

October 24, 2017

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

Henryetta Price
Bureau of Land Management
620 E. Green St.
Carlsbad, NM 88220

Re: Closure Letter
Shiner Bock 1 Federal Com #027H (2RP-3829)
API #: 30-015-42022
Unit Letter M, Section 01, Township 17S, Range 31E
Eddy County, NM

Mr. Bratcher / Ms. Price,

COG Operating, LLC (COG) is pleased to submit for your consideration the following closure request for the Shiner Bock 1 Federal Com #027H. This release occurred on August 4, 2016 when a corroded steel flowline broke resulting in the release of a half (0.5) barrel of oil and four and a half (4.5) barrels of produced water. Vacuum trucks were dispatched and recovered three and a half (3.5) barrels of produced water. The release remained on the well pad location.

All remediation activities and work have been completed in accordance with the work plan approved by the New Mexico Oil Conservation Division (NMOCD) and the Bureau of Land Management (BLM) on December 13, 2016. Excavation depths ranged from no excavation required to four (4) feet below ground surface (bgs).

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.

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

Sincerely,

A handwritten signature in black ink that reads "Dakota Neel". The signature is written in a cursive style with a large initial 'D'.

Dakota Neel
HSE Coordinator
dneel2@conchol.com

Enclosed:

- (1) Initial C-141 (Copy)
- (2) Final C-141

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

Form C-141
Revised August 8, 2011

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: SHINER BOCK I FEDERAL COM #027H	Facility Type: Battery	
Surface Owner: Federal	Mineral Owner: Federal	API No. 30-015-42022

LOCATION OF RELEASE

Unit Letter M	Section 01	Township 17S	Range 31E	Feet from the 1160	North/South Line South	Feet from the 170	East/West Line West	County Eddy
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32.8595657,-103.8312531

NATURE OF RELEASE

Type of Release: Oil and Produced Water	Volume of Release: 0.5 bbls Oil ; 4.5 bbls PW	Volume Recovered: 0 bbls Oil ; 3.5 bbls PW
Source of Release: Steel Flowline	Date and Hour of Occurrence: 8/4/2016 unknown	Date and Hour of Discovery: 8/4/2016 10:10 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 by a corroded steel flowline at the well. Vacuum trucks were dispatched to recover standing fluids and the equipment was pressure washed.

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 and BLM for approval prior to any significant remediation work. All work has been completed according to the workplan approved by the NMOCD and BLM on December 13, 2016.

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: 		<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Dakota Neel		Approved by Environmental Specialist:	
Title: HSE Coordinator	Approval Date:	Expiration Date:	
E-mail Address: dneel2@concho.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: October 23, 2017	Phone: 432-215-2783		

* Attach Additional Sheets If Necessary

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Signature: 	OIL CONSERVATION DIVISION		
Printed Name: Dakota Neel	Approved by Environmental Specialist:		
Title: Environmental Coordinator	Approval Date:	Expiration Date:	
E-mail Address: dneel2@concho.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 8/12/2016	Phone: 432-215-2783		

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