

District I - (505) 393-6161
 P.O. Box 1980
 Hobbs, NM 88241-1980
 District II - (505) 748-1283
 1301 W Grand Ave
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

State of New Mexico
Energy Mineral and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
(505) 476-3440

Form C-141
 Originated 2/13/97

Submit 2 copies to
 Appropriate District
 Office in accordance
 with Rule 116 on
 back side of form

Release Notification and Corrective Action

Initial Report Final Report

OPERATOR

Name Marathon Oil Company		Contact J. Harrison	
Address P.O. 1324 Artesia, NM 88211		Telephone No 575-457-2621 ext. 121	
Facility Name MOC Federal #8		Facility Type Well	
Surface Owner BLM		Mineral Owner BLM	Lease No MOC Federal #8

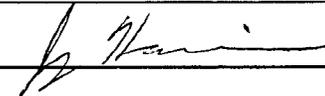
LOCATION OF RELEASE

Unit Letter	Section 1	Township 21S	Range 23E	Feet from the	North/South Line	Feet from the	East/West Line	County Eddy
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NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 16.03 BBLs		Volume Recovered 10 BBLs	
Source of Release Flowline	Date of Occurrence 10/27/08	Hour of Occurrence 7:00 AM	Date of Discovery 10/27/08	Hour of Discovery 12:30 PM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? n/a			
By Whom? n/a	Date of Notification n/a		Hour of Notification n/a	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse zero			
If a watercourse was impacted, Describe Fully (Attach Additional Sheets If Necessary) no impact				
Describe Cause of Problem and Remedial Action Taken (Attach Additional Sheets if Necessary) See attached sheet.				
Describe Area Affected and Cleanup Action Taken. (Attach Additional Sheets if Necessary) The water followed a narrow path and accumulated in two low spots. A vacuum truck was called. The vacuum truck picked up 10 barrels. The size of the affected areas were 2' X 82' and 26' x 32'. The water was disposed at IHSC SWD.				

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 regulation 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

Signature 	OIL CONSERVATION DIVISION		
Printed Name J. Harrison	Approved by [Signature]	District Supervisor [Signature]	
Title Production Supervisor	Approval Date 1-20-09	Expiration Date N/A	
Date 01/19/09	Phone (505) 457-2621	Conditions of Approval N/A	Attached <input type="checkbox"/> N/A

2RP-275

MOC Federal 008 30-015-28823
K-1-21S-23-E Eddy County New Mexico
2RP-275

External corrosion caused a hole in the flowline.

The pumper shut down the pumping unit. The line was isolated at the wellhead and at the edge of the well pad with block valves. The corroded flowline segment was replaced before production was resumed from this well.

Visible water was vacuumed from the site on the day of incident.

Contaminated material was removed 12/5/08.
Contaminated material will be transferred to LeaLand facility.

Soil samples were taken 12/16/08.
The samples were delivered to Cardinal Laboratories 12/16/08.
The samples were tested for Benzene, Toluene, Ethyl Benzene, Total Xylenes, and Chlorides.

The test results were forwarded on 12/21/08 to the OCD.
Verbal approval to backfill was given on 12/23/08 by S. Bonham, OCD.

Backfilling operations are complete as of 01/19/09.



**INDIAN BASIN GAS PLANT
FAX COVER SHEET**

TO: Sherry Bonham ROOM NO. _____

COMPANY: NM OCD

FAX NUMBER: 575-748-9720

FROM: J.E. Wilson 575-365-4257

COMPANY: Marathon Oil Company

NUMBER OF PAGES (INCLUDING COVER SHEET) 4

If you do not receive total number of pages, please call (505) 457-2621 ext. 101 as soon as possible.



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
MARATHON OIL COMPANY
ATTN: T. PERSAUD
P.O. BOX 1324
ARTESIA, NM 88211
FAX TO: (575) 457-2544

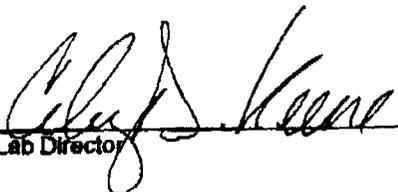
Receiving Date: 12/16/08
Reporting Date: 12/18/08
Project Owner: NOT GIVEN
Project Name: MOC FED #8
Project Location: INDIAN BASIN

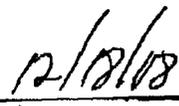
Sampling Date: 12/16/08
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: ML
Analyzed By: ZL

LAB NUMBER	SAMPLE ID	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)
ANALYSIS DATE		12/17/08	12/17/08	12/17/08	12/17/08
H16529-1	1 PT A 1 PT 1 A	<0.050	<0.050	<0.050	<0.300
H16529-2	1 PT B 2 PT 1 B	<0.050	<0.050	<0.050	<0.300
H16529-3	2 PT A 3 PT 2 A	<0.050	<0.050	<0.050	<0.300
H16529-4	2 PT B 4 PT 2 B	<0.050	<0.050	<0.050	<0.300
H16529-5	3 PT A 5 PT 3 A	<0.050	<0.050	<0.050	<0.300
H16529-6	3 PT B 6 PT 3 B	<0.050	<0.050	<0.050	<0.300
Quality Control		0.046	0.050	0.050	0.155
True Value QC		0.050	0.050	0.050	0.150
% Recovery		92.0	100	100	103
Relative Percent Difference		4.2	2.4	6.5	7.2

METHOD: EPA SW-846 8021B

TEXAS NELAP CERTIFICATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE,
AND TOTAL XYLENES.


Lab Director


Date

PLEASE NOTE: Liability and Remedies—Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, in any cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

**ARDINAL
LABORATORIES**

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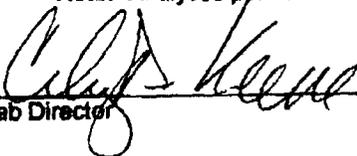
ANALYTICAL RESULTS FOR
MARATHON OIL COMPANY
ATTN: T. PERSAUD
P.O. BOX 1324
ARTESIA, NM 88211
FAX TO: (575) 457-2544

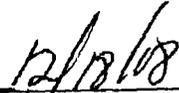
Receiving Date: 12/16/08
Reporting Date: 12/18/08
Project Owner: NOT GIVEN
Project Name: MOC FED #8
Project Location: INDIAN BASIN

Sampling Date: 12/16/08
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: ML
Analyzed By: AB/TR

LAB NUMBER	SAMPLE ID	GRO (C ₈ -C ₁₀) (mg/kg)	DRO (>C ₁₀ -C ₂₆) (mg/kg)	CI* (mg/kg)
ANALYSIS DATE		12/17/08	12/17/08	12/16/08
H16529-1	1 PT A 1 PT 1 A	<10.0	<10.0	320
H16529-2	1 PT B 2 PT 1 B	<10.0	<10.0	160
H16529-3	2 PT A 3 PT 2 A	<10.0	<10.0	112
H16529-4	2 PT B 4 PT 2 B	<10.0	<10.0	128
H16529-5	3 PT A 5 PT 3 A	<10.0	<10.0	176
H16529-6	3 PT B 6 PT 3 B	<10.0	<10.0	48
Quality Control		558	471	490
True Value QC		500	500	500
% Recovery		112	94.2	98.0
Relative Percent Difference		5.2	1.2	< 0.1

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Std. Methods 4500-CFB
Note: Analyses performed on 1:4 w:v aqueous extracts.


Lab Director


Date

H16529 TCL MARATHON

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