

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
100 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

HOBBS OCD

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

JUL 26 2012

RECEIVED

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 Eunice SWD (nearest well Argo #7)	Facility Type SWD	
Surface Owner Apache	Mineral Owner OCD	Lease No. 30-025-09915

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
L	15	21S	37E	2310'	FSL	990'	FWL	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced water	Volume of Release 130	Volume Recovered 110
Source of Release Flange	Date and Hour of Occurrence 02/17/11	Date and Hour of Discovery 02/17/11 7:30am
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? Natalie Gladden	Date and Hour 02/17/11 1215pm	
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.*

DTW=50'

Describe Cause of Problem and Remedial Action Taken.*

The line coming from the SWD to the Argo #7 injection well that is on top of the ground leaked due to the flange coming off of the steel pipe. Standing fluid was sucked up.

Describe Area Affected and Cleanup Action Taken.*

The saturated soil was immediately excavated and hauled to Sundance. Excavation continued until the chloride levels were below 250-ppm. 1768 cu yards of contaminated soil was excavated and hauled to Sundance. Excavation site was backfilled with caliche. Closure document to follow.

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  Approved by District Supervisor Environmental Specialist	
Printed Name: Natalie Gladden	Approval Date: 7/26/12	Expiration Date: -
Title: EHS Environmental Tech	Conditions of Approval: -	
E-mail Address: natalie.gladden@apachecorp.com	Attached <input type="checkbox"/>	
Date: 07/18/2012 Phone: 575-390-4186	18P-06-14-3103	

* Attach Additional Sheets If Necessary



HOBBS OCD

JUL 26 2012

RECEIVED

Eunice SWD

(Nearest Well – Argo #7)

Lea County

Unit L, S15, 21S, 37E

2310' FEL and 900' FWL

API# 30-025-09915

Release Date: 02/17/11

Prepared by: Natalie Gladden

Apache Corporation

Dear Geoffrey,

Attached you will find a copy of the original C141, Final C141, a diagram of the contamination area along with sample points with sample results and final analyticals taken from this site.

With this information that is provided, Apache Corporation respectfully requests your review and approval of the Closure Document for the produced water release that occurred at the Apache Eunice SWD.

If you have any questions or concerns, please feel free to contact me at any time.

Sincerely,

A handwritten signature in dark ink, reading "Natalie Gladden". The signature is fluid and cursive, with the first name "Natalie" and last name "Gladden" clearly distinguishable.

Natalie Gladden

EH&S Environmental Tech

New Mexico Permian District

The purpose of this report is to document the remediation activities and present supporting analytical data to the NMOCD, requesting closure of the referenced produced water release incident in accordance with the Guidelines for Remediation of Leaks, Spills and Releases.

On February 17th 2011, a flowline coming from the SWD to the Argo #7 injection leaked. This line was a surface line; the flange coming off of the steel pipe corroded causing the release. The fluid ran down into a pit that was created before Apache's time. The land belongs to Apache Corporation. Standing fluid was recovered, initial soil samples were obtained and remediation began. 130bbls of produced water was released and 110bbls of produced water was recovered.

The contaminated soil was excavated, 1,768 cubic yards of contaminated soil was excavated and hauled to Sundance Services. 1,552 cubic yards of clean backfill was taken from Apache's Grizzell Pit. Final samples were taken to Cardinal Lab for closure results.

Based on the analytical results of the confirmation soil samples collected from the excavation and which confirmed that the soil was less than the Standard of 250-ppm Chlorides. Consequently, no further action is recommended or planned for this site at this time and on behalf of Apache Corporation we respectfully request that the NMOCD grant closure for the Eunice SWD release.



Internal Incident Report – Reportable Spill

Location: Eunice SWD

Date: 02/17/11

Time: 7:30am NM Time

Pumper Route: BJ Wilson

One line summary: Contractor (Danny Watson) was filling up with fresh water from our SWD to clean tanks at the WBDU CTB and noticed that the line had come apart.

Full Summary: I was contacted immediately about the release. When I responded the fluid coming out of the line was running into a non registered pit. This pit has been used for basically a trash pit and a dumping ground. The grooves on the pipe were not grooved properly before placing the victaulic clamps on to hold the lines together. 130bbls of produced water was released into the pit and 110bbls of produced water was recovered from the pit.

