

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 **APR 02 2018**

Form C-141
Revised April 3, 2017

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505
Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.
DISTRICT II-ARTESIA O.C.D.

Release Notification and Corrective Action

NAB1813052492 **OPERATOR** Initial Report Final Report

Name of Company Marathon Oil Permian LLC 372098	Contact Callie Karrigan
Address 5555 San Felipe Street, Houston, Texas 77056	Telephone No. 405-202-1028 (cell) 575-297-0956 (office)
Facility Name: Sterling 20 State 1H	Facility Type Oil and gas production facilities
Surface: Owner: state	Mineral: Owner: state API No. : 30-015-42731

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	17	23S	27E	240	south	1950	east	Eddy

Latitude **32.2985**. Longitude **-104.2086**

NATURE OF RELEASE

Type of Release: produced water	Volume of Release 6 bbl	Volume Recovered: 6 bbl
Source of Release: gun barrel piping connection	Date and Hour of Occurrence 03/21/2018 6:00 pm	Date and Hour of Discovery 03/21/2018 6:00 pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Eddy County - Mike Bratcher and Crystal Weaver	
By Whom? Callie Karrigan	Date and Hour 03/22/2018 11:30 am	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*
Not applicable.

Describe Cause of Problem and Remedial Action Taken.*
Due to a pressure event, the inlet to the gun barrel tank parted and broke at the threads of the pipe, releasing 6 bbls produced water inside lined containment.

Describe Area Affected and Cleanup Action Taken.*
Operations were halted so the gun barrel tank could be isolated for necessary repairs. The pipe was replaced. A vac truck recovered standing fluids and absorbent pads were used to soak up the remaining fluids. The affected area of the gun barrel tank and the liner were also pressure washed. The liner integrity was assessed and concluded that the liner maintained complete integrity.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD 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 NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD 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.

Callie Karrigan Signature:	OIL CONSERVATION DIVISION	
Printed Name: Callie Karrigan	Approved by Environmental Specialist: <i>[Signature]</i> BATECHUKY MB	
Title: HES Environmental Professional	Approval Date: 5/18/18	Expiration Date: NIA
E-mail Address: cnkarrigan@marathonoil.com	Conditions of Approval: FINAL	Attached <input type="checkbox"/> 2 RP-473A
Date: 04/02/2018 Phone: 405-202-1028(cell) 575-297-0956 (office)		

* Attach Additional Sheets If Necessary

5/18/18 AB

Bratcher, Mike, EMNRD

From: Karrigan, Callie N. (MRO) <cnkarrigan@marathonoil.com>
Sent: Monday, April 2, 2018 1:17 PM
To: Bratcher, Mike, EMNRD; Weaver, Crystal, EMNRD; Mann, Ryan
Subject: FW: Marathon Oil - 3-22-18 Sterling 20 State Com 1H - Initial/Final C141
Attachments: IMG_0202.JPG.jpeg; ATT00001.txt; C-141 Form Marathon Oil.doc

Please disregard my last email. Adding the SLO.

Callie

-----Original Message-----

From: Karrigan, Callie N. (MRO)
Sent: Monday, April 2, 2018 1:03 PM
To: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; 'Weaver, Crystal, EMNRD' <Crystal.Weaver@state.nm.us>
Subject: Marathon Oil - 3-22-18 Sterling 20 State Com 1H - Initial/Final C141

Good afternoon,

Please see the attached initial and final C141. Let me know if you have any questions.

Callie

-----Original Message-----

From: Karrigan, Callie N. (MRO)
Sent: Thursday, March 22, 2018 11:30 AM
To: crystal.weaver@state.nm.us; mike.bratcher@state.nm.us
Subject: 24 hr notification - Sterling 20 State Com 1H

Crystal and Mike,

At approximately 6:00 pm, a pipe connection into the gun barrel tank leaked resulting in a 6 barrel produced water release into tank containment. The gun barrel tank is currently bypassed to repair the piping connection. A C141 will be submitted soon for your review.

Please let me know if you have any questions.

Callie

ORIGINAL MESSAGE

MAR 23 2018

RECEIVED