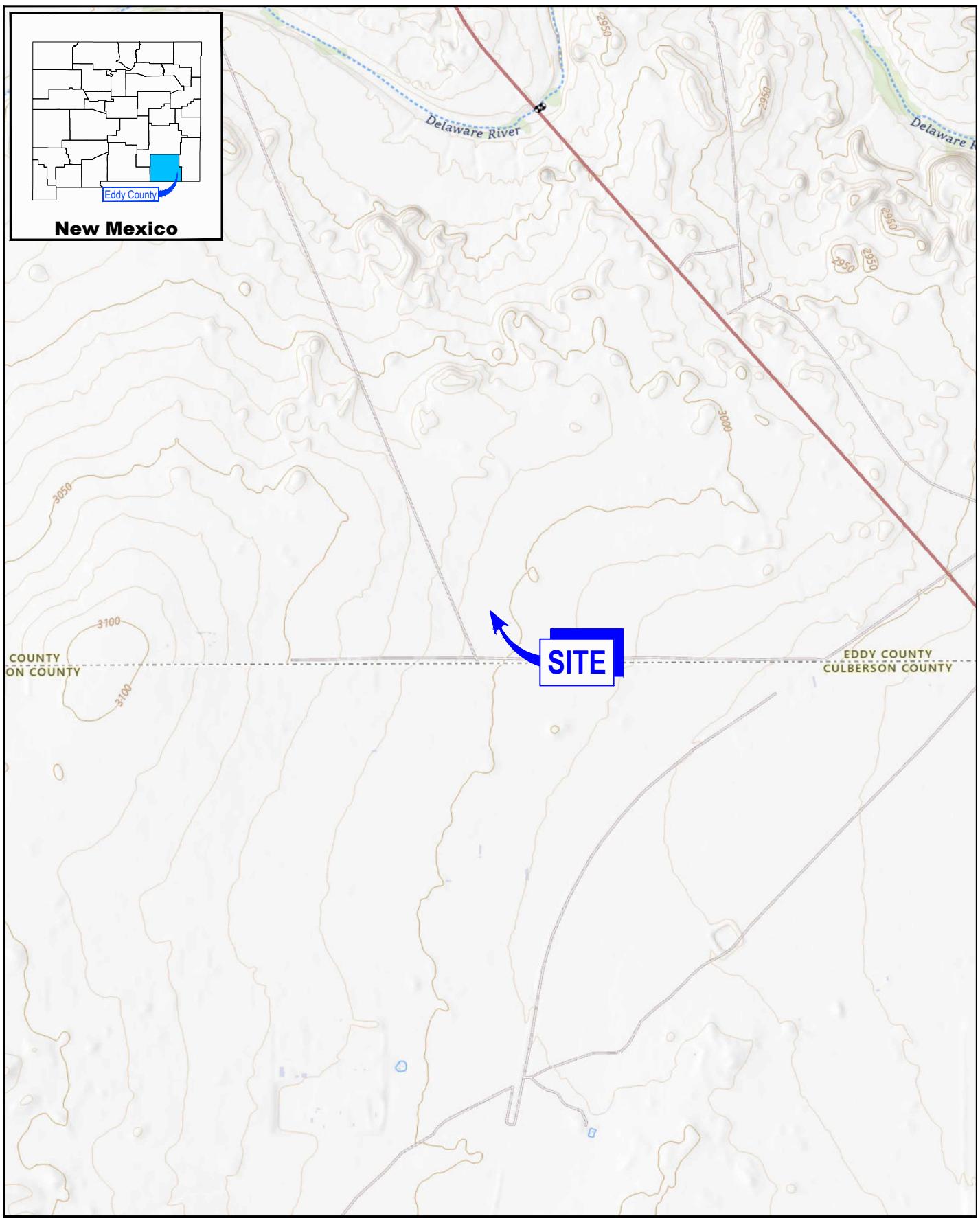
+1 432 210-5443
kayla.taylor@ghd.com



Scott Foord
Project Director
+1 281 725-7477
scott.foord@ghd.com

KT/jlf/1

Encl.: Figure 1 - Site Location Map
 Figure 2 - Site Details Map
 Attachment A - Referenced Well Records
 Attachment B - Site Characterization Documentation
 Attachment C - Photographic Documentation



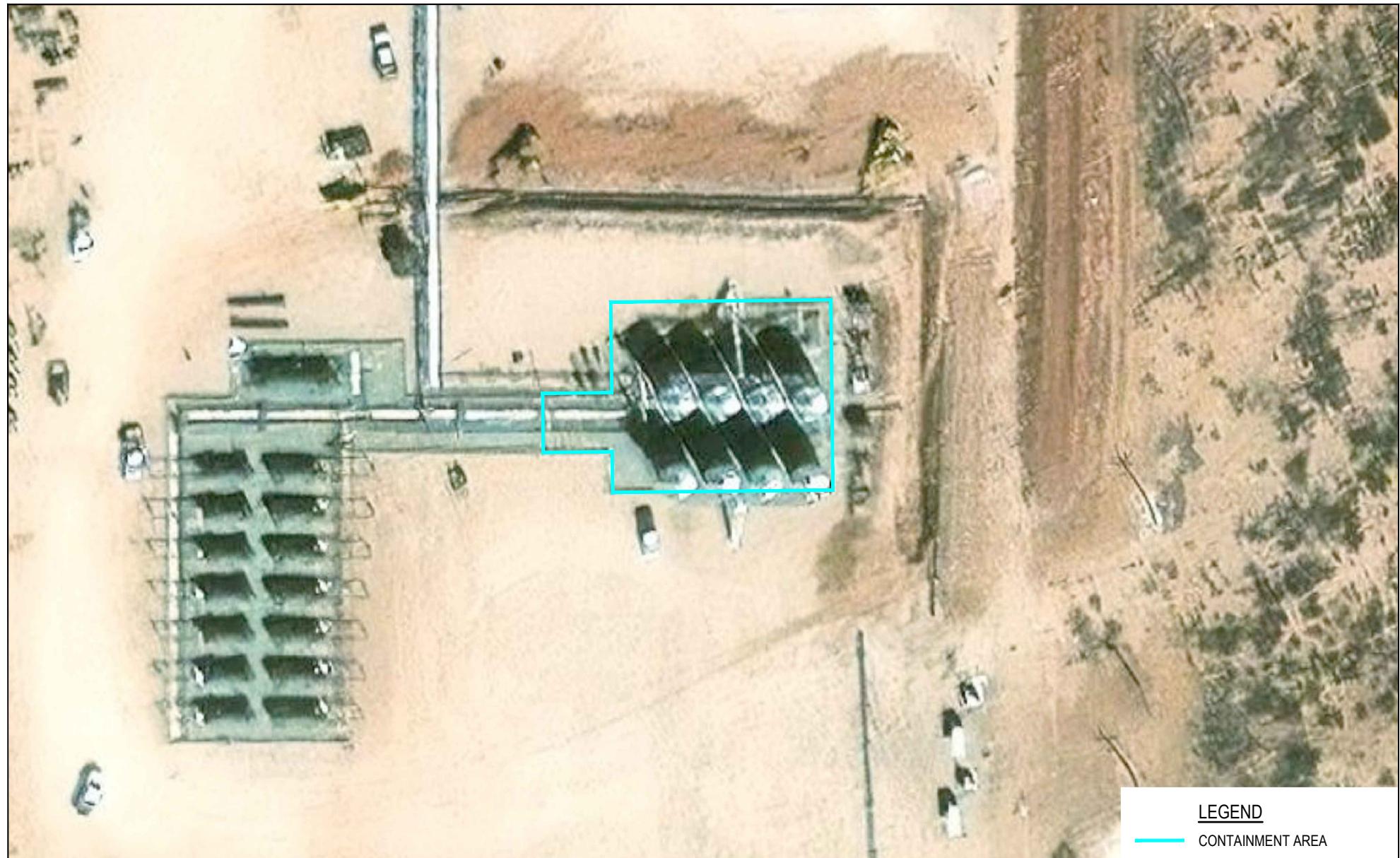
COG OPERATING, LLC
EDDY COUNTY, NEW MEXICO
KEG SHELL 35 O CTB
INCIDENT No. nAPP2523849227

