

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  
District Office in accordance  
with Rule 116 on back  
side of form

Release Notification and Corrective Action

AKmw 1101235576

OPERATOR

☒ Initial Report

☐ Final Report

|  |   |
|--|---|
| Name of Company: Chesapeake Energy         | Contact: Bradley Blevins                  |
| Address: 1616 West Bender, Hobbs, NM 88240 | Telephone No.: (575) 391-1462, ext. 86424 |
| Facility Name: RGA #2                      | Facility Type: Flow line                  |

|                                |                |                     |
|--------------------------------|----------------|---------------------|
| Surface Owner: UFFIE Land Com. | Mineral Owner: | API No.: 3001526182 |
|--------------------------------|----------------|---------------------|

LOCATION OF RELEASE

|                  |               |                 |              |                      |                           |                       |                        |                |
|------------------|---------------|-----------------|--------------|----------------------|---------------------------|-----------------------|------------------------|----------------|
| Unit Letter<br>N | Section<br>14 | Township<br>23S | Range<br>28E | Feet from the<br>990 | North/South Line<br>South | Feet from the<br>2080 | East/West Line<br>West | County<br>Eddy |
|------------------|---------------|-----------------|--------------|----------------------|---------------------------|-----------------------|------------------------|----------------|

Latitude: N32° 18' 2.23"

Longitude: W104° 3' 36.00"

NATURE OF RELEASE

|  |   |   |
|--|---|---|
| Type of Release: Produced water  | Volume of Release: 30-bbls                                  | Volume Recovered: 10-bbls                           |
| Source of Release: flow line   | Date and Hour of Occurrence:<br>3/21/2010 @ 1000 hrs        | Date and Hour of Discovery:<br>3/21/2010 @ 1000 hrs |
| Was Immediate Notice Given?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required   | If YES, To Whom?<br>Mike Bratcher (ENMRD-Artesia)           |   |
| By Whom? Bradley Blevins   | Date and Hour: 3/22/2010                                    |   |
| Was a Watercourse Reached?<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  | If YES, Volume Impacting the Watercourse:<br>Not Applicable |   |
| If a Watercourse was Impacted, Describe Fully.* Not Applicable   |   |   |
| Depth to Groundwater: ~ 50 feet  |   |   |
| Describe Cause of Problem and Remedial Action Taken.* A flow line developed a hole releasing 30 barrels of produced water to the location, 10 barrels of fluid was recovered.  |   |   |
| Describe Area Affected and Cleanup Action Taken.* Vacuum trucks picked up ± 10-bbls of fluid. An Emergency Response Team arrived at the release area and began abatement of the impacted area.   |   |   |
| 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>Bradley Blevins</i>           | OIL CONSERVATION DIVISION  |                                   |
| Printed Name: Bradley Blevins               | Approved by District Supervisor<br>Signed By: <i>Mike Bratcher</i>                         |                                   |
| Title: EH & S Field Specialist              | Approval Date: 3/3/11  | Expiration Date:                  |
| E-mail Address: bradley.blevins@chk.com     | Conditions of Approval:  | Attached <input type="checkbox"/> |
| Date: 3/22/10 Phone: (575) 391-1462, #86424 | Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 4/3/11 |                                   |

\* Attach Additional Sheets If Necessary

2RR-549