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 | NRM2025463747 |
|----------------|---------------|
| 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 32.18781563 Longitude -104.0378624 (NAD 83 in decimal degrees to 5 decimal places)

| Site Name: Southern Comfort State 24 28 25 WA #005H | Site Type: Oil & Gas Facility |
|---|-----------------------------------|
| Date Release Discovered: 9/3/2020 | API# (if applicable) 30-015-44831 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| J | 25 | 24S | 28E | Eddy |

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) | Volume Recovered (bbls) |
| Produced Water | Volume Released (bbls) 14 | Volume Recovered (bbls) 14 |
| | 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

The release was the result of equipment failure on the swedge on the belly of the 5H separator – this resulted in the release of approx. 14 bbl of produced water inside of the lined containment. The source of the release was isolated and repairs were made. As we had personnel working in and around the release, a crew was dispatched to power wash the vessel and containment to eliminate the trip/slip/fall hazard. A 48 hour notification will be sent out prior to a liner integrity inspection.

| Incident ID | NRM2025463747 |
|----------------|---------------|
| District RP | |
| Facility ID | |
| Application ID | |

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| Was this a major | If YES, for what reason(s) does the responsible party consider this a major release? |
|--------------------------|---|
| release as defined by | |
| 19.15.29.7(A) NMAC? | |
| | |
| 🗌 Yes 🖾 No | |
| | |
| | |
| | |
| If YES, was immediate no | otice given to the OCD? By whom? To whom? 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

 \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: Melodie Sanjari | Title:Environmental Professional |
|--|----------------------------------|
| Signature: <u>Melodie Savjavi</u> | Date: 9/9/2020 |
| email: <u>msanjari@marathonoil.com</u> | Telephone: <u>575-988-8753</u> |
| OCD Only | |
| Received by: | Date: |

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 Depart Attachment Checklist, Each of the fall suite item | no must be included in the closure report | | |
|--|--|--|--|
| <u>Closure Report Attachment Checklist</u> : 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 N | JMAC | | |
| 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 D | istrict 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 t | a the best of my knowledge and understand that nursuant to OCD miles | | |
| and regulations all operators are required to report and/or file certain re | | | |
| may endanger public health or the environment. The acceptance of a C | C-141 report by the OCD does not relieve the operator of liability | | |
| should their operations have failed to adequately investigate and remed human health or the environment. In addition, OCD acceptance of a C | | | |
| compliance with any other federal, state, or local laws and/or regulation | 1 1 1 | | |
| restore, reclaim, and re-vegetate the impacted surface area to the condition | tions 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: <u>Melodie Sanjari</u> | Title:Environmental Professional | | |
| Signature: <u>Melodie Savjari</u> | Date: 9/28/2020 | | |
| | | | |
| email: <u>msanjari@marathonoil.com</u> | Telephone: <u>575-988-8753</u> | | |
| | | | |
| | | | |
| OCD Only | | | |
| Received by: Cristina Eads | Date: 09/28/2020 | | |
| | | | |
| Cleaning any moved by the OCD does not reliave the man ancible marty of lightlity should their an anotions have filled to a domain the investigation of the second se | | | |
| 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. | | | |
| n - n n - n | | | |
| Closure Approved by: //untur ex | Date: 11/09/2020 | | |
| | Title: Environmental Specialist | | |
| Printed Name: Cristina Eads | | | |

Liner Integrity Inspection (Photos Attached)

Date: 9/25/2020 (Jan) Facility: Southern Comfort State 242825 WA #005H 48 Hour Notification Given On: 9/21/2020 via email

| Responsible party has visually inspected the liner | (∕∕)∕N |
|--|--------|
| Liner remains intact | Ø/N |
| Liner had the ability to contain the leak in question: | Ø/N |

Notes:

32.18781563 -104.0378624-Walked containment - release remained inside. Uner was powerwashed precovered sameday as release hoppflars in liner or breaks/failutes in containment Some presence of Sand.

Company Representative(s)

Melodie Sanjari M. Sanjari N. Juji

Southern Comfort State 24 28 25 WA #005H Liner Integrity Inspection Photo Log



Southern Comfort State 24 28 25 WA #005H Liner Integrity Inspection Photo Log





Southern Comfort State 24 28 25 WA #005H Liner Integrity Inspection Photo Log



