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 Recid: 7/16/18 PROPERTY MINERAL RESOURCES

Form C-141 Revised April 3, 2017

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

MASI	820736673	3			OPERAT	ΓOR		✓ Initia	l Report		Final Report	
Name of Company: COG Operating, LLC (OGRID #229137)					Contact: Robert McNeill							
Address: 600 West Illinois Avenue, Midland, TX 79701					Telephone No. 432-683-7443							
Facility Name: Myox 28 State Com #004H Battery Facility Type: Flowline												
Surface Owner: Private Mineral Owner:					State			API No. 30-015-41606				
LOCATION OF RELEASE												
Unit Letter	Section Township	Range	Feet from the		South Line	Feet from the	East/V	Vest Line		Coun	ty	
В	B 28 25S 28E								Eddy			
Latitude 32.1072 Longitude -104.0912 NAD83												
NATURE OF RELEASE												
Type of Release Produced Water					Volume of Release 60 bbl.			Volume Recovered 0 bbl.				
Source of Release					Date and Hour of Occurrence			Date and Hour of Discovery				
Flowline Rupture					July 12, 20		July 12, 2018 3:00pm					
Was Immediate Notice Given? ☐ Yes ☐ No ☐ Not Required					If YES, To Whom? Mike Bratcher – NMOCD							
					Date and Hour July 13, 2018 9:25am							
By Whom? DeAnn Grant Was a Watercourse Reached?					If YES, Volume Impacting the Watercourse.							
☐ Yes ⊠ No					,	F B						
If a Watercourse was Impacted, Describe Fully.*												
·												
·												
Describe Cause of Problem and Remedial Action Taken.*												
The release was caused by a damaged flowline rupturing. The flowline is being replaced.												
Describe Are	a Affected and Cleanup A	ction Tak	en.*									
The release v	as in the pasture. A vacu	ım truck v	vas dispatched to	remove	all freestandi	ing fluids. Concho	will ha	ve the spill	area samp	led to d	elineate any	
The release was in the pasture. A vacuum truck was dispatched to remove all freestanding fluids. Concho will have the spill area sampled to delineate any possible impact from the release and we will present a remediation work plan to the NMOCD for approval prior to any significant remediation activities.												
I hereby certi	fy that the information gi	ven above	is true and compl	ete to th	ne hest of my	knowledge and m	nderstar	nd that nurs	uant to NM	OCDr	ules and	
regulations a	I operators are required to	report an	d/or file certain re	elease no	otifications ar	nd perform correct	tive acti	ions for rele	eases which	may e	ndanger	
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											
	or local laws and/or regu			cport u	ocs not renev	e the operator of i	Сэрона	onity for C	Jinphance	* 1611 a.i.,		
* ^ ^						OIL CONSERVATION DIVISION						
Signature: Dunn () kunk												
Signature.	Dog	See a to (Esato			Approved by Environmental Specialist:							
Printed Name	Printed Name: DeAnn Grant					reproved by Environmental opecialist.						
Title:	HSE Admin	istrative A	Assistant		Approval Dat	e: 7/20/19	<u>}</u>	Expiration	Date: N	IA		
E-mail Addre	ess: agrant@con		Conditions of	f Annroval:			,					
					Son Offorland Affached DD 481.8							
Date: July 10			ione: (432) 253-45	513		سال	W	INCILL	410	<u> </u>	TUUD	
' Attach Addi	ional Sheets If Necess	ary										

Operator/Responsible Party,

The OCD has received the form C-141 you provided on _______ regarding an unauthorized release. The information contained on that form has been entered into our incident database and remediation case number ________ has been assigned. Please refer to this case number in all future correspondence.

It is the Division's obligation under both the Oil & Gas Act and Water Quality Act to provide for the protection of public health and the environment. Our regulations (19.15.29.11 NMAC) state the following,

The responsible person shall complete <u>division-approved corrective action</u> for releases that endanger public health or the environment. The responsible person shall address releases in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with 19.15.30 NMAC. [emphasis added]

Release characterization is the first phase of corrective action unless the release is ongoing or is of limited volume and all impacts can be immediately addressed. Proper and cost-effective remediation typically cannot occur without adequate characterization of the impacts of any release. Furthermore, the Division has the ability to impose reasonable conditions upon the efforts it oversees. As such, the Division is requiring a workplan for the characterization of impacts associated with this release be submitted to the OCD District _2_ office in Artesia_ on or before __08/12/18____. If and when the release characterization workplan is approved, there will be an associated deadline for submittal of the resultant investigation report. Modest extensions of time to these deadlines may be granted, but only with acceptable justification.

