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 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 | nAPP2122535332 |
|----------------|----------------|
| 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 | 32.26981532 | Longitude -104.123524 |
|----------|-------------|--------------------------------------|
| | | (NAD 83 in decimal degrees to 5 deci |

83 in decimal degrees to 5 decimal places)

| Site Name HERMES FEE 23 28 30 TB #003H | | Site Type Oil & Gas Facili | ty | | | | |
|--|---|---------------------------------|--------|-----|------|---|--|
| Date Release Discovered: 8/13/2021 | | API# (if applicable) 30-015-445 | 03 | | | | |
| Unit Letter Section Township Range | | | County | | | | |
| | О | 30 | 23S | 28E | Eddy | 7 | |

Surface Owner: State Federal 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) | Volume Recovered (bbls) |
| Produced Water | Volume Released (bbls) 360 PW/Rainwater | Volume Recovered (bbls) 360 PW/Rainwater |
| | 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 | | |

Operator arrived on location to a pinhole on the belly of the 3H separator that resulted in the release of produced water inside of the lined, secondary containment. As there were storms with heavy rainfall and lightening in the area, recovery could not take place until later that afternoon and as a result, approx. 360 bbl. of fluid was recovered from the lined secondary containment (rainwater & produced water). A notice will be sent out 48 hours prior to a liner integrity inspection.

Received by OCD: 9/2/2021 10:57:37 AM Form C-141 State of New Mexico Page 2 Oil Conservation Division

te of New Mexico

Incident ID nAPP2122535332

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| Was this a major | If YES, for what reason(s) does the responsi | ble party consider this a major release? |
|----------------------------------|---|--|
| release as defined by | Volume | |
| 19.15.29.7(A) NMAC? | | |
| ⊠ Yes □ No | | |
| | | |
| | | n? When and by what means (phone, email, etc)? |
| Yes, NOR submitted 8/13 | 5/2021 | |
| | | |
| | | |
| | Initial Res | ponse |
| The responsible p | party must undertake the following actions immediately u | nless they could create a safety hazard that would result in injury |
| The source of the rele | ease has been stopped. | |
| The impacted area has | s been secured to protect human health and th | e environment. |
| Released materials ha | we been contained via the use of berms or dik | es, absorbent pads, or other containment devices. |
| | ecoverable materials have been removed and r | - |
| <u> </u> | | |
| If all the actions described | d above have <u>not</u> been undertaken, explain wh | y. |
| | | |
| | | |
| | | |
| | | |
| | | |
| Per 19.15.29.8 B. (4) NM | AC the responsible party may commence rem | nediation immediately after discovery of a release. If remediation |
| has begun, please attach a | a narrative of actions to date. If remedial eff | Forts have been successfully completed or if the release occurred ase attach all information needed for closure evaluation. |
| I hereby certify that the infor | rmation given above is true and complete to the bes | st of my knowledge and understand that pursuant to OCD rules and |
| regulations all operators are | required to report and/or file certain release notific | ations and perform corrective actions for releases which may endanger |
| failed to adequately investigate | nent. The acceptance of a C-141 report by the OC ate and remediate contamination that pose a threat | O does not relieve the operator of liability should their operations have to groundwater, surface water, human health or the environment. In |
| addition, OCD acceptance of | | ponsibility for compliance with any other federal, state, or local laws |
| and/or regulations. | | |
| Printed Name: Melo | odie Saniari | Title: Environmental Professional |
| | | |
| Signature:Melod | <u>lie Sanjari</u> | Date: 8/17/2021 |
| | · · | |
| email: <u>msanjari@marat</u> | thonoil.com_ | Telephone: <u>575-988-8753</u> |
| | | |
| | | |
| OCD Only | | |
| Received by: | | Date: |
| received by. | | Juic |

tate of New Mexico Incident ID nAPP2122

| Incident ID | nAPP2122535332 |
|----------------|----------------|
| District RP | |
| Facility ID | |
| Application ID | |

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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. | | |
|--|--|--|
| | | |
| 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 Di | strict 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 and regulations all operators are required to report and/or file certain rel may endanger public health or the environment. The acceptance of a C should their operations have failed to adequately investigate and remedi human health or the environment. In addition, OCD acceptance of a C-compliance with any other federal, state, or local laws and/or regulation restore, reclaim, and re-vegetate the impacted surface area to the condition accordance with 19.15.29.13 NMAC including notification to the OCD | lease notifications and perform corrective actions for releases which -141 report by the OCD does not relieve the operator of liability interest contamination that pose a threat to groundwater, surface water, 141 report does not relieve the operator of responsibility for its. The responsible party acknowledges they must substantially items that existed prior to the release or their final land use in | |
| Printed Name: Melodie Sanjari | Title:Environmental Professional | |
| Signature: Melodie Sanjari | Date:9/2/2021 | |
| email: <u>msanjari@marathonoil.com</u> | Telephone: <u>575-988-8753</u> | |
| | | |
| 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: | |

