



Highlander Environmental Corp.

Midland, Texas

September 21, 2007

Mr. Mike Bratcher
State Of New Mexico,
Oil Conservation Division
1301 W. Grand Ave.
Artesia, New Mexico 88210

Re: COG Operating LLC
GJ West COOP Unit #147, API # 30-015-35454
Final Reserve Pit Closure Results
Eddy County, New Mexico

Dear Mr. Bratcher,

COG Operating LLC (COG) has retained Highlander Environmental Corp. (Highlander) to assist them in the testing and closure of the reserve pit on the above mentioned well location. Attached you will find the results of both the field sampling and laboratory results for the work that was performed on 9/13/2007. The pit was closed by trench burial.

As per your verbal approval on 9/14/2007, the area of elevated chloride in the southwest corner of the pit was excavated. The bottom 10' of the southwest corner to a point halfway to the northwest corner of the outer horseshoe was removed. Because the burial trench was full, the bottom of the excavation was leveled and 12 mil plastic was used to line the bottom and sides. The material that had been excavated from this area was then placed back into the now lined trench. Plastic was then placed on top of the trench and the reserve pit was closed and re-contoured. The top of the plastic in this new burial trench was 10' below the ground surface.

Should you need additional information regarding this issue, please contact me at 432-682-4559 or my email address at gmliller@hec-enviro.com.

Sincerely,

Gary Miller, Agent
Highlander Environmental Corp.

Attachments: Approved Pit Closure Form
Field sample results and locations
Laboratory results

Pit closed 9/14/07

Office
District I
625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

Energy, Minerals and Natural Resources

May 27, 2004



OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-35454
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name G J WEST COOP UNIT
8. Well Number 147
9. OGRID Number 229137
10. Pool name or Wildcat 97558 GJ; 7RVS-QN-GB-GLORIETA-YESO

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3576' GR

Pit or Below-grade Tank Application ☐ or Closure ☒

Pit type DRILLING Depth to Groundwater 110' Distance from nearest fresh water well 1000' Distance from nearest surface water 1000'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
COG Operating LLC

3. Address of Operator
550 W. Texas Ave., Suite 1300 **Midland, TX 79701**

4. Well Location
Unit Letter H : 2310' feet from the North line and 990' feet from the East line
Section 21 Township 17S Range 29E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3576' GR

Pit or Below-grade Tank Application ☐ or Closure ☒

Pit type DRILLING Depth to Groundwater 110' Distance from nearest fresh water well 1000' Distance from nearest surface water 1000'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Pit closure



OTHER:



13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

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 and cuttings.
3. Cover liner with 20 mil liner with excess of 3' on all sides as per option IV.B.3.(b) of the Pit and Below-Grade Tank Guidelines.
4. Cover with a minimum 3' of native soil.
5. Contour pit to prevent erosion and ponding of rainwater.

Notify OCD 24 hours prior to beginning pit closure.

Accepted for record
NMOC
Closed by Trench Burial on 4/13/07
Approved by Mike Blatcher w/ Conditions
Samples are to be obtained from pit area and analysis submitted to NMOC prior to back-filling

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

SIGNATURE Phyllis Edwards TITLE Regulatory Analyst DATE 4-13-07

Type or print name Phyllis Edwards E-mail address: pedwards@conchoresources.com Telephone No. 432-685-4340
For State Use Only

APPROVED BY: Jim W. Brown TITLE District II Supervisor DATE 4/27/07

Conditions of Approval (if any)

Pit Closure Sampling Report

Client:

Well Name

API#

Depth of Pit

Location and Depth of Background sample

All pit sample depths are *below pit bottom* (BPB)

[illegible]

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

P.T. Closed w/ excavation of 10' of
material from Saw Corner 1/2 way to NW Corner
excavation lined w/ 12 mil Plastic, Back filled with
excavated soil. & covered w/ Plastic & P.T.
Backfilled - Verbal approval by Mike Bratcher, on 9-14-07

Highlander Environmental Corp.
Pit Sample Location Plat

Pit wall in feet _____


x NW x NE

x Center

Depth of pit in feet _____

x SW x SE

x _____ Indicates Sample Location
(Name by quarter i.e. NW, NE etc)

 Draw in North Arrow

Pit wall in feet _____

excavated
To 10' depth
& Back-filled

Wellhead

Well Pad

Client: COG

Well Name: G.J. West 147

API# 30-015-35454

Summary Report

Gary Miller
Highlander Environmental Services
1910 N. Big Spring Street
Midland, TX, 79705

Report Date: September 19, 2007

Work Order: 7091432



Project Location: Eddy County, NM
Project Name: COG-GJ West #147
Project Number: 3152

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
136513	NE 2'	soil	2007-09-13	00:00	2007-09-14
136514	NW 2'	soil	2007-09-13	00:00	2007-09-14
136515	SE 15'	soil	2007-09-13	00:00	2007-09-14
136516	SW 15'	soil	2007-09-13	00:00	2007-09-14
136517	SW 20'	soil	2007-09-13	00:00	2007-09-14
136518	Center 5'	soil	2007-09-13	00:00	2007-09-14

Sample: 136513 - NE 2'

Param	Flag	Result	Units	RL
Chloride		225	mg/Kg	2.00

Sample: 136514 - NW 2'

Param	Flag	Result	Units	RL
Chloride		259	mg/Kg	2.00

Sample: 136515 - SE 15'

Param	Flag	Result	Units	RL
Chloride		115	mg/Kg	2.00

Sample: 136516 - SW 15'

Param	Flag	Result	Units	RL
Chloride		909	mg/Kg	2.00

Report Date: September 19, 2007
3152

Work Order: 7091432
COG-GJ West #147

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Eddy County, NM

Sample: 136517 - SW 20'

Param	Flag	Result	Units	RL
Chloride		1680	mg/Kg	2.00

Sample: 136518 - Center 5'

Param	Flag	Result	Units	RL
Chloride		216	mg/Kg	2.00