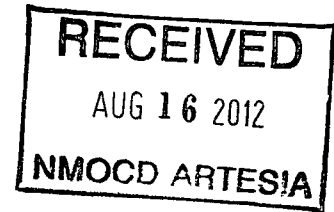




EXPLORING WHAT'S POSSIBLE



APACHE CORPORATION

P.O.Box 1849
Eunice, NM 88231
Phone 575.394.3159

Lee Federal #3

Closure Report

2RP-1064

API 30-015-30269

Release Date: February 26, 2012

Unit Letter I, Section 20, Township 17S, Range 31E

Rice Environmental Consulting & Safety

P.O. Box 5630 Hobbs, NM 88241

Phone 575.393.4411 Fax 575.393.0293

May 17, 2012

Mike Bratcher

New Mexico Energy, Minerals, & Natural Resources

Oil Conservation Division, Environmental Bureau – District 2

811 S. First St.

Artesia, NM 88210

RE: TERMINATION REQUEST

Apache – Lee Federal #3 AD

UL/I sec. 20 T17S R31E

API No. 30-015-30269

2RP-1064

Mr. Bratcher:

Apache Corporation has retained Rice Environmental Consulting and Safety (RECS) to address potential environmental concerns at the site referenced above.

Background and Previous Work

The site is an accidental discharge of crude oil and produced water associated with the Lee Federal #3. The stuffing box on the wellhead leaked and released fluids onto the caliche pad surrounding the wellhead, a section of pasture near the well, down an incline, and into a lease road intersection to the north. Standing fluids were recovered. NMOCD was notified and an initial form C-141 was submitted by Apache Corporation on February 27, 2012 (Appendix A). The site is located 5 miles east of Loco Hills, in unit letter 'I' of section 20, T17S, R31E in Eddy County, New Mexico.

On March 2, 2012, RECS personnel initiated work at the Lee Federal #3 (Figure 1). Surface soil samples were collected from the site field tested for chloride. Headspace measurements were also taken in the field using a Photo Ionization Detector (PID). The samples were submitted to a commercial laboratory for chloride and TPH (GRO/DRO) analyses (Appendix C). Chloride ranged from 304 ppm (parts per million or mg/kg) to 26,400 ppm. GRO ranged from <50 ppm to 12,600 ppm and DRO ranged from 51 ppm to 66,500 ppm.

The leak area on the well pad was excavated to 2 ft. below ground surface (bgs), and the leak area in the pasture was excavated to 4 ft. bgs (Figure 2). On March 2, 2012, RECS personnel collected and field tested representative grab samples from the walls of the excavations and composite samples from the excavation bottoms. The samples were submitted to a laboratory for analyses, and yielded a maximum of 128 ppm chloride and <10.0 ppm TPH (Appendix C).

The leak area down the incline and in the lease road intersection was excavated to 1 ft. bgs (Figure 2). On March 6, 2012, RECS personnel collected and field tested representative grab samples from the excavation walls and bottom. The samples were submitted to a laboratory for analyses, and yielded a maximum of 128 ppm chloride and <10.0 ppm TPH (Appendix C).

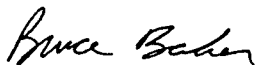
Impacted soils were removed from the excavation and transported to a NMOCD approved disposal facility. The excavations on the well pad and the lease road intersection were backfilled with clean caliche and leveled. The excavations in the pasture and down the incline were backfilled with clean topsoil and contoured to the surrounding area. See Appendix B for photographs of field activities.

Conclusion

Due to the complete removal of impacted soils, Apache submits the final C-141 (Appendix D) and respectfully requests the closure of the regulatory file for this site.

Apache Corporation appreciates the opportunity to work with you on this project. Please call Natalie Gladden (575) 390-4186 if you have any questions or comments.

Sincerely,



Bruce Baker
Head Foreman
RECS
(575) 631-5157

Attachments:

