

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
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	P.O. Box 1849	Telephone No.	575-390-4186
Facility Name	Melot #2	Facility Type	Production well

Surface Owner	Mineral Owner	NMOCD	Lease No.	30-025-38700
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
C	11	20S	38E	330'	FNL	1690'	FWL	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Hydrocarbon	Volume of Release	6	Volume Recovered	5	
Source of Release	BPV/Gauge	Date and Hour of Occurrence	10/11/2010 unknown	Date and Hour of Discovery	10/11/2010 9am	
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?				
By Whom?	Natalie Gladden	Date and Hour				Larry Johnson 10/11/2010 1030am
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.*

Beard back pressure valve plugged off with a piece of rubber, pressured up at the wellhead and blew end out of 600# gauge.

Describe Area Affected and Cleanup Action Taken.*

All of the fluid remained on the location pad. The saturated soil was immediately excavated and hauled to Sundance Services. Remediation will continue until the NMOCD rules and guidelines area followed to closure.

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: 	<u>OIL CONSERVATION DIVISION</u>		
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: 10/20/10 Phone: 575-390-4186			

* Attach Additional Sheets If Necessary

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HOBBS OCD

AUG 09 2012

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Apache Corporation	Contact Natalie Gladden
Address P.O. Box 1849	Telephone No. 575-390-4186
Facility Name Melot #2	Facility Type Production well

Surface Owner	Mineral Owner NMOCD	Lease No. 30-025-38700
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By Whom? Natalie Gladden	Date and Hour Larry Johnson 10/11/2010 1030am	
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Signature: <i>Natalie Gladden</i>	OIL CONSERVATION DIVISION <i>Jeffrey Yelins</i> Environmental Specialist	
Printed Name: Natalie Gladden	Approved by District Supervisor	
Title: EHS Environmental Tech	Approval Date: 8/9/12	Expiration Date: -
E-mail Address: natalie.gladden@apachecorp.com	Conditions of Approval: -	Attached <input type="checkbox"/>
Date: 07/27/12 Phone: 575-390-4186	IRP-6-14-3107	

* Attach Additional Sheets If Necessary



HOBBS OCD
AUG 09 2012
RECEIVED

Melot #2

Lea County

Unit C, 11, 20S, 38E

330' FNL and 1690' FWL

API # 30-025-38700

Prepared by: Natalie Gladden

Apache Corporation

HOBBS OCD

AUG 09 2012

RECEIVED

Dear Geoffrey,

Attached you will find a copy of the original C141, Final C141, a diagram of the contamination for final samples along with sample points with sample results, which includes a spreadsheet of field data samples gathered by Rex Operating 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 hydrocarbon and produced water release that occurred at the Apache Melot #2.

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

Sincerely,

A handwritten signature in dark ink, appearing to read "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

Permian New Mexico 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 hydrocarbon and produced water release incident in accordance with the Guidelines for Remediation of Leaks, Spills and Releases.

On October 11th 2010, the beard back pressure valve plugged off with a piece of rubber from the stuffing box packing, pressured up at the wellhead and blew out the 600# gauge. Approximately 6bbls of fluid was released and 5bbls of fluid was recovered.

The contaminated soil was excavated, 1009 cubic yards of contaminated soil was taken to Sundance Services for disposal. Approximately 1112 cubic yards of clean material was purchased from a local landowner for backfill.

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 Apache Melot #2 release.

December 22, 2010

NATALIE GLADDEN

APACHE - EUNICE

P. O. BOX 1849

EUNICE, NM 88231

RE: APACHE MELOT #2

Enclosed are the results of analyses for samples received by the laboratory on 12/17/10 16:00.

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: 12/17/2010
Reported: 12/22/2010
Project Name: APACHE MELOT #2
Project Number: NONE GIVEN
Project Location: NOT GIVEN

Sampling Date: 12/17/2010
Sampling Type: Soil
Sampling Condition: ** (See Notes)
Sample Received By: Jodi Henson

Sample ID: 5 PT BOTTOM COMP (H021560-01)

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	12/21/2010	ND	432	108	400	0.00	

Sample ID: NORTH WALL (H021560-02)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	12/21/2010	ND	432	108	400	0.00	

Sample ID: SOUTH WALL (H021560-03)

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	12/21/2010	ND	432	108	400	0.00	

Sample ID: EAST WALL (H021560-04)

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	12/21/2010	ND	432	108	400	0.00		

Sample ID: WEST WALL (H021560-05)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	96.0	16.0	12/21/2010	ND	432	108	400	0.00		

Cardinal Laboratories

* = Accredited Analyte

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 client for 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 thirty (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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.

