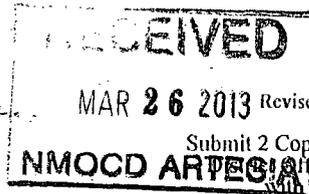


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

nJMW1309850960

OPERATOR

Initial Report Final Report

Name of Company Apache Corporation <i>873</i>	Contact Natalie Gladden
Address PO Box 1849 Eunice NM 88231	Telephone No. 575-390-4186
Facility Name Tony Federal #46	Facility Type Production Well/Drilling

Surface Owner BLM	Mineral Owner BLM	Lease No. 30-015-40391
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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
A	19	17S	31E	330'	FNL	330'	FEL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Brine Water	Volume of Release 150	Volume Recovered 135
Source of Release Annular did not hold	Date and Hour of Occurrence 12/09/12	Date and Hour of Discovery 12/09/12
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	
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.*
While drilling at 734', the rig took a 600bbls water/flow and at that time the crew diverted water to all storage, picked up off bottom and shut in annular. The Annular did not hold, so the crew dialed pressure up to 1400# psi and the Annular still would not hold.

Describe Area Affected and Cleanup Action Taken.*
Site will be remediated once the rig moves off and the well is completed.

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 poses 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:	Signed By <i>Mike Bratcher</i>
Title: Sr. Environmental Tech	Approval Date: APR 08 2013	Expiration Date:
E-mail Address: natalie.gladden@apachecorp.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12/09/12 Phone: 575-390-4186	Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:	

May 8, 2013
ZRP-1603

* Attach Additional Sheets If Necessary