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 August 8, 2011

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 Apache Corporation	Contact Bruce Baker
Address P.O. Box 1849, Eunice, NM 88231	Telephone No. (432) 631-6982
Facility Name Loco Federal #1	Facility Type Tank Battery

Surface Owner BLM	Mineral Owner	API No. 30-015-30144

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	21	17S	30E	987'	FNL	2424'	FEL	Eddy

Latitude 32°49'29.093" **Longitude** 103°58'34.842"

NATURE OF RELEASE

Type of Release Oil	Volume of Release 95 barrels	Volume Recovered 90 barrels
Source of Release Hole in tank	Date and Hour of Occurrence 3/11/13	Date and Hour of Discovery 3/11/13 12:15 pm
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Mike Bratcher	
By Whom? Natalie Gladden, Apache Corp.	Date and Hour 3/11/13 3:35 pm	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.* The pumper arrived on site to find that the main production tank was leaking through a hole in the bottom of the tank. The remaining liquid in the tank was removed by vacuum truck and approximately 90 barrels of oil was put into the secondary production tank and re-circulated. All the released fluid remained inside the battery's containment walls of the unlined facility. The corroded tank was repaired.

Describe Area Affected and Cleanup Action Taken.*A total of 3,470 sq ft of the facility's containment area was affected. RECS personnel were on site beginning on March 11th, 2013 to assess the release. The release was sampled at the surface in three locations and the samples were taken to a commercial laboratory for analysis. Laboratory chloride readings returned results below regulatory standards at Pt. 1 and Pt. 2 and a result of 5,400 mg/kg at Pt. 3. Gasoline Range Organics (GRO) readings and Diesel Range Organics (DRO) readings were elevated at all three points. The release area was scraped down to 1 ft bgs by hand. On April 2nd, 2013, a 5 point composite sample was taken at the base of the 1 ft scrape and sent to a commercial laboratory for analysis. Apache met with NMOCD on May 21st, 2013 and NMOCD requested that individual samples from the base of the 1 ft scrape be taken to determine if the entire area showed elevated constituent readings or if the elevated readings were from only one location. On May 28th, 2013, individual samples throughout the bottom of the release were taken to a commercial laboratory for analysis. Laboratory analysis of the individual points returned relatively low GRO readings but elevated DRO readings. On November 18th, 2013, the site was delineated vertically at Pt. 1, Pt. 2 and Pt. 5. These three points showed the highest concentrations from the previous sampling event. Pt. 1 and Pt. 2 were hand augured to a depth of 2 ft bgs and Pt. 5 was hand augured to a depth of 3 ft bgs. All samples were taken to a commercial laboratory for analysis of GRO and DRO. All three sample points returned GRO and DRO results below regulatory standards at 2 ft bgs. Based on the vertical laboratory data, Apache asked NMOCD and BLM for approval to backfill the site. On December 10th, 2013, NMOCD approved the site to be backfilled and on December 11th, 2013, BLM approved the site to be backfilled. A total of 144 yards of caliche was imported to the site to serve as backfill. A sample of the caliche was taken to a commercial laboratory for analysis and returned a chloride reading of 128 mg/kg. The site was backfilled with the clean, imported caliche and contoured to the surrounding location.

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: Bruce Baker	OIL CONSERVATION DIVISION
Printed Name: Bruce Baker	Approved by Environmental Specialist:
Title: Environmental Technician	Approval Date: 7/31/14 Expiration Date: NA
E-mail Address: larry.baker@apachecorp.com	Conditions of Approval: Final ☐ Attached
Date: 1-9-14 Phone: (432) 631-6982	

* Attach Additional Sheets If Necessary

2RP-1661