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 | nAPP2124428964 |
|----------------|----------------|
| 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 <u>msanjari@marathonoil.com</u> | Incident # (assigned by OCD) |
| Contact mailing address 4111 S. Tidwell Rd., Carlsbad, NM 8220 | |

Location of Release Source

Latitude <u>32.27987337</u>

Longitude <u>-103.98443491</u> (NAD 83 in decimal degrees to 5 decimal places)

| Site Name: BLUE STEEL 21 WYX FEDERAL COM #012H | Site Type: Oil & Gas |
|--|------------------------------------|
| Date Release Discovered: 9/1/2021 | API# (if applicable): 30-015-45896 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| А | 28 | 238 | 29E | Eddy |

Surface Owner: State Federal Tribal Private (Name: _____

Nature and Volume of Release

| Materia | l(s) Released (Select all that apply and attach calculations or specific | justification for the volumes provided below) |
|------------------|--|---|
| Crude Oil | Volume Released (bbls) | Volume Recovered (bbls) |
| Produced Water | Volume Released (bbls) 40.6 | Volume Recovered (bbls) 70 |
| | Is the concentration of dissolved chloride in the produced water >10,000 mg/l? | Yes No |
| Condensate | Volume Released (bbls) | Volume Recovered (bbls) |
| Natural Gas | Volume Released (Mcf) | Volume Recovered (Mcf) |
| Other (describe) | Volume/Weight Released (provide units) | Volume/Weight Recovered (provide units) |
| | | |

Cause of Release

An air eliminator malfunctioned and resulted in the release of approx.. 40.6 bbl. of produced water inside of the lined, secondary containment. A vac truck was not able to be mobilized until much later in the day after/during a flash flood warning – which resulted in 70 bbl. of produced water and rainwater being recovered from the containment. A notification for a liner integrity inspection will be sent out prior to the walkthrough.

| eived by OCD: 9/2/2021 | by OCD: 9/2/2021 1:42:24 PM State of New Mexico | | Page |
|-------------------------------|---|-----------------------------------|----------------|
| | | Incident ID | nAPP2124428964 |
| e 2 Oil Conservation Division | District RP | | |
| | Facility ID | | |
| | | Application ID | |
| | 1 | | |
| Was this a major | If YES, for what reason(s) does the responsible par | ty consider this a major release? |) |
| release as defined by | Volume | | |
| 19.15.29.7(A) NMAC? | | | |
| | | | |
| 🛛 Yes 🗌 No | | | |
| | | | |
| | | | |
| | | | |
| | otice given to the OCD? By whom? To whom? Wh | en and by what means (phone, o | email, etc)? |
| Yes, NOR submitted 9/1/ | 2021 | | |
| | | | |
| | | | |

Initial Response

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

 \square The source of the release has been stopped.

The impacted area has been secured to protect human health and the environment.

Released materials have been contained via the use of berms or dikes, absorbent pads, or other containment devices.

All free liquids and recoverable materials have been removed and managed appropriately.

If all the actions described above have not 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: 9/2/2021 |
| email: <u>msanjari@marathonoil.com</u> | Telephone: <u>575-988-8753</u> |
| OCD Only | |
| Received by: Ramona Marcus | Date: |

Spill Calculation Tool



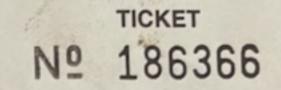
| _ | Length (ft.) | Width (ft.) | Avg. Liquid Depth (in.) | % Oil | Total Volume (bbls) | Water Volume (bbls) | Oil Volume (bbls) |
|-------------------|------------------|---------------------|-------------------------------|------------------|--------------------------------|--------------------------------|------------------------------|
| Rectangle Area #1 | 80 | 105 | 0.375 | | 46.75 | 46.75 | 0.00 |
| Rectangle Area #2 | | | | | 0.00 | 0.00 | 0.00 |
| Rectangle Area #3 | | | | | 0.00 | 0.00 | 0.00 |
| Rectangle Area #4 | | | | | 0.00 | 0.00 | 0.00 |
| Rectangle Area #5 | | | | | 0.00 | 0.00 | 0.00 |
| Rectangle Area #6 | | | | | 0.00 | 0.00 | 0.00 |
| Tank Displacement | | 1089 | 0.375 | | 6.06 | 6.06 | 0.00 |
| Tank Displacement | | | | | 0.00 | 0.00 | 0.00 |
| - | | | | Liquid Volume: | 40.69 | 40.69 | 0.00 |
| | Length (ft.) | Width (ft.) | Avg. Saturated Depth (in.) | % Oil | Total Volume (bbls) | Water Volume (bbls) | Oil Volume (bbls) |
| - | Length (ft.) | Width (ft.) | Depth (in.) | % Oil | (bbls) | (bbls) | (bbls) |
| Rectangle Area #1 | | | | 0% | 0.00 | 0.00 | 0.00 |
| Rectangle Area #2 | | | | 0% | 0.00 | 0.00 | 0.00 |
| Rectangle Area #3 | | | | 0% | 0.00 | 0.00 | 0.00 |
| Rectangle Area #4 | | | | 0% | 0.00 | 0.00 | 0.00 |
| Rectangle Area #5 | | | | 0% | 0.00 | 0.00 | 0.00 |
| Rectangle Area #6 | | | | 0% | 0.00 | 0.00 | 0.00 |
| Rectangle Area #7 | | | | | 0.00 | 0.00 | 0.00 |
| Rectangle Area #8 | | | | | 0.00 | 0.00 | 0.00 |
| | | | | Saturated Volume | 0 00 | 1 000 1 | |
| <u>Volume I</u> | Recovered and no | t included in Stand | ling Liquid Inputs : | Saturated Volume | 0.00 Total Volume (bbls) | 0.00 Water Volume (bbls) | 0.00 Oil Volume (bbls) |
| <u>Volume I</u> | Recovered and no | t included in Stanc | <u>ling Liquid Inputs :</u> | | Total Volume | Water Volume | Oil Volume |

•

13 14 15 16 7 8 9 10 5 R SUM MARCH **3 J TRUCKING, LLC DBA 3J RENTAL & SUPPLY** DATE CARLSBAD, NEW MEXICO 88220 OFFICE: (575) 689-8520 TRUCK FAX: (575) 689-8521 TIME IN 66-0-AM TIME OUT 6/. 00 PM HAULED FOR TO MATERIAL HAULED FROM -NEL-SUD to dove qui . TOP GAUGE u locat can BOTTOM GAUGE BBLS 01 RUU SEAL ON SEAL OFF vecgee? HELPER RECEIVED BY DRIVER TIME FLOWBACK HAND / COMPANY MAN TIME MUST BE WRITTEN AND TICKET MUST BE SIGNED



NAPP2124428964



HOURS AMOUNT TAX TOTAL

AM DPM

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

| | OGRID: |
|--------------------------|---|
| MARATHON OIL PERMIAN LLC | 372098 |
| 5555 San Felipe St. | Action Number: |
| Houston, TX 77056 | 46166 |
| | Action Type: |
| | [C-141] Release Corrective Action (C-141) |
| 5555 San Felipe St. | Action Number: 46166 Action Type: |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-----------|----------------|
| rmarcus | None | 9/10/2021 |

CONDITIONS

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Action 46166