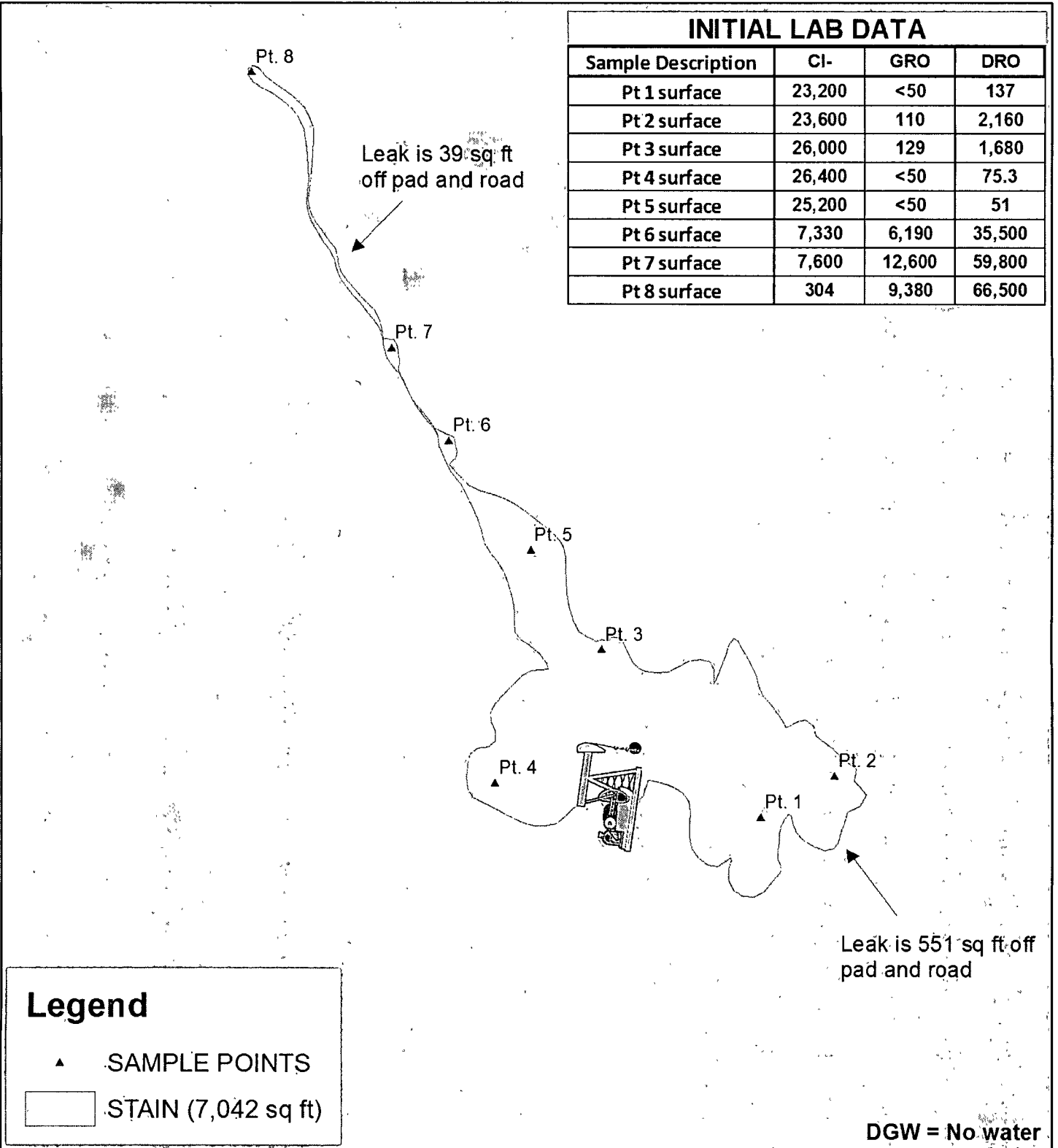
- Figure 1: Site Plat with Initial Lab Data
- Figure 2: Site Plat with Final Excavation Lab Data
- Appendix A: Initial Form C-141
- Appendix B: Site Photographs
- Appendix C: Laboratory Results
- Appendix D: Final Form C-141

Figures

RICE Environmental Consulting and Safety (RECS)
P.O. Box 5630 Hobbs, NM 88241
Phone 575.393.4411 Fax 575.393.0293

Site Plat

INITIAL LAB DATA			
Sample Description	CI-	GRO	DRO
Pt 1 surface	23,200	<50	137
Pt 2 surface	23,600	110	2,160
Pt 3 surface	26,000	129	1,680
Pt 4 surface	26,400	<50	75.3
Pt 5 surface	25,200	<50	51
Pt 6 surface	7,330	6,190	35,500
Pt 7 surface	7,600	12,600	59,800
Pt 8 surface	304	9,380	66,500



