

SITE INFORMATION

Report Type: Closure Report

General Site Information:				
Site:	Cedar Lake 8" Main Line			
Company:	COG Operating LLC			
Section, Township, and Range:	20	17S	31E	
Lease Number:	NMLC-029395B			
County:	Eddy County, NM			
GPS:	N 32 49.495	W 103 53.344		
Surface Owner:	Federal			
Mineral Owner:				
Directions:	From the intersection of Hwy 529 and Hwy 82, travel West on Hwy 82 for 1.0 mile, turn Right onto lease road and travel 0.5 mile to leak site.			

Release Data:	
Date Released:	8/11/2011
Type of Release:	Produced water
Source of Contamination:	8" Main line rupture
Fluid Released:	100 bbls
Fluids Recovered:	80 bbls

Official Communication:		
Name:	Pat Ellis	Cliff Brunson
Company:	COG Operating LLC	BBC International, Inc.
Address:	550 W. Texas Ave., Ste. 1300	1324 W. Marland
PO Box:		PO Box 805
City, State, Zip Code:	Midland, TX 79701	Hobbs, NM 88241
Phone Number:	(432) 686-3023	(575) 397-6388
Fax:	(432) 684-7137	(575) 397-0397
Email:	pellis@conchoresources.com	cbrunson@bbcinternational.com

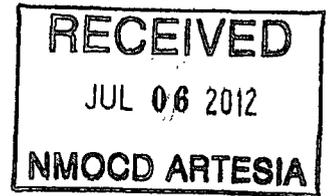
Ranking Criteria:		
Depth to Groundwater:	Ranking Score	Site Data
<50 ft.	20	
50-99 ft.	10	
>100 ft.	0	0

Well Head Protection:		
Water Source <1,000 ft., Private <200	Ranking Score	Site Data
	20	
Water Source >1,000 ft., Private >200	Ranking Score	Site Data
	0	0

Surface Body of Water:		
<200 ft.	Ranking Score	Site Data
	20	
200 ft. - 1,000 ft.	Ranking Score	Site Data
	10	
>1,000 ft.	Ranking Score	Site Data
	0	0

Total Ranking Score:	0
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Acceptable Soil RRAL (mg/kg)		
Benzene	Total BTEX	TPH
10	50	5000



COG Operating LLC

Cedar Lake 8" Main Line

(Release Date 8/11/11)

Unit B, Section 20, Township 17 South, Range 31 East

Eddy County, New Mexico

GPS: N 32 49.495 W 103 53.344

ENVIRONMENTAL SITE INVESTIGATION

CLOSURE REPORT

PERFORMED BY:

BBC INTERNATIONAL, INC.
WORLD-WIDE ENVIRONMENTAL SPECIALISTS
1324 W. MARLAND BLVD.
P. O. BOX 805
HOBBS, NEW MEXICO 88240
(575) 397-6388 • FAX (575) 397-0397

December 19, 2011

PREPARED FOR:

MR. PAT ELLIS
MANAGER, HSE
COG OPERATING LLC
FASKEN CENTER TOWER II
550 WEST TEXAS AVENUE, SUITE 100
MIDLAND, TEXAS 79701

Mr. Mike Bratcher
Compliance Officer
Oil Conservation Division, District 2
811 South First
Artesia, NM 88210

James Amos
Supervisory Petro Eng. Tech.
Bureau of Land Management
620 East Greene Street
Carlsbad, NM 88220

Re: Closure plan for the COG Operating LLC, Cedar Lake 8" Main Line,
Unit B, Section 20, Township 17 South, Range 31 East, Eddy County, NM

1.0 SITE CHARACTERIZATION

The subject site is located east of Loco Hills, in Unit B, Section 20, Township 17 South, and Range 31 East, Eddy County, New Mexico. The GPS coordinates are: N 32 49.495 W 103 53.344. The site consists of undeveloped rangeland and petroleum production facilities. On August 11, 2011, a crew was installing a "T" in the main line the poly line pressured up causing it to rupture. The spray area measured 30 feet on the ROW in the pasture adjacent to the valve box. Approximately 100 bbls of water was released with approximately 80 bbls of water being recovered by a vacuum truck which was on standby at the location.