Project No. 12682080
Date November 2025

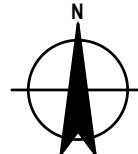
SITE LOCATION MAP

FIGURE 1

Data Source: USGS 7.5 Minute Quad "Red Bluff and Screw Bean Draw NE, New Mexico"
Lat/Long: 32.002220° North, 104.056863° West



1" = 60 ft
Coordinate System:
NAD 1983 State Plane
New Mexico East (US Feet)



COG OPERATING, LLC
EDDY COUNTY, NEW MEXICO
KEG SHELL 35 O CTB
INCIDENT No. nAPP2523849227

Project No. 12682080
Date November 2025

SITE DETAILS MAP

FIGURE 2

Attachment A

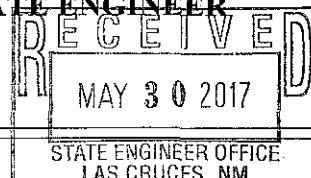
Referenced Well Records



WELL RECORD & LOG

OFFICE OF THE STATE ENGINEER

www.ose.state.nm.us



STATE ENGINEER OFFICE
ROSWELL, NEW MEXICO

2017 JUN -5 PM 1:46

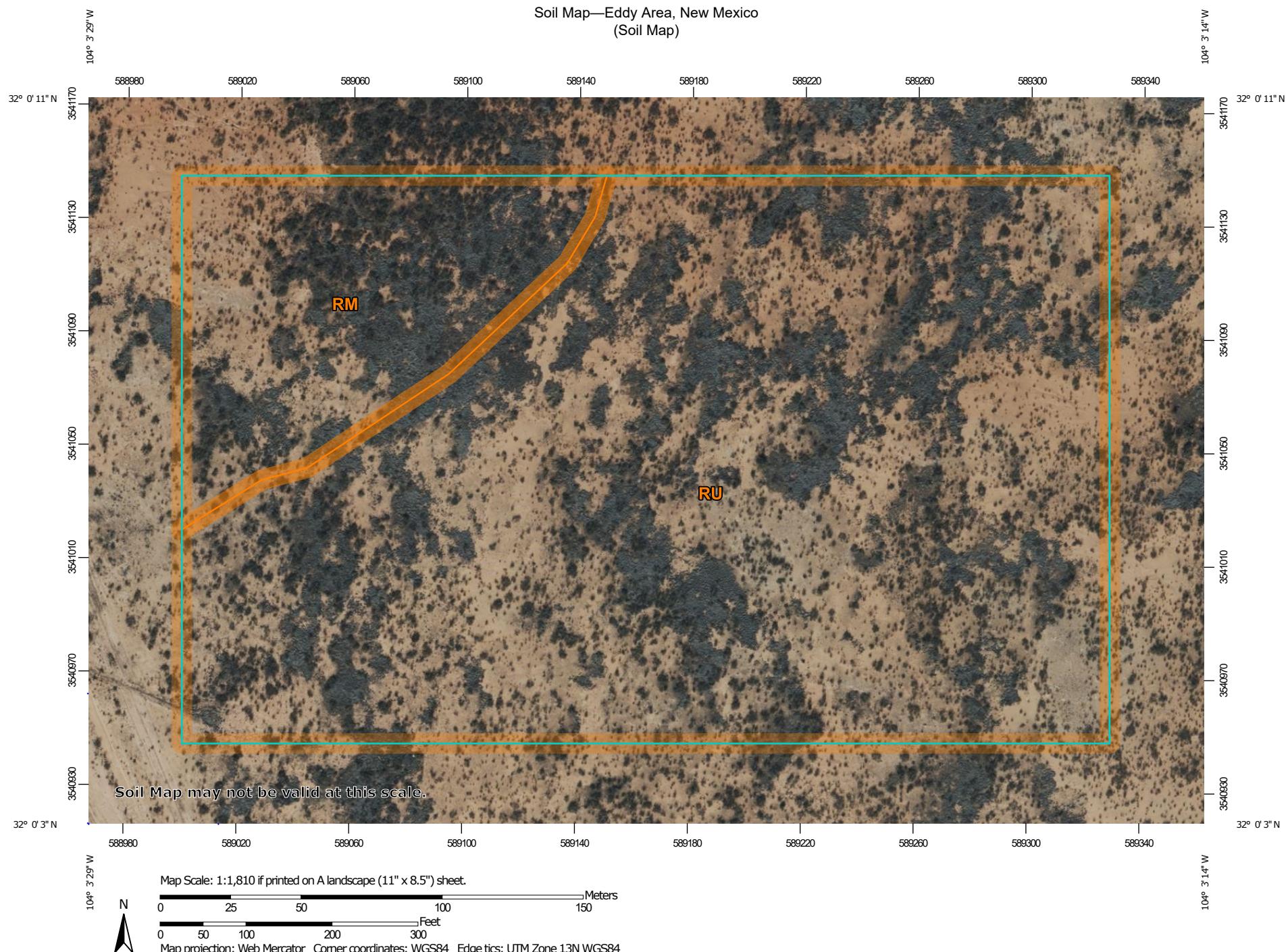
1. GENERAL AND WELL LOCATION	OSE POD NUMBER (WELL NUMBER)			STATE ENGINEER OFFICE LAS CRUCES, NM	OSE FILE NUMBER(S)			
	#2			C-4022				
	WELL OWNER NAME(S)			PHONE (OPTIONAL)				
	Mosaic Potash - Carlsbad Inc.			575-628-6279				
	WELL OWNER MAILING ADDRESS			CITY	STATE	ZIP		
	P.O. Box 71			Carlsbad	NM	88221		
	WELL LOCATION (FROM GPS)	DEGREES LATITUDE	MINUTES 5'	SECONDS 13.6	* ACCURACY REQUIRED: ONE TENTH OF A SECOND			
		104	4'	24.3	* DATUM REQUIRED: WGS 84			
				1.3				
				31.7				
DESCRIPTION RELATING WELL LOCATION TO STREET ADDRESS AND COMMON LANDMARKS - PLSS (SECTION, TOWNSHIP, RANGE) WHERE AVAILABLE								
US 285 - 6.5 miles N of state line								
2. DRILLING & CASING INFORMATION	LICENSE NUMBER	NAME OF LICENSED DRILLER				NAME OF WELL DRILLING COMPANY		
	WD-1184	Ronny Keith				Well West Texas Water Service		
	DRILLING STARTED	DRILLING ENDED	DEPTH OF COMPLETED WELL (FT)	BORE HOLE DEPTH (FT)			DEPTH WATER FIRST ENCOUNTERED (FT)	
	5-8-17	5-12-17	250	250			145	
	COMPLETED WELL IS:	ARTESIAN	DRY HOLE	SHALLOW (UNCONFINED)			STATIC WATER LEVEL IN COMPLETED WELL (FT)	
	DRILLING FLUID:	AIR	MUD	ADDITIVES - SPECIFY: Baroid Quik-gel				
	DRILLING METHOD:	ROTARY	HAMMER	CABLE TOOL	OTHER - SPECIFY:			
	DEPTH (feet bgf)	BORE HOLE	CASING MATERIAL AND/OR GRADE (include each casing string, and note sections of screen)		CASING	CASING	CASING WALL	
	FROM	TO	DIAM (inches)	GRADE	CONNECTION TYPE	INSIDE DIAM. (inches)	THICKNESS (inches)	
	0	15	24	20" J-55 steel	NA	19.125	.250	
0	130	17.5	12.75" A-53	welded	12.25	.250		
130	250	17.5	12.75 A-53	welded	12.25	.250		
						.125		
3. ANNULAR MATERIAL	DEPTH (feet bgf)	BORE HOLE	LIST ANNULAR SEAL MATERIAL AND GRAVEL PACK SIZE-RANGE BY INTERVAL			AMOUNT	METHOD OF PLACEMENT	
	FROM	TO	DIAM. (inches)				(cubic feet)	
	0	15	24	Portland			15	tremmie
	0	20	17.5	portland			16	tremmie
	20	250	17.5	3/8" grade 5 washed gravel			180	poured
FOR OSE INTERNAL USE				WR-20 WELL RECORD & LOG (Version 10/29/15)				
FILE NUMBER	C-4022		POD NUMBER	2		TRN NUMBER	603470	
LOCATION	265.28E.27.222					PAGE 1 OF 2		

