

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	Contact: Bradley Blevins
Address: P.O. Box 190	Telephone No.: (505) 391-1462 ext. 6224
Facility Name: Pronghorn State #1	Facility Type: Tank Battery

Surface Owner: Jim Keller	Mineral Owner:	Lease No.:
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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
G	34	23S	34E	1,980	N	1,980	E	Lea

Latitude: N 32° 15' 46.45" **Longitude:** W 103° 27' 20.87"

NATURE OF RELEASE

Type of Release: Petroleum and/or production fluids	Volume of Release: Unknown	Volume Recovered: Unknown
Source of Release: Various sources	Date and Hour of Occurrence: Historical	Date and Hour of Discovery:
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom? Bradley Blevins	Date and Hour:	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse: Not Applicable	

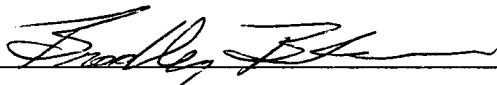
If a Watercourse was Impacted, Describe Fully.* Not Applicable

Describe Cause of Problem and Remedial Action Taken.* The release is historical from various sources.

Describe Area Affected and Cleanup Action Taken.* Approximately 210 square-feet of surface area was impacted by the release. Soil borings were advanced to collect soil samples to delineate extent of impacted soil. A remediation proposal will be developed based on soil sample analyses.

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: 	Approved by District Supervisor:	
Printed Name: Bradley Blevins	Approval Date:	Expiration Date:
Title: Field Supervisor	Conditions of Approval:	
E-mail Address: bblevins@chkenenergy.com	Attached <input type="checkbox"/>	
Date: 4-3-06 Phone: (505) 391-1462 ext. 6224		

* Attach Additional Sheets If Necessary

Chesapeake - 147179

Facility - SPAC0609632841
Incident - SPAC0609632913

Application - SPAC0609633096



ENVIRONMENTAL PLUS, INC.
CONSULTING AND REMEDIAL CONSTRUCTION

30 March 2006

Mr. Larry Johnson, Environmental Engineer
New Mexico Oil Conservation Division
1625 North French Drive
Hobbs, New Mexico 88240



Re: Initial C-141
Chesapeake Energy Pronghorn State #1 – Reference #160050
UL-G, Section 34, Township 23 South, Range 34 East
Latitude N 32° 15' 46.45" and Longitude W 103° 27' 20.87"

Dear Mr. Johnson:

Environmental Plus, Inc. (EPI), on behalf of Mr. Bradley Blevins, Chesapeake Energy Corporation (Chesapeake), submits the attached New Mexico Oil Conservation Division (NMOCD) form C-141 for the above-referenced leak site, located on land owned by Jim Keller.

The site is located approximately 20 miles northwest of Jal, New Mexico (reference *Figure 1*). Information obtained from the New Mexico Office of the State Engineer's website and a United States Geological Survey (USGS) database indicates there are no water supply wells within a 1,000-foot radius of the release site. However, there are no water supply wells located within a 1.0-mile radius of the release site (reference *Figure 2*). Groundwater level data indicates an average depth to water of approximately ~~475~~ feet below ground surface (reference *Table 1*). The attached site information and metrics form ranks the site in accordance with the NMOCD Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993).


The historical release is of an unknown volume of petroleum and/or production fluids from varying sources.

Should you have any questions or concerns please feel free to contact me at (505) 394-3481 or via e-mail at iolness@envplus.net or Mr. Bradley Blevins at (505) 391-1462 ext. 6224 or via e-mail at bblevins@chkenenergy.com. All official communication should be addressed to:

