

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

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

RECEIVED
JUN 30 2009
HOBBSOCD

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Apache Corporation	Contact Natalie Gladden
Address P.O. Box 1849 Eunice, NM 88231	Telephone No. 575-390-4186
Facility Name State Q Bty well # 1	Facility Type Production Battery

Surface Owner State of NM	Mineral Owner Apache Corporation	Lease No. 035591
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LOCATION OF RELEASE

API # 30.025.06116

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	16	20S	37E	1980'	South Line	2310'	East	Lea

Latitude 32.57059 Longitude -103.25415

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release >6<24	Volume Recovered 5bbls
Source of Release Water discharge line	Date and Hour of Occurrence 1/20/09-9am	Date and Hour of Discovery 01/20/09-11am
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*
NO

Describe Cause of Problem and Remedial Action Taken.*
Corrosion caused a failure in the integrity of the water pump discharge line, repairs were made and 5bbls of fluid was recovered.

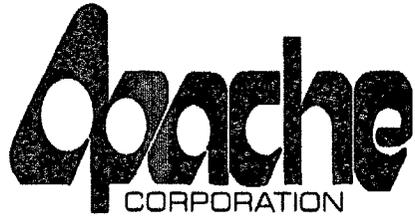
Describe Area Affected and Cleanup Action Taken.*
All the fluid was contained inside the bermed area of the battery. Boreholes were sampled and showed bottom hole of contamination. Due to in service production equipment, Apache Corporation would like to remediate the entire battery facility once it is abandoned.

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>Natalie Gladden</i>	OIL CONSERVATION DIVISION <i>[Signature]</i>	
Printed Name: Natalie Gladden	Approved by District Supervisor ENVIRONMENTAL ENGINEER	
Title: EH&S Environmental Tech	Approval Date: 6-30-09	Expiration Date: _____
E-mail Address:	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 5/19/2009 Phone: 575-390-4186		IRP# 2156

* Attach Additional Sheets If Necessary

LIST AS RISK BASED CLOSURE
= = = = =



RECEIVED

JUN 30 2009

HOBBSOCD

State Q Battery

C141 Closure Report

T20S, R37E, S16 UL J

Lat 32.57059/Long -103.25415

Release Date 1/20/2009

Prepared for Apache Corporation by:

