We study flare processes in the lower solar atmosphere using observational data for a M1-class flare of June 12, 2014, obtained by New Solar Telescope (NST/BBSO) and Helioseismic Magnetic Imager (HMI/SDO). The main goal is to understand manifestations of the flare energy release in the lower layers of the solar atmosphere (the photosphere and chromosphere) using high-resolution optical observations and magnetic field measurements. We analyze NST optical images, HMI Dopplergrams and vector magnetograms, and use Non-Linear Force-Free Field (NLFFF) extrapolations for reconstruction of the magnetic field topology. The NLFFF modelling reveals interaction of oppositely directed magnetic flux tubes in the PIL. These two interacting magnetic flux tubes are observed as a compact sheared arcade along the PIL in the high-resolution broad-band continuum images from NST. Magnetic reconnection was probably triggered by these two interacting magnetic flux tubes with current sheet elongated along the PIL. In the vicinity of the PIL, the NST H alpha observations reveal formation of a thin three-ribbon structure corresponding to the small-scale photospheric magnetic arcade. Presented results of observations and NLFFF modelling evidence in favor of location of the primary energy release site in the dense chromosphere where plasma is partially ionized in the region of strong electric currents concentrated near the polarity inversion line.