Mr. Bradley Blevins
Chesapeake Energy
P.O. Box 190
Hobbs, New Mexico 88240

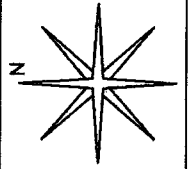
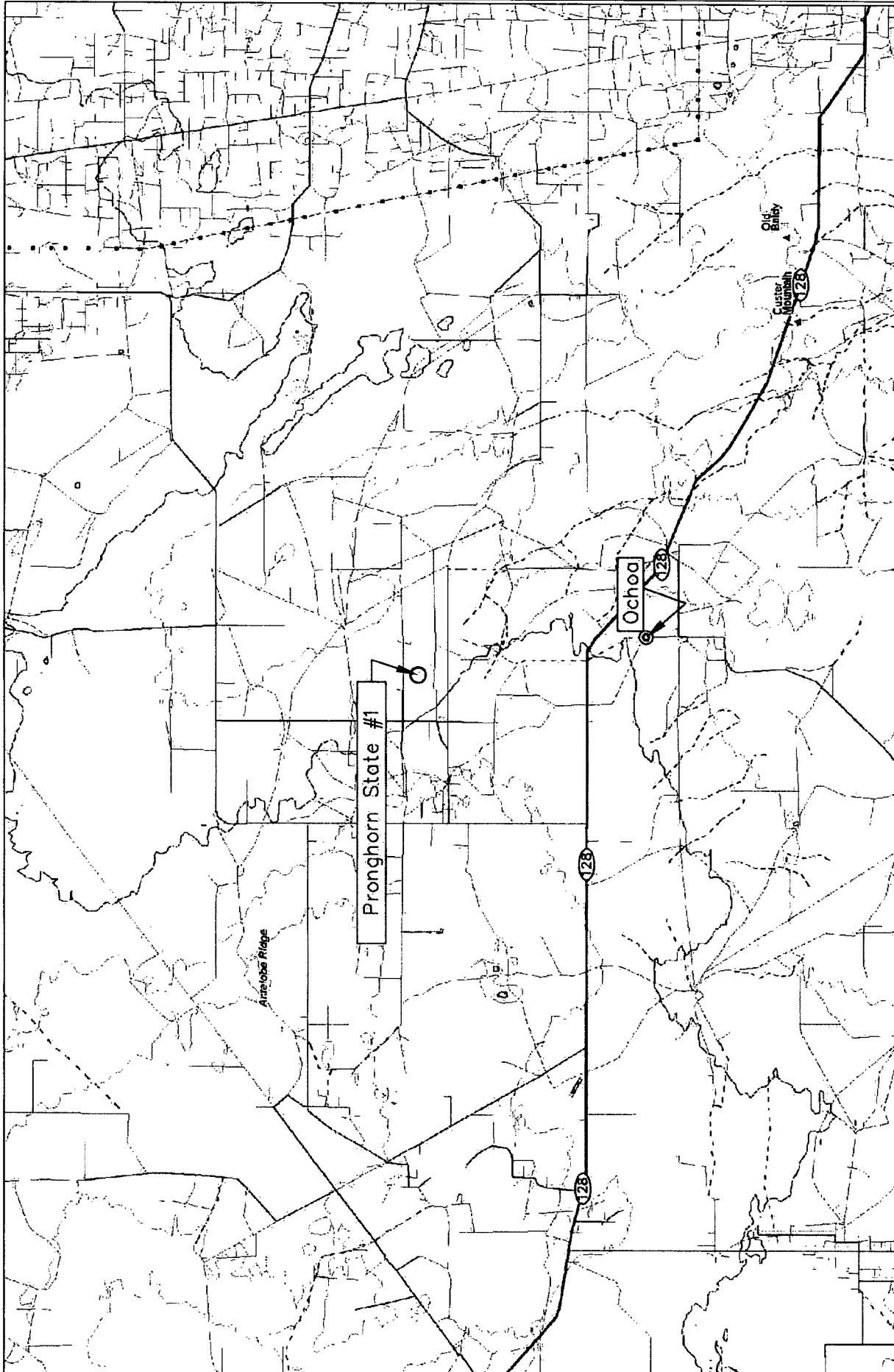
Sincerely,

ENVIRONMENTAL PLUS, INC.