**APACHE LEE
FEDERAL #003
AD**

LEGALS: UL/I sec. 20
T-17-S R-31-E
EDDY COUNTY, NM

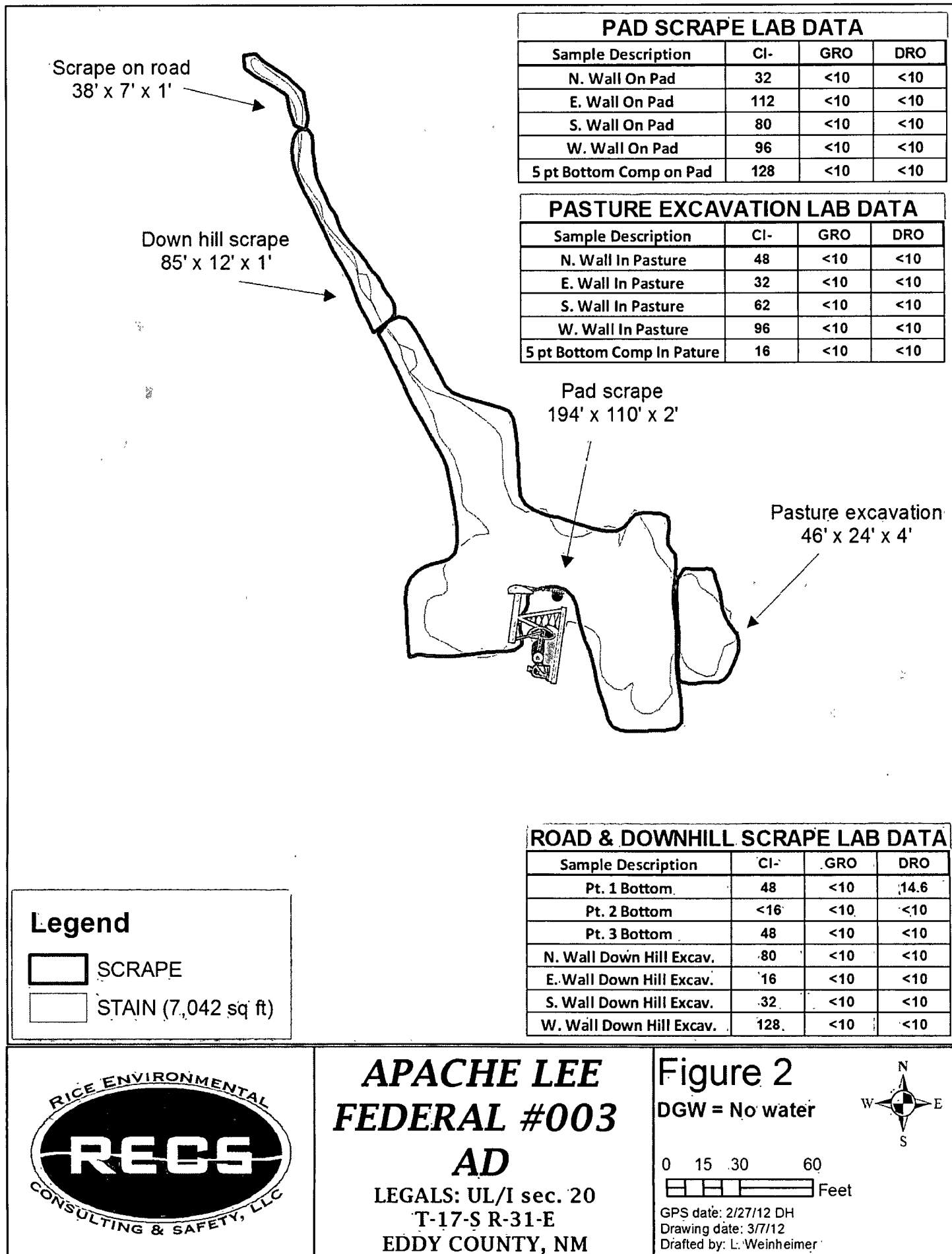
Figure 1



0 15 30 60
Feet

GPS date: 2/27/12 DH
Drawing date: 3/7/12
Drafted by: L. Weinheimer

Site Plat



**APACHE LEE
 FEDERAL #003
 AD**
 LEGALS: UL/I sec. 20
 T-17-S R-31-E
 EDDY COUNTY, NM

Appendix A

Initial Form C-141

RICE Environmental Consulting and Safety (RECS)
P.O. Box 5630 Hobbs, NM 88241
Phone 575.393.4411 Fax 575.393.0293

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

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	Apache Corporation	Contact	Natalie Gladden
Address	PO Box 1849 Eunice, NM 88231	Telephone No.	575-390-4186
Facility Name	Lee Federal #3	Facility Type	Production Well

Surface Owner	BLM	Mineral Owner	BLM	Lease No.	30-015-30269
---------------	-----	---------------	-----	-----------	--------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	20	17S	31E	1700'	FSL	990'	FEL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Oil and Produced Water	Volume of Release	15	Volume Recovered	10
Source of Release	Stuffing Box leak	Date and Hour of Occurrence	2/26/12	Date and Hour of Discovery	2/26/12
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Geoffrey Leking		
By Whom?	Natalie Gladden	Date and Hour	2/27/12 9am		
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.*

BLM was out doing inspections when the stuffing box leak was found. Fluid was recovered.

Describe Area Affected and Cleanup Action Taken.*

Site was backdragged until one-call is placed and cleared, then the site will be remediated to NMOCD Standards.

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 District Supervisor:		
Title: EHS Environmental Tech	Approval Date:	Expiration Date:	
E-mail Address: natalie.gladden@apachecorp.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: 2/27/12	Phone: 575-390-4186		

* Attach Additional Sheets If Necessary



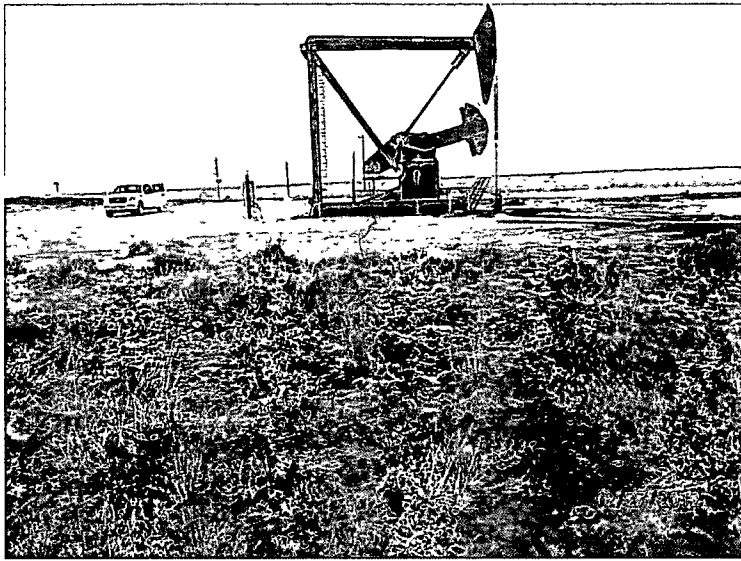
Appendix B

Site Photographs

RICE Environmental Consulting and Safety (RECS)
P.O. Box 5630 Hobbs, NM 88241
Phone 575.393.4411 Fax 575.393.0293