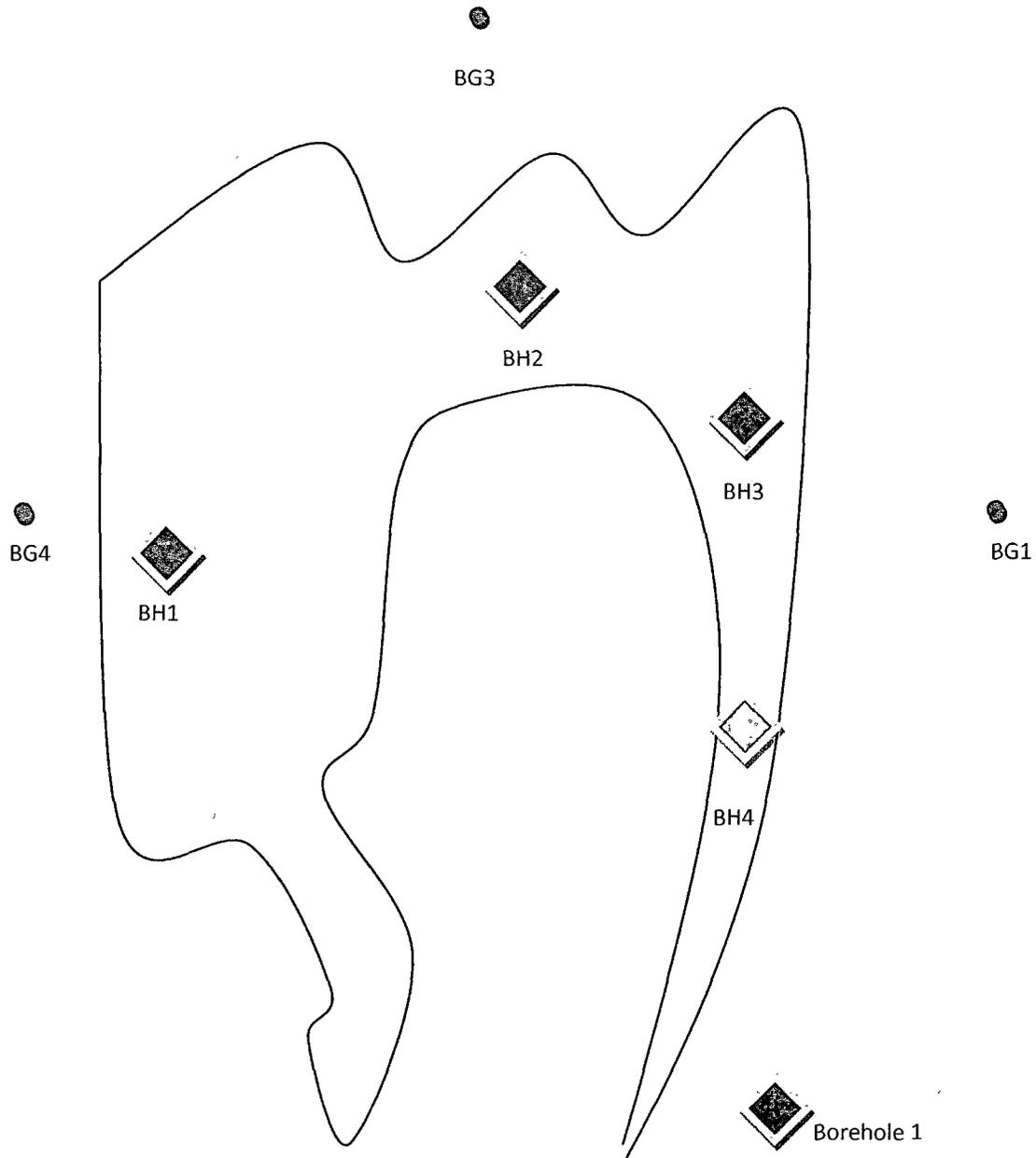
Natalie Gladden

EH&S Environmental Tech

Project Summary

On January 20th of 2009, Travis Carnes (Production Foreman) for Apache Corporation out of Monument NM, called in a release of produced water, total volume of release was approximately 6bbls to 24bbls. Corrosion caused a failure in the integrity of the water pump discharge line. The pumper isolated the leak, shut down the wells, and called a vacuum truck which recovered 5bbls of total fluid. A roustabout gang repaired the line and returned it to service. The release was contained inside the bermed area of the battery and was restricted to the area around the production equipment. Approximate size of the spill area was 1700ft².

On April 23rd of 2009, Apache Corporation conducted borehole sampling to determine extent of contamination. The USGS mapping indicates that depth to ground water is somewhere around 15'-30'-bgs. Four background samples were obtained from the north, south, east and west of the facility which determined that background was below 16-ppm in chlorides. Below is the sampling results from the boreholes, also attached you will find the sampling map along with confirmation analyticals from Cardinal Laboratories.



● Background 1

● Background 3

● Background 2

● Background 4

◆ Borehole 1

◆ Borehole 2

◆ Borehole 3

◆ Borehole 4

Sample ID	Ft	Cl (mg/kg)
BG1	Surface	<16
BG2	Surface	<16
BG3	Surface	<16
BG4	Surface	<16
BH1	1'	64
BH1	2'	144
BH2	1'	208
BH2	2'	160
BH3	1'	336
BH3	2'	672
BH3	3'	672
BH3	4'	288
BH3	5'	464
BH3	6'	352
BH3	7'	240
BH3	8'	144
BH4	1'	304
BH4	2'	240

Chloride concentrations indicated that in BH3, previous contamination was present, but was able to show clean samples to determine that ground water would not be impacted, at this time.

Conclusion

Based upon the release volume, chloride concentration and equipment that is in service at this time, Apache Corporation would like approval from the NMOCD to leave the contamination in place until this facility is abandoned. Once the facility is abandoned Apache Corporation will remediate the entire battery facility to meet NMOCD Regulations.



ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
APACHE CORPORATION
ATTN: NATALIE GLADDEN
P.O. BOX 1849
EUNICE, NM 88231

Receiving Date: 05/15/09
Reporting Date: 05/18/09
Project Number: NOT GIVEN
Project Name: NOT GIVEN
Project Location: ST Q BTY

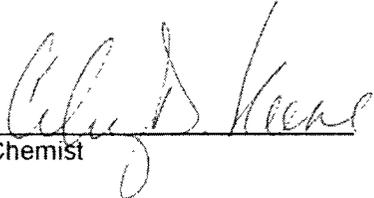
Analysis Date: 05/18/09
Sampling Date: 04/23/09
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: CK
Analyzed By: HM

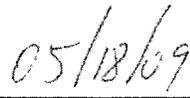
LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/kg)
H17439-1	BG1	< 16
H17439-2	BG2	< 16
H17439-3	BG3	< 16
H17439-4	BG4	< 16
H17439-5	BH 1 - 1'	64
H17439-6	BH 1 - 2'	144
H17439-7	BH 2 - 1'	208
H17439-8	BH 2 - 2'	160
H17439-9	BH 3 - 1'	336
H17439-10	BH 3 - 2'	672
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

METHOD: Standard Methods

4500-Cl⁻B

Analyses performed on 1:4 w:v aqueous extracts.