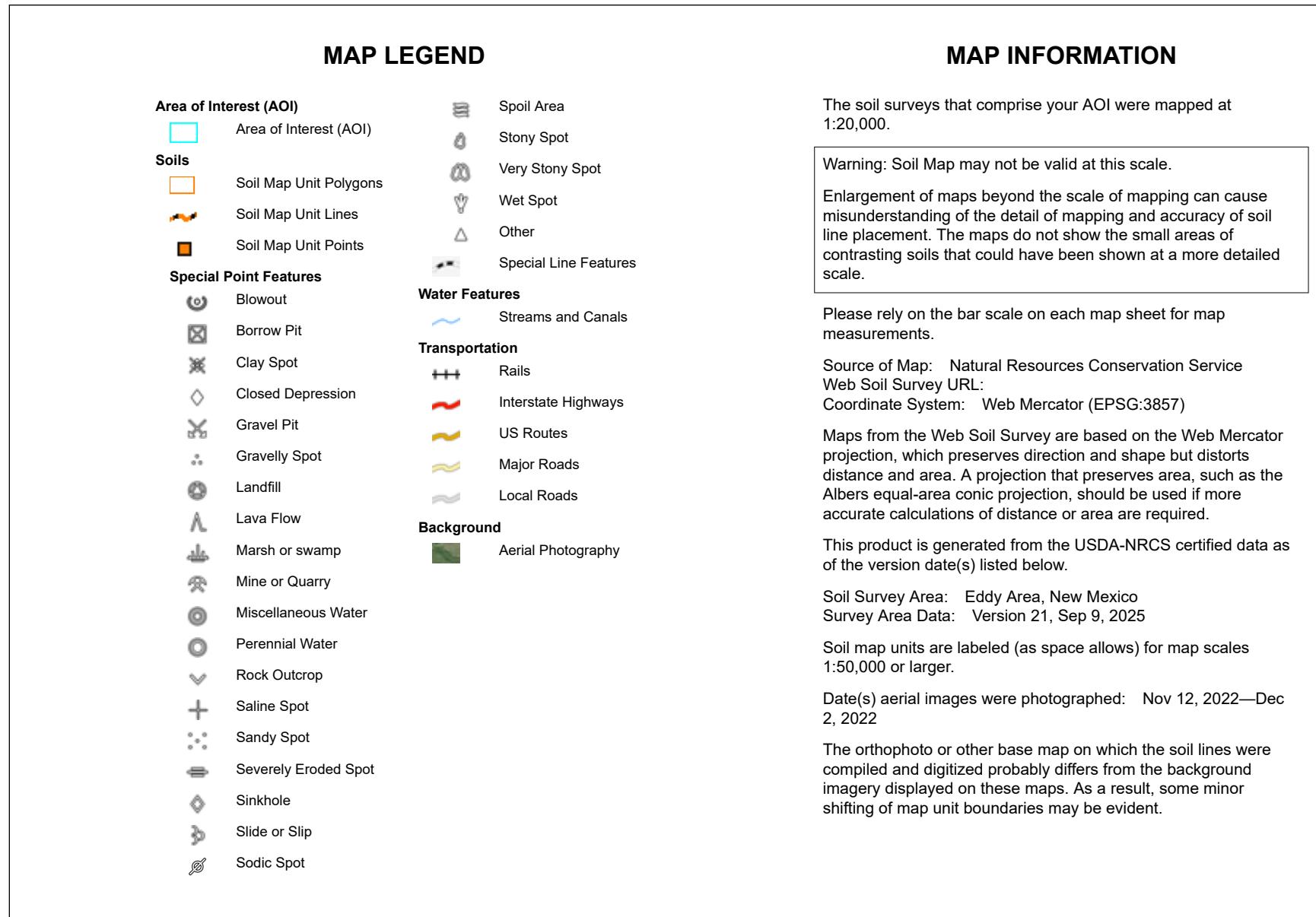
D E C E I V E
MAY 30 2017

DEPTH (feet bgf)		THICKNESS (feet)	STATE ENGINEER OFFICE LAS CRUCES, NM COLOR AND TYPE OF MATERIAL ENCOUNTERED - INCLUDE WATER-BEARING CAVITIES OR FRACTURE ZONES (attach supplemental sheets to fully describe all units)	WATER BEARING? (YES / NO)	ESTIMATED YIELD FOR WATER- BEARING ZONES (gpm)
FROM	TO				
0	20	20	Grey shale & gravel	Y	N
20	30	10	Tan sand & gravel	Y	N
30	40	10	Red clay	Y	N
40	60	20	Tan sand & gravel	Y	N
60	70	10	Tan sand	Y	N
70	90	20	Yellow & red shale	Y	0
90	100	10	Tan sandy clay	Y	0
100	120	20	Tan sand & shale	Y	0
120	130	10	Clay w/ tan sand streaks	Y	N
130	140	10	Tan sand w/ gravel	Y	0
140	150	10	Shale w/ small gravel & sand	Y	0
150	160	10	Tan shale w/ sandy gravel	Y	N
160	180	20	Gravel	Y	20
180	190	10	Tan sand & gravel	Y	20
190	210	20	Yellow gypsum & limestone	Y	0
210	220	10	Grey limestone	Y	0
220	230	10	White Clay & limestone	Y	0
230	250	20	Limestone & gypsum	Y	N
				Y	N
				Y	N
				Y	N
METHOD USED TO ESTIMATE YIELD OF WATER-BEARING STRATA:				TOTAL ESTIMATED WELL YIELD (gpm)	
<input type="checkbox"/> PUMP <input checked="" type="checkbox"/> AIR LIFT <input type="checkbox"/> BAILER <input type="checkbox"/> OTHER - SPECIFY:				60	
WELL TEST		TEST RESULTS - ATTACH A COPY OF DATA COLLECTED DURING WELL TESTING, INCLUDING DISCHARGE, METHOD, START TIME, END TIME, AND A TABLE SHOWING DISCHARGE AND DRAWDOWN OVER THE TESTING PERIOD.			
MISCELLANEOUS INFORMATION:					
PRINT NAME(S) OF DRILL RIG SUPERVISOR(S) THAT PROVIDED ONSITE SUPERVISION OF WELL CONSTRUCTION OTHER THAN LICENSEE:		<i>Russell Southard</i>			
THE UNDERSIGNED HEREBY CERTIFIES THAT, TO THE BEST OF HIS OR HER KNOWLEDGE AND BELIEF, THE FOREGOING IS A TRUE AND CORRECT RECORD OF THE ABOVE DESCRIBED HOLE AND THAT HE OR SHE WILL FILE THIS WELL RECORD WITH THE STATE ENGINEER AND THE PERMIT HOLDER WITHIN 20 DAYS AFTER COMPLETION OF WELL DRILLING:		<i>Richard Ashley</i> 5-15-17 SIGNATURE OF DRILLER / PRINT SIGHNEE NAME DATE			
FOR OSE INTERNAL USE		WR-20 WELL RECORD & LOG (Version 10/29/2015)			
FILE NUMBER		C-4022		POD NUMBER	2
LOCATION		205.28E.27.222		TRN NUMBER	603470
				PAGE 2 OF 2	

Attachment B

Site Characterization Documentation

Soil Map—Eddy Area, New Mexico
(Soil Map)

Soil Map—Eddy Area, New Mexico