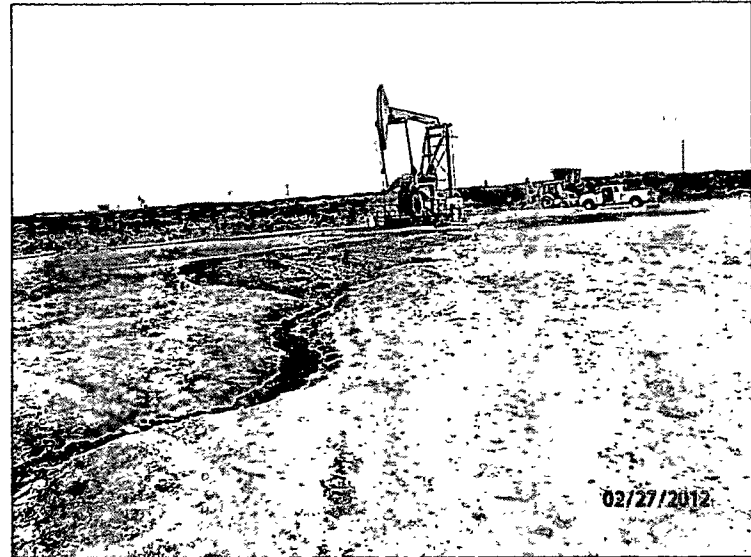
Lee Federal #3

Unit Letter I, Section 20, T17S R31E



Initial release, facing west

2/27/2012



Initial release, facing south

2/27/2012



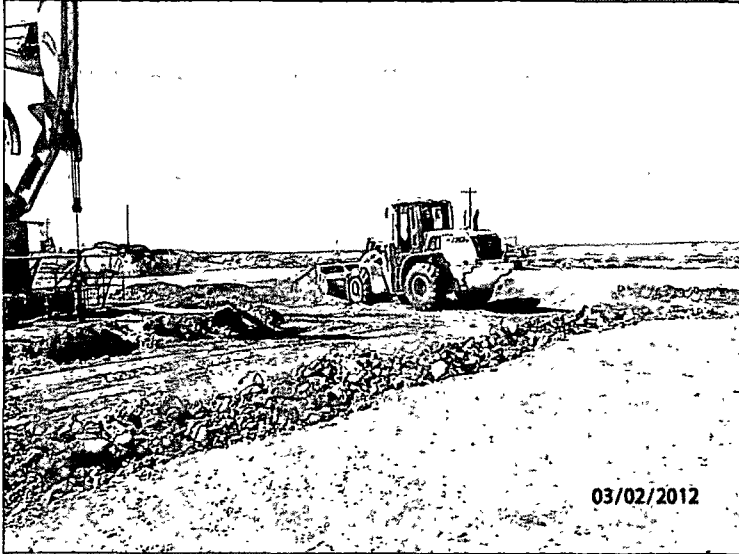
Initial release, facing north

2/27/2012



Excavating pasture, facing northwest

3/2/2012



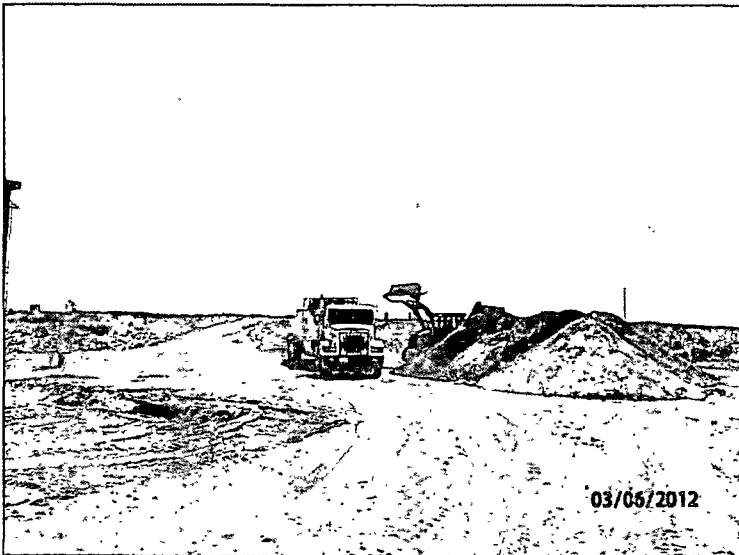
Excavating pad, facing northwest

3/2/2012



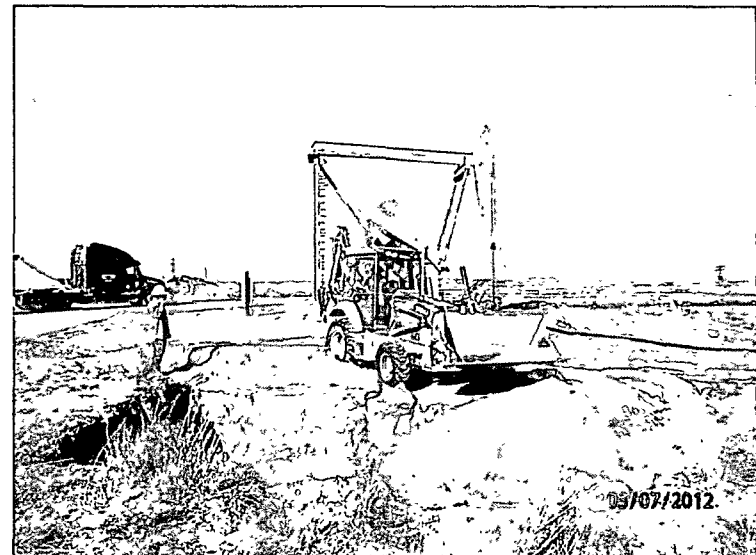
Excavating incline, facing south

3/6/2012



Exporting soil, facing southeast

3/6/2012



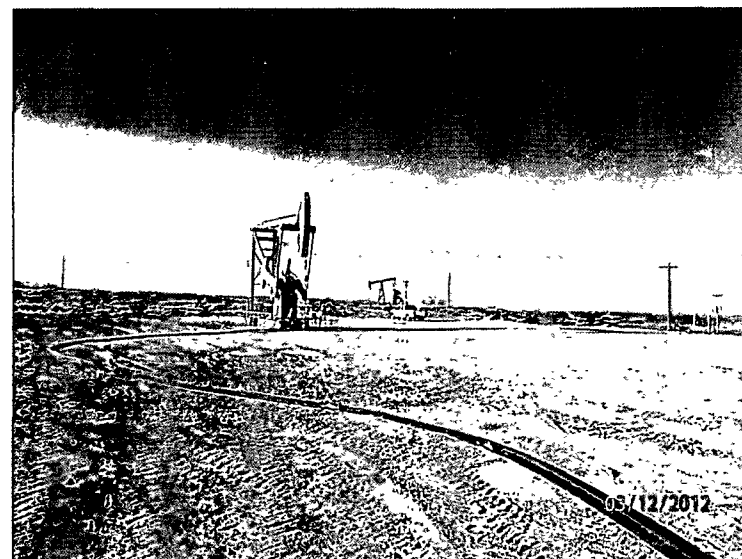
Backfilling pasture, facing west

3/7/2012



Backfilling pad, facing north

3/7/2012



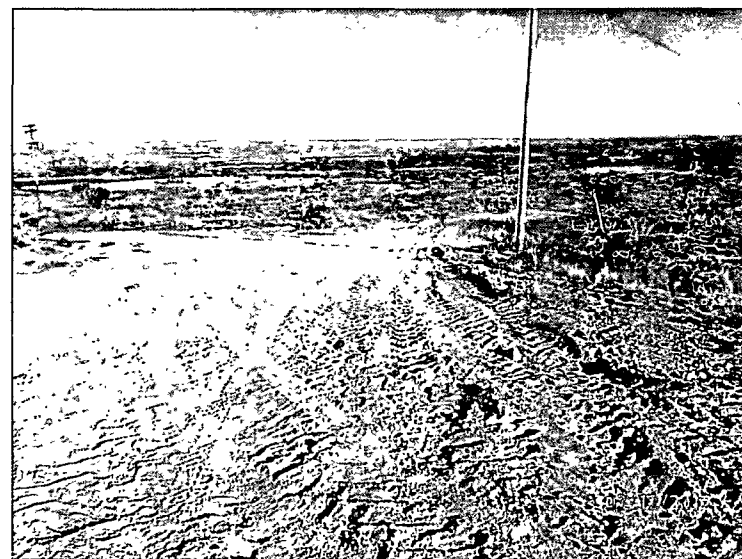
Caliche pad backfilled, facing southwest

3/12/2012



Pasture backfilled, facing northwest

3/12/2012



Decline/road backfilled, facing north

3/12/2012



Appendix C

Laboratory Results

RICE Environmental Consulting and Safety (RECS)
P.O. Box 5630 Hobbs, NM 88241
Phone 575.393.4411 Fax 575.393.0293

Analytical Results For:

APACHE - EUNICE
NATALIE GLADDEN
P. O. BOX 1849
EUNICE NM, 88231
Fax To: 394-2425

Received: 02/29/2012
Reported: 03/05/2012
Project Name: LEE FEDERAL #3
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 02/27/2012
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: PT. 1 (H200532-01)

Chloride, SM4500CI-B		mg/kg	Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	23200	16.0	03/01/2012	ND	432	108	400	0.00	
TPH 8015M		mg/kg	Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<50.0	50.0	03/02/2012	ND	178	89.1	200	20.0	
DRO >C10-C28	137	50.0	03/02/2012	ND	189	94.4	200	1.15	
Surrogate 1-Chlorooctane	97.3 %	55.5-154							
Surrogate 1-Chlorooctadecane	106 %	57.6-158							

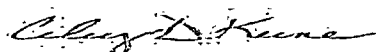
Sample ID: PT. 2 (H200532-02)

Chloride, SM4500CI-B		mg/kg	Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	23600	16.0	03/01/2012	ND	432	108	400	0.00	
TPH 8015M		mg/kg	Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	110	50.0	03/02/2012	ND	178	89.1	200	20.0	
DRO >C10-C28	2160	50.0	03/02/2012	ND	189	94.4	200	1.15	
Surrogate 1-Chlorooctane	108 %	55.5-154							
Surrogate 1-Chlorooctadecane	78.7 %	57.6-158							

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 APACHE - EUNICE
 NATALIE GLADDEN
 P. O. BOX 1849
 EUNICE NM, 88231
 Fax To: 394-2425

