

August 26, 2015

Dana Vackar Strang
Division Director, Field Operations
310 Old Santa Fe Trail
Santa Fe, NM 87501

RE: Red Bluff Draw – Concho Remediation Proposal

Dear Ms. Strang:

COG Operating LLC (Concho) has reviewed the "Site Characterization Report of Oil and Gas-Related Spills in Red Bluff Draw, New Mexico, dated July 2015" and the "Site Remediation Plan for Oil and Gas-Related Spills in Red Bluff Draw, New Mexico, dated August 5, 2015", prepared for New Mexico State Land Office (SLO) by GL Environmental. From the review of both reports, Concho's remediation area is identified as Crossman 25 State #1H well pad to 0.3 mile west of Highway 285 Bridge. As requested by your e-mail on August 10, 2015, the following is a summary of work performed by Concho to date and Concho's remediation proposal.

1. Initial delineation sampling was performed at the Crossman 25 State 1H well pad area on August 19, 2015. The samples were delivered to Trace Analysis, Inc., an accredited third party laboratory. Concho is currently awaiting laboratory results.
2. Upon review of sampling results from the Crossman 25 State 1H well pad area, additional sampling and delineation will be performed, including an approximate 30 square feet petroleum stain area located north of a formerly displaced oil tank, as identified in the GL Environmental reports.
3. All sampling and delineation of the affected areas will be performed in accordance with the New Mexico Oil Conservation Division (OCD) Guidelines for Remediation of Leaks, Spills and Releases, dated August 13, 1993.
4. A detailed "Remediation Work Plan" will be prepared and submitted to SLO and OCD for approval prior to performing any remediation activities. The work plan will also address the erosion control measures and any monitoring required.

If you have any questions regarding this remediation proposal, please contact me at (432) 638-6470.

Sincerely,



Robert McNeill