A diagram of the leak area including the sample points can be reviewed in Appendix I of this report. The surface soil is red sand. There is no water source within 1,000 feet of the site. There is no surface water within 1,000 feet of the site. Based on data from the Eddy County Groundwater Trend Map, the depth to groundwater in Section 20, Township 17 South, and Range 31 East is 350'. The initial C-141 is at the end of this report in Appendix III.

2.0 SITE INVESTIGATION ACTIVITIES

On August 18, 2011, BBC personnel conducted a delineation of the site. Two sample points were advanced in the leak area using hand auger to a total depth of 2 feet. Three samples were taken from SP1 one at surface, one at one foot, and one at 2 feet. Two samples were taken from SP2 one at surface, and one at one foot. The samples were taken to Cardinal Laboratories for chloride analysis. Laboratory analysis for SP1 @ surface is 32 ppm chloride. Laboratory analysis for SP1 @ 1' is 32 ppm chloride. Laboratory analysis for SP1 @ 2' is 32 ppm chloride. Laboratory analysis for SP2 @ surface is 320 ppm chloride. Laboratory analysis for SP2 @ 1' is 48 ppm chloride. The results of the analysis are located in Appendix II of this report. The sample point locations can be viewed on the site diagram in Appendix I of this report.

3.0 CONCLUSION AND RECOMMENDATION

The laboratory data for this site indicates that the chloride contamination is below 250 ppm in the leak area. The depth to groundwater is approximately 350 feet. Therefore, it was recommended to the NMOCD that no further action was necessary. Mike Bratcher of the NMOCD agreed and the site was approved for closure. The final C-141 is at the end of this report in Appendix III.

APPENDIX I

Site Diagram

August 2011

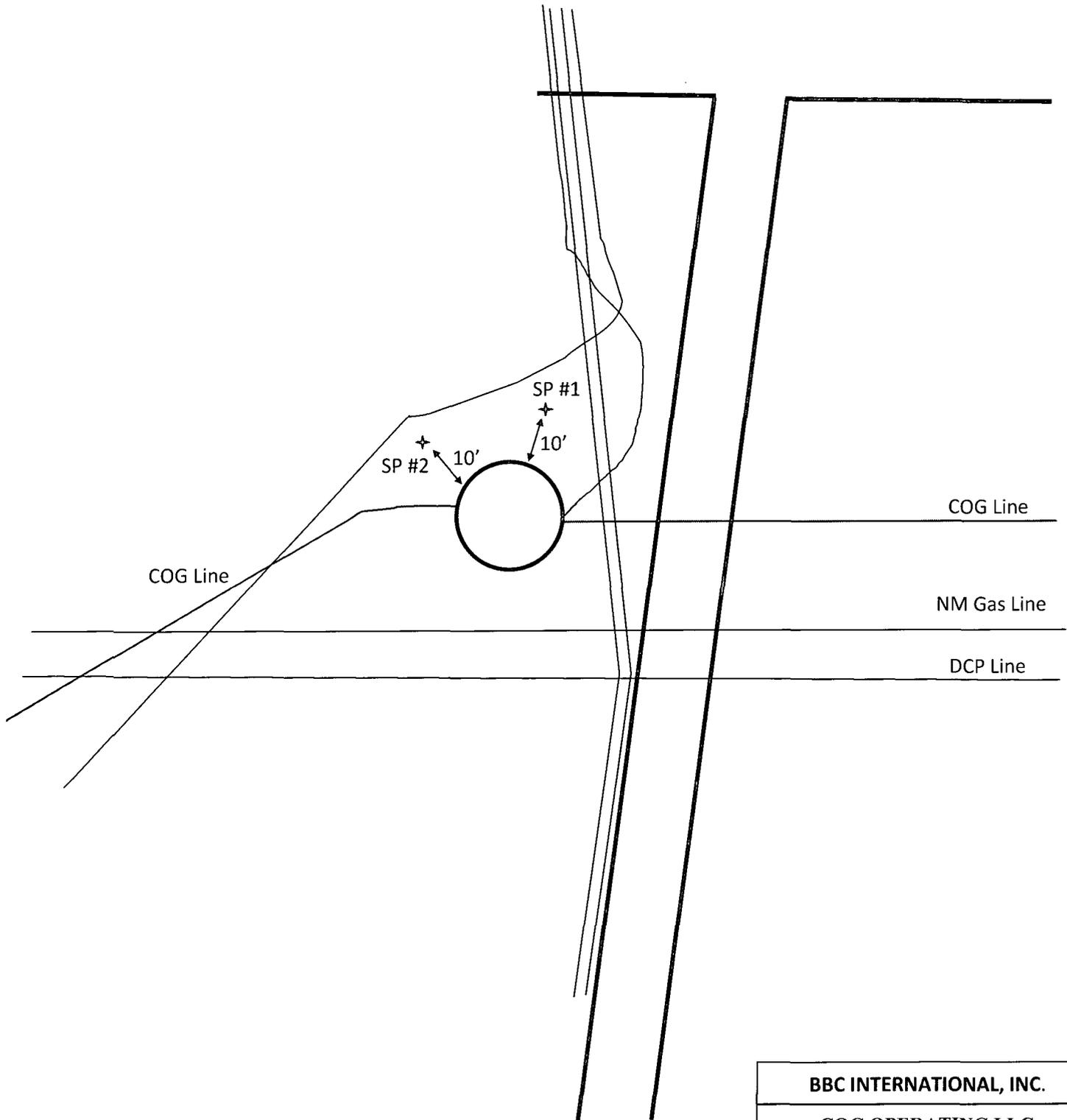
Cedar Lake 8" Main Line (8/11/11)