Received:	02/29/2012	Sampling Date:	02/27/2012
Reported:	03/05/2012	Sampling Type:	Soil
Project Name:	LEE FEDERAL #3	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	LOCO HILLS, NM		

Sample ID: PT. 3 (H200532-03)

Chloride, SM4500CI-B			mg/kg							Analyzed By: HM
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	26000	16.0	03/01/2012	ND	432	108	400	0.00		
TPH 8015M			mg/kg							Analyzed By: MS
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	129	100	03/02/2012	ND	178	89.1	200	20.0		
DRO >C10-C28	1680	100	03/02/2012	ND	189	94.4	200	1.15		
<hr/>										
Surrogate 1-Chlorooctane	102 %	55.5-154								
Surrogate 1-Chlorooctadecane	99.7 %	57.6-158								

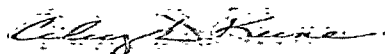
Sample ID: PT. 4 (H200532-04)

Chloride, SM4500CI-B			mg/kg							Analyzed By: HM
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	26400	16.0	03/01/2012	ND	432	108	400	0.00		
TPH 8015M			mg/kg							Analyzed By: MS
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<50.0	50.0	03/02/2012	ND	178	89.1	200	20.0		
DRO >C10-C28	75.3	50.0	03/02/2012	ND	189	94.4	200	1.15		
<hr/>										
Surrogate 1-Chlorooctane	92.9 %	55.5-154								
Surrogate 1-Chlorooctadecane	104 %	57.6-158								

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* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 APACHE - EUNICE
 NATALIE GLADDEN
 P. O. BOX 1849
 EUNICE NM, 88231
 Fax To: 394-2425

 Received: 02/29/2012
 Reported: 03/05/2012
 Project Name: LEE FEDERAL #3
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 02/27/2012
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: PT. 5 (H200532-05)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: HM				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	25200	16.0	03/01/2012	ND	432	108	400	0.00	
TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<50.0	50.0	03/02/2012	ND	178	89.1	200	20.0	
DRO >C10-C28	51.0	50.0	03/02/2012	ND	189	94.4	200	1.15	

Surrogate 1-Chlorooctane 93.1 % 55.5-154

Surrogate 1-Chlorooctadecane 98.2 % 57.6-158

Sample ID: PT. 6 (H200532-06)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: HM				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	7330	16.0	03/01/2012	ND	432	108	400	0.00	
TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	6190	100	03/02/2012	ND	178	89.1	200	20.0	
DRO >C10-C28	35500	100	03/02/2012	ND	189	94.4	200	1.15	