Liner Integrity Inspection (Photos Attached)

48 Hour Notification Given On: 8/30/21

Responsible party has visually inspected the liner

Liner had the ability to contain the leak in question:

Facility: Hermes 3H.

Liner remains intact

Notes:

| Company Representative(s) | | |
|--|--|--|
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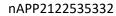
nAPP2122535332





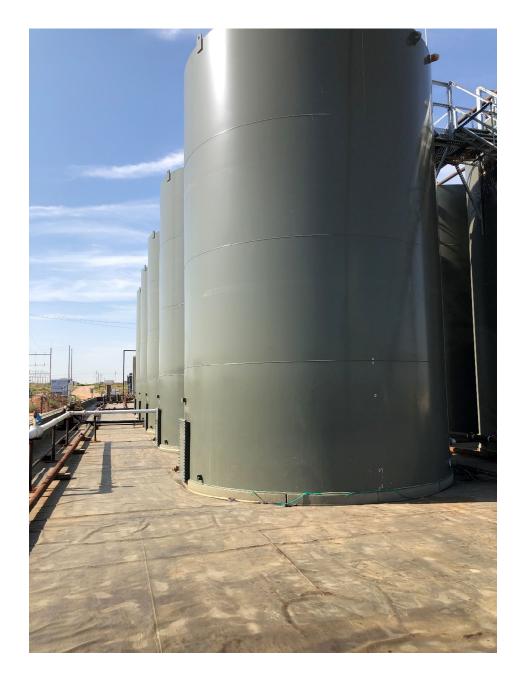








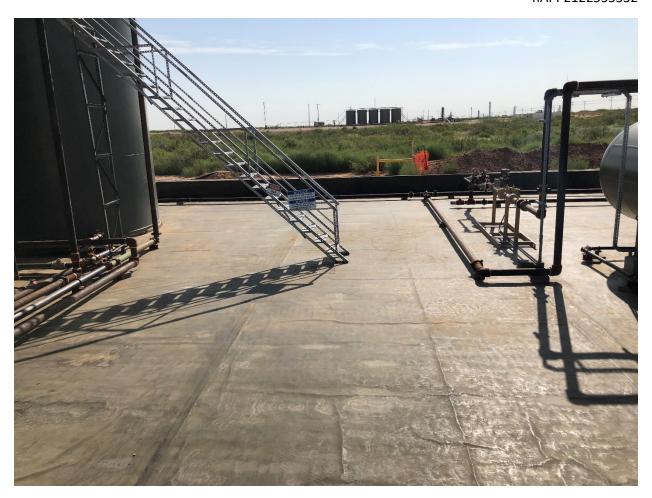








nAPP2122535332





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Closure

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| ☐ Description of remediation activities | | | |
| | | | |
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| Printed Name: Melodie Sanjari | Title:Environmental Professional | | |
| Signature: <u>Melodíe Sanjarí</u> | Date:9/2/2021 | | |
| email: <u>msanjari@marathonoil.com</u> | Telephone: <u>575-988-8753</u> | | |
| OCD Only | | | |
| Received by: Robert Hamlet | Date: 9/14/2021 | | |
| | iability should their operations have failed to adequately investigate and er, human health, or the environment nor does not relieve the responsible egulations. | | |
| Closure Approved by: Robert Hamlet | Date: 9/14/2021 | | |
| Printed Name: Robert Hamlet | Title: Environmental Specialist - Advanced | | |
| | | | |

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

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

Action 46079

CONDITIONS

| Operator: | OGRID: |
|--------------------------|---|
| MARATHON OIL PERMIAN LLC | 372098 |
| 5555 San Felipe St. | Action Number: |
| Houston, TX 77056 | 46079 |
| | Action Type: |
| | [C-141] Release Corrective Action (C-141) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|--|----------------|
| rhamlet | We have received your closure report and final C-141 for Incident #NAPP2122535332 HERMES FEE 23 28 30 TB #003H, thank you. This closure is approved. | 9/14/2021 |