District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 1000 Rio Brazos Road, Aztec, NM 87410 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department

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

Form C-141 Revised August 24, 2018 Submit to appropriate OCD District office

Incident ID	NAB1902343484
District RP	2RP-5195
Facility ID	fAB1902343284
Application ID	pAB1902342862

Release Notification

Responsible Party								
Responsible Party Murchison Oil and Gas, Inc.			, Inc.	OGRID 015363				
Contact Nam				oans	Contact Tele	ephone		(575) 706-0667
Contact emai	act email gboans@jdmii.com			.com	Incident # (a	issigned by OCD)	NAB1902343484	
Contact mailing address Legacy Tower One, 7250 Dallas Parkway, Suite 1400 P				Plano, Texa	s 75024			
Location of Release Source								
Latitude 32.154250° Longitude -104.263969° NAD 83 in decimal degrees to 5 decimal places)								
Site Name Ogden State 5A Release			Site Type		4-in./6-in. po	ly pipeline junction		
Date Release Discovered May 26, 2017		, 2017	API# (if app	olicable)				
Unit Letter	Section	Township	Range		Count	v]	
Onit Letter	2	25S	26E	Eddy	County			
Surface Owner: State Federal Tribal Private (Name: Nature and Volume of Release Material(s) Released (Select all that apply and attach calculations or specific justification for the volumes provided below)								
Crude Oil Volume Released (bbls)				- a 1	Volume Reco	vered (bbls)		
			0-bbls	INKNOWN	Volume Reco	overed (bbls)	0 bbls	
Is the concentration of dissolved chloride produced water >10,000 mg/l?			hloride	in the	⊠ Yes □ N	<u> </u>		
Condensate Volume Released (bbls)				Volume Reco				
Natural Gas Volume Released (Mcf)				Volume Reco				
Other (de	escribe)	Volume/Weight Released (provide units				Volume/Weight Recovered (provide units)		
Cause of Release A leak was discovered at 2:30 PM on May 26, 2017 at a junction where the produced water line from Ogden St 9H joins the produced water line from Ogden St 5A. The line was immediately shut in and the release fluid at the surface was determined to be less than 5 bbls. The line was exposed and repaired. When put back into service, the line was left exposed for 1 week to verify its integrity.								

During that time, no leaks were observed and no additional fluids drained back into the hole.

A year later on April 25, 2018, operator received a call from grazing lessee with concern that the line was leaking, followed by an email from the SLO. The junction and lines east and west were again exposed with SLO witnessing. The junction and lines were inspected and tested for integrity and did not indicate a loss of fluid. Tin horns were installed at the junction and on the lines east and west for continued monitoring.

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State of New Mexico Oil Conservation Division

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Was this a major release as defined by	If YES, for what reason(s) does the respon	sible party consider this a major release?				
19.15.29.7(A) NMAC?						
☐ Yes ☒ No						
If VES was immediate n	otice given to the OCD? By whom? To wh	om? When and by what means (phone, email, etc)?				
II 1ES, was immediate in	Stice given to the OCD? By whoth: 10 wil	office when and by what means (phone, email, etc).				
Initial Response						
The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury						
☐ The source of the rele	ease has been stopped.					
	as been secured to protect human health and	the environment.				
Released materials ha	ave been contained via the use of berms or d	ikes, absorbent pads, or other containment devices.				
All free liquids and re	ecoverable materials have been removed an	d managed appropriately.				
If all the actions describe	d above have <u>not</u> been undertaken, explain	why:				
has begun, please attach	a narrative of actions to date. If remedial	emediation immediately after discovery of a release. If remediation efforts have been successfully completed or if the release occurred please attach all information needed for closure evaluation.				
I hereby certify that the info	ormation given above is true and complete to the	best of my knowledge and understand that pursuant to OCD rules and				
public health or the environ	iment. The acceptance of a C-141 report by the C	fications and perform corrective actions for releases which may endanger OCD does not relieve the operator of liability should their operations have				
failed to adequately investigned addition, OCD acceptance and/or regulations.	gate and remediate contamination that pose a throof a C-141 report does not relieve the operator of	eat to groundwater, surface water, human health or the environment. In responsibility for compliance with any other federal, state, or local laws				
	Boans	Title: Production Manager				
723.	^	_				
Signature:		Date: _January 18, 2019				
email:gboans@jdmii	i.com	Telephone:(575) 706-0667				
OCD Only						
Received by:	mant Intamente	Date:1/23/2019				