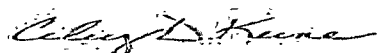
Surrogate 1-Chlorooctane 606 % 55.5-154

Surrogate 1-Chlorooctadecane 293 % 57.6-158

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 APACHE - EUNICE
 NATALIE GLADDEN
 P. O. BOX 1849
 EUNICE NM, 88231
 Fax To: 394-2425

 Received: 02/29/2012
 Reported: 03/05/2012
 Project Name: LEE FEDERAL #3
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 02/27/2012
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: PT. 7 (H200532-07)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: HM							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	7600	16.0	03/01/2012	ND	432	108	400	0.00		
TPH 8015M		mg/kg	Analyzed By: MS							S-06
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	12600	500	03/05/2012	ND	178	89.1	200	20.0		
DRO >C10-C28	59800	500	03/05/2012	ND	189	94.4	200	1.15		
Surrogate 1-Chlorooctane										
	490 %	55 5-154								
Surrogate 1-Chlorooctadecane										
	1680 %	57 6-158								

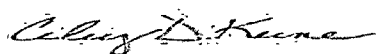
Sample ID: PT. 8 (H200532-08)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: HM							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	304	16.0	03/01/2012	ND	432	108	400	0.00		
TPH 8015M		mg/kg	Analyzed By: MS							S-06
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	9380	500	03/05/2012	ND	178	89.1	200	20.0		
DRO >C10-C28	66500	500	03/05/2012	ND	189	94.4	200	1.15		
Surrogate 1-Chlorooctane										
	624 %	55 5-154								
Surrogate 1-Chlorooctadecane										
	1920 %	57 6-158								

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* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

APACHE - EUNICE
NATALIE GLADDEN
P. O. BOX 1849
EUNICE NM, 88231
Fax To: 394-2425

Received: 03/05/2012
Reported: 03/12/2012
Project Name: LEE FEDERAL #3
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 03/02/2012
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: N WALL ON PAD (H200575-01)

Chloride, SM4500Cl-B			mg/kg							Analyzed By: AP
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	32.0	16.0	03/07/2012	ND	416	104	400	0.00		
TPH 8015M			mg/kg							Analyzed By: MS
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	03/09/2012	ND	250	125	200	2.40		
DRO >C10-C28	<10.0	10.0	03/09/2012	ND	199	99.7	200	0.875		
<hr/>										
Surrogate 1-Chlorooctane	110 %	55 5-154								
Surrogate 1-Chlorooctadecane	114 %	57 6-158								

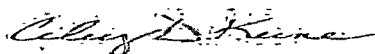
Sample ID: E WALL ON PAD (H200575-02)

Chloride, SM4500Cl-B			mg/kg							Analyzed By: AP
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	112	16.0	03/07/2012	ND	416	104	400	0.00		
TPH 8015M			mg/kg							Analyzed By: MS
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	03/09/2012	ND	250	125	200	2.40		
DRO >C10-C28	<10.0	10.0	03/09/2012	ND	199	99.7	200	0.875		
<hr/>										
Surrogate 1-Chlorooctane	109 %	55 5-154								
Surrogate 1-Chlorooctadecane	113 %	57 6-158								

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 APACHE - EUNICE
 NATALIE GLADDEN
 P. O. BOX 1849
 EUNICE NM, 88231
 Fax To: 394-2425

 Received: 03/05/2012
 Reported: 03/12/2012
 Project Name: LEE FEDERAL #3
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 03/02/2012
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: S WALL ON PAD (H200575-03)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	80.0	16.0	03/07/2012	ND	416	104	400	0.00	
TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/09/2012	ND	250	125	200	2.40	
DRO >C10-C28	<10.0	10.0	03/09/2012	ND	199	99.7	200	0.875	
Surrogate 1-Chlorooctane	103 %	55.5-154							
Surrogate 1-Chlorooctadecane	97.1 %	57.6-158							

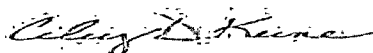
Sample ID: W WALL ON PAD (H200575-04)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	03/07/2012	ND	416	104	400	0.00	
TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/09/2012	ND	224	112	200	6.30	
DRO >C10-C28	<10.0	10.0	03/09/2012	ND	184	91.8	200	2.48	
Surrogate 1-Chlorooctane	118 %	55.5-154							
Surrogate 1-Chlorooctadecane	106 %	57.6-158							

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 APACHE - EUNICE
 NATALIE GLADDEN
 P. O. BOX 1849
 EUNICE NM, 88231
 Fax To: 394-2425

 Received: 03/05/2012
 Reported: 03/12/2012
 Project Name: LEE FEDERAL #3
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 03/05/2012
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: 5 PT BTM COMP ON PAD (H200575-05)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	128	16.0	03/07/2012	ND	416	104	400	0.00	
TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/09/2012	ND	250	125	200	2.40	
DRO >C10-C28	<10.0	10.0	03/09/2012	ND	199	99.7	200	0.875	
Surrogate: 1-Chlorooctane		109 %	55.5-154						
Surrogate 1-Chlorooctadecane		111 %	57.6-158						

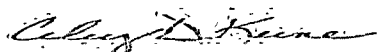
Sample ID: N WALL IN PASTURE (H200575-06)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: AP				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	48.0	16.0	03/07/2012	ND	416	104	400	0.00	
TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/09/2012	ND	250	125	200	2.40	
DRO >C10-C28	<10.0	10.0	03/09/2012	ND	199	99.7	200	0.875	
Surrogate 1-Chlorooctane	115 %	55.5-154							
Surrogate 1-Chlorooctadecane	113 %	57.6-158							

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 APACHE - EUNICE
 NATALIE GLADDEN
 P. O. BOX 1849
 EUNICE NM, 88231
 Fax To: 394-2425

