JUL 17 2018

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

1270 S. St. Francis Dr. Santa Fe. NM 87505

State of New Mexico Form C-141
Energy Minerals and Natural Resources DISTRICT II-ARTESIA O.C.D. Revised April 3, 2017

Oil Conservation Division 1220 South St. Francis Dr. Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Santa Fe, NM 87505													
Release Notification and Corrective Action													
NAB1819.932.821						OPERATOR						Final Report	
Name of Company: COG Operating, LLC (OGRID #229137)						Contact: Robert McNeill							
						Telephone No. 432-683-7443							
		naer reaer	Facility Type: Tank Battery										
Surface Owner: Private Mineral Owner:						Federal		API No. 30-015-44192					
Unit Letter Section Township Range Feet from the North/South Line Feet from the East/West Line Cour													
,						/South Line North		/West Line County West Eddy			•		
L	1 32	203										<u>"</u> _	
	Latitude 32.0007825 Longitude -104.0122515 NAD83												
Type of Pelegge Volume of Pelegge Volume of Pelegge Volume Pecovered													
Type of Release Oil & Produced Water						Volume of Release 1 bbl. – Oil			Volume Recovered 0.75 bbl. – Oil				
							15 bbl. – Produced Water 13 bbl. – Produced				duced V	Vater	
Source of Release Fire tube failure										Hour of Discovery			
Was Immediate Notice Given?						July 16, 2018 5:30am July 16, 2018 5:30am If YES, To Whom?							
						Mike Bratcher – NMOCD							
By Whom? DeAnn Grant						Shelly Tucker – BLM Date and Hour July 16, 2018 11:00am – Mr. Bratcher							
						1:08pm – Ms. Tucker							
Was a Watercourse Reached?						If YES, Volume Impacting the Watercourse.							
If a Wateres						<u> </u>							
If a Watercourse was Impacted, Describe Fully.*													
ļ													
Describe Ca	use of Proble	em and Remed	dial Action	Taken.*									
The release was due to the fire tube failing, releasing fluid from the heater and causing a fire.													
Describe Ar	ea Affected	and Cleanup A	Action Tak	en.*									
The release	was on locat	ion A vacuur	n teuck wa	e dispatched to re	move al	II franctanding	g fluids. Concho w	ill have th	e cnill ar	ea samnled	to deli	neate anv	
possible imp	pact from the	release and w	e will pre	sent a remediation	n work p	plan to the NI	MOCD for approve	al prior to	any signi	ficant reme	diation	activities.	
I hereby cert	tify that the i	nformation ai	ven above	is true and comn	lete to t	he best of my	knowledge and u	nderstand t	that nursi	iant to NM	OCD n	ules and	
regulations a	all operators	are required t	o report an	id/or file certain r	elease n	otifications a	nd perform correct	tive action	s for rele	ases which	may er	ndanger	
							arked as "Final Re on that pose a thre						
or the enviro	operations in onment. In a	ddition, NMC	ocquatery CD accep	tance of a C-141	report d	oes not reliev	e the operator of r	esponsibil	ity for co	mpliance v	vith any	other	
		vs and/or regu			<u>.</u> .		•			<u> </u>	•		
T.A. A						OIL CONSERVATION DIVISION							
Signature: Pun Una										/ .			
Printed Name: DeAnn Grant						Approved by Environmental Specialist:							
Timed Ivali	<u> </u>	Derum Oral					Olalia			٨٢	70		
Title:		HSE Admir	nistrative A	Assistant	-	Approval Da	te: "// "///7	Exp	piration E	Date: N	! H		
E-mail Addr	ress:	agrant@coi	ncho.com			Conditions of	f Approval:		1	Attached			
Date: July 1	6 2018		Ph	one: (432) 253-45	513		5ll at	Hache	ed .	Auachey	VP.	48/83	

Date: July 16, 2018

Phone: (432) 253-4513

^{*} Attach Additional Sheets If Necessary

Operator/Responsible Party,

The OCD has received the form C-141 you provided on <u>VULY 17,2018</u> regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number <u>ABLAS</u> 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 2 office in 10 on or before 110 19 . 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

Pruett, Maria, EMNRD

From:

Bratcher, Mike, EMNRD

Sent:

Tuesday, July 17, 2018 11:10 AM

To:

Pruett, Maria, EMNRD

Subject:

FW: Revised (C-141 Initial) Sidewinder Federal Com #004H (30-015-44192) 07-16-2018

Attachments:

Revised (C-141 Initial) Sidewinder Federal Com #004H (30-015-44192) 07-16-2018.pdf

From: DeAnn Grant <agrant@concho.com>

Sent: Monday, July 16, 2018 4:03 PM

To: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Tucker, Shelly <stucker@blm.gov>

Cc: Weaver, Crystal, EMNRD < Crystal. Weaver@state.nm.us>; Sheldon Hitchcock < SLHitchcock@concho.com>; Dakota

Neel <DNeel2@concho.com>; Rebecca Haskell <RHaskell@concho.com>; DeAnn Grant <agrant@concho.com>

Subject: Revised (C-141 Initial) Sidewinder Federal Com #004H (30-015-44192) 07-16-2018

Mr. Bratcher/Ms. Tucker,

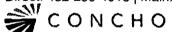
The attached C-141 for the Sidewinder Federal Com #004H has been revised to reflect updated release and recovery volumes.

Thank you,

DeAnn Grant

HSE Administrative Assistant agrant@concho.com
COG Operating LLC

600 W Illinois Avenue | Midland, TX 79701 Direct: 432-253-4513 | Main: 432.683.7443



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Bratcher, Mike, EMNRD

From:

DeAnn Grant <agrant@concho.com>

Sent:

Monday, July 16, 2018 12:08 PM

To:

Tucker, Shelly

Cc:

Bratcher, Mike, EMNRD; Sheldon Hitchcock; Dakota Neel; Rebecca Haskell; DeAnn Grant

Subject:

FW: (Notification) Sidewinder Federal Com #004H (3Q-015-44192) 07-16-2018

Ms. Tucker,

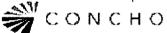
I'm sorry, I just noticed I did not include you on the notification below.

Thank you,

DeAnn Grant

HSE Administrative Assistant agrant@concho.com
COG Operating LC

600 W Illinois Avenue | Midland, TX 79701 Direct: 432-253-4513 | Main: 432.683.7443



From: DeAnn Grant

Sent: Monday, July 16, 2018 11:00 AM

To: 'Bratcher, Mike, EMNRD'

Cc: Weaver, Crystal, EMNRD; Sheldon Hitchcock; Dakota Neel; Rebecca Haskell; DeAnn Grant

Subject: (Notification) Sidewinder Federal Com #004H (30-015-44192) 07-16-2018

Mr. Bratcher,

COG Operating, LLC (OGRID# 229137) is reporting a fire and a produced water release at the Sidewinder Federal Com #004H (30-015-44192).

Release Location:

ULSTR: E-32-26S-29E

Lat/Long: 32.0007825, -104.0122515

Date of Release: July 16, 2018

Release Volume: approximately 15 bbl.

Recovery Volume: On going

COG will have the release evaluated and will submit an initial C-141. If you have any questions or concerns please do not hesitate to contact me.

Thank you,

DeAnn Grant