

RECEIVED

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

OPERATOR

Initial Report  Final Report

<b>Name of Company:</b> Chesapeake Energy	<b>Contact:</b> Bradley Blevins
<b>Address:</b> 1616 West Bender, Hobbs, NM 88240	<b>Telephone No.:</b> (575) 391-1462. ext. 68424
<b>Facility Name:</b> WTU #932	<b>Facility Type:</b> Tank Battery

<b>Surface Owner:</b> BLM	<b>Mineral Owner:</b>	<b>API No.:</b> 30025310035
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	9	20S	33E	2310	North	2310	East	Lea

Latitude: N32° 35' 18.35"

Longitude: W103° 40' 0.30"

NATURE OF RELEASE

<b>Type of Release:</b> Produced water	<b>Volume of Release:</b> 600-bbbls	<b>Volume Recovered:</b> 545-bbbls
<b>Source of Release:</b> Tank Battery	<b>Date and Hour of Occurrence:</b> 2/5/2010 @ 0700 hrs	<b>Date and Hour of Discovery:</b> 2/5/2010 @ 0700 hrs
<b>Was Immediate Notice Given?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	<b>If YES, To Whom?</b> Maxey Brown (NMOCD-Hobbs)	
<b>By Whom?</b> Bradley Blevins	<b>Date and Hour:</b> 2/5/2010	
<b>Was a Watercourse Reached?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>If YES, Volume Impacting the Watercourse:</b> Not Applicable	

If a Watercourse was Impacted, Describe Fully.\* Not Applicable

**Depth to Groundwater:** ~ 125 feet

**Describe Cause of Problem and Remedial Action Taken.\*** A tank ran over due to alarm failure. Earthen berms surrounding the tank battery contained the fluid and limited the release area size.

**Describe Area Affected and Cleanup Action Taken.\*** Vacuum trucks picked up ± 545-bbbls of fluid. The release was contained within the bermed area of the Tank Battery. An Emergency Response Team arrived at the release area and began continuous abatement of the impacted area. The release area will be delineated via test trench to determine the extent of impactation. Upon receipt of laboratory analytical data, NMOCD approved installation of clay liner over area of test trench #3 and backfilling of site.

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.

<b>Signature:</b> <i>Bradley Blevins</i>	<b>OIL CONSERVATION DIVISION</b>	
<b>Printed Name:</b> Bradley Blevins	<b>ENV. ENGINEER :</b> <b>Approved by District Supervisor:</b> <i>Stephany Lebrun</i>	
<b>Title:</b> EH & S Field Specialist	<b>Approval Date:</b> 03/03/10	<b>Expiration Date:</b> -
<b>E-mail Address:</b> bradley.blevins@chk.com	<b>Conditions of Approval:</b>	<b>Attached</b> <input type="checkbox"/>
<b>Date:</b> 2/26/10 <b>Phone:</b> (575) 391- 1462, #86424		IRP-10-3-2444

\* Attach Additional Sheets If Necessary

FGRL 1006255973