Root Cause(s) of Incident:

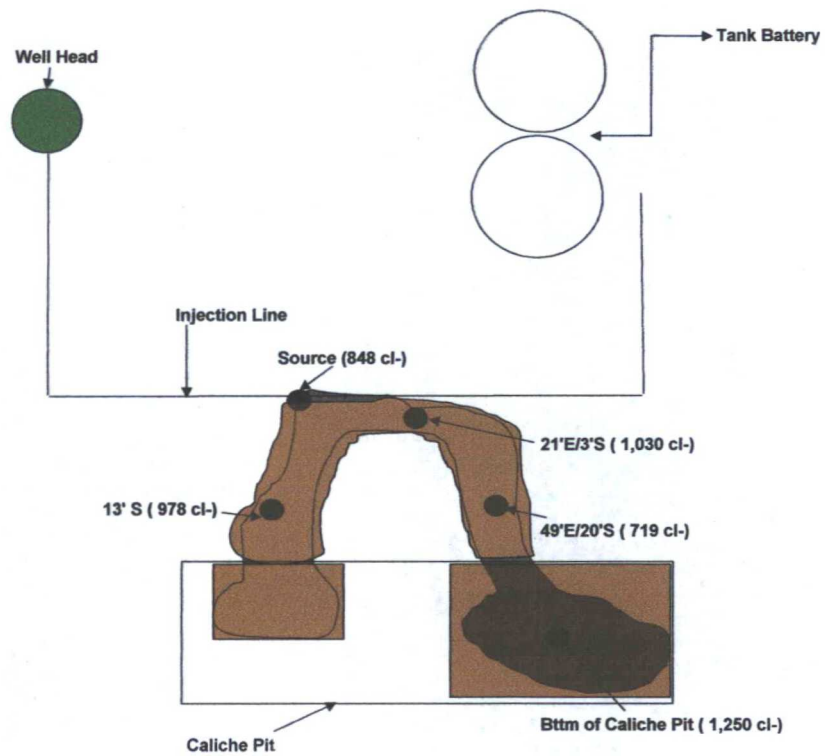
1. When constructing this high pressure line, the grooves on the pipe were not constructed correctly in order for the victaulic clamp to seal properly or hand any type of movement.

Corrective Actions:

1. Pipe will be repaired so that the victaulic clamps will hold the pipe properly.



Apache Argo # 7 WD AD



SURFACE SAMPLES

Sample Discription	Water	Soil	AGNO3	Cl-	
Source	30.3	10	3.03	0.28	848
49' E 20' S	30.2	12.6	2.40	0.3	719
13' S	30.6	14.7	2.08	0.47	978
21' E 3' S	30.6	9.8	3.12	0.33	1030
Bttm Caliche Pit	30.6	11.5	2.66	0.47	1250

Vertical Samples

Sample Discription	Water	Soil	AGNO3	Cl-	
Middle Vertical					
Depth from bottom of pit					
3'	30.1	12.8	2.35	0.43	1011
5'	31.4	11.8	2.66	0.39	1037
6'	31.4	14.1	2.23	0.36	801
7'	30	11.7	2.56	0.1	256
8'	30.2	12.5	2.42	0.11	266

Excavation Samples

Sample Discription	Water	Soil	AGNO3	Cl-	
South Excavation					
North Wall	31.2	12.6	2.48	0.06	149
East Wall	30.5	14.9	2.05	0.07	143
South Wall	30.3	11.2	2.71	0.08	216
West Wall	30.5	12	2.54	0.05	127
3-Pt. Bottom Comp.	31.9	12.1	2.64	0.07	184
West Scrape					
Bottom Center	31.5	12.9	2.44	0.08	195
North Scrape					
East Center	30.3	10.4	2.91	0.07	204
Center	30.6	14.3	2.14	0.07	150
West Center	31	13.5	2.30	0.07	161

