



August 22, 2014

Oil Conservation Division
District 2 – Artesia
811 S. First St.
Artesia, NM 88210

Re: Dry Land Shiner Federal #1
Sec. 3, T21S-R25E
Eddy County, NM

Mr. Mike Bratcher,

COG Operating LLC would like to submit for your consideration the enclosed work plan for the above captioned well. The plan is in response to the C-141 Initial report dated July 17, 2014.

Background

The release was due to a hole that developed on the lower seam near the bottom of the tank. Hydrostatic pressure from the fluid inside the tank caused the hole to give and fluid rushed out of the tank which was contained within the bermed facility. A vacuum truck was dispatched to recover standing fluid of which 10 barrels were recovered of the 66 barrels of oil released. The impacted area was excavated to a depth of approximately 4-6". Further excavation was limited to the rock formations under the battery and the complexity of infrastructure within the battery. Due to the complexity of associated lines within the bermed facility, the only area that would allow for excavation was on the North and East side of the outlying tank (see attached Site Diagram). This area was the major pooling area of the release. A 2' trench was dug to promote a catch basin for any potential free liquids. The impacted area was sprayed with Micro Blaze® after the initial excavation to promote breakdown of hydrocarbons.

Groundwater

Based on the information obtained on the NMOSE website, the release area would be classified at a site ranking of Ten with depth to groundwater at greater than 80'. This information comes from a well located approximately ¾ of a mile Northwest of the location.

Soil Assessment and Analytical Results

Sample point S1 was selected within the major pooling area. Samples were taken at 2', 3', and 4' within the trenched area. Other sample points were attempted, but due to the existing infrastructure and underlying rock, the capability of obtaining further samples did not occur. The attached Site Diagram depicts the approximate location for sample point S1 along with an outline of the release and a Sample Summary Table.

Sample Results show TPH and BTEX levels to be above RRAL's for 2' and 3' and within tolerable limits for 4' per NMOCD Guidelines of Remediation of Leaks, Spills and Releases (1993). A copy of the Analytical Results is attached for your consideration.

Work Plan

COG Operating LLC proposes to excavate approximately 3 1/2' on the North and East side of the outlying tank to remediate the high levels of TPH and BTEX. Other areas within the battery will be excavated to practical depths depending on depth to rock and existing infrastructure. Areas that cannot be excavated further due to infrastructure will be treated with Micro Blaze® once more prior to backfill.

If there are no objections or further stipulations, COG Operating LLC would like to begin the remediation process based on approval of this work plan. Please feel free to contact me with any questions or concerns at (575) 748-6933.

