

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 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 | NRM2021737058 |
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | |
|--------------------------------------------------------------------------------------|--------------------------------|
| Responsible Party Marathon Oil Permian LLC | OGRID 372098 |
| Contact Name Melodie Sanjari | Contact Telephone 575-988-8753 |
| Contact email msanjari@marathonoil.com | Incident # (assigned by OCD) |
| Contact mailing address 4111 S. Tidwell Rd., Carlsbad, NM 8220 | |

Location of Release Source

Latitude 32.39974813

Longitude -103.59315405
(NAD 83 in decimal degrees to 5 decimal places)

| | |
|----------------------------------------|-----------------------------------|
| Site Name Chili Parlor 17 Federal #003 | Site Type Oil & Gas |
| Date Release Discovered: 7/29/2020 | API# (if applicable) 30-025-43138 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| O | 08 | 22S | 33E | Lea |

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)

| | | |
|----------------------------------------------------|--------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <input type="checkbox"/> Crude Oil | Volume Released (bbls) | Volume Recovered (bbls) |
| <input checked="" type="checkbox"/> Produced Water | Volume Released (bbls) 30 | Volume Recovered (bbls) 30 |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| <input type="checkbox"/> Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) |
| <input type="checkbox"/> Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |

Cause of Release

A pinhole in the valve body off of the 3H separator resulted in the release of approx. 30 bbl of produced water inside of the lined containment. A vacuum truck was dispatched to recover all standing fluids, the containment will be power washed and a 48 hour notice will be sent out before conducting a liner integrity inspection.

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| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Was this a major release as defined by 19.15.29.7(A) NMAC? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If YES, for what reason(s) does the responsible party consider this a major release? Volume |
| If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Yes, to NM SLO & OCD via email on 7/29/2020 by MOC (Melodie Sanjari) | |

Initial Response

The responsible party must undertake the following actions immediately unless they could create a safety hazard that would result in injury

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| <input checked="" type="checkbox"/> The source of the release has been stopped. <input checked="" type="checkbox"/> The impacted area has been secured to protect human health and the environment. <input checked="" type="checkbox"/> Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices. <input checked="" type="checkbox"/> All free liquids and recoverable materials have been removed and managed appropriately. | |
| If all the actions described above have <u>not</u> been undertaken, explain why: | |
| Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation. | |
| I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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. | |
| Printed Name: <u>Melodie Sanjari</u> | Title: <u>Environmental Professional</u> |
| Signature: <u>Melodie Sanjari</u> | Date: 8/3/2020 |
| email: <u>msanjari@marathonoil.com</u> | Telephone: <u>575-988-8753</u> |
| <u>OCD Only</u> | |
| Received by: _____ | Date: _____ |

| | |
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Closure

The responsible party must attach information demonstrating they have complied with all applicable closure requirements and any conditions or directives of the OCD. This demonstration should be in the form of a comprehensive report (electronic submittals in .pdf format are preferred) including a scaled site map, sampling diagrams, relevant field notes, photographs of any excavation prior to backfilling, laboratory data including chain of custody documents of final sampling, and a narrative of the remedial activities. Refer to 19.15.29.12 NMAC.

Closure Report Attachment Checklist: *Each of the following items must be included in the closure report.*

- ☒ A scaled site and sampling diagram as described in 19.15.29.11 NMAC
- ☒ Photographs of the remediated site prior to backfill or photos of the liner integrity if applicable (Note: appropriate OCD District office must be notified 2 days prior to liner inspection)
- ☐ Laboratory analyses of final sampling (Note: appropriate ODC District office must be notified 2 days prior to final sampling)
- ☒ Description of remediation activities

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD 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 OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD 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. The responsible party acknowledges they must substantially restore, reclaim, and re-vegetate the impacted surface area to the conditions that existed prior to the release or their final land use in accordance with 19.15.29.13 NMAC including notification to the OCD when reclamation and re-vegetation are complete.

Printed Name: Melodie Sanjari Title: Environmental Professional

Signature: Melodie Sanjari Date: 8/13/2020

email: msanjari@marathonoil.com Telephone: 575-988-8753

OCD Only

Received by: _____ Date: _____

Closure approval by the OCD does not relieve the responsible party of liability should their operations have failed to adequately investigate and remediate contamination that poses a threat to groundwater, surface water, human health, or the environment nor does not relieve the responsible party of compliance with any other federal, state, or local laws and/or regulations.

Closure Approved by: _____ Date: _____

Printed Name: _____ Title: _____

Chili Parlor 17 Federal #003

NRM2021737058

Liner Integrity Inspection (Photos Attached)

Date: 8/12/2020

Facility: Chili Parlor 17 Federal #003

48 Hour Notification Given On: 8/6/2020 via email to SLO & OCD.enviro@state.nm.us

Responsible party has visually inspected the liner

☒ Y ☐ N

Liner remains intact

☒ Y ☐ N

Liner had the ability to contain the leak in question:

☒ Y ☐ N

Notes:

All gravel was removed from containment and disposed of – replaced with sand bags

Containment was power-washed on 8/10

No failures on containment or liner

Company Representative(s)

Melodie Sanjari

M. Sanjari

Chili Parlor 17 Federal #003

NRM2021737058



Chili Parlor 17 Federal #003

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