

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

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
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Apache Corporation	Contact Bruce Baker	
Address 8 Ellison Lane, Eunice, NM 88231	Telephone No. (432) 631-6982	
Facility Name Lee Federal #72	Facility Type Oil Well	
Surface Owner BLM	Mineral Owner	API No. 30-015-41253

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	20	17S	31E	1585'	FSL	1650'	FEL	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release oil and brine water	Volume of Release 30 Barrels (3 oil and 27 brine water)	Volume Recovered Unknown
Source of Release Well	Date and Hour of Occurrence 12/17/13 at 9:00 p.m.	Date and Hour of Discovery 12/17/13 at 9:00 p.m.
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher (NMOCD) and Jeffery Robertson (BLM)	
By Whom? Bruce Baker	Date and Hour 12/18/13 at 2:54 p.m.	
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.* TIH W/Collars hit gas bubble that unloaded the hole releasing 30 Barrels of fluid. The well was shut in.

Describe Area Affected and Cleanup Action Taken.* The majority of the release was contained to the location pad with approximately 1 Barrel of fluid in the pasture. A total of 12,987 square feet of lease pad and pasture area was affected. The release area on the lease pad was scraped to remove the wet material and the excavated material was disposed of at a NMOCD approved facility. RECS personnel were on site beginning on January 8th, 2014 to assess the release. Eight samples were taken within the release area and field tested for chlorides and organic vapors. The field data for the lease pad showed elevated chloride readings at the surface. Point 3 was also sampled at 6 inches bgs and returned a field chloride reading of 480 mg/kg. The field data from the pasture area showed an elevated chloride reading at the surface of Point 6, chloride data that was below regulatory standards at 6 inches bgs at Point 7 and a surface sample below regulatory standards at Point 8. Based on the field data, BLM recommended that the pasture area be scraped down 6 inches to remove the wet material. The release in the pasture and on the lease pad was initially scraped down 6 inches. On February 14th, 2014, two samples were taken from the bottom of the 6 inch scrape on the lease pad and a vertical was installed to determine the depth of contamination. Scraping on the lease pad continued with both depth and breadth until field chloride data indicated that all bottom and wall sample points would return laboratory chloride values below regulatory standards. However, two of the walls could not meet regulatory standards. The south wall was encroaching on the pump jack and the west wall was encroaching on the access road. Both became safety issues and a decision was made to halt scraping efforts at that time. These areas will be addressed during site abandonment. Six bottom samples and 8 wall samples were taken from the scrape and submitted to a commercial laboratory to verify the accuracy of the field data. All excavated soils were taken to a NMOCD approved facility for disposal. The lease pad was backfilled with clean, imported caliche and water packed to provide and stable driving surface.

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>Bruce Baker</i>	OIL CONSERVATION DIVISION	
Printed Name: Bruce Baker	Approved by Environmental Specialist:	
Title: Environmental Technician	Approval Date: 7/31/14	Expiration Date: N/A
E-mail Address: larry.baker@apachecorp.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 7-23-14 Phone: (432) 631-6982	FINAL	

* Attach Additional Sheets If Necessary