

District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W Grand Avenue, 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

RECEIVED Form C-144
June 1, 2004

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

For drilling and production facilities, submit to appropriate NMOCD District Office.
For oil field facilities, submit to Santa Fe Office

HOBBS OCD

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan" Yes No

Type of action. Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: COG Operating I.L.C Telephone. 432-685-4332 e-mail address kcarrillo@conchorresources.com
Address Fasken Center Tower II, 550 W. Texas Ave, Suite 1300, Midland, TX 79701
Facility or well name MC Federal # 17 API #. 30-025-38776 U/L or Qtr/Qtr G Sec. 21 T. 17S R. 32E
County Lea Latitude 32 823139 N Longitude: 103 769855 W
Surface Owner Federal State Private Indian

RECEIVED
AUG 13 2008
HOBBS OCD

Pit		Below-grade tank	
Type Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/>	Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/>	Volume: _____ bbl Type of fluid _____	Construction material: _____
Liner type Synthetic <input checked="" type="checkbox"/> Thickness. 12 mil Clay <input type="checkbox"/>	Pit Volume 25,000 bbl	Double-walled, with leak detection? Yes <input type="checkbox"/> If no, explain why _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water) 120'	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more - X (0 points) 0	Wellhead protection area (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources)	Yes (20 points) No - X (0 points) 0
Distance to surface water (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more - X (0 points) 0	Ranking Score (Total Points) 0 points	

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks (2) Indicate disposal location (check the onsite box if you are burying in place) onsite offsite If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date (4) Groundwater encountered: No Yes If yes, show depth below ground surface _____ ft and attach sample results (5) Attach soil sample results and a diagram of sample locations and excavations.

Closed by trench burial, procedure attached and e-mail approval to close by Larry Johnson received on 7-15-2008, pit closed under old pit rule
All material with chloride levels above 250 mg/Kg were removed and placed in 20 mil lined burial trench located next to the reserve pit, on north side of reserve pit
Trench was capped with 20 mil. liner on all sides and covered with 3' of native soil.
Lab and field samples results are attached

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date 8-11-2008
Printed Name/Title Gary Miller- Agent Signature _____
Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval _____ Signature ENVIRONMENTAL ENGINEER Date 8.21.08

e-mailed to Larry Johnson on 7/14/08

Highlander Environmental Corp.
Pit Closure Sampling Report

Job Number: 3106
Client: COG Operating LLC
Well Name: MC Federal #17
API#: 30-025-38778
Depth of Pit: 8
Depth to Groundwater: 120
Orientation of pit: N (S) E W
Date: 7/14/2008

All pit sample depths are below pit bottom (BPB)

Sample Location	Depth (BPB)	Field Chloride Results (mg/Kg)	Lab Chloride Results (mg/Kg)
NE	2'	100	<100
NW	2'	150	<100
SE	2'	100	<100
SW	2'	100	<100
Center	2'	100	<100

DNR- Did not run at lab.
BGS- Below Ground Surface
BPB- Below Pit Bottom

Robert M.

From: Johnson, Larry, EMNRD [larry.johnson@state.nm.us]
Sent: Tuesday, July 15, 2008 8:35 AM
To: Robert M.
Subject: RE: Pit Closure - M. C. Federal #17

Concur .. close @ your convenience. Larry

From: Robert M. [mailto:rmcneill@hec-enviro.com]
Sent: Monday, July 14, 2008 2:20 PM
To: Johnson, Larry, EMNRD
Subject: Pit Closure - M. C. Federal #17

Hello Mr. Johnson,

Attached is the field sampling results for chlorides for the M. C. Federal #17 reserve pit operated by COG Operating LLC. All chloride results are less than 250 ppm. Therefore, we recommend backfilling and closing of this pit. If you concur, please e-mail us. Thanks for your help.

Robert McNeill

This inbound email has been scanned by the MessageLabs Email Security System.

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient (s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

7/15/2008

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June 1, 2004

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For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes No

Type of action Registration of a pit or below-grade tank Closure of a pit or below-grade tank

Operator: **COG Operating LLC** Telephone: **432-685-4332** e-mail address: **kcarrillo@conchoresources.com**
Address: **550 W. Texas, Suite 1300 Midland, TX 79701**
Facility or well name: **MC Federal #17** API #: **30-025-38776** U/L or Qtr/Qtr **G** Sec **21** T **17S** R **32E**
County: **Lea** Latitude **32.823139° N** Longitude **103.769855° W** NAD: 1927 1983
Surface Owner. Federal State Private Indian

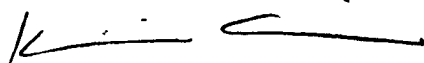
Pit	Below-grade tank
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type Synthetic <input checked="" type="checkbox"/> Thickness 12 mil Clay <input type="checkbox"/> Pit Volume 25,000 bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not.
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 120'	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points)
	Ranking Score (Total Points) 0 points

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite offsite If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No Yes If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations

Additional Comments. **COG Operating LLC proposes to close the drilling pit as follows:**

1. Remove fluids from pit.
2. A deep trench pit will be constructed next to the existing reserve pit and lined with a 12 mil liner. The contents will be encapsulated in this pit and the liner will be folded over the mud & cuttings.
3. Cover liner w/20 mil liner w/ excess of 3' on all sides as per option IV.B.3.(b) of Pit and Below-Grade Tank Guidelines.
4. Cover w/ a minimum of 3' of native soil.
5. Contour pit to prevent erosion & ponding of rainwater.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date: **04/30/08**
Printed Name/Title: **Kanicia Carrillo, Regulatory Analyst** Signature: 

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
Printed Name/Title: _____ Signature:  Date: **6-11-08**

Summary Report

Gary Miller
Tetra Tech
1910 N. Big Spring Street
Midland, TX, 79705

Report Date: July 24, 2008

Work Order: 8071425



Project Location: Lea Co., NM
Project Name: COG/MC Fed. #17
Project Number: 3106

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
167005	NE 2'	soil	2008-07-14	00:00	2008-07-14
167006	NW 2'	soil	2008-07-14	00:00	2008-07-14
167007	SE 2'	soil	2008-07-14	00:00	2008-07-14
167008	SW 2'	soil	2008-07-14	00:00	2008-07-14
167009	Center 2'	soil	2008-07-14	00:00	2008-07-14

Sample: 167005 - NE 2'

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 167006 - NW 2'

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 167007 - SE 2'

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 167008 - SW 2'

Report Date: July 24, 2008
3106

Work Order: 8071425
COG/MC Fed. #17

Page Number: 2 of 2
Lea Co., NM

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00

Sample: 167009 - Center 2'

Param	Flag	Result	Units	RL
Chloride		<100	mg/Kg	2.00
