

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

Keysione out

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>
1220 S. St. Francis Dr., Santa Fc, NM 87505

E-mail Address: dkuykendall@conchoresources.com

* Attach Additional Sheets If Necessary

Phone: 432-685-4372

Energy Minerals and Natural Resources

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

Form C-141

Revised October 10, 2003

	20102												
30-015-	_		Rel	ease Notifi	icatio	in and C	orrective A	ction	a				
MLB 0514438151						OPERA	TOR		🛭 loiti	ial Report		7 Fin	al Repo
Name of Co	ompany	COG Opera	ating LLC	2		Contact	Diane Kuykan						-
Address 5	50 W. Tex	xas Ave., Sui	ite 1300)	Midland, TX 79			No. 432-683-74						
Facility Na						Facility Ty	ps Oil Well						
Surface Ow	-a Don	Daine		Mineral (Osmoor.				T 7 0000 1	No. 3010	77		
2011ars ~	her was	Kame							Luase .	NO. 3010	41		
				LOC	ATIO	N OF RE	LEASE						
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<u> </u>	32	203		<u> </u>					Nest	<u> </u>	Eq	idy	
			La	atitude		Longitud	1e						
				NA7	TURF	OF REL	EASE						
Type of Relea		oduced oil & w	water leak			Volume of	Release >5 bbls		Volume I	Recovered			
Source of Ra							flour of Occurrence		Date and	Hour of Di	SCOVE	ry	
Valve at bes Was Immedia						Prior to 4/1 If YES, To			4/13/05 b	y OCD	·		
Was minicon	Tie Lanner A] Yes 🗵	No D Not R	redinited		Whom						
By Whom?	Mike Brate	cher contacted	725			Date and Hour 4/13/05							
Was a Water		ched?				If YES, Ve	olume Impacting th	ac Wate	TCOUISE.				
			Yes 🛭				4						
If a Watercov	arse was Im	pacted, Descri	ibe Fully.	•		4			· · · · · · · · · · · · · · · · · · ·				
Describe Cav	ise of Probli	am and Remed	dial Action	n Taken.*									
Leak at tank	valve. Vact	aum truck pul	ded free str	anding fluids. Isc	olated ray	ak and prepari	ring to fix tank. His	ighlande	er was com	meted for re	emedia	ation pla	M.
							•		•				
Describe Are	a Affected	and Cleanup A	Action Tal	cen.									
		•			_								
Dike was 1/4 II	all. With fiv	aids. Free stan	ding fluid	is were pulled off.	. Prepar	ing to fix tent	L						
I hereby certi	fy that the i	nformation gi	ACD SPOAE	e is true and come	victe to t	he best of my	knowledge and un	deretan	d they neggt	······································	·~	-1	
regulations all	l operators a	are remained to	o renort an	nd/Or file certain n	release no	encinazilito	id nerform correcti	ive actio	one for rele	doids some			
public health o	or the envir	ronment The	: SCCCO(SAC)	ce of a C-141 reco	art by the	e NMOCD ma	wked as "Final Res	mort" do	nea nos sulla	eve the co-		# 17 a to 19 a	_
should their or	operations ha	ave failed to a	rdequately.	investigate and re	remediate	e coataminatio	on that more a three	of the orn	Mand Weller	Dura ven	- I		
or the environ	nment in ac	ddition, NMO ws and/or regul	CD secept	cance of a C-141	report de	oes not relieve	s the operator of re-	sponsib.	ullity for co	mpliance v	with an	ny other	 -
ICUSTRI, MAIC,	OF IUCAL LAW	/3 anu/or regul	ABOUNT.	1			ATT CONTR	777	- 777				
	_ =			11111	1	OIL CONSERVATION DIVISION							
Signature:			_Ke~	VXX		TIM GUM							
Printed Name: Diane Kuykendall						Approved by District Supervisor: by MB							
Printed Name:	: Diane P	.uykenuau											
Title: Produ	Title: Production Analyst					Approval Date: 5/23/05 Expiration Date: N/A							
						-			**********	1			

Conditions of Approval:

84-13-03 04-33-M 1625 N. French Dr., Hobbs, NM 88240 1042 M. French Lt., Monos, NM 88240 <u>District III</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 <u>District IV</u>

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

E-mail Address: dkuykendall@conchoresources.com

Attach Additional Sheets If Necessary

Phone: 432-685-4372

Energy Minerals and Natural Resources

Form C-141 Revised October 10, 2003

Attached 🔲

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

Submit 2 Copies to appropriate
District Office in accordance
with Rule 1 16 on back side of form

-	30-015.	-22218	}	Rel	ease Notifi	catio	on and Co	orrective A	ction	3				
n	MCBO51	223090	9			OPERATOR						Final Rep		
	Name of C	отпрацу	COG Opera	Contact Dians Kuykendall										
	Address 5	50 W. Tex	as Ave., Sui	Telephone No. 432-683-7443										
	Facility Na	me Keyst	one #1				Facility Typ	oe Oil Well						
	Surface Owner Don Rains Mineral Owner						Lease No. 301047							
					LOCA	ATIC	N OF RE	LEASE						
	Unit Letter	Section	Township	Runge	Feet from the	Nort	h/South Line	Feet from the	East/V	Vest Line	County			
	G	32	205	28E	1980	L	North	1980 East E				Eddy	,	
,	Latitude Longitude													
					NAT	TURE	OF REL	EASE						
1	Type of Rela		duced oil & v	vator leak			Volume of		Volume Recovered					
	Source of Re		ater Treater A	Date and Hour of Occurrence Prior to 4/13/05			Date and Hour of Discovery 4/13/05 by OCD							
1	Was Immedia			15 Yes			If YES, To Whom?							
					No Not R	equired								
1	By Whom? Mike Bratcher contacted us - (iMLB0510239692)							Date and Hour 4/13/05						
	Was a Watercourse Reached? ☐ Yes ☑ No							If YES, Volume Impacting the Watercourse.						
Ì	If a Watercou	rse was Im	pacted, Descr	ibe Fully.										
Ì			am and Reme											
ı	Apparently a	reicase at ti	ink battery an	d heater tr	eater area									
	Describe Are	Affected a	and Cleanup A	Action Tak	en.º					*				
	Highlander w	as contacts	d 4/14/05 for	remediatio	n plan.									
Ì	I hereby certi	fy that the is	aformation gi	ven apove	is true and comp	lete to	he best of my	knowledge and up	derstan	d that purs	want to NM(OCD rel	es and	
l	regulations al	l operators	are required to	report an	d/or file certain r	dense e	otifications an	d perform correct	ive actic	ms for rele	ases which	may end	laager	
1	public health or the covernment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of Hability should their operations have falled to adequately investigate and remediate contamination that pose a direct to ground water, Surface water, human health													
ı	or the environ	unent. In a	idition, NMO	CD accept	ance of a C-141	report d	loes not relieve	the operator of re	sponsib	ility for co	mplisace w	ith any (ian destati Dipel	
ŀ	Stderal, state,	or local lav	rs and/or regu	lations	7						<u>-</u>			
							OIL CONSERVATION DIVISION							
Signature: Jan Johnson							TIM GUM							
Printed Name: Diane Kuykendali by M								/IB						
Ī	Title: Produ	ction Analy	ret				Approval Date: 5/43/05 Expiration Date: A/4							
L		A-A44 1 M 1 (M)					- Abroam Sam	· ~ # 3 U 3		waining L	rauc: (~//	r r		

Conditions of Approval:

Remediation