Chemist


Date



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ANALYTICAL RESULTS FOR
APACHE CORPORATION
ATTN: NATALIE GLADDEN
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Receiving Date: 05/15/09
Reporting Date: 05/18/09
Project Number: NOT GIVEN
Project Name: NOT GIVEN
Project Location: ST Q BTY

Analysis Date: 05/18/09
Sampling Date: 04/23/09
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: CK
Analyzed By: HM

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/kg)
H17439-11	BH 3 - 3'	672
H17439-12	BH 3 - 4'	288
H17439-13	BH 3 - 5'	464
H17439-14	BH 3 - 6'	352
H17439-15	BH 3 - 7'	240
H17439-16	BH 3 - 8'	144
H17439-17	BH 4 - 1'	304
H17439-18	BH 4 - 2'	240
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

METHOD: Standard Methods 4500-Cl B
Analyses performed on 1:4 w:v aqueous extracts.

Cheryl S. Keene
Chemist

05/18/09
Date



ARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240
(575) 393-2326 Fax (575) 393-2476

Company Name: <u>Alpine</u>		BILL TO		ANALYSIS REQUEST									
Project Manager: <u>Robert (Charles)</u>		P.O. #:											
Address: <u>200 Hwy 184</u>		Company:											
City: <u>Deming</u>	State:	Zip:	Attn:										
Phone #:	Fax #:	Address:	City:										
Project #:	Project Owner:	State:	Zip:										
Project Name:	Phone #:	Fax #:											
Project Location: <u>St. Cloud</u>													
Sampler Name:													

FOR LAB USE ONLY		G/RAB OR (C)OMP.	# CONTAINERS	MATRIX					PRESERV.		SAMPLING		
Lab I.D.	Sample I.D.			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER	DATE
<u>H17439</u>													
1	<u>1001</u>												
2													
3													
4													
5	<u>1011-1</u>												
6													
7	<u>1012-1</u>												
8	<u>2-2</u>												
9	<u>1013-1</u>												
10	<u>21</u>												

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort shall be limited to the amount paid by the client for the analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Sampler Relinquished:	Date: <u>5-15</u>	Received By:	Phone Result: <input type="checkbox"/>	No	Add'l Phone #:
<u>Robert Charles</u>	Time:		Fax Result: <input type="checkbox"/>	No	Add'l Fax #:
Relinquished By:	Date: <u>5/16/09</u>	Received By:	REMARKS: <u>email results</u>		
	Time: <u>1:25</u>	<u>Robert Charles</u>			
Delivered By: (Circle One)	Temp.	Sample Condition	CHECKED BY: (Initials)		
Sampler - UPS - Bus - Other:		Cool Intact	<u>RC</u>		
		<input type="checkbox"/> Yes <input type="checkbox"/> No			
		<input type="checkbox"/> No <input type="checkbox"/> No			

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476. *Just chlorides doesn't require refrigeration. ok



ARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(575) 393-2326 Fax (575) 393-2476

Company Name: <u>Apache</u>		BILL TO		ANALYSIS REQUEST									
Project Manager: <u>Natalie Gladden</u>		P.O. #:											
Address: <u>PO Box 1849</u>		Company:											
City: <u>Esuile</u> State: <u>NM</u> Zip:		Attn:											
Phone #: Fax #:		Address:											
Project #: Project Owner:		City:											
Project Name:		State: Zip:											
Project Location: <u>ST. O Bty</u>		Phone #:											
Sampler Name:		Fax #:											

FOR LAB USE ONLY		(G)RAB OR (C)OMP # CONTAINERS	MATRIX					PRESERV.		SAMPLING		DATE	TIME
Lab I.D.	Sample I.D.		GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER		
#17139													
#7435													
#7437													
11	BH3-3												
12													
13													
14													
15													
16													
17	BH4-1-3												
18													
19													

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Sampler Relinquished: <u>[Signature]</u>		Date: <u>5/15/09</u>	Received By:	Phone Result: <input type="checkbox"/> No	Add'l Phone #:
Relinquished By:		Time: <u>1:25</u>	Date: <u>5/15/09</u>	Fax Result: <input type="checkbox"/> No	Add'l Fax #:
Delivered By: (Circle One)		Temp.:	Received By: <u>[Signature]</u>	REMARKS: <u>[Handwritten]</u>	
Sampler - UPS - Bus - Other:		Sample Condition:	Checked By: <u>[Signature]</u>		
		Cool <input type="checkbox"/> Yes <input type="checkbox"/> No	Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.