Unit B, Section 20, Township 17 South, Range 31 East
Eddy County, NM
GPS: N 32 49.495 W 103 53.344

Prepared for:
COG Operating LLC
Midland, Texas

Prepared by:
BBC International, Inc.

**COG OPERATING LLC
CEDAR LAKE 8" MAIN LINE**

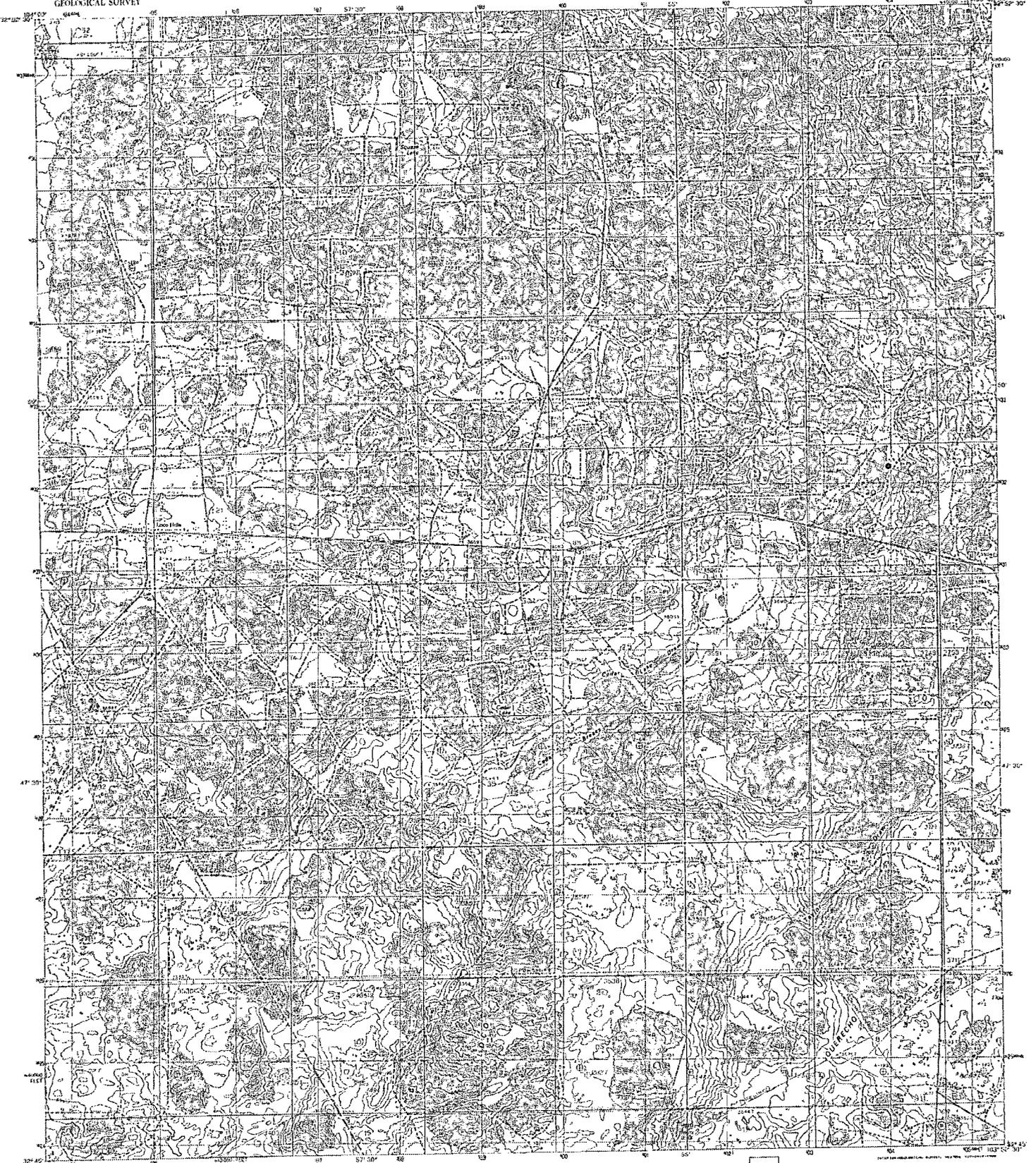


BBC INTERNATIONAL, INC.	
COG OPERATING LLC CEDAR LAKE 8" MAIN LINE	
Date: 8-16-11	Drawn By: JG
Disk:	Sheet 1 of 1 Sheets
Scale: Not to Scale	File Name

COG, Cedar Lake 8" Main Line

LOCO HILLS QUADRANGLE
NEW MEXICO-EDDY CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



