

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
Hobbs Minerals and Natural Resources
Oil Conservation Division
JAN 1 5 2015
5220 S. 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 | 8 Ellison Lane Eunice, NM 88231 | Telephone No. | (432) 631-6982 |
| Facility Name | E Woods Battery | Facility Type | Oil Well |
| Surface Owner | Jay D Martin | Mineral Owner | |
| | | API No. | 30-025-39687 |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| G | 22 | 22S | 37E | 1399' | FNL | 1432' | FEL | Lea |

Latitude _____ Longitude _____

NATURE OF RELEASE

| | | | | | |
|-----------------------------|---|---|-------------------|----------------------------|-------------------|
| Type of Release | Oil | Volume of Release | 18 Barrels of oil | Volume Recovered | 15 barrels of oil |
| Source of Release | Heater Treater | Date and Hour of Occurrence | 3/3/2014 | Date and Hour of Discovery | 3/3/2014 |
| Was Immediate Notice Given? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom? | Geoffrey Leking | | |
| By Whom? | Larry Baker | Date and Hour | 3/4/14 | | |
| 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.*

The gasket on the fire tube failed resulting in the release of oil. The wells were shut in and the gasket was replaced.

Describe Area Affected and Cleanup Action Taken.* A total of 5,925 square feet of lease road and asphaltene within the facility was affected. The wells were shut in, the gasket was replaced, and a vacuum truck was called in to remove the standing fluid. A total of 15 barrels of fluid were recovered. RECS personnel were on site beginning on March 3rd, 2014, to assess the release. The release in the road was scraped down 6 inches and the excavated soil was taken to a NMOCD approved facility for disposal. A three point bottom composite sample of the scrape was taken and field tested for chlorides and organic vapors. The sample was sent to a commercial laboratory for analysis. The laboratory chloride reading returned a value of 128 mg/kg. The GRO reading returned a value of 19.2 mg/kg, and the DRO reading returned a value of 615 mg/kg. To determine the depth of contamination at the battery, a vertical was installed to a depth of 7 ft bgs. As the vertical was installed, soil samples were taken every 6 inches to 1 ft and field tested for chlorides and organic vapors. Representative samples from the vertical were taken to a commercial laboratory for analysis. Laboratory analysis confirmed low chloride levels beginning at 1 ft bgs, GRO levels of non-detect throughout, and DRO levels that were elevated until 5 ft bgs. The road scrape was backfilled with clean, imported caliche. The remainder of the release, located near the battery, was not addressed. The asphaltene will provide an infiltration barrier for the release. In addition, any work conducted in this area will pose a safety hazard to personnel and equipment because it encloses multiple production components. Therefore, the release area inside the facility and on the battery pad will be addressed during site abandonment.

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>Bruce Baker</i> | OIL CONSERVATION DIVISION | |
| Printed Name: Bruce Baker | Approved by Environmental Specialist: | |
| Title: Environmental Tech | Approval Date: <i>1-15-15</i> | Expiration Date: <i>—</i> |
| E-mail Address: <i>larry.baker@apachecorp.com</i> | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: <i>1-9-2015</i> Phone: (432) 631-6982 | | <i>IRP-3508</i> |

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JAN 27 2015