

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

RECEIVED

State of New Mexico
Energy Minerals and Natural Resources

AUG 04 2010

HOBBSOCD

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 Eunice, NM 88231	Telephone No. 575-390-4186	
Facility Name NEDU Sat 2A	Facility Type	
Nearest Well NEDU #128	Satellite	
Surface Owner McCasland	Mineral Owner NMOCD	Lease No. 30-025-34651

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
E	3	21S	37E	2483'	FNL	1277	FWL	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Hydrocarbon	Volume of Release 15	Volume Recovered 10
Source of Release Kimray Valve	07/19/2010 7am	Same
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Jeff Leiking	
By Whom? Natalie Gladden	07/19/2010 3pm	
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.*

WATER @ 22'


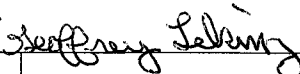
Describe Cause of Problem and Remedial Action Taken.*

The kimray valve going into the tester failed causing the fluid to go into the overflow tank. A total of 234bbls of oil was transferred into the overflow tank, the overflow tank filled up causing the fluid to spill over into the lined bermed area. The fluid inside the overflow tank was put back into the oil tanks as well as the fluid from inside the lined bermed area.

Describe Area Affected and Cleanup Action Taken.*

The hydrocarbon stained pea gravel was excavated, liner still intact, the contaminated gravel was hauled to Sundance Services and the liner was backfilled with clean pea gravel. No samples were needed due to battery being lined.

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	ENV. ENGINEER: Approved by District Supervisor: 	
Title: EHS Environmental Tech	Approval Date: 08/04/10	Expiration Date: —
E-mail Address: natalie.gladden@apachecorp.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 07/29/2010 Phone: 575-390-4186		IRP-11-10-2662

* Attach Additional Sheets If Necessary