District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 pistrict III 1000 Rio Brazos Rond, Azzeo, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Date:

3/31/06

Attach Additional Sheets If Necessary

Phone: (432) 685-4372

State of New Mexico **Energy Minerals and Natural Resources**

Form C-141 Revised June 10, 2003

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

	District III 1000 Rio Brazz District IV 1220 S. St. Fran	os Rond, Azte	a Fe, NM 8750:	5	Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Release Notification and Corrective Action						Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back gide of form			
	30-00	5-28	83	Rel	ease Notific	catio	n and Co	orrective A	ction	1				
												⊠	Final Repor	
d	Name of C	ompany: (COG Operati	ng, LLC				iane Kuykendal						
¥	Address: 5	50 W. Tex	as, Suite 130	0, Midla	nd TX 79701		Telephone No. (432) 685-8100							
	Facility Na	me: Keys	one #4 Tank	Battery			Facility Typ	e: Tank Battery	<u>'</u>					
•	Surface Ov	Surface Owner Don Rains Mineral Owne						Lease No. 301047						
	المستنعا	<u> </u>			LOCA	ATIO	N OF REI	LEASE						
	Unit Letter	Section 32	Township 20S	Range 28E	Feet from the 1650°		South Line	Feet from the 1980'	East/\ West	West Line	County Eddy			
	 		<u> </u>		NAT	YIRE	OF REL	EASE			•	•		
	Type of Rela	ease Prod	uced oil & wa	ter			Release >5 barn	els	Volume P	lecovered				
A		ource of Release Tank valve leaking					Date and Hour of Occurrence 4/13/05			Date and Hour of Discovery 4/13/05 by OCD				
	Was Immed	iate Notice (If YES, To Whom?											
1	By Whom? Mike Bratcher contacted COG						Date and Hour 4/13/05							
	Was a Water	rcourse Read	ched?	Yes 🗵	No		If YES, Volume impacting the Watercourse.							
If a Watercourse was Impacted, Describe Fully.*												<u></u>		
	Describe Con Leak at tank	Describe Cause of Problem and Remedial Action Taken.* Leak at tank valve. A vacuum truck pulled free standing fluid. Isolated tank to repair. Contacted Highlander for site inspection.												
	Dike was 1/4	Describe Area Affected and Cleanup Action Taken.* Dike was 1/2 full of fluid, Free standing fluids were removed and tank repaired. Initial soil sampling completed. Tanks removed, impacted soil excavated and taken to disposal. Confirmation samples taken from bottom hole and sidewalls. Prepared closure report. Will backfill with clean backfill material.												
	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:	N C		Indel		OIL CONSERVATION DIVISION TIM GUM Approved by District Supervisor: by MB Approved by District Supervisor: by MB								
	Frinted Name				•		Approval Date: 5/4/06 Expiration Date: 4/8							
			ndall@concho	resources.	രന		Conditions of				Atrached	NEW .	·	



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Joanna Prukop Cabinet Secretary

Mark E. Fesmire, P.E. Director Oil Conservation Division

COG Operating, LLC 550 W. Texas Ave. Suite 1300 Midland TX 79701

May 4, 2006

Reference: Keystone 004

F-32-20s-28e API: 30-015-28183 Incident #: nMLB0514438151

Keystone 001

G-32-20s-28e API: 30-015-22218 Incident #: nMLB0512230909

Operator,

The New Mexico Oil Conservation Division District 2 Office (NMOCD) is in receipt of a Closure Report and a Final Report Form C-141 for each of the above referenced well sites located in Eddy County, New Mexico. The Closure Reports outline actions taken for remediation of produced fluids released at the sites and provide lab analyses obtained during the remediation process. The Closure Report was prepared and submitted to the NMOCD by your agent, Highlander Environmental Corp.

Based on information provided, the request for closure of these release incidents is approved.

Please be advised that NMOCD acceptance and/or approval of documents or work plans 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 and/or approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

Sincerely,

Mike Bratcher

NMOCD District 2

1301 W. Grand Ave.

Artesia, NM 88210

(505) 748-1283 Ext. 108

(505) 626-0857

Mike.Bratcher@state.nm.us