



Date: 4/16/2021 ~11:00 AM MST

Location: Tatanka Federal 1H Battery

Incident: Spill Outside Containment – Water (Est 13 bbl)

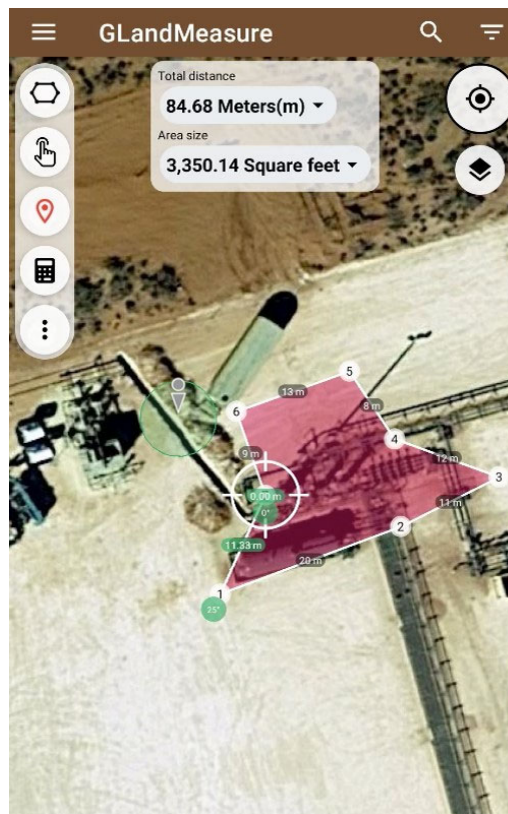
Description:

At 10:56 AM on 4/16/21, an offset operator notified Franklin Mountain Energy LLC employee, Clay Treadway, via a phone call of an observed and active leak at the Tatanka Federal 1H Battery. Well was immediately shut-in remotely. Via well site telemetry, it was confirmed that the well was shut-in by 11:05 AM on 4/16/21. Franklin Mountain Energy lease operator, Daniel Aylor, was on location by 11:25 AM. After arriving on location, a small pin hole leak was observed in the gas scrubber drain line, which transfers produced water (with small amounts of oil and condensate) from the gas scrubber to onsite storage tanks. The line was isolated and Franklin Mountain Lease operator confirmed the leak was completely isolated and stopped.











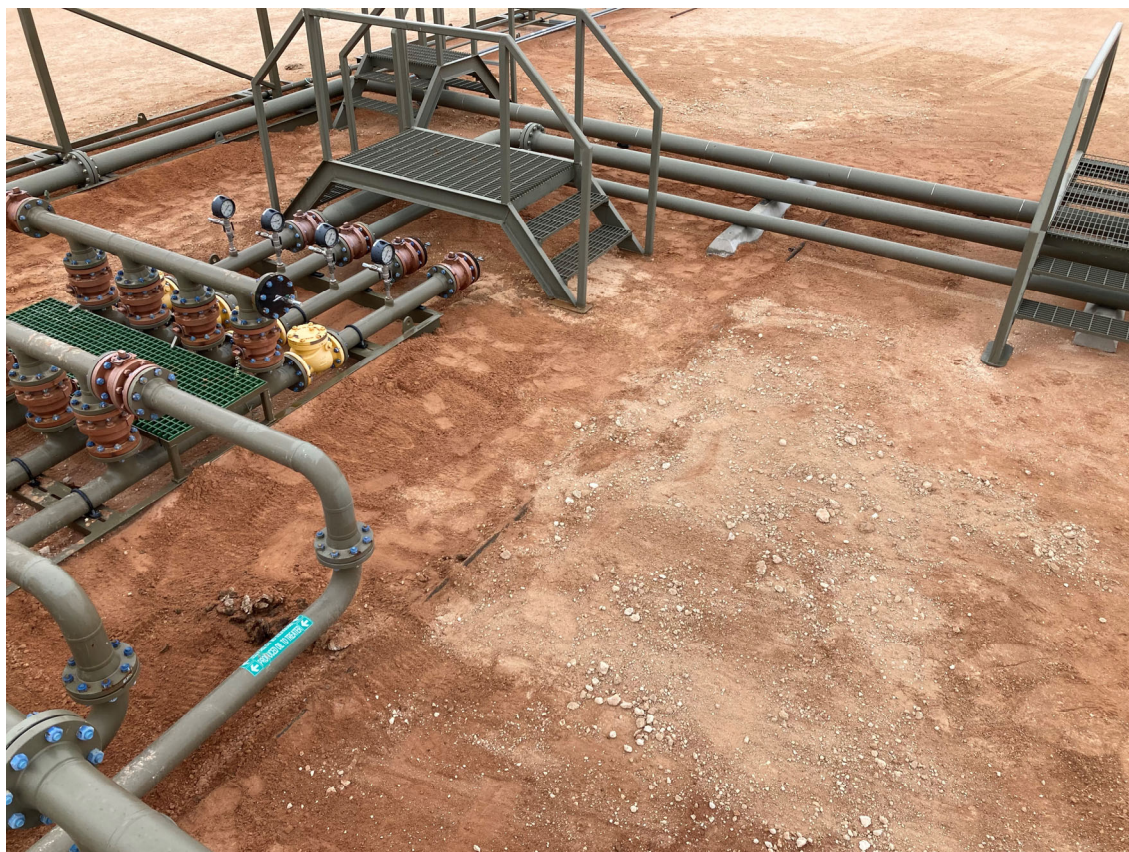
Root Cause:

