

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

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

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

| | |
|----------------|----------------|
| Incident ID | nAPP2100846063 |
| 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 32.209479844Longitude -104.06769976
(NAD 83 in decimal degrees to 5 decimal places)

| | |
|--------------------------------------|-----------------------------------|
| Site Name Chicken Fry Federal Com 1H | Site Type Oil & Gas Facility |
| Date Release Discovered 1/8/2021 | API# (if applicable) 30-015-42882 |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| A | 22 | 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)

| | | |
|--|--|---|
| <input type="checkbox"/> Crude Oil | Volume Released (bbls) | Volume Recovered (bbls) |
| <input checked="" type="checkbox"/> Produced Water | Volume Released (bbls) 70 | Volume Recovered (bbls) 70 |
| | 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

Third party contractor arrived on location to a loose hammer union on the main water line that resulted in the release of approx. 70 bbl. of produced water inside of the lined, secondary containment. The well was shut in to inspect the source and a vac truck was dispatched to recover all standing fluids from the containment. A 48 hour notice will be sent out prior to a formal 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, on 1/8/2021 via a C141a | |

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: <u>1/11/2021</u> email: <u>msanjari@marathonoil.com</u> Telephone: <u>575-988-8753</u> |
| OCD Only 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

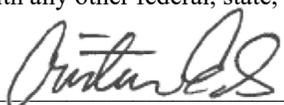
Signature: Melodie Sanjari Date: 1/27/2021

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

OCD Only

Received by: Cristina Eads Date: 01/27/2021

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: 02/12/2021

Printed Name: Cristina Eads Title: Environmental Specialist

Chicken Fry Federal Com 1H

NAPP2100846063

Liner Integrity Inspection (Photos Attached)

Date: 1/15/2021

Facility: Chicken Fry Federal Com 1H

48 Hour Notification Given On: 1/13/2021 via email to OCD.enviro@state.nm.us

Responsible party has visually inspected the liner



Liner remains intact



Liner had the ability to contain the leak in question:



Notes:

All gravel was removed from both containments and disposed of – replaced with sand bags (1/9-1/12)
Containment was power-washed 1/13
No containment or liner failures – All seams in good shape

Company Representative(s)

Melodie Sanjari

M. Sanjari

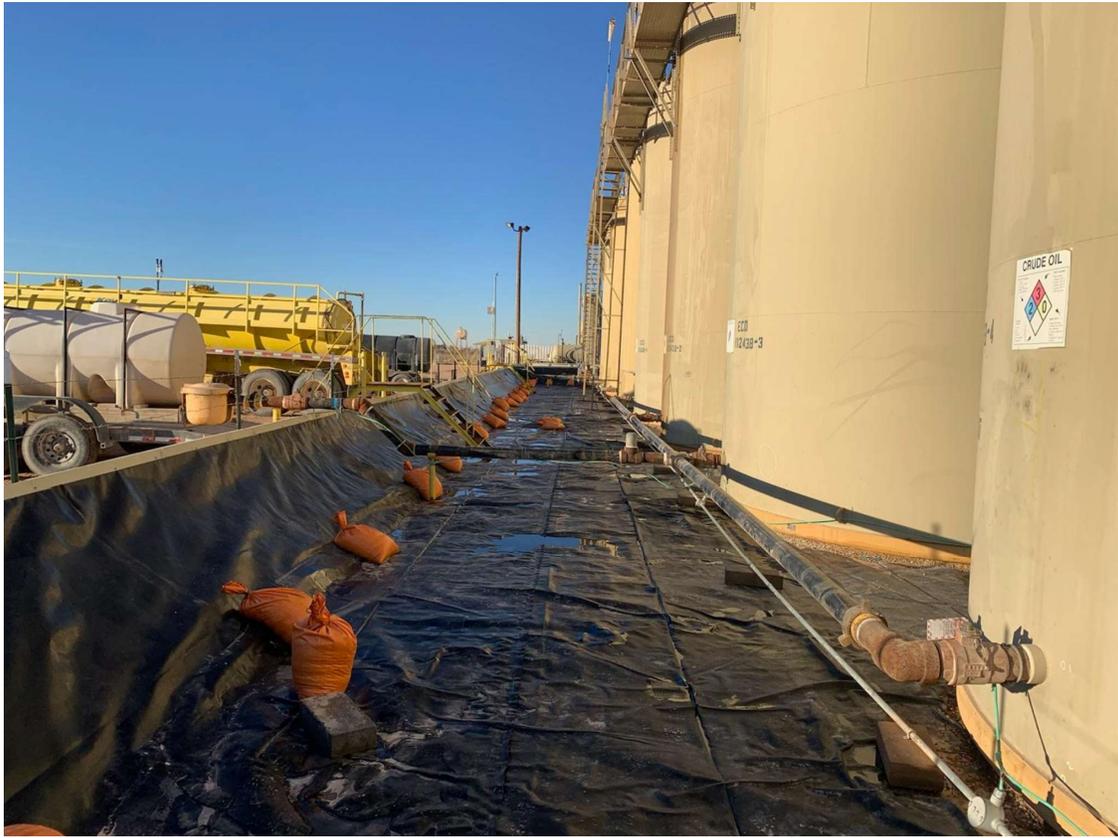
Chicken Fry Federal Com 1H

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 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

Action 15857

CONDITIONS OF APPROVAL

| | | | | |
|---|--|-------------------|-------------------------|-----------------------|
| Operator: MARATHON OIL PERMIAN LLC 5555 San Felipe St. Permian Regulatory Team Houston, TX77056 | | OGRID: 372098 | Action Number: 15857 | Action Type: C-141 |
| OCD Reviewer ceads | | Condition None | | |