

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

COG Operating, LLC 550 W. Texas Ave. Ste. 1300 Midland TX 79701 May 24, 2005

Reference: Keystone 004

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F-32-20s-28e

30-015-28183

Keystone 001

G-32-20s-28e

30-015-22218

Operator,

The NMOCD District 2 office is in receipt of Work plans for delineation of contaminates at the above referenced well sites. The work plans were formulated and submitted by your agent, Highlander Environmental Corporation of Midland Texas.

The work plans for delineation are accepted as presented with the following stipulations:

The RRAL for TPH as presented in the work plans is 1,000 mg/kg. Based on the ground water survey, there is some possibility that ground water may occur at less than 50' bgs. If at any time this determination is made, the RRAL for TPH will become 100 mg/kg. Chloride levels at these sites must be addressed to insure that ground water cannot be impacted above the New Mexico Water Quality Control Commission standard of 250 mg/L.

Notify the NMOCD District 2 office 24 hours prior to commencement of activities.

Notify the NMOCD District 2 office 24 hours prior to obtaining samples where analysis of such samples are to be submitted to the NMOCD.

Acceptance and/or approval of work plans 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. Acceptance and/or approval does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

If I can be of further assistance in this matter, my contact information is listed below.

Mike Bratcher

NMOCD District 2

1301 W. Grand Ave.

Artesia, NM 88210

(505) 748-1283 Ext. 108

(505) 626-0857

mbratcher@state.nm.us

cc/Highlander Environmental Corp.

1625 N. Prench Dr., Hobbs, NM 88240
<u>District II</u>
1301 W. Grand Avenue, Artesia, NM 88210
<u>District III</u>
1000 Rio Brazos Road, Aztec, NM 87410
<u>District IV</u>
1270 8 Sr. Francis Dr., Santa Fc, NM 87505

E-mail Address: dkuykendail@conchoresources.com

* Attach Additional Sheets If Necessary

Phone: 432-685-4372

Date: 4/15/05

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

Areached 🔲

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30-015-	28183		Rel	ease Notifi	catio	n and C	orrective A	ction			
MLB 05	144381	5/				OPERA	TOR	⊠ Init	ial Report	Final Rep	
		COG Opera	ting LLC			Contact	Diane Kuyker		at resport	I I II III KED	
Address 5	50 W. Tex	as Ave. Sui	te 1300 l	Midland, TX 79	701		No. 432-683-7				
Facility Na						Facility Ty					
Surface Owner Don Rains Mineral Owner						Lease No. 301047					
				LOCA	ATIO	N OF RE	LEASE			_	
Unit Letter	Section	Township	Range	Feet from the	North	South Line	Feet from the	East/West Line	County	-	
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L	F 32 205		1 200	1030	1	MARKE	1760	A GZE	Eddy		
			La	titude	·	Longitud	ie				
				NAT	TURE	OF REL	EASE				
Type of Release produced oil & water leak						Volume et	Johnne of Release >5 bbls Volume Recove			·	
Source of Release									Hour of Discovery		
Valve at base of Tank leaking Was Immediate Notice Given?						Prior to 4/			by OCD		
Was Immedia	ate Notice (ÿñV£D? □	Yes 🔯	No Not Re	eowired	If YES, To	Whom?				
The Man 2	Mika Dante					V	In. 1/13/05				
	By Whom? Mike Bratcher contacted us Was a Watercourse Reached?						Date and Hour 4/13/05 If YES, Volume Impacing the Watercourse.				
Was a watercourse Reaction? ☐ Yes ☑ No						11 120, Volume impacting the Whitelenise.					
						1					
If a Watercou	urse was lin	pacted, Descri	ibe Fully.	,							
i											
Describe Cau	se of Probl	am and Reme	dial Actio	n Taken.*							
Leak at tank	valve. Vac	aam truck pul	led free st	anding fluids. Iso	lated 12	ak and prepar	ing to fix tank. H	lighlander was con	tacted for re	mediation plan	
								•			
Describe And	a Affinanci	and Cleanup	T-1								
Descupe Are	a Altected	and Cleanup A	ACHON 188	ien.							
Dike was 1/4 f	ill. With fl	nids. Free star	iding fluid	ls were pulled off.	Prepar	ing to fix tan	k				
			_	•	•						
I hereby certi	fy that the	nformation gi	ven spove	is true and comp	lets to t	ac best of my	knowiedge and u	nderstand that pur	mant to NM	OCD rules and	
regulations al	operators	are required to	O report an	nd/or file certain re	el cas e n	otifications a	nd perform correct	tive actions for rel	eases which	may andsone	
public health	or the envi	ronment The	acceptanc	e of a C-141 repo	er by the	NMOCD m	orked as "Final Re	port" does not rel	eve the oper	ator of liability	
should their o	perations h	ave failed to a	dequately	investigate and re	emediat	COALIMINALI	on that pase a thre	an to ground water	, Surface wa	iter, human health	
or the chylron	nucor in a	omuon, NMO vs and/or regu	CD accep	unce of a C-1411	report o	oes not renev	e the operator of r	esponsibility for c	ompliance w	ith any other	
Cheiai' zrare'	W JOCAL LAN	A2 SURAN ICER	MUDIUS.	-Af	····		OTT CONT	EDIL TOOL			
						OIL CONSERVATION DIVISION					
Signature:		24	- Yan	אציע	1			TIM	GUM		
			TC	- 1		Anneoved he	District Supervise		MB		
Printed Name	: Diane I	Kuykendali						Uy	IAID		
Tisle: Beel	arian A-cl		7~~			Ana D	5/2/2-		/		
Title: Produ	ICHON AND!	[3L				APPROVAL DAT	e: 5/23/05	Expiration	Date: N/A		

Conditions of Approval: Site Remediation 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

1220 S. St. Prancis Dr., Sunta Fe, NM 87505

District N

Energy Minerals and Natural Resources

Form C-141 Revised October 10, 2003

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Attached

Release Notification and Corrective Action 30-015-22218 nMCB05/2230909 OPERATOR Initial Report Final Report Name of Company COG Operating LLC Diane Kuykendall Contact Address 550 W. Texas Ave., Suite 1300 Midland, TX 79701 Telephone No. 432-683-7443 Oil Well Facility Name Keystone #1 Facility Type Mineral Owner Lease No. 301047 Surface Owner Don Rains LOCATION OF RELEASE North/South Line Feet from the Feet from the **East/West Line** County Section Township Range Unit Letter 1980 1980 North **20**S 28E East **Eddy** G Longitude Latitude NATURE OF RELEASE Volume of Release >5 bbis produced oil & water leak Volume Recovered Type of Release Source of Release Date and Hour of Occurrence Date and Hour of Discovery Prior to 4/13/05 4/13/05 by OCD Tank battery area & Heater Treater Area If YES, To Whom? Was Immediate Notice Given? ☐ Yes 🖾 No 🔲 Not Required By Whom? Mike Bratcher contacted us - (iMLB0510239692) Date and Hour 4/13/05 If YES, Volume Impacting the Watercourse. Was a Watercourse Reached? ☐ Yes 🖾 No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Apparently a release at tank battery and heater treater area Describe Area Affected and Cleanup Action Taken. Highlander was contacted 4/14/05 for remediation plan. 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 TIM GUM Signature: Approved by District Supervisor: by MB Printed Name: Diane Kuykendali Approval Date: 5/43/05 Title: Production Analyst Expriration Date: M/A

Conditions of Approval:

Site Remediation

Attach Additional Sheets If Necessary

Date: 4/15/05

E-mail Address: dkuykendall@conchoresources.com

Phone: 432-685-4372