SCALE 1:24,000



ROAD LEGEND

Improved Road
Unimproved Road
Trail
Interstate Route
U.S. Route
State Route

1	2	3	4	5	6	7	8	9	10
1	2	3	4	5	6	7	8	9	10

PROVISIONAL MAP
Produced from original
manuscript drawings. Informa-
tion shown as of date of
field work.

THIS MAP COMPLETS WITH NATIONAL MAP ACCURACY STANDARDS
AND WAS BY THE GEOLOGICAL SURVEY, DENVER, COLORADO 80225
OR RESTON, VIRGINIA 20192

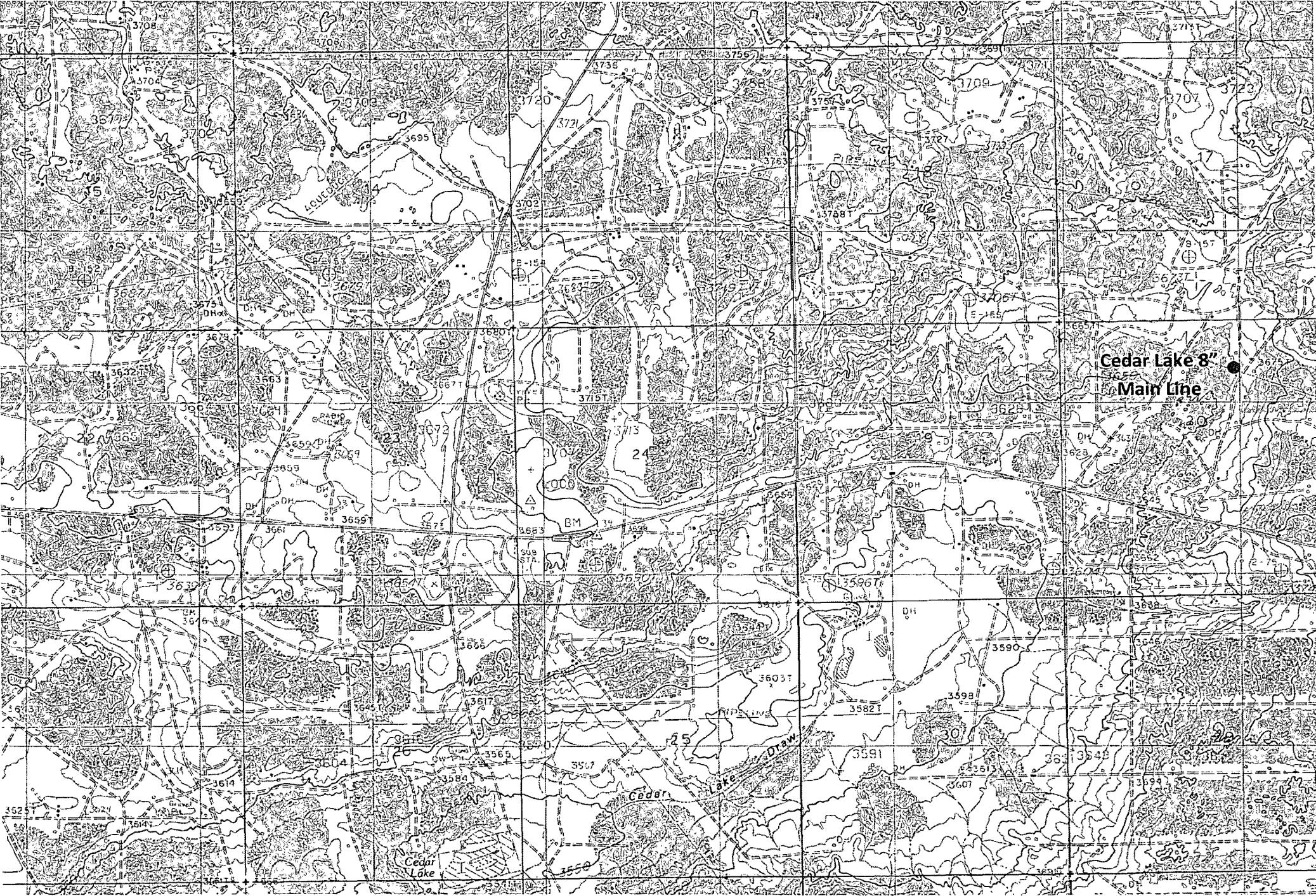
LOCO HILLS NEW MEXICO
PROVISIONAL TOPONYM 1985