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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Celcy D. Keene

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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

Company Name: <u>Apache</u>		P.O. #:		BILL TO												ANALYSIS REQUEST											
Project Manager: <u>Natalie Gladden</u>		Company:																									
Address: <u>Apache</u>		Attn:																									
City:		Address:																									
State:		City:																									
Zip:		State:																									
Phone #:		Phone #:																									
Fax #:		Fax #:																									
Project #:		Project Owner:																									
Project Name: <u>Apache Melot #2</u>																											
Project Location:																											
Sampler Name: <u>Bruce Baker</u>																											
FOR LAB USE ONLY																											
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL:	OTHER:	PRESERV.	SAMPLING	DATE	TIME											
H21560-1	Spt. Btm Comp	G 1	1			✓									12-17-10	10:40am											
2	North Wall	G 1	1			✓									11	10:43am											
3	South Wall	G 1	1			✓									11	10:50am											
4	East Wall	G 1	1			✓									11	10:53am											
5	West Wall	G 1	1			✓									11	11:00am											

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.

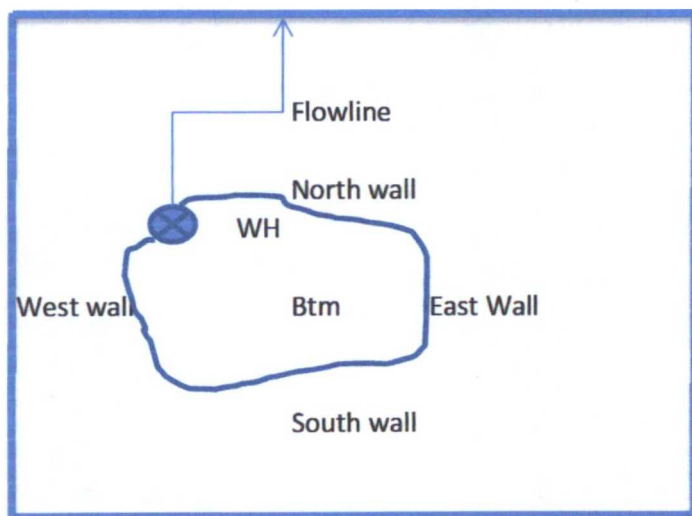
Relinquished By: <u>Bruce Baker</u>	Date: <u>12-17-10</u>	Received By: <u>Joedi Benson</u>	Date: <u>4:00pm</u>
Relinquished By:	Date:	Received By:	Date:
Delivered By: (Circle One)	Sample Condition	Checked By: (Initials)	
Sampler - UPS - Bus - Other:	Cool <input type="checkbox"/> Intact <input type="checkbox"/>		
	Yes <input type="checkbox"/> No <input type="checkbox"/>		
Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Add'l Phone #: Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Add'l Fax #: REMARKS: <u>Email results</u> <u>Natalie, Gladden@usa.apachecorp.com</u> <u>bbaker@rice-ecs.com</u> <u>hcnwder@rice-ecs.com</u>			

MeLot #2 Field Data

Sample Point	Water	Soil	AgNO	Cl-
North Wall	30.4	11.8	0.06	155
East Wall	33.2	12.3	0.05	135
South Wall	30.9	10.4	0.05	149
West Wall	30.6	12.4	0.07	173
NE Corner Bttm	33.8	14.8	0.06	137
NW Corner Bttm	31.4	13.2	0.04	95
Center Bttm	31.9	12.1	0.05	132
SE Corner Bttm	31.7	13.6	0.03	70
SW Corner Bttm	31.4	15.6	0.06	121
5 pt. Bttm Comp.	32.1	13.2	0.06	146

Melot #2

Release date: 10/11/2010



Sample ID	CHL
5pt Btm	16
North wall	96
South wall	<16
East wall	16
West wall	96