Iain Olness, P.G.
Hydrogeologist

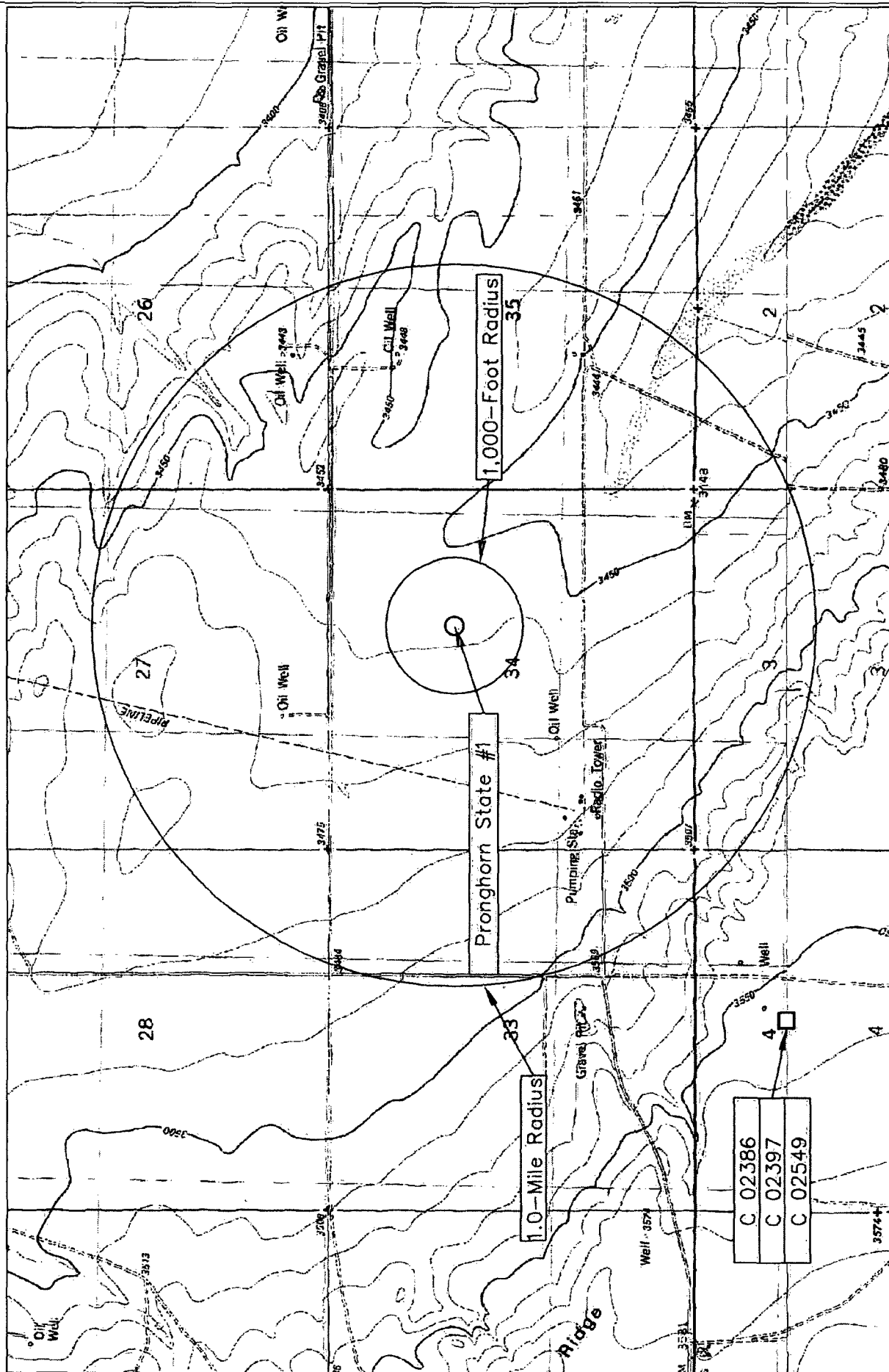
cc: Bradley Blevins, Chesapeake Energy – Hobbs, NM
Curtis Blake, Chesapeake Energy – Hobbs, NM
Harlan Brown, Chesapeake Energy – Oklahoma City, OK
Jim Keller, Landowner
File



DWG By: Daniel Dominguez January 2006	REVISED:	
	0 3.0 6.0	SHEET 1 of 1

Lea County, New Mexico
SW 1/4 of the NE 1/4, Sec. 34, T23S, R34E
N 32°15' 46.45" W 103°27' 20.87"
Elevation: 3,458 feet amsl