12246-17-01

PROCESSED BY THE UNITED STATES GEOLOGICAL SURVEY
CONFORMS TO THE UNITED STATES GEOLOGICAL SURVEY
CONVENTION FOR MAPS OF THE UNITED STATES
FIELD CHECKED BY MAP EDITOR
PUBLISHED BY
UNITED STATES GEOLOGICAL SURVEY
WASHINGTON, D. C. 20508
1985
TO PLACE ON THE PROVISIONAL NORTH AMERICAN DATUM OF 1983
MOVE THE PROVISIONAL LINE AS SHOWN BY DASHED CORNER TICS
16 METERS SOUTH AND 47 METERS EAST
THERE MAY BE PRIVATE INHOLDINGS WITHIN THE BOUNDARIES OF ANY
FEDERAL AND STATE RESERVATIONS SHOWN ON THIS MAP
ALL RESERVATION DATA AND BOUNDARIES APPROVED AND PROVISIONAL TO
CORRECTED TYPE ELEMENTS PREVIOUS

CUG

Cedar Lake 8" Main Line



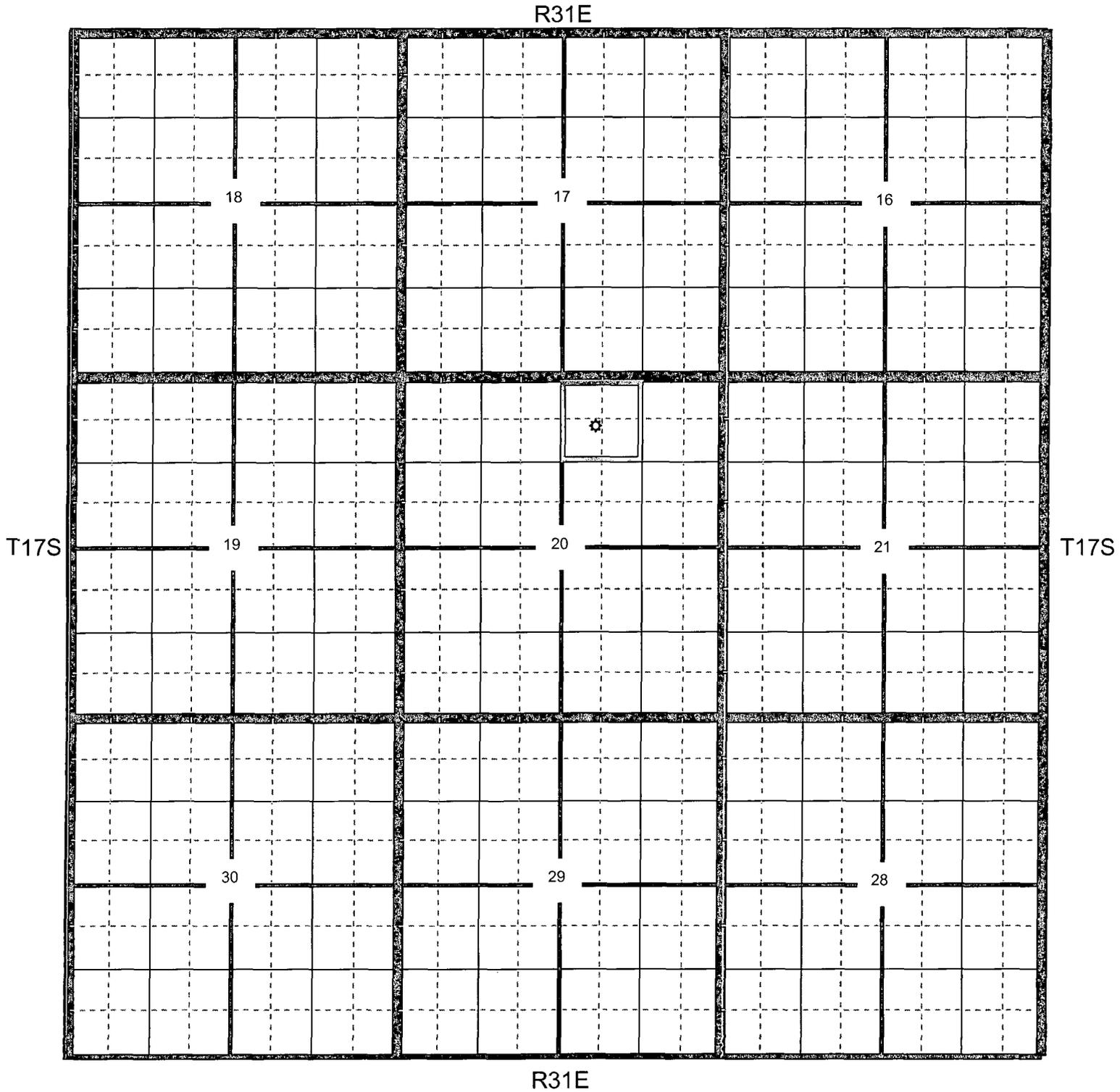
Cedar Lake 8"
Main Line

Groundwater Plot

Oil/Gas Well Name: Cedar Lake 8" Main Line

County: Eddy UL B, Sec 20, T17S, R31E

Trend Map: 350'