Sincerely,



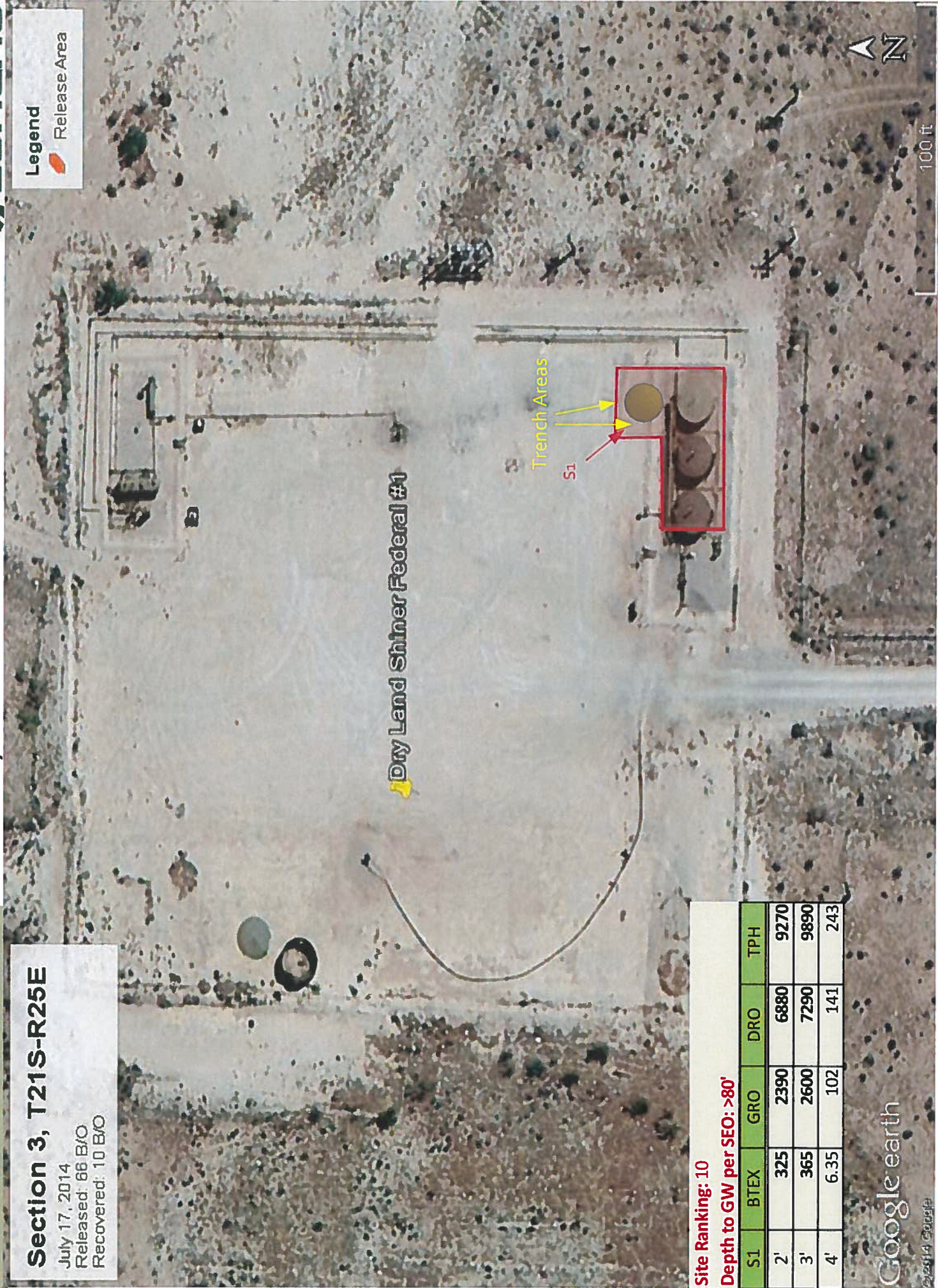
Lupe Carrasco
Environmental Coordinator

Enclosure(s): Site Diagram
Analytical Results
C-141 Initial (Copy)

Section 3, T21S-R25E
July 17, 2014
Released: 86 B/O
Recovered: 10 B/O

Legend

 Release Area



Site Ranking: 10
Depth to GW per SEO: >80'

S1	BTEX	GRO	DRO	TPH
2'	325	2390	6880	9270
3'	365	2600	7290	9890
4'	6.35	102	141	243



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

August 12, 2014

AMANDA TRUJILLO

COG OPERATING

P. O. BOX 1630

ARTESIA, NM 88210

RE: DRY LAND SHINER FEDERAL #1

Enclosed are the results of analyses for samples received by the laboratory on 08/06/14 14:30.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

COG OPERATING
AMANDA TRUJILLO
P. O. BOX 1630
ARTESIA NM, 88210
Fax To: NONE

Received: 08/06/2014
Reported: 08/12/2014
Project Name: DRY LAND SHINER FEDERAL #1
Project Number: NONE GIVEN
Project Location: NOT GIVEN

Sampling Date: 08/05/2014
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Kathy Perez

Sample ID: S1 2' (H402423-01)

BTX 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<2.00	2.00	08/11/2014	ND	1.95	97.4	2.00	6.89	
Toluene*	67.7	2.00	08/11/2014	ND	1.98	99.1	2.00	6.53	
Ethylbenzene*	36.7	2.00	08/11/2014	ND	1.99	99.5	2.00	6.93	
Total Xylenes*	221	6.00	08/11/2014	ND	6.14	102	6.00	6.72	
Total BTX	325	12.0	08/11/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIL) 120 % 89.4-126

TPH 8015M		mg/kg		Analyzed By: MS						S-06
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	2390	200	08/08/2014	ND	171	85.5	200	8.57		
DRO >C10-C28	6880	200	08/08/2014	ND	180	89.9	200	9.44		

Surrogate: 1-Chlorooctane 159 % 65.2-140

Surrogate: 1-Chlorooctadecane 175 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

COG OPERATING
AMANDA TRUJILLO
P. O. BOX 1630
ARTESIA NM, 88210
Fax To: NONE

Received: 08/06/2014
Reported: 08/12/2014
Project Name: DRY LAND SHINER FEDERAL #1
Project Number: NONE GIVEN
Project Location: NOT GIVEN

Sampling Date: 08/05/2014
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Kathy Perez

Sample ID: S1 3' (H402423-02)

BTEX 8021B		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	2.23	2.00	08/11/2014	ND	1.95	97.4	2.00	6.89		
Toluene*	84.5	2.00	08/11/2014	ND	1.98	99.1	2.00	6.53		
Ethylbenzene*	44.4	2.00	08/11/2014	ND	1.99	99.5	2.00	6.93		
Total Xylenes*	234	6.00	08/11/2014	ND	6.14	102	6.00	6.72		
Total BTEX	365	12.0	08/11/2014	ND						

Surrogate: 4-Bromofluorobenzene (PIL) 119 % 89.4-126

TPH 8015M		mg/kg		Analyzed By: MS				S-06	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	2600	200	08/08/2014	ND	171	85.5	200	8.57	
DRO >C10-C28	7290	200	08/08/2014	ND	180	89.9	200	9.44	

