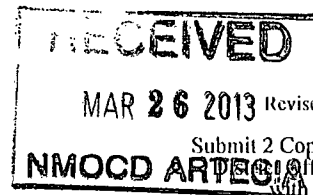


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 October 10, 2003

Release Notification and Corrective Action

nJMW1309850960

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Apache Corporation 873	Contact Natalie Gladden
Address PO Box 1849 Eunice NM 88231	Telephone No. 575-390-4186
Facility Name Tony Federal #46	Facility Type Production Well/Drilling

Surface Owner BLM	Mineral Owner BLM	Lease No. 30-015-40391
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
A	19	17S	31E	330'	FNL	330'	FEL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Brine Water	Volume of Release 150	Volume Recovered 135
Source of Release Annular did not hold	Date and Hour of Occurrence 12/09/12	Date and Hour of Discovery 12/09/12
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher	
By Whom? Natalie Gladden	Date and Hour	
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.*

Describe Cause of Problem and Remedial Action Taken.*

While drilling at 734', the rig took a 600bbls water/flow and at that time the crew diverted water to all storage, picked up off bottom and shut in annular. The Annular did not hold, so the crew dialed pressure up to 1400# psi and the Annular still would not hold.

Describe Area Affected and Cleanup Action Taken.*

Site will be remediated once the rig moves off and the well is completed.

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

OIL CONSERVATION DIVISION

Signature:

Printed Name: Natalie Gladden

Title: Sr. Environmental Tech

E-mail Address: natalie.gladden@apachecorp.com

Date: 12/09/12 Phone: 575-390-4186

Approved by District Supervisor:

Signed By

APR 08 2013

Approval Date:

Expiration Date:

Conditions of Approval:

Remediation per OCD Rule & Guidelines. **SUBMIT REMEDIATION PROPOSAL NO LATER THAN:**

Attached ☐

May 8, 2013

2RP-1603

* Attach Additional Sheets If Necessary

Release Notifications

Warren, JeanMarie, EMNRD

Sent: Tuesday, March 26, 2013 10:03 AM**To:** Natalie.Gladden@apachecorp.com**Cc:** Bratcher, Mike, EMNRD

To whom it may concern,

I am writing to you on behalf of Mike Bratcher. We are attempting to follow up regarding a few release notifications that was given to our office, by you, on: 1/22/2013, 12/10/2012, 10/01/2012, 07/19/2012, 06/14/2012, 05/23/2012

Release Date/Location:

- 1/21/2013, Raven 12 H
- 12/09/2012, Tony Federal #46
- No specific Date, D state Btry (closest well #21)
- 7/18/2012, NB Tween #25
- 6/10/2012, Empire ABO Unit G312
- 5/23/2012, Tony Federal Btry (Tony Federal #10)

We have no record of having received an initial C-141, please advise the status of this release and submit an initial C-141 to Mr. Bratcher.

Thank you for your time.

Respectfully,

*Jean-Marie Warren
Business Operations Specialist
NM-OCD District II, Artesia
(575) 748-1283, ext. 101*

C141

Gladden, Natalie [Natalie.Gladden@apachecorp.com]

Sent: Tuesday, March 26, 2013 3:04 PM

To: Warren, JeanMarie, EMNRD

Cc: Bratcher, Mike, EMNRD

Attachments: 20130326155559088.pdf (440 KB)

Here you go. If you need me to put them back in the mail, I can do that also.

Natalie Gladden
Apache Corporation
Sr. Environmental Tech
New Mexico District
Cell: 575-390-4186
Office: 575-394-1503 x 1258
Fax: 575-394-2425
Email: natalie.gladden@apachecorp.com

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

From: ricoh.service@apachecorp.com [<mailto:ricoh.service@apachecorp.com>]

Sent: Tuesday, March 26, 2013 2:56 PM

To: Gladden, Natalie

Subject:

This E-mail was sent from "mideunr33511" (Aficio MP 3351).

Scan Date: 03.26.2013 15:55:58 (-0400)

Queries to: ricoh.service@apachecorp.com

Bratcher, Mike, EMNRD

From: Gladden, Natalie <Natalie.Gladden@apachecorp.com>
Sent: Monday, December 10, 2012 6:30 AM
To: Amos, James A (jamos@blm.gov); Bratcher, Mike, EMNRD; mburton@blm.gov
Subject: Tony Federal #46
Attachments: 12-9-2012 TONY_FEDERAL 46_SPILL_REPORT[1].doc

Please find the info for the reportable spill on the Tony Federal #46 attached. Thanks and have a great week.

Tony Federal #46
30-015-40391
A-19-17S-31E
330' FNL and 330' FEL

Natalie Gladden

Apache Corporation
Sr. Environmental Tech
New Mexico District
Cell: 575-390-4186
Office: 575-394-1503 x 1258
Fax: 575-394-2425
Email: natalie.gladden@apachecorp.com



Internal Incident Report – Spill/Release

Location: TONY FEDERAL # 46

Production Area: Loco Hills (Basic 38)

District: New Mexico

Date: 12/09/2012

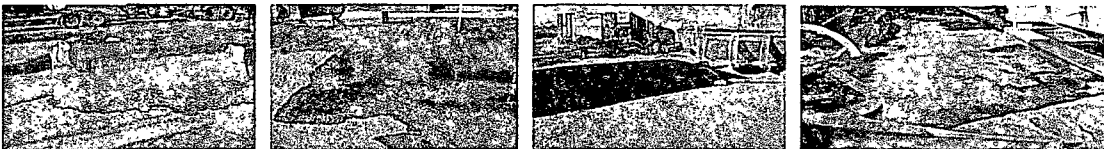
Time: 15:00 PM

Full summary: While drilling 734', the rig took a 600 bbl water-flow and at that time the crew diverted water to all storage, picked up off bottom and shut in Annular. The Annular did not hold, so the crew dialed pressure up to 1400 # psi and the Annular still would not hold, allowing approx. 100 bbl's of brine/produced water on Location. Recover 90%

- 150 bbl's of brine/produced water was spilled.
- 90% recovered.

Root cause of incident:

- Annular would not hold water-flow.



Corrective Action:

1. Called Vacuum Trucks to haul off water

Reported by: Michael Bradshaw

Location Directions: From Intersection of 82 & 529, go west for 2.4 Miles to Co Rd 221, Turn north on Co Rd 221 go approx 1 mile to Basic Rig 38 sign, turn east, go 1 mile, turn so into location