(Soil Map)

Map Unit Legend

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
RM	Reeves-Reagan loams, 0 to 3 percent slopes	2.9	17.8%
RU	Russler-Ector association, 0 to 9 percent slopes	13.4	82.2%
Totals for Area of Interest		16.3	100.0%



Eddy Area, New Mexico

RM—Reeves-Reagan loams, 0 to 3 percent slopes

Map Unit Setting

National map unit symbol: 1w5g
Elevation: 1,100 to 4,400 feet
Mean annual precipitation: 7 to 25 inches
Mean annual air temperature: 57 to 70 degrees F
Frost-free period: 200 to 240 days
Farmland classification: Not prime farmland

Map Unit Composition

Reeves and similar soils: 50 percent
Reagan and similar soils: 35 percent
Minor components: 15 percent
Estimates are based on observations, descriptions, and transects of the map unit.

Description of Reeves

Setting

Landform: Hills, plains, ridges
Landform position (two-dimensional): Shoulder, backslope, footslope, toeslope
Landform position (three-dimensional): Side slope, head slope, nose slope, crest
Down-slope shape: Convex
Across-slope shape: Linear
Parent material: Residuum weathered from gypsum

Typical profile

H1 - 0 to 8 inches: loam
H2 - 8 to 32 inches: clay loam
H3 - 32 to 60 inches: gypsiferous material

Properties and qualities

Slope: 0 to 1 percent
Depth to restrictive feature: More than 80 inches
Drainage class: Well drained
Runoff class: Low
Capacity of the most limiting layer to transmit water (Ksat): Very low to moderately low (0.00 to 0.06 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum content: 25 percent
Gypsum, maximum content: 80 percent
Maximum salinity: Very slightly saline to moderately saline (2.0 to 8.0 mmhos/cm)
Sodium adsorption ratio, maximum: 4.0
Available water supply, 0 to 60 inches: Low (about 4.3 inches)



Interpretive groups

Land capability classification (irrigated): 3s
Land capability classification (nonirrigated): 7s
Hydrologic Soil Group: B
Ecological site: R070BC007NM - Loamy
Hydric soil rating: No

Description of Reagan**Setting**

Landform: Alluvial fans, fan remnants
Landform position (three-dimensional): Rise
Down-slope shape: Linear, convex
Across-slope shape: Linear
Parent material: Alluvium and/or eolian deposits

Typical profile

H1 - 0 to 8 inches: loam
H2 - 8 to 30 inches: loam
H3 - 30 to 82 inches: clay loam