Figure 1
Area Map
Chesapeake Energy
Pronghorn State #1



<p>Figure 2</p> <p>Site Location Map</p> <p>Chesapeake Energy</p> <p>Pronghorn State #1</p>		<p>Lea County, New Mexico</p> <p>SW 1/4 of the NE 1/4, Sec. 34, T23S, R34E</p> <p>N 32°15' 46.45" W 103°27' 20.87"</p> <p>Elevation: 3,458 feet amsl</p>		<p>DWG By: Daniel Dominguez</p> <p>January 2006</p>	<p>REVISED:</p>
		<p>0 2000 4000 Feet</p> <p>4000 SHEET</p> <p>1 of 1</p>			

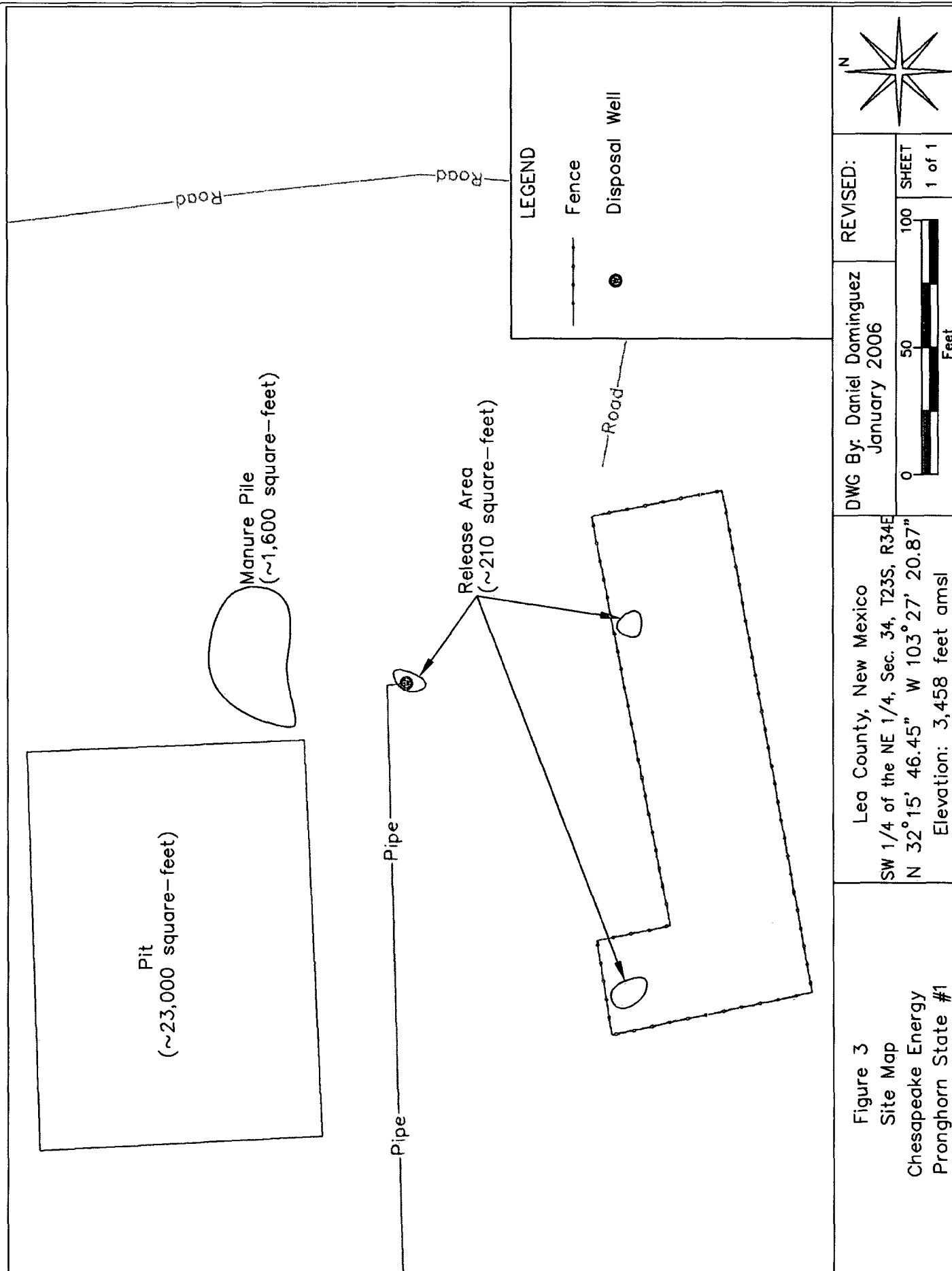


Figure 3
Site Map
Chesapeake Energy
Pronghorn State #1

Lea County, New Mexico
SW 1/4 of the NE 1/4, Sec. 34, T23S, R34E
N 32°15' 46.45" W 103°27' 20.87"
Elevation: 3,458 feet amsl

