

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

HOBBS OCD

AUG 09 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 Maxwell #1	Facility Type Producer

Surface Owner Deck Estate	Mineral Owner NMOCD	Lease No. 30-025-08921
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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	16	22S	36E	660'	FNL	1980'	FWL	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced water/skim of oil	Volume of Release 7-8bbls	Volume Recovered None
Source of Release Stuffing box leak	Date and Hour of Occurrence 06/28/2010 134pm	Date and Hour of Discovery 06/28/2010 134pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson	
By Whom? Natalie Gladden	Date and Hour 06/28/2010 315pm	
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.*

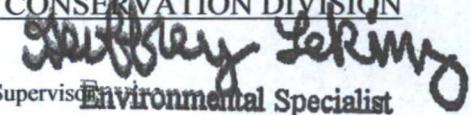
Describe Cause of Problem and Remedial Action Taken.*

Saturated soil was excavated immediately due to most of the fluid had soaked into the ground, large rain event was headed our way. The soil was excavated and hauled to Sundance Services.

Describe Area Affected and Cleanup Action Taken.*

Due to contamination only being around the wellhead and a gas line running beside unit, the contamination was only cleaned to <864-ppm. Verbal approval from Larry Johnson to cease remediation. Ground water at approximately 173' bgs.

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 Environmental Specialist	
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"/>
07/27/12 Phone: 575-390-4186		IRP-06-14-3067

* Attach Additional Sheets If Necessary



HOBBS OCD

AUG 09 2012

RECEIVED

Maxwell #1

Lea County

Unit C, 16, 22S, 36E

660' FNL and 1980' FWL

API # 30-025-08921

Release Date: 06/28/10

Prepared by: Natalie Gladden

Apache Corporation

HOBBS OCD

Dear Geoffrey,

AUG 09 2012

RECEIVED

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 Maxwell #1.

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

Sincerely,



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 produced water release incident in accordance with the Guidelines for Remediation of Leaks, Spills and Releases, with a Risk Based Closure.

On June 28th 2010, the stuffing box leaked due to packing issues. Approximately 7-8bbls of produced water was released and we were unable to recover any fluid because the product saturated before a vacuum truck could respond. The depth to ground water in this area is approximately 173' bgs. The fluid that was released filled up the cellar and surrounded the pump jack base on each side. Due to safety concerns, Larry Johnson was contacted for verbal permission to Risk this remediation out due to safety concerns of the pump jack sinking if we exposed the soil around it. Site plan was approved.

The contaminated soil was excavated to a depth of 2' around the base and 4' around the wellhead. 180 cubic yards of contaminated soil was excavated and hauled to Sundance Services for disposal. 194 cubic yards of clean soil was purchased from a local landowner for backfill. Attached you will find the sample map that indicates that soil above the 250-ppm chloride threshold was left in place. When this well is plugged and abandoned, the remediation will continue to reach the <250-ppm chloride standard.

Based on the analytical results of the confirmation soil samples and the site specific safety concerns that were encountered during our remediation process, Apache Corporation would like to request that this remediation be closed under the Risk Based Closure Plan. Consequently no further action is recommended at this time until the well is plugged and abandoned.

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SENT

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Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
Saturated soil was excavated immediately due to most of the fluid had soaked into the ground, large rain event was headed our way. The soil was excavated and hauled to Sundance Services.

Describe Area Affected and Cleanup Action Taken.*
Remediation will cease once the NMOCD Rules and Guidelines are 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: <i>Natalie Gladden</i>	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: 07/10/2010 Phone: 575-390-4186		

* Attach Additional Sheets If Necessary



CARDINAL LABORATORIES

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

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

BILL TO

ANALYSIS REQUEST

Company Name: Apene
 Project Manager: Patrick Gladden
 Address: _____
 City: _____ State: _____ Zip: _____
 Phone #: _____ Fax #: _____
 Project #: _____ Project Owner: _____
 Project Name: _____
 Project Location: Maxwell #1
 Sampler Name: _____
 P.O. #: _____
 Company: _____
 Attn: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Phone #: _____
 Fax #: _____

Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX						DATE	TIME	ANALYSIS REQUEST
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER :			
<u>H205021</u>	<u>SP1</u>									<u>7/21</u>	<u>4:30</u>	<u>CAV</u>
<u>2</u>	<u>2</u>											
<u>3</u>	<u>3</u>											
<u>4</u>	<u>4</u>											
<u>5</u>	<u>5</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.

Relinquished By: Patrick Gladden
 Date: 7/30
 Time: 4:35
 Received By: Scotti Morrison
 Date: _____
 Time: _____

Delivered By: (Circle One)
 Sampler - UPS - Bus - Other: 952
 Sample Condition: Cool Intact
 Checked By: Scotti Morrison
 Phone Result: Yes No
 Fax Result: Yes No
 Add'l Phone #: _____
 Add'l Fax #: _____

Snail

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

#26



ARDINAL LABORATORIES

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

August 4, 2010

Natalie Gladden
Apache Corporation
P.O. Box 1849
Eunice, NM 88231

Re: Maxwell #1

Enclosed are the results of analyses for sample number H20502, received by the laboratory on 07/30/10 at 4:35 pm.

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 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

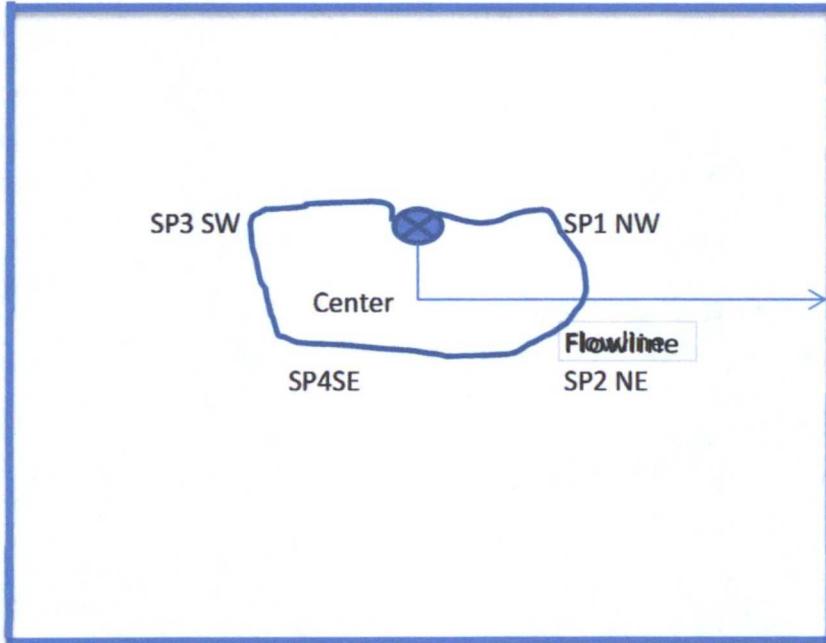
Sincerely,

Celey D. Keene
Laboratory Director

This report conforms with NELAP requirements.

Maxwell #1

Release date: 06/28/2010



Sample ID	Cl/mg/kg
SP1	720
SP2	864
SP3	848
SP4	544
SP5	400