Properties and qualities

Slope: 0 to 3 percent
Depth to restrictive feature: More than 80 inches
Drainage class: Well drained
Runoff class: High
Capacity of the most limiting layer to transmit water (Ksat): Moderately high to high (0.60 to 2.00 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum content: 50 percent
Maximum salinity: Very slightly saline to moderately saline (2.0 to 8.0 mmhos/cm)
Sodium adsorption ratio, maximum: 15.0
Available water supply, 0 to 60 inches: Moderate (about 8.2 inches)

Interpretive groups

Land capability classification (irrigated): 2e
Land capability classification (nonirrigated): 6e
Hydrologic Soil Group: B
Ecological site: R070BC007NM - Loamy
Hydric soil rating: No

Minor Components**Cottonwood**

Percent of map unit: 5 percent
Ecological site: R070BB006NM - Gyp Upland
Hydric soil rating: No

Gypsum land

Percent of map unit: 5 percent



Map Unit Description: Reeves-Reagan loams, 0 to 3 percent slopes---Eddy Area, New Mexico

Soil Description 1

Hydric soil rating: No

Upton

Percent of map unit: 5 percent

Ecological site: R070BC025NM - Shallow

Hydric soil rating: No

Data Source Information

Soil Survey Area: Eddy Area, New Mexico

Survey Area Data: Version 21, Sep 9, 2025



Natural Resources
Conservation Service

Web Soil Survey
National Cooperative Soil Survey

10/13/2025
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Map Unit Description: Russler-Ector association, 0 to 9 percent slopes---Eddy Area, New Mexico

Soil Description 2

Eddy Area, New Mexico

RU—Russler-Ector association, 0 to 9 percent slopes

Map Unit Setting

National map unit symbol: 1w5k

Elevation: 1,250 to 4,800 feet

Mean annual precipitation: 10 to 25 inches

Mean annual air temperature: 57 to 66 degrees F

Frost-free period: 195 to 225 days

Farmland classification: Not prime farmland

Map Unit Composition

Russler and similar soils: 60 percent

Ector and similar soils: 25 percent

Minor components: 15 percent

Estimates are based on observations, descriptions, and transects of the mapunit.

Description of Russler

Setting

Landform: Alluvial fans, plains

Landform position (three-dimensional): Rise

Down-slope shape: Linear, convex

Across-slope shape: Linear

Parent material: Alluvium

Typical profile

H1 - 0 to 11 inches: loam

H2 - 11 to 45 inches: clay loam

H3 - 45 to 60 inches: gypsiferous material

Properties and qualities

Slope: 1 to 3 percent

Depth to restrictive feature: 20 to 47 inches to paralithic bedrock

Drainage class: Well drained

Runoff class: Medium

Capacity of the most limiting layer to transmit water (Ksat): Very low to moderately low (0.00 to 0.06 in/hr)

Depth to water table: More than 80 inches

Frequency of flooding: None

Frequency of ponding: None

Calcium carbonate, maximum content: 15 percent

Gypsum, maximum content: 40 percent

Maximum salinity: Moderately saline to strongly saline (8.0 to 16.0 mmhos/cm)

Sodium adsorption ratio, maximum: 4.0

Available water supply, 0 to 60 inches: Low (about 4.4 inches)

Interpretive groups

Land capability classification (irrigated): 3e



Natural Resources
Conservation Service

Web Soil Survey
National Cooperative Soil Survey

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Map Unit Description: Russler-Ector association, 0 to 9 percent slopes---Eddy Area, New Mexico

Soil Description 2

Land capability classification (nonirrigated): 7e
Hydrologic Soil Group: C
Ecological site: R042CY153NM - Loamy
Hydric soil rating: No

Description of Ector

Setting

Landform: Hills, ridges
Landform position (two-dimensional): Shoulder, backslope, footslope, toeslope
Landform position (three-dimensional): Side slope, head slope, nose slope, crest
Down-slope shape: Convex
Across-slope shape: Linear
Parent material: Residuum weathered from limestone

Typical profile

H1 - 0 to 8 inches: very cobbly loam
H2 - 8 to 60 inches: bedrock

Properties and qualities

Slope: 0 to 9 percent
Depth to restrictive feature: 4 to 20 inches to lithic bedrock
Drainage class: Well drained
Runoff class: High
Capacity of the most limiting layer to transmit water (Ksat): Moderately low to high (0.06 to 2.00 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate, maximum content: 60 percent
Maximum salinity: Nonsaline to slightly saline (0.0 to 4.0 mmhos/cm)
Sodium adsorption ratio, maximum: 1.0
Available water supply, 0 to 60 inches: Very low (about 0.7 inches)

Interpretive groups

Land capability classification (irrigated): None specified
Land capability classification (nonirrigated): 7s
Hydrologic Soil Group: D
Ecological site: R042CY158NM - Very Shallow
Hydric soil rating: No

Minor Components

Gypsum land

Percent of map unit: 8 percent
Hydric soil rating: No

Cottonwood

Percent of map unit: 7 percent
Ecological site: R070BB006NM - Gyp Upland



Natural Resources
Conservation Service

Web Soil Survey
National Cooperative Soil Survey

10/13/2025
Page 2 of 3

Map Unit Description: Russler-Ector association, 0 to 9 percent slopes---Eddy Area, New Mexico

Soil Description 2

Hydric soil rating: No

Data Source Information

Soil Survey Area: Eddy Area, New Mexico
Survey Area Data: Version 21, Sep 9, 2025