February 25, 2011

NATALIE GLADDEN

APACHE - EUNICE

P. O. BOX 1849

EUNICE, NM 88231

RE: ARGO #7 WD AD

Enclosed are the results of analyses for samples received by the laboratory on 02/21/11 16:34.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



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: 02/21/2011
 Reported: 02/25/2011
 Project Name: ARGO #7 WD AD
 Project Number: NONE GIVEN
 Project Location: NOT GIVEN

 Sampling Date: 02/21/2011
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S EXC N WALL (H100347-01)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: LR					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	02/23/2011	ND	400	100	400	3.92	

Sample ID: S EXC S WALL (H100347-02)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: LR					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	64.0	16.0	02/23/2011	ND	400	100	400	3.92	

Sample ID: S EXC E WALL (H100347-03)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: LR					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	112	16.0	02/23/2011	ND	400	100	400	3.92	

Sample ID: S EXC W WALL (H100347-04)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	16.0	16.0	02/23/2011	ND	400	100	400	3.92	

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: 02/21/2011
Reported: 02/25/2011
Project Name: ARGO #7 WD AD
Project Number: NONE GIVEN
Project Location: NOT GIVEN

Sampling Date: 02/21/2011
Sampling Type: Soil
Sampling Condition: ** (See Notes)
Sample Received By: Jodi Henson

Sample ID: S EXC 3 PT BTM COMP (H100347-05)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: LR				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	64.0	16.0	02/23/2011	ND	400	100	400	3.92	

Sample ID: N SCRAPE BTM CENTER (H100347-06)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: LR				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	128	16.0	02/23/2011	ND	400	100	400	3.92	

Sample ID: W SCRAPE BTM CENTER (H100347-07)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: LR				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	160	16.0	02/23/2011	ND	400	100	400	3.92	

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C
	Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



CARDINAL LABORATORIES

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

BILL TO										ANALYSIS REQUEST													
Company Name: Apache Corp.										P.O. #:													
Project Manager: Natalie Gladden										Company:													
Address: Apache Corp.										Address:													
City:										State: NM Zip:													
Phone #:										Fax #:													
Project #:										Project Owner:													
Project Name: Argo #7 WD AD										City:													
Project Location: Argo #7 WD AD										State:													
Sample Name:										Phone #:													
FOR LAB USE ONLY										Fax #:													
Lab I.D.	Sample I.D.	# CONTAINERS	(G)RAB OR (C)OMP	MATRIX	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE/COOL	OTHER:	PRESERV	SAMPLING	DATE	TIME	Chlorides	TPH 8015 M	BTEX	Texas TPH	Complete Cations/Anions	TDS
4100347-1	South Etc. North Wall	1	0	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	2-2-11	11	✓					
2	South Etc. South Wall	1	0	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	"	"	✓					
3	South Etc. East Wall	1	0	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	"	"	✓					
4	South Etc. West Wall	1	0	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	"	"	✓					
5	South Etc. 3-ft. Bottom	1	0	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	"	"	✓					
6	North Scrape Bottom	1	0	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	"	"	✓					
7	West Scrape Bottom	1	0	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	"	"	✓					

PLEASE NOTE: Testing and sampling are done by the client's facility and client's employee. The client is responsible for the accuracy of the analysis. All clients, including those for negligence and any other cause whatsoever, shall be deemed to have agreed to the terms and conditions of the applicable "chain of custody" form. In no event shall Cardinal be liable for negligent or intentional 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.

Relinquished By: Date: 2/2/11 Time: 4:34 PM
Received By: Date: 2/2/11 Time: 4:34 PM
Checked By: (Initials)
Sample Condition: Cool ☒ Intact ☒
Sampler - UPS - Bus - Other: ☒ Yes ☒ No

Relinquished By: Date: 2/2/11 Time: 4:34 PM
Received By: Date: 2/2/11 Time: 4:34 PM
Checked By: (Initials)
Sample Condition: Cool ☒ Intact ☒
Sampler - UPS - Bus - Other: ☒ Yes ☒ No

email results
zconder@rice-ecs.com; Lweinheimer@rice-ecs.com
Hconder@riceswd.com; Bbaker@rice-ecs.com
Natalie.Gladden@usa.apachecorp.com

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

#26