

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
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

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-141
Revised August 8, 2011

JAN 7 2015

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB 1503038538

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: COG Operating LLC 229137	Contact: Robert McNeill
Address: 600 West Illinois Avenue, Midland TX 79701	Telephone No. 432-230-0077
Facility Name: Lakewood Farms SWD18 #1	Facility Type: Wellhead

Surface Owner: Fee	Mineral Owner:	API No. 30-015-28164
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LOCATION OF RELEASE

Unit Letter D	Section 18	Township 19S	Range 26E	Feet from the 660	North/South Line North	Feet from the 660	East/West Line West	County Eddy
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Latitude 32.666242661266 Longitude -104.427663555328

NATURE OF RELEASE

Type of Release: Produced Water and drilling fluid	Volume of Release: 5 bbls	Volume Recovered: 5 bbls
Source of Release: Well	Date and Hour of Occurrence: 1/10/2015	Date and Hour of Discovery: 1/10/2015
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Randy Dade - NMOCD	
By Whom? Kyle Canzian	Date and Hour: 1/22/2015	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*


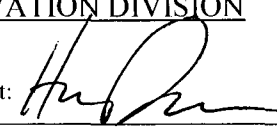
Describe Cause of Problem and Remedial Action Taken.*

While re-entering well crews noticed water and cement coming out of a small hole on location about 70 feet away from well head. Crews stopped circulating and the fluid stopped coming out. The spilled fluid was picked up by a vacuum truck and disposed of properly. The leak at the surface casing was repaired by a squeeze cement job, and the repaired casing passed the pressure test.

Describe Area Affected and Cleanup Action Taken.*

Concho will have the spill site investigated to determine 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 Environmental Specialist: 	
Title: Senior Environmental Coordinator	Approval Date: 1/26/15	Expiration Date:
E-mail Address: atrujillo@concho.com	Conditions of Approval: SEE Attached	Attached <input checked="" type="checkbox"/>
Date: January 27, 2015 Phone: 575-748-6940		

* Attach Additional Sheets If Necessary

280-27713

RE: COG Operating LLC * Lakewood Farms SWD 18 1 * 30-015-28164 * Re-Entry for SWD
Produced water & drilling fluid communication to surface during re-entry operations

Incident date: 1/10/2015

Conditions of approval for the Initial Report Form C-141:

In addition to a soil contamination investigation, OCD will require COG to determine actual depth to ground water at this location. Once established, an investigation into possible ground water impact will be required. The initial borehole to determine depth to ground water is to be coordinated with the OCD District 2 Office. Permitting and scheduling for this portion of the project should commence immediately. As discussed with Robert McNeill on 1/29/2015, the soil and possible ground water contamination investigation will proceed after re-entry operations have been completed at the site.

Mike Bratcher
NMOCD District 2
575-748-1283 X108
mike.bratcher@state.nm.us

Patterson, Heather, EMNRD

From: Amanda Trujillo <ATrujillo@concho.com>
Sent: Tuesday, January 27, 2015 7:18 PM
To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD
Subject: (C-141 Initial) Lakewood Farms SWD 18 #1 (30-015-28164)
Attachments: 1-10-2015 Lakewood Farms SWD 18 #1 - Initial.pdf

Mr. Bratcher,

This is a follow up to the notification made by COG Operating LLC on the Lakewood Farms SWD 18 #1 (30-015-28164)
Unit D Section 18, Township 19S Range 26E
The release occurred on 1/10/2015
Produced Water & Drilling Fluid
Released: 5 bbls
Recovered: 5 bbls

Attached is a C-141 for your consideration. If you have any additional questions please feel free to contact me.

Thank you,

Amanda Trujillo

Senior Environmental Coordinator
COG Operating LLC
Cell: 505.350.1336
Office: 575.748.6930
atrujillo@concho.com

2407 Pecos Ave.
Artesia , NM 88210



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Submit 1 Copy To Appropriate District Office

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
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

WELL API NO.

30-015-28164

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Lakewood Farms SWD 18

8. Well Number

1

9. OGRID Number

229137

10. Pool name or Wildcat

SWD;Devonian

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 SWD

2. Name of Operator

COG Operating LLC

3. Address of Operator

One Concho Center, 600 W Illinois Ave, Midland, TX 79701

4. Well Location

Unit Letter D : 660 feet from the North line and 660 feet from the West line
Section 18 Township 19S Range 26E NMPM County Eddy

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

3385

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 ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒
OTHER: Casing repair ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

12/20/14 MIRU Start drilling at surface.
12/21/14 Drilled 7' and fell through top of cement plug.
12/22/14 Started drilling at 237'. Drilled to 1001'.
12/23/14 Drill down 17'.
12/30/14 Drilled cement to 1113', fell out. Start washing and reaming. Wash to 1268'.
01/05/15 Wash and ream from 1268' to 3215'.
01/06/15 Clean out to 4260'. Tag cement plug. Drill cement to 4481'.
01/07/15 Drill at 4481' to 4602'. Circ clean.
01/08/15 Drill to 4692', fell out of cement. RIH to 5600', circ clean. Tag plug at 6300', drill to 6320', circ clean.
01/09/15 Drilling at 6320' fell out of cement at 6370'. Wash and ream to 7007', circ clean. Lose circ. Noticed water coming out of the ground about 70' east of wellhead, still on pad location. Shut down circ. Left watchman on location overnight.
01/10/15 RIH w/9-5/8 packer, to find csg hole. Hole is between 154 and surface. Set packer at 900'.
01/12/15 Release packer. RIH w/9-5/8 CIBP, set at 900'.
01/13/15 Squeeze hole in 9-5/8 surface casing. Squeeze w/400sx CI C. SDFN.
01/14/15 Tag cement at 43', drill out to 219'. Circ clean.
01/15/15 Tag cement at 219', drill out squeeze. Test csg, csg did not test.
01/16/15 Cement down 9-5/8 casing w/400sx CI C. Displace w/ 19bbbls of fresh water to 250'. Tag cement at 263' clean out to 275', circ clean.
01/17/15 Tag cement at 290'. Drilled to 400', fell out of cement at 420'. Ran in at 520'. Test to 500psi for 10 mins, good test.
01/18/15 Shut rig down. Waiting on orders. (Communicated issues with Randy Dade on 1/22/15)

NM OIL CONSERVATION

ARTESIA DISTRICT

JAN 22 2015

RECEIVED

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE K. Castillo TITLE Lead Regulatory Analyst DATE 1/22/15Type or print name Kanicia Castillo E-mail address: kcastillo@concho.com PHONE: 432-685-4332

For State Use Only

APPROVED BY: R. Dade TITLE Dist. H. Supervisor DATE 1/22/2015

Conditions of Approval (if any):