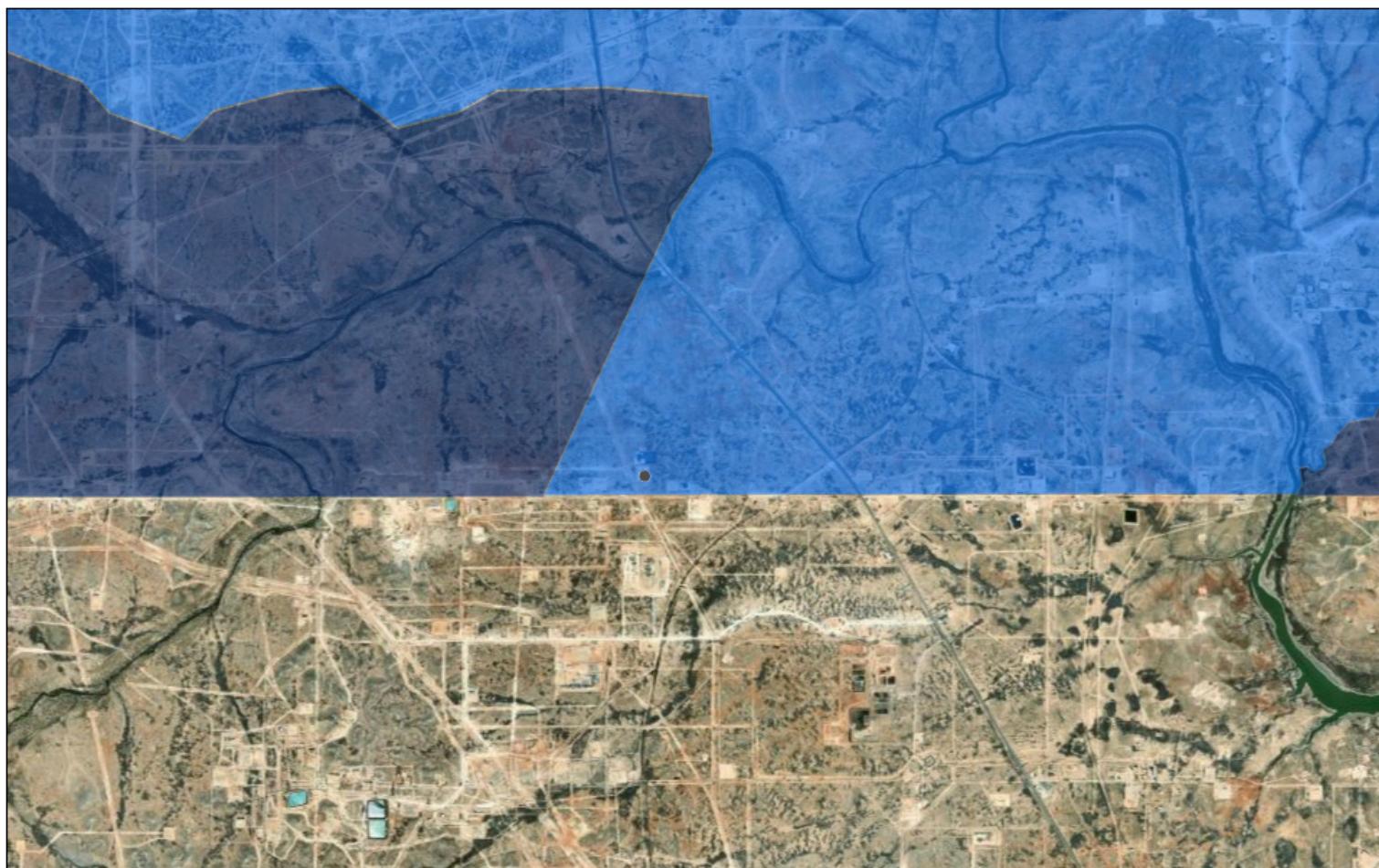


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National Cooperative Soil Survey

10/13/2025
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Karst Potential



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Karst Occurrence Potential

- Medium
- High

1:72,224
0 0.5 1 1.5 2 mi
0 0.75 1.5 3 km

BLM, OCD, New Mexico Tech, Earthstar Geographics

New Mexico Oil Conservation Division
NM OCD Oil and Gas Map. <http://nm-emnird.maps.arcgis.com/apps/webappviewer/index.html?id=4d017f2306164de29fd2fb9f8f35ca75>. New Mexico Oil Conservation Division



National Wetlands Inventory

Wetlands



October 13, 2025

Wetlands

- █ Estuarine and Marine Deepwater
- █ Estuarine and Marine Wetland

- █ Freshwater Emergent Wetland
- █ Freshwater Forested/Shrub Wetland
- █ Freshwater Pond
- █ Lake
- █ Other
- █ Riverine

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

National Flood Hazard Layer FIRMette



104°3'44"W 32°0'23"N



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE) Zone A, V, A99
- With BFE or Depth Zone AE, AO, AH, VE, AR
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee. See Notes. Zone X
- Area with Flood Risk due to Levee Zone D

OTHER AREAS

- NO SCREEN Area of Minimal Flood Hazard Zone X
- Effective LOMRs

GENERAL STRUCTURES

- Area of Undetermined Flood Hazard Zone D
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES

- Cross Sections with 1% Annual Chance
- Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS

- Digital Data Available
- No Digital Data Available
- Unmapped



The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 10/13/2025 at 5:20 AM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Attachment C

Photographic Documentation

COG Operating, LLC
 Keg Shell 35 O CTB
 Incident No. nAPP2523849227
 Eddy County, New Mexico



Photo 1 View of Site location.

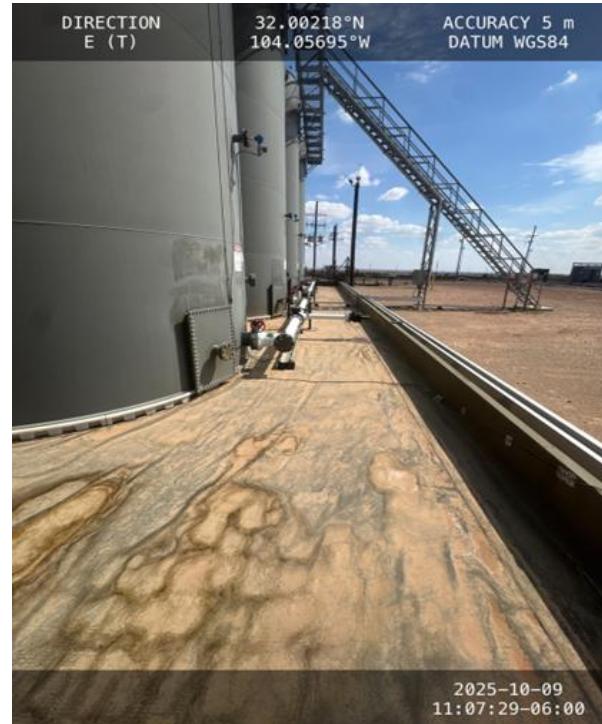
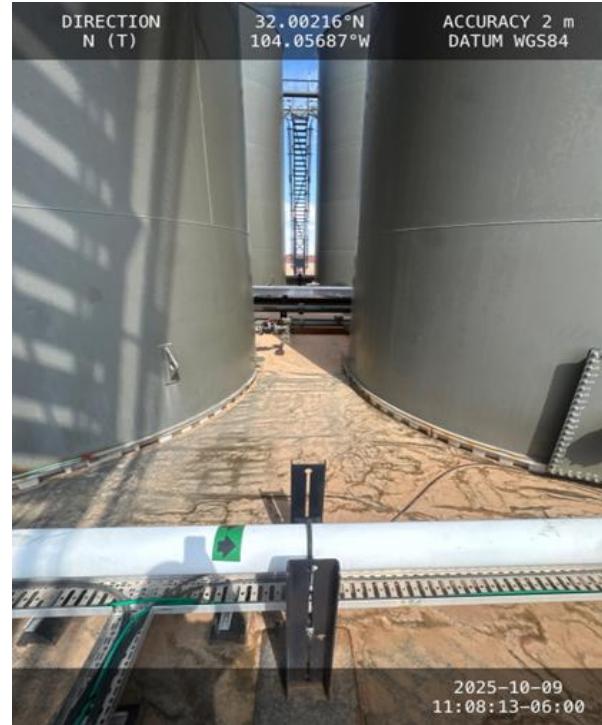


Photo 2 View of southern portion of containment facing east.