The goals of a characterization effort are: 1) determination of the lateral and vertical extents along with the magnitude of soil contamination. 2) determine if groundwater or surface waters have been impacted. 3) If groundwater or surface waters have been impacted, what are the extents and magnitude of that impact. 4) The characterization of any other adverse impacts that may have occurred (examples: impacts on vegetation, impacts on wildlife, air quality, loss of use of property, etc.). To meet these goals as quickly as possible, the following items must, at a minimum, be addressed in the release characterization workplan and subsequent reporting:

- Horizontal delineation of soil impacts in each of the four cardinal compass directions. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₆ thru C₃₆), and for chloride by Method 300. This is not an exclusive list of potential contaminants. Analyzed parameters should be modified based on the nature of the released substance(s). Soil sampling must be both within the impacted area and beyond.
- Vertical delineation of soil impacts. Adsorbed soil contamination must be characterized for the following constituents using the associated laboratory methods: benzene, toluene, ethylbenzene, and total xylenes by either Method 8260 or 8021, total petroleum hydrocarbons by Method 8015 extended range (GRO+DRO+MRO; C₀ thru C₃₀), and for chloride by Method 300. As above, this is not an exclusive list of potential contaminants and can be modified. Vertical characterization samples should be taken at depth intervals no greater than five feet apart. Lithologic description of encountered soils must also be provided. At least ten vertical feet of soils with contaminant concentrations at or below these values must be demonstrated as existing above the water table.
- Nominal detection limits for field and laboratory analyses must be provided.
- Composite sampling is not generally allowed.
- Field screening and assessment techniques are acceptable (headspace, titration, EC [include algorithm for validation purposes], EM, etc.), but the sampling and assay procedures must be clearly defined. Copies of field notes are highly desirable. A statistically significant set of split samples must be submitted for confirmatory laboratory analysis, including the laterally farthest and vertically deepest sets of soil samples. Make sure there are at least two soil samples submitted

for laboratory analysis from each borehole or test pit (highest observed contamination and deepest depth investigated). Copies of the actual laboratory results must be provided including chain of custody documentation.

- •Probable depth to shallowest protectable groundwater and lateral distance to nearest surface water. If there is an estimate of groundwater depth, the information used to arrive at that estimate must be provided. If there is a reasonable assumption that the depth to protectable water is 50 feet or less, the responsible party should anticipate the need for at least one groundwater monitoring well to be installed in the area of likely maximum contamination.
- If groundwater contamination is encountered, an additional investigation workplan may be required to determine the extents of that contamination. Groundwater and/or surface water samples, if any, must be analyzed by a competent laboratory for volatile organic hydrocarbons (typically Method 8260 full list), total dissolved solids, pH, major anions and cations including chloride and sulfate, dissolved iron, and dissolved manganese. The investigation workplan must provide the groundwater sampling method(s) and sample handling protocols. To the fullest extent possible, aqueous analyses must be undertaken using nominal method detection limits. As with the soil analyses, copies of the actual laboratory results must be provided including chain of custody documentation.
- Accurately scaled and well-drafted site maps must be provided providing the location of borings, test pits, monitoring wells, potentially impacted areas, and significant surface features including roads and site infrastructure that might limit either the release characterization or remedial efforts. Field sketches may be included in subsequent reporting, but should not be considered stand-alone documentation of the site's layout. Digital photographic documentation of the location and fieldwork is recommended, especially if unusual circumstances are encountered.

Nothing herein should be interpreted to preclude emergency response actions or to imply immediate remediation by removal cannot proceed as warranted. Nonetheless, characterization of impacts and confirmation of the effectiveness of remedial efforts must still be provided to the OCD before any release incident will be closed.

Jim Griswold
OCD Environmental Bureau Chief
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Santa Fe, New Mexico 87505
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jim.griswold@state.nm.us