

District I
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
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 June 10, 2002

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form.

30-015-22218

Release Notification and Corrective Action

NMLB 0512230909

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: COG Operating, LLC

Contact: Diane Kuykendall

Address: 550 W. Texas, Suite 1300, Midland TX 79701

Telephone No. (432) 685-8100

Facility Name: Keystone #1 Tank Battery

Facility Type: Tank Battery

Surface Owner Don Rains

Mineral Owner

Lease No. 301047

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	32	20S	28E	1980'	North	1980'	East	Eddy

NATURE OF RELEASE

Type of Release Produced oil & water	Volume of Release >5 barrels	Volume Recovered
Source of Release Tank valve leaking	Date and Hour of Occurrence 4/13/05	Date and Hour of Discovery 4/13/05 by OCD

Was Immediate Notice Given?

☐ Yes ☒ No ☐ Not Required

If YES, To Whom?

By Whom? Mike Bratcher contacted COG (IMLB0510239692)

Date and Hour
4/13/05

Was a Watercourse Reached?

☐ Yes ☒ No

If YES, Volume Impacting the Watercourse.

If a Watercourse was Impacted, Describe Fully.*

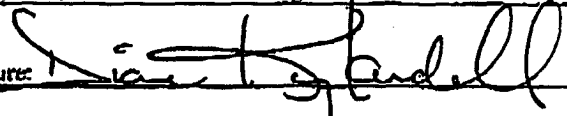
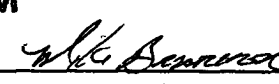
Describe Cause of Problem and Remedial Action Taken.*

Release at tank battery and heater treater area.. Contacted Highlander for site inspection.

Describe Area Affected and Cleanup Action Taken.*

Highlander performed site inspection, including soil sampling. The tanks were removed and impacted soil excavated and taken to disposal. Confirmation samples taken from bottom hole and sidewalls. Prepared closure report. Will backfill with clean backfill material.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Diane Kuykendall	TIM GUM	
Title: Production Analyst	Approved by District Supervisor: by MB 	Approval Date: 5/4/06
E-mail Address: dkuykendall@sunchoresources.com	Expiration Date: N/A	Conditions of Approval:
Date: 3/31/06 Phone: (432) 685-4372	Attached <input checked="" type="checkbox"/>	

* Attach Additional Sheets If Necessary



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. Suite 1300
Midland TX 79701

May 4, 2006

Reference: Keystone 004 F-32-20s-28e API: 30-015-28183 Incident #: nMLB0514438151
 Keystone 001 G-32-20s-28e API: 30-015-22218 Incident #: nMLB0512230909

Operator,

The New Mexico Oil Conservation Division District 2 Office (NMOCD) is in receipt of a Closure Report and a Final Report Form C-141 for each of the above referenced well sites located in Eddy County, New Mexico. The Closure Reports outline actions taken for remediation of produced fluids released at the sites and provide lab analyses obtained during the remediation process. The Closure Report was prepared and submitted to the NMOCD by your agent, Highlander Environmental Corp.

Based on information provided, the request for closure of these release incidents is approved.

Please be advised that NMOCD acceptance and/or approval of documents or 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. In addition, NMOCD acceptance and/or approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

Sincerely,

Mike Bratcher

NMOCD District 2

1301 W. Grand Ave.

Artesia, NM 88210

(505) 748-1283 Ext. 108

(505) 626-0857

Mike.Bratcher@state.nm.us