

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

Form C-141
Revised August 8, 2011

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

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

Release Notification and Corrective Action

nJMW 1224149562

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 #36		Facility Type Drilling site, new production well	
Surface Owner BLM		Mineral Owner BLM/NMOCD	
		API No. 30-015-39836	

Initial Report Final Report

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	19	17s	31E	2310'	FNL	2260'	FWL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Brine Water	Volume of Release 200	Volume Recovered 0
Source of Release Cuttings tank overflowed	Date and Hour of Occurrence 07/28/2012	Date and Hour of Discovery 07/28/2012
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher	
By Whom? Natalie Gladden	Date and Hour 07/30/12 945am	
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.*

RECEIVED
AUG 09 2012

Describe Cause of Problem and Remedial Action Taken.*

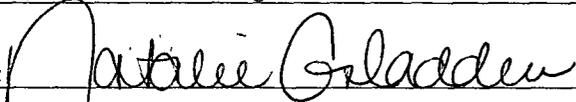
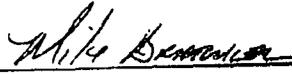
While drilling the intermediate section, flow was encountered, volume overcame pump causing the cuttings tank to overflow.

NMOCD ARTESIA

Describe Area Affected and Cleanup Action Taken.*

Once the drilling rig is moved off of the location, initial samples will be taken and site will be assessed. At that time a remediation plan will be done. Site will be remediated to meet both BLM and OCD regulations.

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: 	OIL CONSERVATION DIVISION	
Printed Name: Natalie Gladden	Approved by Environmental Specialist:	Signed By: 
Title: EHS Environmental Tech	Approval Date: AUG 28 2012	Expiration Date:
E-mail Address: natalie.gladden@apachecorp.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 07/30/12 Phone: 575-390-4186	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	

* Attach Additional Sheets If Necessary

Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:**

9/28/12

ZRP-1264

Bratcher, Mike, EMNRD

From: Gladden, Natalie <Natalie.Gladden@apachecorp.com>
Sent: Monday, July 30, 2012 9:45 AM
To: Bratcher, Mike, EMNRD; Amos, James A (jamos@blm.gov)
Cc: Bruce Baker (bbaker@rice-ecs.com)
Subject: FW: PHOTOS / SPILL REPORT: TONY FEDERAL #36
Attachments: P3070979.JPG; P3070980.JPG; P3070981.JPG

Mike and James,

Attached you will find the reportable spill on the Tony Federal #36 that occurred on Saturday. I was notified about it this morning. I apologize for our drilling department not notifying me in a timely manner. The remediation will begin after the well is completed unless you order it to be done after the drilling rig moves off. Notices will be sent in the mail today.

30-015-39836
F-19-17S-31E
2310' FNL and 2260' FWL

Natalie Gladden

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

From: Fleming, Steven
Sent: Monday, July 30, 2012 8:24 AM
To: Gladden, Natalie
Subject: FW: PHOTOS / SPILL REPORT: TONY FEDERAL #36

Natalie,
Can you get the ball rolling on this if you haven't already?

Thanks

From: Burt, Jeffery
Sent: Saturday, July 28, 2012 5:11 PM
To: Fleming, Steven
Subject: Fw: PHOTOS / SPILL REPORT: TONY FEDERAL #36

Connected by DROID on Verizon Wireless

-----Original message-----

From: "Caywood, James" <James.Caywood@apachecorp.com>
To: "Caywood, James" <James.Caywood@apachecorp.com>, "Burt, Jeffery" <Jeffery.Burt@apachecorp.com>
Cc: "Laman, Danny" <Danny.Laman@apachecorp.com>, "McKay, Richard" <Richard.McKay@apachecorp.com>
Sent: Sat, Jul 28, 2012 22:02:39 GMT+00:00
Subject: PHOTOS / SPILL REPORT: TONY FEDERAL #36

Internal Incident Report – Spill/Release

Location: TONY FEDERAL #36

Date: 7/28/2012

Time: 0100

Driving Locations: From the intersection of US-82 and NM-529 (6 miles east of Loco Hills), go west on US-82 for 2.4 miles. Turn right and go north on Co. Rd. 221 (Skelly Road) for 0.2 mile. Turn right and go generally east for 0.6 mile. Turn right and go south for 270 feet to the Linn Operating Turner A #49 location. The Tony Federal #36 well pad adjoins the west side of the Linn Operating Turner A #49 well pad, and the Tony Federal #36 well location is 195 feet west-southwest of the Linn Operating Turner A #49 well location.