⚙️ Location

○ OCD

○ USGS

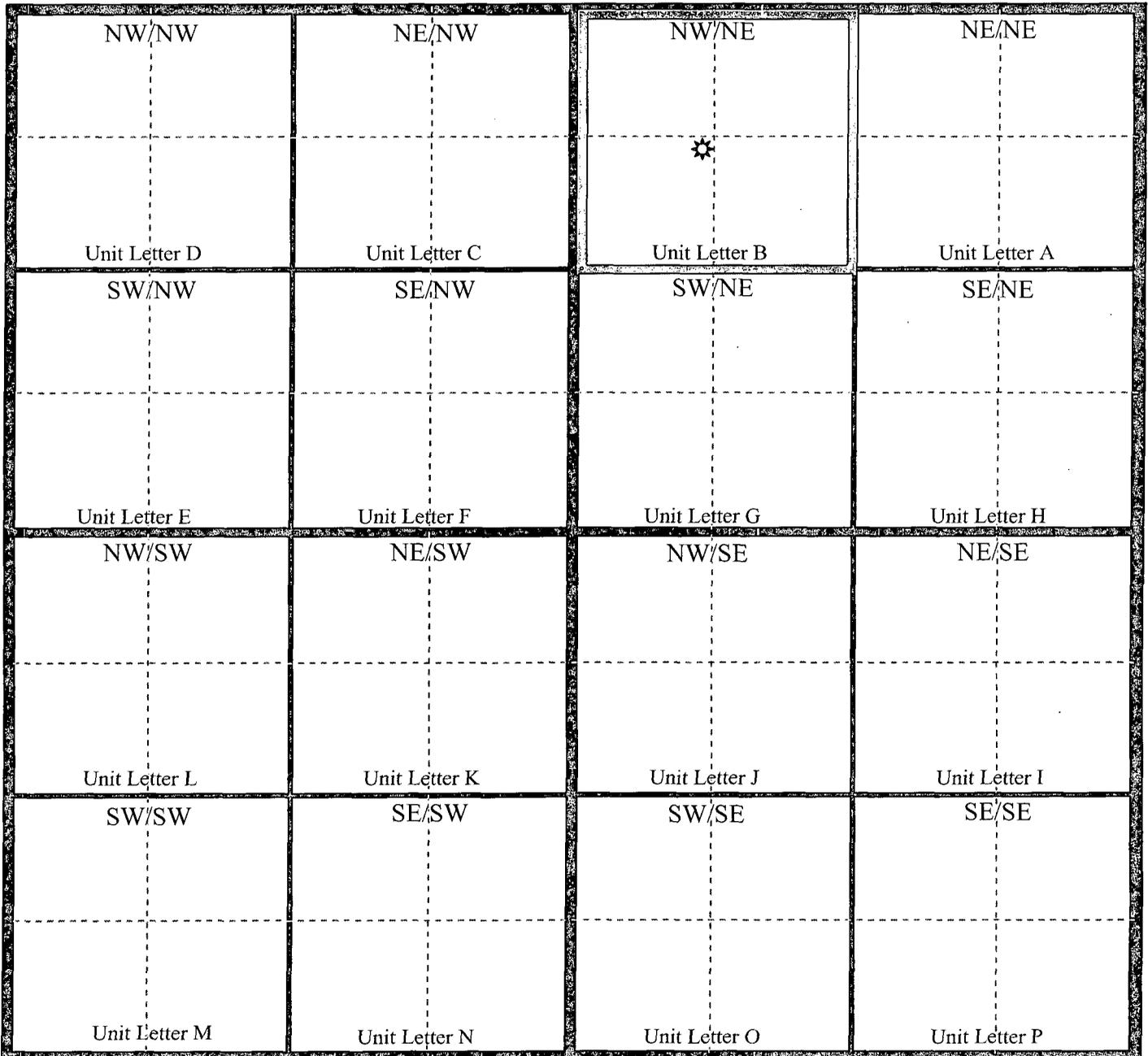
○ SEO

● All Databases

Section Quarters

1

2



3

4

Cedar Lake 8" Main Line

- ☼ Location
- OCD
- USGS
- SEO
- All

UL B
 Sec 20
 T 17 S
 R 31 E

APPENDIX II

Laboratory Analytical Results

August 2011

Cedar Lake 8" Main Line (8/11/11)

Unit B, Section 20, Township 17 South, Range 31 East
Eddy County, NM
GPS: N 32 49.495 W 103 53.344

Prepared for:
COG Operating LLC
Midland, Texas

Prepared by:
BBC International, Inc.

**COG OPERATING LLC
CEDAR LAKE 8" MAIN LINE**

Sample Point	Chloride
	mg/Kg
SP1 @ Surface	32.0
SP1 @ 1'	32.0
SP1 @ 2'	32.0
SP2 @ Surface	320
SP2 @ 1'	48.0

- Over 5,000 ppm
- Over 1,000 ppm
- Over 500 ppm
- 251 thru 499 ppm
- 250 ppm or below
- 100 ppm or below

August 22, 2011

Cliff Brunson

BBC International, Inc.

P.O. Box 805

Hobbs, NM 88241

RE: CEDAR LAKE MAIN LINE

Enclosed are the results of analyses for samples received by the laboratory on 08/18/11 17:01.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (505) 397-0397

Received:	08/18/2011	Sampling Date:	08/18/2011
Reported:	08/22/2011	Sampling Type:	Soil
Project Name:	CEDAR LAKE MAIN LINE	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	LOCO HILLS		

Sample ID: SP 1 @ SURFACE (H101754-01)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	32.0	16.0	08/19/2011	ND	448	112	400	11.3		

Sample ID: SP 1 @ 1 FT (H101754-02)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	32.0	16.0	08/19/2011	ND	416	104	400	7.41		

Sample ID: SP 1 @ 2 FT (H101754-03)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	32.0	16.0	08/19/2011	ND	416	104	400	7.41		

