

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

Form C-141
Revised April 3, 2017

Submit 1 Copy to appropriate District Office in accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

| | |
|--|---|
| Name of Company Marathon Oil Company | Contact Wendy Gram |
| Address 5555 San Felipe Street, Houston, Texas 77056 | Telephone No. 701-690-6519 (cell) 713-296-2862 (office) |
| Facility Name Warren State #1 | Facility Type Producing well |
| Surface Owner Angell #2 Family LTD Partnership | Mineral Owner The State of New Mexico |
| API No.30-025-34034 | |

LOCATION OF RELEASE

| | | | | | | | | |
|---------------|------------|--------------|-----------|---------------------|-----------------------|-------------------|---------------------|------------|
| Unit Letter P | Section 35 | Township 15S | Range 37E | Feet from the 1,295 | North/South Lin South | Feet from the 880 | East/West Line East | County Lea |
|---------------|------------|--------------|-----------|---------------------|-----------------------|-------------------|---------------------|------------|

Latitude 32.9701576 Longitude -103.165047 NAD83

NATURE OF RELEASE

| | | |
|--|---|---|
| Type of Release Produced water | Volume of Release 200 barrels | Volume Recovered 200 barrels |
| Source of Release Produced water tank | Date and Hour of Occurrence 6/6/2017 | Date and Hour of Discovery 6/6/2017 11 a.m. |
| Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? Maxey Brown | |
| By Whom? Wendy Gram | Date and Hour 6/6/2017 1:44 p.m. | |
| Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | |

RECEIVED

By Olivia Yu at 3:54 pm, Jun 19, 2017

Describe Cause of Problem and Remedial Action Taken.*
The high-level switch on the produced water tank at the Warren State #1 well was manually bypassed which did not allow the produced water from the well to be pumped from the tanks to the nearby South Denton 6 State #2 injection well. Both 500-barrel produced water tanks on location were overfilled. The release was to lined secondary containment on location.

Describe Area Affected and Cleanup Action Taken.*
Produced water in the containment area was removed with a vacuum truck and trucked for offsite disposal. The volume of release was based on the amount recovered by the vacuum truck.

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.

| | | |
|---|--|-----------------------------------|
| Signature: <i>Wendy W Gram</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Wendy Gram | Approved by Environmental Specialist: <i>oy</i> | |
| Title: Sr. HES Professional | Approval Date: 6/19/2017 | Expiration Date: |
| E-mail Address: wwgram@marathonoil.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: June 19, 2017 Phone: 701-690-6519 (cell) 713-296-2862 (office) | Please inspect liner in question. Provide NMOCD with a concise report of the inspection with affirmation the liner has and will continue to contain liquids. | |

* Attach Additional Sheets If Necessary **pOY1717060702**

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1RP-4732