Photo 3 View of central portion of containment facing east. Photo 4



View of central portion of containment facing north.

COG Operating, LLC
 Keg Shell 35 O CTB
 Incident No. nAPP2523849227
 Eddy County, New Mexico



Photo 5 View of eastern portion of containment facing north.

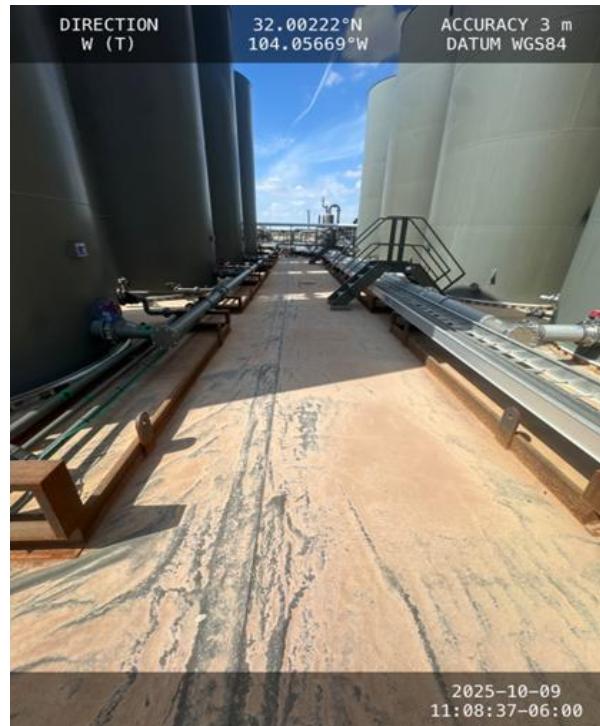


Photo 6 View of central portion of containment facing west.



Photo 7 View of western portion of containment facing south.

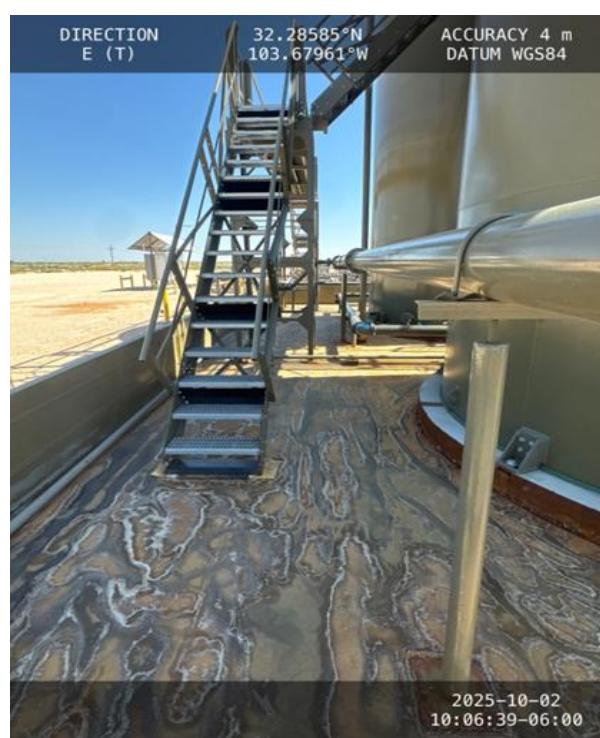


Photo 8 View of northern portion of containment facing east.

COG Operating, LLC
Keg Shell 35 O CTB
Incident No. nAPP2523849227
Eddy County, New Mexico



Photo 9 View of northern portion of containment facing east.

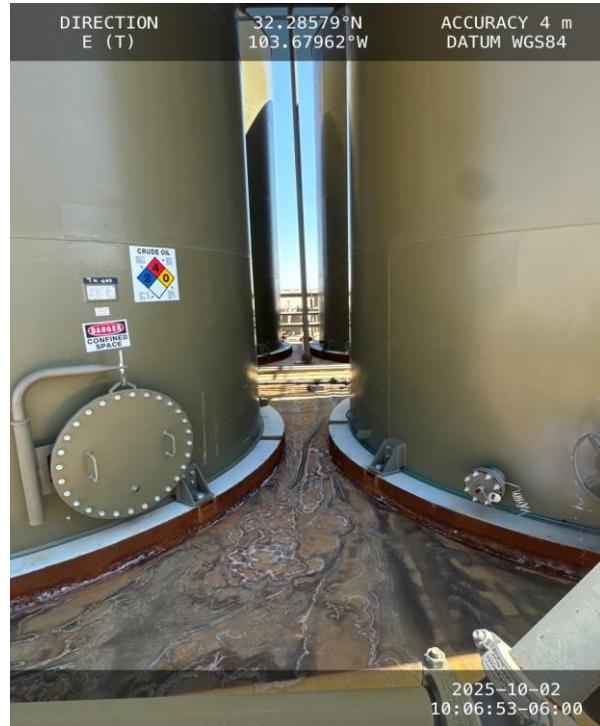


Photo 10 View of containment towards the East.

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 532139

QUESTIONS

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 229137
	Action Number: 532139
	Action Type: [C-141] Remediation Closure Request C-141 (C-141-v-Closure)

QUESTIONS

Prerequisites	
Incident ID (n#)	nAPP2523849227
Incident Name	NAPP2523849227 KEG SHELL 35 O CTB @ G-35-26S-28E
Incident Type	Produced Water Release
Incident Status	Remediation Closure Report Received

Location of Release Source

Please answer all the questions in this group.

Site Name	Keg Shell 35 O CTB
Date Release Discovered	03/30/2025
Surface Owner	Federal

Incident Details

Please answer all the questions in this group.

Incident Type	Produced Water Release
Did this release result in a fire or is the result of a fire	No
Did this release result in any injuries	No
Has this release reached or does it have a reasonable probability of reaching a watercourse	No
Has this release endangered or does it have a reasonable probability of endangering public health	No
Has this release substantially damaged or will it substantially damage property or the environment	No
Is this release of a volume that is or may with reasonable probability be detrimental to fresh water	No

Nature and Volume of Release

Material(s) released, please answer all that apply below. Any calculations or specific justifications for the volumes provided should be attached to the follow-up C-141 submission.