Sample ID: SP 2 @ SURFACE (H101754-04)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	320	16.0	08/19/2011	ND	416	104	400	7.41		

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (505) 397-0397

Received:	08/18/2011	Sampling Date:	08/18/2011
Reported:	08/22/2011	Sampling Type:	Soil
Project Name:	CEDAR LAKE MAIN LINE	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	LOCO HILLS		

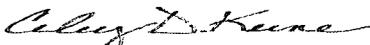
Sample ID: SP 2 @ 1 FT. (H101754-05)

Chloride, SM4500Cl-B	mg/kg	Analyzed By: HM							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	48.0	16.0	08/19/2011	ND	416	104	400	7.41	

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

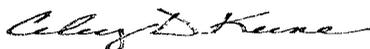
Notes and Definitions

- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

APPENDIX III

C-141
August 2011

Cedar Lake 8" Main Line (8/11/11)

Unit B, Section 20, Township 17 South, Range 31 East
Eddy County, NM
GPS: N 32 49.495 W 103 53.344

Prepared for:
COG Operating LLC
Midland, Texas

Prepared by:
BBC International, Inc.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	COG OPERATING LLC	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	8" Main Line	Facility Type	8" Water Line (Cedar Lake)
Surface Owner	Federal	Mineral Owner	
			Lease No. NMLC-029395B

LOCATION OF RELEASE

Unit Letter	Section 20	Township 17S	Range 31E	Feet from the	North/South Line	Feet from the	East/West Line	County Eddy
-------------	---------------	-----------------	--------------	---------------	------------------	---------------	----------------	----------------

Latitude 32 49.495 Longitude 103 53.344

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	100bbls	Volume Recovered	80bbls
Source of Release	8" Main Line	Date and Hour of Occurrence	08/11/2011	Date and Hour of Discovery	08/11/2011
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher-OCD Jim Amos-BLM			
By Whom?	Josh Russo	Date and Hour 08/12/2011 9:56 a.m.			
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.*

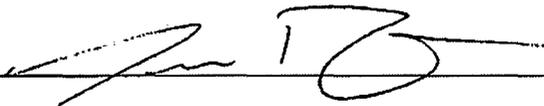
While installing a "T" in the main line the poly line pressured up causing it to rupture. The spill area measured 30' on the ROW in the pasture adjacent to the valve box. The ruptured portion of the line has been replaced and the line has been returned to service.

Describe Area Affected and Cleanup Action Taken.*

Initially 100bbls was released from the ruptured poly line and we were able to recover 80bbls with a vacuum truck. The spill area measured 30' adjacent to the valve box. All free fluid has been recovered. BBC will sample the spill site area to identify any possible contamination from the release. We will notify the OCD / BLM 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.

OIL CONSERVATION DIVISION

Signature: 	Approved by District Supervisor:		
Printed Name: Josh Russo	Approval Date:	Expiration Date:	
Title: HSE Coordinator	Conditions of Approval:		
E-mail Address: jrusso@conchoresources.com			Attached <input type="checkbox"/>
Date: 08/17/2011	Phone: 432-212-2399		

* Attach Additional Sheets If Necessary

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
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State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

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Name of Company	COG Operating LLC	Contact	Pat Ellis
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Facility Name	8" Main Line	Facility Type	8" Water Line (Cedar Lake)
Surface Owner	Federal	Mineral Owner	
		Lease No.	NMLC-029395B

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	20	17S	31E					Eddy

Latitude N 32 49.495 Longitude W 103 53.344

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	100bbls	Volume Recovered	80bbls
Source of Release	8" Main Line	Date and Hour of Occurrence	8/11/11	Date and Hour of Discovery	8/11/11
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?	Mike Bratcher-OCD; Jim Amos-BLM				
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Date and Hour 8/12/11 9:56 a.m.			
If YES, Volume Impacting the Watercourse.					

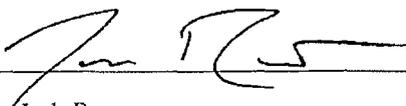
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OIL CONSERVATION DIVISION

Signature:			
Printed Name:	Josh Russo	Approved by District Supervisor:	
Title:	HSE Coordinator	Approval Date:	Expiration Date:
E-mail Address:	jrusso@conchoresources.com	Conditions of Approval:	
Date:	07/05/2012	Phone:	432-212-2399
			Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary