

October 24, 2017

Mike Bratcher  
Oil Conservation Division, District 2  
811 S First St.  
Artesia, NM 88210

Re: Closure Letter  
Pilum 15 Fee #002H (2RP-3655)  
API #: 30-015-42644  
Unit Letter P Section 16, Township 18S, Range 26E  
Eddy County, NM

Mr. Bratcher,

COG Operating, LLC (COG) is pleased to submit for your consideration the following closure request for the Pilum 15 Fee #002H. This release occurred on April 4, 2016 and impacted the pasture. All work has been completed in accordance with the work plan submitted and approved by the NMOCD on March 16, 2017.

### **Background**

On April 4, 2016, an unknown person shot at the flowline causing damage to the poly flowline. Approximately five (5) barrels of produced water were released and zero (0) were recovered. On March 16, 2017, the New Mexico Oil Conservation Division (NMOCD) approved the remediation work plan.

### **Remedial Actions**

- S1- Excavated to a depth of 6-7 feet.
- S2- Excavated to a depth of 4-5 feet.

All of the excavated soil was hauled to an NMOCD approved solid waste disposal facility. As requested by the NMOCD, representative sidewall and bottom hole samples were obtained for lateral and vertical confirmation and can be viewed in the attached analytical table below. The excavation was backfilled with like material, contoured to match the surrounding terrain and reseeded.

### **Laboratory Results**

**Lateral Confirmation Samples**

<b>Sample ID</b>	<b>Depth (feet)</b>	<b>Chloride (mg/kg)</b>
<b>North</b>	5	80
<b>South</b>	5	288
<b>East</b>	5	32.0

**Vertical Confirmation Samples**

<b>Sample ID</b>	<b>Depth (feet)</b>	<b>Chloride (mg/kg)</b>
<b>S1</b>	6.5	192
<b>S2</b>	4.5	160

**Closure Request**

Based on the information provided, COG Operating LLC would like to submit the enclosed documents for closure of the above captioned release. A signed C-141 Final is enclosed for your consideration as well as the confirmation sample analytical data, and site diagram depicting the confirmation samples.

Please feel free to contact me with any questions or concerns at (575) 746-2010.

Sincerely,



Dakota Neel  
 HSE Coordinator  
[dneel2@conchol.com](mailto:dneel2@conchol.com)

Enclosed:

- (1) Site Diagram
- (2) Laboratory Analytical Reports and Chain-of-Custody Forms
- (3) Initial C-141 (Copy)
- (4) Final C-141

# Pilum 15 Fee #2H

Pilum 15 Fee #2H

**Legend**

- 4.5 ft
- 6.5 ft.
- Sample Points





April 12, 2017

DAKOTA NEEL  
COG OPERATING  
P. O. BOX 1630  
ARTESIA, NM 88210

RE: PILUM 15 FEE #2H

Enclosed are the results of analyses for samples received by the laboratory on 04/06/17 11:15.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-16-8. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (\*). For a complete list of accredited analytes and matrices visit the TCEQ website at [www.tceq.texas.gov/field/qa/lab\\_accred\\_certif.html](http://www.tceq.texas.gov/field/qa/lab_accred_certif.html).

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 (V1, 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,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive style with a large, flowing "C" and "K".

Celey D. Keene  
Lab Director/Quality Manager

**Analytical Results For:**

 COG OPERATING  
 DAKOTA NEEL  
 P. O. BOX 1630  
 ARTESIA NM, 88210  
 Fax To: NONE

 Received: 04/06/2017  
 Reported: 04/12/2017  
 Project Name: PILUM 15 FEE #2H  
 Project Number: NONE GIVEN  
 Project Location: NOT GIVEN

 Sampling Date: 04/04/2017  
 Sampling Type: Soil  
 Sampling Condition: Cool & Intact  
 Sample Received By: Tamara Oldaker

**Sample ID: S1 - BOTTOM HOLE (H700918-01)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
<b>Chloride</b>	<b>192</b>	16.0	04/10/2017	ND	432	108	400	0.00	

**Sample ID: S2 - BOTTOM HOLE (H700918-02)**

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
<b>Chloride</b>	<b>160</b>	16.0	04/10/2017	ND	432	108	400	0.00	

Cardinal Laboratories

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



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



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Celey D. Keene, Lab Director/Quality Manager





April 12, 2017

DAKOTA NEEL  
COG OPERATING  
P. O. BOX 1630  
ARTESIA, NM 88210

RE: PILUM 15 FEE #2H

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Celey D. Keene  
Lab Director/Quality Manager

**Analytical Results For:**

 COG OPERATING  
 DAKOTA NEEL  
 P. O. BOX 1630  
 ARTESIA NM, 88210  
 Fax To: NONE

 Received: 04/06/2017  
 Reported: 04/12/2017  
 Project Name: PILUM 15 FEE #2H  
 Project Number: NONE GIVEN  
 Project Location: NOT GIVEN

 Sampling Date: 04/04/2017  
 Sampling Type: Soil  
 Sampling Condition: Cool & Intact  
 Sample Received By: Tamara Oldaker

**Sample ID: NORTH - 5' (H700919-01)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
<b>Chloride</b>	<b>80.0</b>	16.0	04/10/2017	ND	432	108	400	0.00	

**Sample ID: SOUTH - 5' (H700919-02)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
<b>Chloride</b>	<b>288</b>	16.0	04/10/2017	ND	432	108	400	0.00	

**Sample ID: EAST - 5' (H700919-03)**

Chloride, SM4500CI-B		mg/kg		Analyzed By: AC					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
<b>Chloride</b>	<b>32.0</b>	16.0	04/10/2017	ND	432	108	400	0.00	

Cardinal Laboratories

\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

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- 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

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Celey D. Keene, Lab Director/Quality Manager



101 East Marland, Hobbs, NM 88240  
 (575) 393-2326 FAX (575) 393-2476

**CHAIN-OF-CUSTODY AND ANALYSIS REQUEST**

**BILL TO**

**ANALYSIS REQUEST**

Company Name: COG Operating LLC Project Manager: Dakota Neel Address: 2208 West Main City: Artesia State: NM Zip: 88210 Phone #: 432-215-2783 Fax #: Project #: Project Owner: Project Name: Piliun 15 Fee #2H Project Location: Sampler Name: Aaron VLB FOR LAB USE ONLY		P.O. #: Company: COG Operating LLC Attn: Robert McNeill Address: 600 W Illinois City: Midland State: TX Zip: 79701 Phone #: (432) 221-0388 Fax #:	
Lab I.D.  Sample I.D.  H700918 2 3	NORTH - 5' SOUTH - 5' EAST - 5'	(G)RAB OR (C)OMP.	# CONTAINERS
		GROUNDWATER	WASTEWATER
		SOIL	OIL
		SLUDGE	OTHER :
MATRIX ACID/BASE: ICE / COOL OTHER :		PRESERV	SAMPLING
DATE 4-4-17 4-4-17 4-4-17		TIME 2:00PM 2:15PM 2:30PM	
BTEX TPH Chloride		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: [Signature] Date: 4-6-17 Time: 11:30 AM  
 Received By: [Signature] Date: 4-6-17 Time: 11:15 AM  
 Relinquished By: [Signature] Date: 4-6-17 Time: 11:30 AM  
 Received By: [Signature] Date: 4-6-17 Time: 11:15 AM

Delivered By: (Circle One) UPS - Bus - Other: 3.6c  
 Sample Condition: Cool  Yes  No Intact  Yes  No  
 CHECKED BY: [Signature] Initials: [Signature]

Phone Result:  Yes  No Add'l Phone #:   
 Fax Result:  Yes  No Add'l Fax #:   
 REMARKS:   
 dneel2@concho.com  
 rgrubbs@concho.com  
 alieb@concho.com  
 rthaskel@concho.com

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

Form C-141  
Revised August 8, 2011

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

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

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report  Final Report

Name of Company: COG Operating LLC	Contact: Robert McNeill
Address: 600 West Illinois Avenue, Midland TX 79701	Telephone No. 432-230-0077
Facility Name: PILUM 15 FEE #002H	Facility Type: Well

Surface Owner: Fee	Mineral Owner: Fee	API No. 30-015-42644
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	16	18S	26E	789'	South	450'	East	Eddy

Latitude 32.74250309 Longitude -104.37926734

**NATURE OF RELEASE**

Type of Release: Produced Water	Volume of Release: 5 bbls	Volume Recovered: 0 bbls
Source of Release: flowline	Date and Hour of Occurrence: 4/4/2016 7:00:00 AM	Date and Hour of Discovery: 4/4/2016 7:00:00 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour:	
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.\*

This release was caused when an unknown person shot at the flowline causing damage to the poly flowline. The leak was stopped and the polyline repaired.

Describe Area Affected and Cleanup Action Taken.\*

This release occurred within the pasture, alongside the road. Concho will have the spill site sampled to delineate 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: 	<b>OIL CONSERVATION DIVISION</b>	
	Approved by Environmental Specialist:	
Printed Name: Robert Grubbs Jr.	Approval Date:	Expiration Date:
Title: Senior Environmental Coordinator	Conditions of Approval:	
E-mail Address: rgrubbs@concho.com	Attached <input type="checkbox"/>	
Date: April 19, 2016	Phone: 432-683-7443	

\* Attach Additional Sheets If Necessary

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

Form C-141  
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in  
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**Release Notification and Corrective Action**

**OPERATOR**  Initial Report  Final Report

Name of Company: COG Operating LLC	Contact: Robert McNeill
Address: 600 West Illinois Avenue, Midland TX 79701	Telephone No. 432-230-0077
Facility Name: PILUM 15 FEE #002H	Facility Type: Well

Surface Owner: Fee	Mineral Owner: Fee	API No. 30-015-42644
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
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Latitude 32.74250309 Longitude -104.37926734

**NATURE OF RELEASE**

Type of Release: Produced Water	Volume of Release: 5 bbls	Volume Recovered: 0 bbls
Source of Release: flowline	Date and Hour of Occurrence: 4/4/2016 7:00:00 AM	Date and Hour of Discovery: 4/4/2016 7:00:00 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour:	
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.\*

This release was caused when an unknown person shot at the flowline causing damage to the poly flowline. The leak was stopped and the polyline repaired.

Describe Area Affected and Cleanup Action Taken.\*

The release remained on location around the wellhead. Concho had the spill site sampled to delineate any possible impact from the release and presented a remediation work plan to the NMOCD for approval prior to any significant remediation work. All work has been completed according to the workplan approved by the NMOCD on March 16, 2017.

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: 	<b><u>OIL CONSERVATION DIVISION</u></b>	
	Approved by Environmental Specialist:	
Printed Name: Dakota Neel	Approval Date:	Expiration Date:
Title: HSE Coordinator	Conditions of Approval:	
E-mail Address: dneel2@concho.com	Attached <input type="checkbox"/>	
Date: October 24, 2017	Phone: 575-746-2010	

\* Attach Additional Sheets If Necessary