Crude Oil Released (bbls) Details	<i>Not answered.</i>
Produced Water Released (bbls) Details	<i>Cause: Corrosion Pump Produced Water Released: 24 BBL Recovered: 24 BBL Lost: 0 BBL.</i>
Is the concentration of chloride in the produced water >10,000 mg/l	<i>Yes</i>
Condensate Released (bbls) Details	<i>Not answered.</i>
Natural Gas Vented (Mcf) Details	<i>Not answered.</i>
Natural Gas Flared (Mcf) Details	<i>Not answered.</i>
Other Released Details	<i>Not answered.</i>
Are there additional details for the questions above (i.e. any answer containing Other, Specify, Unknown, and/or Fire, or any negative lost amounts)	<i>Not answered.</i>

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Action 532139

QUESTIONS (continued)

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Nature and Volume of Release (continued)	
Is this a gas only submission (i.e. only significant Mcf values reported)	No, according to supplied volumes this does not appear to be a "gas only" report.
Was this a major release as defined by Subsection A of 19.15.29.7 NMAC	No
Reasons why this would be considered a submission for a notification of a major release	<i>Unavailable.</i>

With the implementation of the 19.15.27 NMAC (05/25/2021), venting and/or flaring of natural gas (i.e. gas only) are to be submitted on the C-129 form.

Initial Response	
<i>The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury.</i>	
The source of the release has been stopped	True
The impacted area has been secured to protect human health and the environment	True
Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices	True
All free liquids and recoverable materials have been removed and managed appropriately	True
If all the actions described above have not been undertaken, explain why	<i>Not answered.</i>

Per Paragraph (4) of Subsection B of 19.15.29.8 NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please prepare and attach a narrative of actions to date in the follow-up C-141 submission. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC), please prepare and attach all information needed for closure evaluation in the follow-up C-141 submission.

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.

I hereby agree and sign off to the above statement	Name: Jacqui Harris Title: Sr Environment Engineer Email: jacqui.harris@conocophillips.com Date: 12/05/2025
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Action 532139

QUESTIONS (continued)

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QUESTIONS**Site Characterization**

Please answer all the questions in this group (only required when seeking remediation plan approval and beyond). This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

What is the shallowest depth to groundwater beneath the area affected by the release in feet below ground surface (ft bgs)	Less than or equal 25 (ft.)
What method was used to determine the depth to ground water	NM OSE iWaters Database Search
Did this release impact groundwater or surface water	No
What is the minimum distance, between the closest lateral extents of the release and the following surface areas:	
A continuously flowing watercourse or any other significant watercourse	Between 1 and 5 (mi.)
Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)	Between 1 and 5 (mi.)
An occupied permanent residence, school, hospital, institution, or church	Greater than 5 (mi.)
A spring or a private domestic fresh water well used by less than five households for domestic or stock watering purposes	Greater than 5 (mi.)
Any other fresh water well or spring	Between 1 and 5 (mi.)
Incorporated municipal boundaries or a defined municipal fresh water well field	Greater than 5 (mi.)
A wetland	Between 1 and 5 (mi.)
A subsurface mine	Greater than 5 (mi.)
An (non-karst) unstable area	Greater than 5 (mi.)
Categorize the risk of this well / site being in a karst geology	Medium
A 100-year floodplain	Between 1 and 5 (mi.)
Did the release impact areas not on an exploration, development, production, or storage site	No

Remediation Plan

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

Requesting a remediation plan approval with this submission	Yes
<i>Attach a comprehensive report demonstrating the lateral and vertical extents of soil contamination associated with the release have been determined, pursuant to 19.15.29.11 NMAC and 19.15.29.13 NMAC.</i>	
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
<i>Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.</i>	
On what estimated date will the remediation commence	10/08/2025
On what date will (or did) the final sampling or liner inspection occur	10/08/2025
On what date will (or was) the remediation complete(d)	10/09/2025
What is the estimated surface area (in square feet) that will be remediated	8000
What is the estimated volume (in cubic yards) that will be remediated	0

These estimated dates and measurements are recognized to be the best guess or calculation at the time of submission and may (be) change(d) over time as more remediation efforts are completed.

The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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Action 532139

QUESTIONS (continued)

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QUESTIONS

Remediation Plan (continued)

Please answer all the questions that apply or are indicated. This information must be provided to the appropriate district office no later than 90 days after the release discovery date.

This remediation will (or is expected to) utilize the following processes to remediate / reduce contaminants:

(Select all answers below that apply.)

Is (or was) there affected material present needing to be removed	Yes
Is (or was) there a power wash of the lined containment area (to be) performed	Yes
OTHER (Non-listed remedial process)	Not answered.

Per Subsection B of 19.15.29.11 NMAC unless the site characterization report includes completed efforts at remediation, the report must include a proposed remediation plan in accordance with 19.15.29.12 NMAC, which includes the anticipated timelines for beginning and completing the remediation.

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.

I hereby agree and sign off to the above statement	Name: Jacqui Harris Title: Sr Environment Engineer Email: jacqui.harris@conocophillips.com Date: 12/05/2025
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The OCD recognizes that proposed remediation measures may have to be minimally adjusted in accordance with the physical realities encountered during remediation. If the responsible party has any need to significantly deviate from the remediation plan proposed, then it should consult with the division to determine if another remediation plan submission is required.

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Action 532139

QUESTIONS (continued)

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QUESTIONS

Liner Inspection Information	
Last liner inspection notification (C-141L) recorded	512632
Liner inspection date pursuant to Subparagraph (a) of Paragraph (5) of Subsection A of 19.15.29.11 NMAC	10/09/2025
Was all the impacted materials removed from the liner	Yes
What was the liner inspection surface area in square feet	8000

Remediation Closure Request	
<i>Only answer the questions in this group if seeking remediation closure for this release because all remediation steps have been completed.</i>	
Requesting a remediation closure approval with this submission	Yes
Have the lateral and vertical extents of contamination been fully delineated	Yes
Was this release entirely contained within a lined containment area	Yes
What was the total surface area (in square feet) remediated	0
What was the total volume (cubic yards) remediated	0
Summarize any additional remediation activities not included by answers (above)	Liner

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (in .pdf format) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.	
I hereby agree and sign off to the above statement	Name: Jacqui Harris Title: Sr Environment Engineer Email: jacqui.harris@conocophillips.com Date: 12/05/2025

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CONDITIONS

Action 532139

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CONDITIONS

Created By	Condition	Condition Date
scwells	None	12/23/2025