Surrogate: 1-Chlorooctane 162 % 65.2-140

Surrogate: 1-Chlorooctadecane 176 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

COG OPERATING
AMANDA TRUJILLO
P. O. BOX 1630
ARTESIA NM, 88210
Fax To: NONE

Received: 08/06/2014
Reported: 08/12/2014
Project Name: DRY LAND SHINER FEDERAL #1
Project Number: NONE GIVEN
Project Location: NOT GIVEN

Sampling Date: 08/05/2014
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Kathy Perez

Sample ID: S1 4' (H402423-03)

BTEX 8021B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/11/2014	ND	1.95	97.4	2.00	6.89	
Toluene*	1.08	0.100	08/11/2014	ND	1.98	99.1	2.00	6.53	
Ethylbenzene*	0.747	0.100	08/11/2014	ND	1.99	99.5	2.00	6.93	
Total Xylenes*	4.52	0.300	08/11/2014	ND	6.14	102	6.00	6.72	
Total BTEX	6.35	0.600	08/11/2014	ND					

Surrogate: 4-Bromofluorobenzene (PIE) 114 % 89.4-126

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	102	50.0	08/08/2014	ND	171	85.5	200	8.57	
DRO >C10-C28	141	50.0	08/08/2014	ND	180	89.9	200	9.44	

Surrogate: 1-Chlorooctane 88.3 % 65.2-140

Surrogate: 1-Chlorooctadecane 96.9 % 63.6-154

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Caley D. Keene, Lab Director/Quality Manager

Notes and Definitions

- S-06 The recovery of this surrogate is outside control limits due to sample dilution required from high analyte concentration and/or matrix interference's.
- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: COG Operating LLC		P.O. #:		BILL TO																							
Project Manager:				ANALYSIS REQUEST																							
Address: 2208 West Main		Company: COG Operating LLC																									
City: Artesia		Attn: Robert McNeill																									
Phone #: (575) 748-6930		Address: 600 W Illinois																									
Fax #: (575) 748-6930		City: Midland																									
Project #:		State: TX Zip: 79701																									
Project Name: Dry Land Shiner Federal #1		Phone #: (432) 221-0388																									
Project Location:		Fax #:																									
Sampler Name: L.C.																											
FOR LAB USE ONLY																											
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER	DATE	TIME	BTEX	TPH	Chloride										
#402493	1	51	2'	X	1	X				X			8/5/14	7:00am	X	X	X										
	2	51	3'	X	1	X				X					X	X	X										
	3	51	4'	X	1	X				X			8/5/14	7:00am	X	X	X										
PLEASE NOTE: Liability and Damages Cardinal's liability and client's exclusive remedy for any claim arising whether based in tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.		Relinquished By:		Date: 8/6/14	Time: 8:00am	Received By:	Date: 8/6/14	Time: 8:30	Received By: [Signature]	Sample Condition: Cool <input checked="" type="checkbox"/> Intact <input checked="" type="checkbox"/>	Checked By: [Signature]	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #: Add'l Fax #:	REMARKS:												
Relinquished By: [Signature]																											
Delivered By: (Circle One)																											
Sampler - UPS - Bus - Other:																											

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

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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	COG OPERATING LLC	Contact	Robert McNeill
Address	600 West Illinois Avenue, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name: Dry Land Shiner Federal #1		Facility Type	Battery
Surface Owner : Federal	Mineral Owner: Federal	Lease No. (API#)	30-015-32815

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
	3	T21S	R25E	940	North	660	East	Eddy

Latitude Longitude

NATURE OF RELEASE

Type of Release	Volume of Release	Volume Recovered
Oil	Oil 66 bbls	Oil 10 bbls
Source of Release	Date and Hour of Occurrence	Date and Hour of Discovery
Tank developed a hole at the bottom seam	7/17/2014 4:00pm	7/17/2014 4:00pm
Was Immediate Notice Given?	If YES, To Whom?	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	Mike Bratcher (OCD) / Jeffery Robertson (BLM)	
By Whom? Amanda Trujillo	Date and Hour	
Was a Watercourse Reached?	7/18/2014 11:17 am	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		


Describe Cause of Problem and Remedial Action Taken.*

A hole developed on a seam at the bottom of the tank. Hydrostatic pressure caused the hole to give and fluid rushed from the tank. All Fluid was contained with the bermed area.

Describe Area Affected and Cleanup Action Taken.*

All standing fluid was recovered and disposed of at an NMOCD approved facility. Saturated soil was hand excavated and disposed of at an NMOCD approved facility. Concho will have the spill site sampled to delineate any possible contamination from the release and we will present a remediation work plan to the NMOCD for approval prior to any significant remediation work.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Amanda Trujillo	Approved by District Supervisor:	
Title: Senior Environmental Coordinator	Approval Date:	Expiration Date:
E-mail Address: atrujillo@concho.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date -2014 Phone: 575-746-2010		

Attach Additional Sheets If Necessary