One Line Summary: PRODUCTION WATER OVERFLOW OF MUD TANK

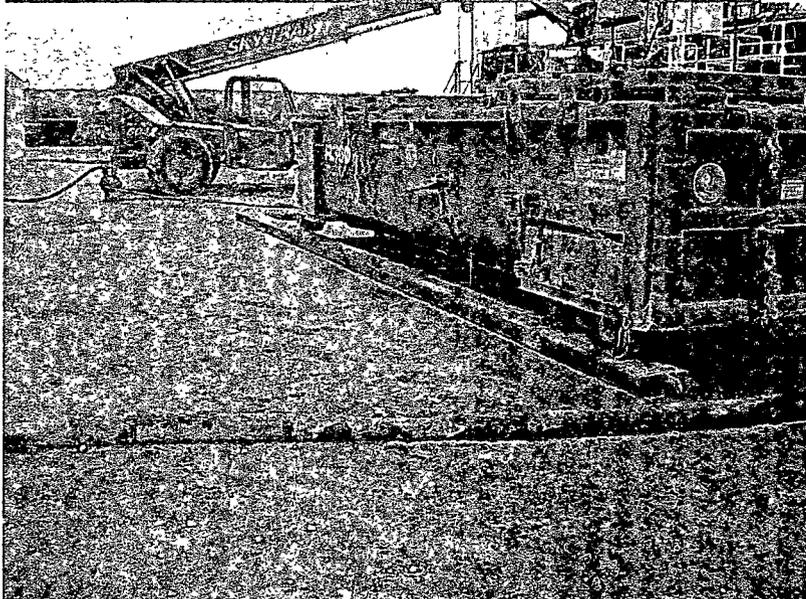
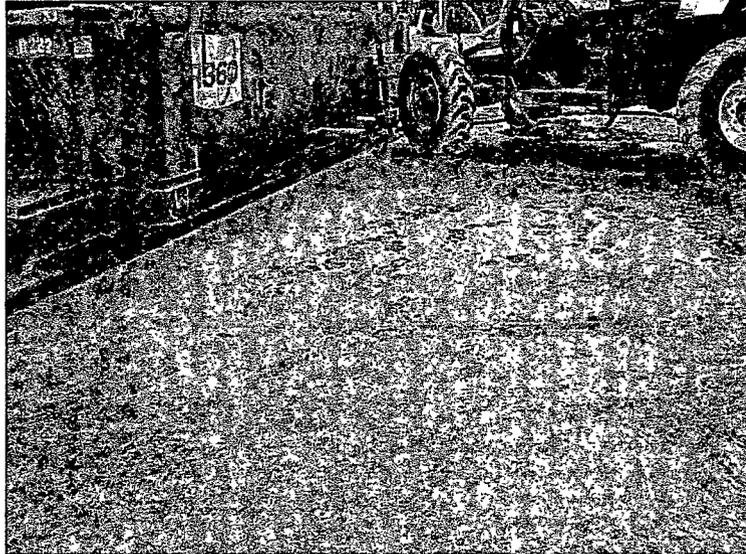
Full summary: WHILE DRILLING INTERMEDIATE SECTION..FLOW WAS ENCOUNTERED ..VOLUME OVERCAME PUMP AWAY CAPABILITIES AND CUTTINGS TANK OVERFLOWED.

- **RELEASED PW IS APROX. 50 bbls**
- **AREA AFFECTED IS APROX. 50 FT X 100 FT**
- **CONTAINED ON LOCATION**
- **PHOTOS ATTACHED**

Reported by: James "Mike" Caywood

Apache Corp Tony Fed 36
30-015-39836
F-19-175-312

Release on 1/28/12 during
Drilling Ops



Bratcher, Mike, EMNRD

From: Gladden, Natalie <Natalie.Gladden@apachecorp.com>
Sent: Monday, July 30, 2012 3:22 PM
To: Bratcher, Mike, EMNRD
Subject: FW: PHOTOS / SPILL REPORT: TONY FEDERAL #36
Attachments: P3070979.JPG; P3070980.JPG; P3070981.JPG

Just received a call, it has occurred again. 150bbbls out 145 recovered. Will add this to the volume.

Natalie Gladden

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

From: Gladden, Natalie
Sent: Monday, July 30, 2012 10:45 AM
To: mike.bratcher@state.nm.us; Amos, James A (jamos@blm.gov)
Cc: Bruce Baker (bbaker@rice-ecs.com)
Subject: FW: PHOTOS / SPILL REPORT: TONY FEDERAL #36

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