 Received: 03/05/2012
 Reported: 03/12/2012
 Project Name: LEE FEDERAL #3
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 03/05/2012
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: E WALL IN PASTURE (H200575-07)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	03/07/2012	ND	416	104	400	0.00	
TPH 8015M		mg/kg	Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/09/2012	ND	250	125	200	2.40	
DRO >C10-C28	<10.0	10.0	03/09/2012	ND	199	99.7	200	0.875	

Surrogate 1-Chlorooctane 118 % 55 5-154

Surrogate 1-Chlorooctadecane 123 % 57 6-158

Sample ID: S WALL IN PASTURE (H200575-08)

Chloride, SM4500Cl-B		mg/kg	Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	62.0	16.0	03/07/2012	ND	416	104	400	0.00	
TPH 8015M		mg/kg	Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/09/2012	ND	250	125	200	2.40	
DRO >C10-C28	<10.0	10.0	03/09/2012	ND	199	99.7	200	0.875	

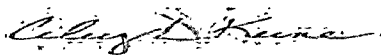
Surrogate 1-Chlorooctane 112 % 55 5-154

Surrogate 1-Chlorooctadecane 116 % 57 6-158

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

APACHE - EUNICE
NATALIE GLADDEN
P. O. BOX 1849
EUNICE NM, 88231
Fax To: 394-2425

Received: 03/05/2012
Reported: 03/12/2012
Project Name: LEE FEDERAL #3
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 03/05/2012
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: W WALL IN PASTURE (H200575-09)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	03/07/2012	ND	416	104	400	0.00	
TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/09/2012	ND	250	125	200	2.40	
DRO >C10-C28	<10.0	10.0	03/09/2012	ND	199	99.7	200	0.875	
Surrogate 1-Chlorooctane	117 %	55.5-154							
Surrogate 1-Chlorooctadecane	121 %	57.6-158							

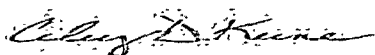
Sample ID: 5 PT COMP IN PASTURE (H200575-10)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	16.0	16.0	03/07/2012	ND	416	104	400	0.00	
TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/09/2012	ND	250	125	200	2.40	
DRO >C10-C28	<10.0	10.0	03/09/2012	ND	199	99.7	200	0.875	
Surrogate 1-Chlorooctane		120 %	55.5-154						
Surrogate 1-Chlorooctadecane		120 %	57.6-158						

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Celey D. Keene, Lab Director/Quality Manager



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101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603

(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: Apache Corp.				BILL TO				ANALYSIS REQUEST:														
Project Manager: Natalie Gladden				P.O. #:				<div style="display: flex; flex-direction: column; align-items: center;"> <div>Chlorides</div> <div>TPH 8015 M</div> <div>BTEX</div> <div>Texas TPH</div> <div>Complete: Cations/Anions</div> <div>TDS</div> </div>														
Address: Apache Corp.				Company:																		
City: State: NM Zip:				Attn:																		
Phone #: Fax #:				Address:																		
Project #: Project Owner:				City:																		
Project Name: Lee Federal #3				State: Zip:																		
Project Location: Loco Hills				Phone #:																		
Sampler Name: Robert P. Pava				Fax #:																		
FOR LAB USE ONLY:																						
Lab I.D.	Sample I.D.	GRAB OR (COMP.)	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	SURFACE	SLUDGE	OTHER	ACID/BASE	ICE/COOL	OTHER	DATE	TIME								
11200574																						
1	N. Wall on pad stain	G	✓			✓				✓			3-2-12	1:00								
2	E. Wall on pad stain	G	✓			✓				✓			3-2-12	1:05								
3	S. Wall on pad stain	G	✓			✓				✓			3-2-12	1:10								
4	W. Wall on pad stain	G	✓			✓				✓			3-2-12	1:15								
5	S. Wall bottom comp on pad	G	✓			✓				✓			3-5-12	11:00								
6	N. Wall in pasture excavation	G	✓			✓				✓			3-5-12	11:15								
7	E. Wall in pasture excavation	G	✓			✓				✓			3-5-12	11:20								
8	S. Wall in pasture excavation	G	✓			✓				✓			3-5-12	11:25								
9	W. Wall in pasture excavation	G	✓			✓				✓			3-5-12	11:30								
10	S. Wall in pasture excavation	G	✓			✓				✓			3-5-12	11:35								

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Relinquished By: <i>Robert P. Pava</i>	Date: 3-5-12	Received By: <i>Nicole Jensen</i>	Phone Result: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Add'l Phone #:
	Time: 10:32		Fax Result: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS:
	Time:		email: results
			zconder@rice-ecs.com; Lweinheimer@rice-ecs.com
			Hconder@riceswd.com; Bbaker@rice-ecs.com
			Natalie.Gladden@usa.apachecorp.com

Delivered By: (Circle One)	Sample Condition	CHECKED BY:
Sampler: UPS Bus: Other:	Cool Intact	(Initials)
	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>AN</i>

Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#26

Analytical Results For:

 APACHE - EUNICE
 NATALIE GLADDEN
 P. O. BOX 1849
 EUNICE NM, 88231
 Fax To: 394-2425

 Received: 03/06/2012
 Reported: 03/12/2012
 Project Name: LEE FEDERAL #3
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 03/06/2012
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: PT. 1 BOTTOM (H200596-01)

Chloride, SM4500CI-B			mg/kg		Analyzed By: AP				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	48.0	16.0	03/08/2012	ND	416	104	400	0.00	
TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/10/2012	ND	218	109	200	13.7	
DRO >C10-C28	14.6	10.0	03/10/2012	ND	180	90.0	200	3.12	

Surrogate 1-Chlorooctane 119 % 55 5-154

Surrogate 1-Chlorooctadecane 125 % 57 6-158

Sample ID: PT. 2 BOTTOM (H200596-02)