Line from 2 phase separator was isolated on tank end of line but was not isolated on the vessel end of line, therefore, the line could see pressure when 2 phase dumped.

Remediation:

Dispatched vac truck to pick up all remaining fluid. Brought in skid steer and gang to dig out contaminated soil and replace with clean soil. Remediation work was completed 4/19/2021.







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 | NAPP2110648325 |
| District RP | |
| Facility ID | |
| Application ID | |

Release Notification

Responsible Party

| | |
|---|--|
| Responsible Party: Franklin Mountain Energy, LLC | OGRID: 373910 |
| Contact Name: Craig Walters | Contact Telephone: 720-414-7868 |
| Contact email: cwalters@fmellc.com | Incident # (assigned by OCD): NAPP2110648325 |
| Contact mailing address: 44 Cook Street, Suite 1000, Denver, CO 80206 | |

Location of Release Source

Latitude 32.051159 Longitude -103.344890
(NAD 83 in decimal degrees to 5 decimal places)

| | |
|---|--------------------------------|
| Site Name: Tatanka Battery | Site Type: Production Facility |
| Date Release Discovered: April 16, 2021 | API# (if applicable) |

| Unit Letter | Section | Township | Range | County |
|-------------|---------|----------|-------|--------|
| P | 11 | 26S | 35E | 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) 13 | Volume Recovered (bbls) 13 |
| | 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 small, pin hole sized leak was observed in the gas scrubber drain line, which transfers produced water from the gas scrubber to onsite storage tanks. Line from 2 phase separator was isolated on Tank end of line but was not isolated on vessel end of line, therefore, line could see pressure when 2 phase dumped.

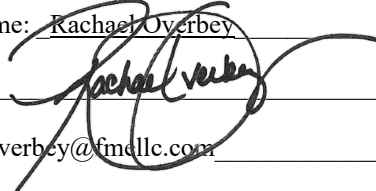
Oil Conservation Division

| | |
|----------------|----------------|
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| District RP | |
| Facility ID | |
| Application ID | |

| | |
|---|--|
| Was this a major release as defined by 19.15.29.7(A) NMAC? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, for what reason(s) does the responsible party consider this a major release? |
| If YES, was immediate notice 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

| | |
|--|--|
| <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>Rachael Overbey</u> | Title: <u>Dir. Ops Planning & Regulatory</u> |
| Signature:  | Date: <u>4/26/2021</u> |
| email: <u>roverbey@fmellc.com</u> | Telephone: <u>303-570-4057</u> |
| <u>OCD Only</u> | |
| Received by: <u>Ramona Marcus</u> | Date: <u>5/7/2021</u> |

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

Action 24358

CONDITIONS OF APPROVAL

| | | | | |
|------------------------------|-----------------|--------|----------------|--------------|
| Operator: | | OGRID: | Action Number: | Action Type: |
| FRANKLIN MOUNTAIN ENERGY LLC | 44 Cook Street | 373910 | 24358 | C-141 |
| Suite 1000 | Denver, CO80206 | | | |

| | |
|--------------|--|
| OCD Reviewer | Condition |
| rmarcus | When submitting future reports regarding this release, please submit the calculations used or specific justification for the volumes reported on the initial C-141 |