

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

HOBBS OCD

Form C-141
Revised August 8, 2011

OCT 15 2014
Initial Report appropriate District Office in accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Apache Corporation	Contact: Bruce Baker
Address: 2350 W Marland Hobbs, NM 88240	Telephone No. (432) 631-6982
Facility Name: Southland Royalty A 26	Facility Type: Oil Well
Surface Owner: Millard Deck Estates	Mineral Owner: API No. 30-025-38134

LOCATION OF RELEASE

Unit Letter W	Section 4	Township 21S	Range 37E	Feet from the 920'	North/South Line FSL	Feet from the 1650'	East/West Line FEL	County Lea
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Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: Drilling mud	Volume of Release: 30 Barrels of drilling mud	Volume Recovered: 0 recovered
Source of Release: Hydrovac	Date and Hour of Occurrence: 9/29/2014	Date and Hour of Discovery: 9/29/2014 at 7:00 a.m.
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Tomas Oberding (NMOCD)	
By Whom? Bruce Baker	Date and Hour: Left phone message on 9/29/2014 at 4:30	
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.*

During drilling operations trucks could not change out shaker bin due to recent rain in the area. A hydro-vac contractor was hired to empty the bin and improperly emptied truck on the Southland Royalty 26 location.

Describe Area Affected and Cleanup Action Taken.*

7,781 square feet of lease pad and pasture was affected. The release area will be remediated to meet NMOCD regulatory 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: <i>Bruce Baker</i>	OIL CONSERVATION DIVISION	
Printed Name: Bruce Baker	Approved by Environmental Specialist:	
Title: Environmental Technician	Approval Date: 10-15-14	Expiration Date: 12-15-14
E-mail Address: larry.baker@apachecorp.com	Conditions of Approval: <i>Site cleanup report Rebate & remediate area as per NMOCD guidelines. Submit final C-141 by 12-15-14</i>	Attached <input type="checkbox"/> <i>IRP-3383</i> <i>09-11-878</i> <i>1701428 831519</i> <i>1701428 831656</i>
Date: 10/14/2014	Phone: (432) 631-6982	

OCT 17 2014