

October 24, 2017

Crystal Weaver  
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  
Electra Fed #058 (2RP-3969)  
API #: 30-015-38182  
Unit Letter C, Section 10, Township 17S, Range 30E  
Eddy County, NM

Ms. Weaver / Ms. Price,

COG Operating, LLC (COG) is pleased to submit for your consideration the following closure request for the Electra Fed #058. This release occurred on October 21, 2016, when the packing inside the stuffing box failed resulting in the release of a five (5) barrels of oil and five (5) barrels of produced water. Vacuum trucks were dispatched and recovered four (4) barrels of oil and four (4) barrels of produced water for a total net loss of two (2) bbls of fluid. 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 April 18, 2017 and April 3, 2017, respectively. Excavation depths ranged from one (1) foot to four (4) feet below ground surface (bgs). As requested by the NMOCD, the area of S4 was excavated to a depth of four (4) feet 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.

October 24, 2017

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](mailto: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: ELECTRA FEDERAL #058                 | Facility Type: Well        |                      |
| Surface Owner: Federal                              | Mineral Owner: Federal     | API No. 30-015-38182 |

### LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| C           | 10      | 17S      | 30E   | 580           | North            | 1650          | West           | Eddy   |

32.8547325,-103.963089

### NATURE OF RELEASE

|  |  |   |
|--|--|---|
| Type of Release: Oil and Produced Water  | Volume of Release:<br>5 bbls of Oil ; 5 bbls of PW | Volume Recovered:<br>4 bbls of Oil ; 4 bbls of PW |
| Source of Release: Stuffing Box Leak   | Date and Hour of Occurrence:<br>10/21/2016 unknown | Date and Hour of Discovery:<br>10/21/2016 8:00 AM |
| Was Immediate Notice Given?<br><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?<br><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.\*

The release was caused by a failed packing in the stuffing box. The packing was removed and a new packing installed. Vacuum trucks were immediately dispatched to recover all standing fluid from the well pad. The impacted area of the well pad was lightly scraped to remove the surface impact and the impacted soil was hauled off.

Describe Area Affected and Cleanup Action Taken.\*

This release occurred on the well pad location surrounding the well. There was no impact to the pasture. 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 April 18, 2017 and April 3, 2017 respectively.

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>      |                                   |
| 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: 10/24/2017 Phone: 575-746-2010   |                                       |                                   |

\* Attach Additional Sheets If Necessary

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| Unit Letter<br>C | Section<br>10 | Township<br>17S | Range<br>30E | Feet from the<br>580 | North/South Line<br>North | Feet from the<br>1650 | East/West Line<br>West | County<br>Eddy |
|------------------|---------------|-----------------|--------------|----------------------|---------------------------|-----------------------|------------------------|----------------|

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| Signature:  | <b>OIL CONSERVATION DIVISION</b>      |                  |                                   |
| 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: 10/28/2016   | Phone: 575-748-6933                   |                  |                                   |

\* Attach Additional Sheets If Necessary