Chloride, SM4500CI-B			mg/kg		Analyzed By: AP				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	03/08/2012	ND	416	104	400	0.00	
TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/10/2012	ND	218	109	200	13.7	
DRO >C10-C28	<10.0	10.0	03/10/2012	ND	180	90.0	200	3.12	

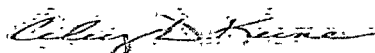
Surrogate 1-Chlorooctane 100 % 55 5-154

Surrogate 1-Chlorooctadecane 97.1 % 57.6-158

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 APACHE - EUNICE
 NATALIE GLADDEN
 P. O. BOX 1849
 EUNICE NM, 88231
 Fax To: 394-2425

 Received: 03/06/2012
 Reported: 03/12/2012
 Project Name: LEE FEDERAL #3
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 03/06/2012
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: PT. 3 BOTTOM (H200596-03)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: AP				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	48.0	16.0	03/08/2012	ND	416	104	400	0.00	
TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/10/2012	ND	218	109	200	13.7	
DRO >C10-C28	<10.0	10.0	03/10/2012	ND	180	90.0	200	3.12	

Surrogate: 1-Chlorooctane 113 % 55.5-154

Surrogate 1-Chlorooctadecane 113 % 57.6-158

Sample ID: N WALL DOWN HILL EXC (H200596-04)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: AP				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	80.0	16.0	03/08/2012	ND	416	104	400	0.00	
TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/10/2012	ND	218	109	200	13.7	
DRO >C10-C28	<10.0	10.0	03/10/2012	ND	180	90.0	200	3.12	

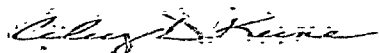
Surrogate: 1-Chlorooctane 123 % 55.5-154

Surrogate 1-Chlorooctadecane 129 % 57.6-158

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 APACHE - EUNICE
 NATALIE GLADDEN
 P. O. BOX 1849
 EUNICE NM, 88231
 Fax To: 394-2425

 Received: 03/06/2012
 Reported: 03/12/2012
 Project Name: LEE FEDERAL #3
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 03/06/2012
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: E WALL DOWN HILL EXC (H200596-05)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	16.0	16.0	03/08/2012	ND	416	104	400	0.00	
TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/10/2012	ND	218	109	200	13.7	
DRO >C10-C28	<10.0	10.0	03/10/2012	ND	180	90.0	200	3.12	
Surrogate, 1-Chlorooctane	114 %	55.5-154							
Surrogate 1-Chlorooctadecane	119 %	57.6-158							

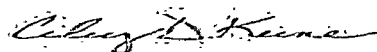
Sample ID: S WALL DOWN HILL EXC (H200596-06)

Chloride, SM4500CI-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	03/08/2012	ND	416	104	400	0.00	
TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/10/2012	ND	218	109	200	13.7	
DRO >C10-C28	<10.0	10.0	03/10/2012	ND	180	90.0	200	3.12	
Surrogate 1-Chlorooctane	102 %	55.5-154							
Surrogate 1-Chlorooctadecane	102 %	57.6-158							

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 APACHE - EUNICE
 NATALIE GLADDEN
 P. O. BOX 1849
 EUNICE NM, 88231
 Fax To: 394-2425

 Received: 03/06/2012
 Reported: 03/12/2012
 Project Name: LEE FEDERAL #3
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 03/06/2012
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

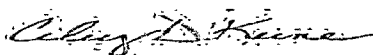
Sample ID: W WALL DOWN HILL EXC (H200596-07)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	128	16.0	03/08/2012	ND	416	104	400	0.00	
TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/10/2012	ND	218	109	200	13.7	
DRO >C10-C28	<10.0	10.0	03/10/2012	ND	180	90.0	200	3.12	
Surrogate 1-Chlorooctane	113 %	55 5-154							
Surrogate 1-Chlorooctadecane	111 %	57 6-158							

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476.

Appendix D

Final Form C-141

RICE Environmental Consulting and Safety (RECS)
P.O. Box 5630 Hobbs, NM 88241
Phone 575.393.4411 Fax 575.393.0293

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

RECEIVED AUG 16 2012 AUG 16 2012 NMOCD ARTESIA	Form C-141 Revised October 10, 2003 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form
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Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

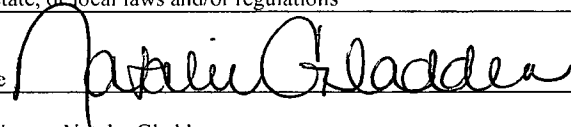
Name of Company Apache Corp.	Contact Natalie Gladden	
Address P O. Box 1849, Eunice, NM, 88231	Telephone No. (575) 390-4186	
Facility Name Lee Federal #3	Facility Type Production Well	
Surface Owner BLM	Mineral Owner BLM	API No 30-015-30269

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	20	17S	31E	1700	FSL	990	FEL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Oil and Produced Water	Volume of Release 15 bbls	Volume Recovered 10 bbls
Source of Release Stuffing box leak	Date and Hour of Occurrence 2/26/12	Date and Hour of Discovery 2/26/12
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 2/27/12 9 am	
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.* BLM was out doing inspections when the stuffing box leak was found Fluid was recovered		
Describe Area Affected and Cleanup Action Taken * The leak affected 7,042 sq ft of caliche pad, pasture land, and lease road Impacted soils were removed to a NMOCD approved disposal facility Soil samples were collected from the excavations and sent to a commercial laboratory for confirmation of chloride and TPH The excavations were backfilled with clean caliche and topsoil and contoured to the surrounding area		
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 District Supervisor	
Title EH&S Environmental Tech	Approval Date	Expiration Date
E-mail Address Natalie gladden@apachecorp.com	Conditions of Approval	Attached <input type="checkbox"/>
Date _____ Phone (575) 390-4186		

* Attach Additional Sheets If Necessary