

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

Name of Company: Chesapeake Energy 147/79	Contact: Bradley Blevins
Address: 5014 Carlsbad Highway Hobbs NM 88240	Telephone No.: (505) 391-1462 ext. 24
Facility Name: Principle 1 & 2 Battery	Facility Type: Tank Battery

Surface Owner: United States Government- Bureau of Land Management	Mineral Owner: United States Government- Bureau of Land Management	Lease No.: BLM #LC-029392-B
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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
C	27	18S	31E	990	North	1650	West	Eddy

Latitude: N 32° 43' 23.131" Longitude: W 103° 51' 37.137"

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: 154 barrels	Volume Recovered: 80 barrels
Source of Release: Tank Battery	Date and Hour of Occurrence: September 17, 2005 P.M.	Date and Hour of Discovery: September 18, 2005 A.M.
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Gerry Guye, NMOCD- Artesia	
By Whom? Bradley Blevins, Chesapeake	Date and Hour: September 18, 2005 @ 1100 hours	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse: Not Applicable	

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

Describe Cause of Problem and Remedial Action Taken.* Lightning strike threw 500 barrel fiberglass water tank approximately 100-feet from tank battery location. Wells were shut in upon discovery.

Describe Area Affected and Cleanup Action Taken.* Approximately 5,100 square feet of surface area was impacted by the release. The site will be delineated and a Remediation/Closure Plan developed and submitted to the NMOCD.

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.

OIL CONSERVATION DIVISION

Signature: <i>Bradley Blevins</i>	Approved by District Supervisor: TIM GUN by MB <i>[Signature]</i>	
Printed Name: Bradley Blevins	Approval Date: 10/13/05	Expiration Date: N/A
Title: Field Technician	Conditions of Approval:	
E-mail Address: bblevins@chkenegy.com	Attached <input checked="" type="checkbox"/>	
Date: 9-27-05	Phone: (505) 391-1462 ext. 24	

* Attach Additional Sheets If Necessary



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Chesapeake Energy
5014 Carlsbad Highway
Hobbs NM 88240

October 13, 2005

Re: Principal Federal 001 Tank Battery (1&2) C-27-18s-31e 30-015-32616 Incident # nMLB0528648031

The New Mexico Oil Conservation Division District II Office is in receipt of an Initial Report C-141 reporting a produced fluids release that occurred on 9/17/2005 at or near the above referenced well site.

Please submit a Corrective Action Work Plan to this office for correction/remediation of this release. Please use the "Guidelines For Remediation of Leaks, Spills, and Releases" as your guide.

This document may be found on the NMOCD web site: www.emnrd.state.nm.us/ocd, under Publications/Environmental Handbook/Miscellaneous Guidelines/Spill Prevention Clean up.

The work plan presented to the NMOCD must include general site characteristics, site ranking score, soil remediation action levels, soil remediation methods, and planned analytical testing for TPH, B-TEX, Chlorides or any other CoCs as applicable.

A final Form C-141 is required for closure of the release incident and must include a report of remediation actions taken with final analytical results attached.

Like approval by BLM required if applicable.

Please have the requested work plan in the Artesia office on or before November 3, 2005. The NMOCD District II Office must be notified 24 hours prior to commencement of remediation actions and prior to samples being obtained where analysis of such samples are to be submitted to the OCD.

In the event that a satisfactory response is not received to this letter further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of NMOCD rules.

If I can be of assistance in this matter, my contact information is listed below.

Mike Bratcher
NMOCD District 2
1301 W. Grand Ave.
Artesia, NM 88210
(505) 748-1283 Ext. 108
(505) 626-0857
mbratcher@state.nm.com

cc: operator 10/13/05