

NM OIL CONSERVATION

ARTESIA DISTRICT

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

JUL 22 2014

Form C-141
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in
conformance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

NAB1420527240 OPERATOR Initial Report Final Report

| | |
|--|----------------------------|
| Name of Company Apache Corporation <u>873</u> | Contact Bruce Baker |
| Address 2350 W Marland Blvd Hobbs New Mexico 88240 | Telephone No. 432-631-6982 |
| Facility Name Lee Federal # 70 | Facility Type Oil Well |
| Surface Owner Federal | Mineral Owner |
| API No. 30-015-41112 | |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| | 20 | 17S | 31E | 2260' | FSL | 990' | FEL | Eddy |

Latitude 32.819624 Longitude 103.8865524

NATURE OF RELEASE

| | | |
|--|---|---|
| Type of Release oil and produced water | Volume of Release 2 barrels of oil and 5 barrels of water | Volume Recovered 4 barrels of total fluid. |
| Source of Release Well head | Date and Hour of Occurrence 6/27/2014 at 2:30 p.m. | Date and Hour of Discovery 6/27/2014 at 2:30 p.m. |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | |
| By Whom? | 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.*
A cow rubbed up against the valve handle on 1 inch valve below the well head pressure gauge opening the valve. The valve was shut and the valve handle was removed from the valve.

Describe Area Affected and Cleanup Action Taken.*
The entire release was contained on the lease pad approximately 2,000 square feet. A vacuum truck was dispatched to pick-up standing fluid. The release area was mapped and samples were collected at surface and 1 foot below ground surface and taken to a commercial laboratory for analysis.

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>Bruce Baker</u> | OIL CONSERVATION DIVISION | |
| Printed Name: Bruce Baker | Approved by Environmental Specialist: <u>[Signature]</u> | |
| Title: Environmental Technician | Approval Date: <u>7/24/14</u> | Expiration Date: <u>NA</u> |
| E-mail Address: larry.baker@apachecorp.com | Conditions of Approval: remediation per UCD Rule & Guidelines, & like approval by BLM. SUBMIT REMEDIATION | Attached <input type="checkbox"/> |
| Date: 7/22/2014 Phone: 432-631-6982 | | |

* Attach Additional Sheets If Necessary

PROPOSAL NO LATER THAN:

8/24/14

2RP-2388