DWG By: Daniel Dominguez
January 2006

REVISED:
100
50
0
Feet
SHEET
1 of 1

TABLE 1
Well Data
Chesapeake Energy - Pronghorn State #1 (Ref. # 160050)

Well Number	Diversion ^A	Owner	Use	Twsp	Rng	Sec q q q	Latitude	Longitude	Date Measured	Surface Elevation ^B	Depth to Water (ft bgs)
C 02386	3	RUBERT MADERA	DOM	24S	34E	04 2 1 4	N32° 15' 0.43"	W103° 28' 28.06"	31-Jan-60	3,555	475
C 02397	30	BERT MADERA	COM	24S	34E	04 2 1 4	N32° 15' 0.43"	W103° 28' 28.06"	31-Jan-60	3,555	475
C 02397	3	BERT MADERA	MUL	24S	34E	04 2 1 4	N32° 15' 0.43"	W103° 28' 28.06"	31-Jan-60	3,555	475

^A = Elevation interpolated from USGS topographical map based on referenced location.

DOM = 72-12-1 Domestic one household

COM = Commercial

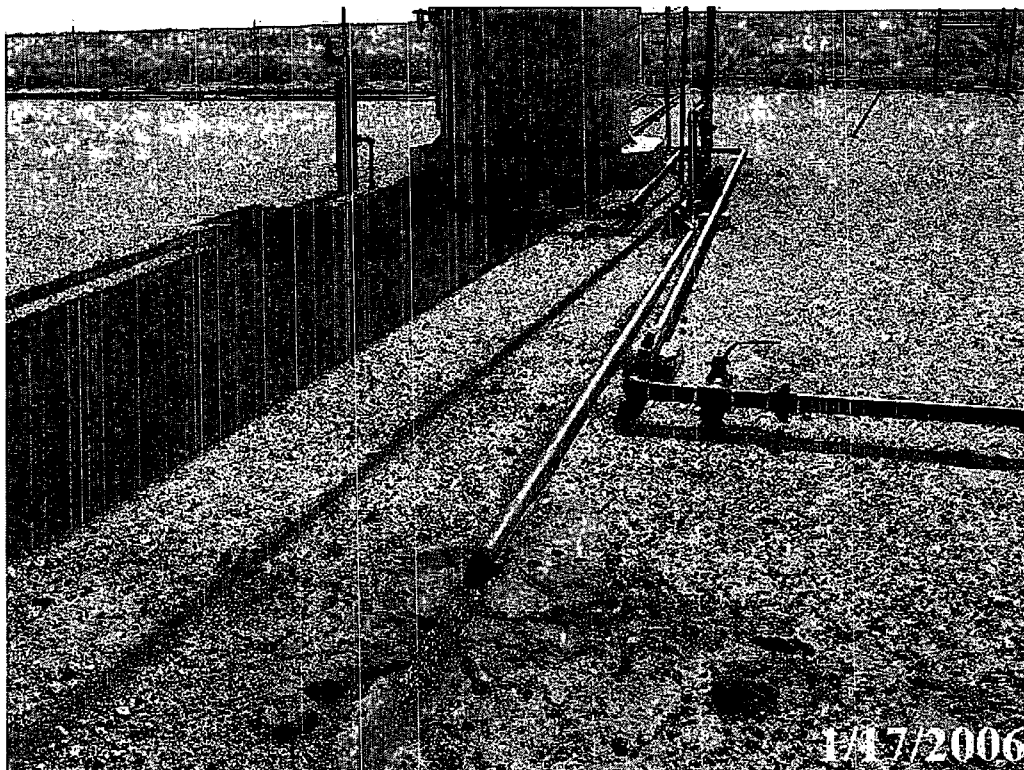
MUL = 72-12-1 Multiple domestic households

quarters are 1=NW, 2=NE, 3=SW, 4=SE; quarters are biggest to smallest

Shaded area indicates wells not shown in Figure 2



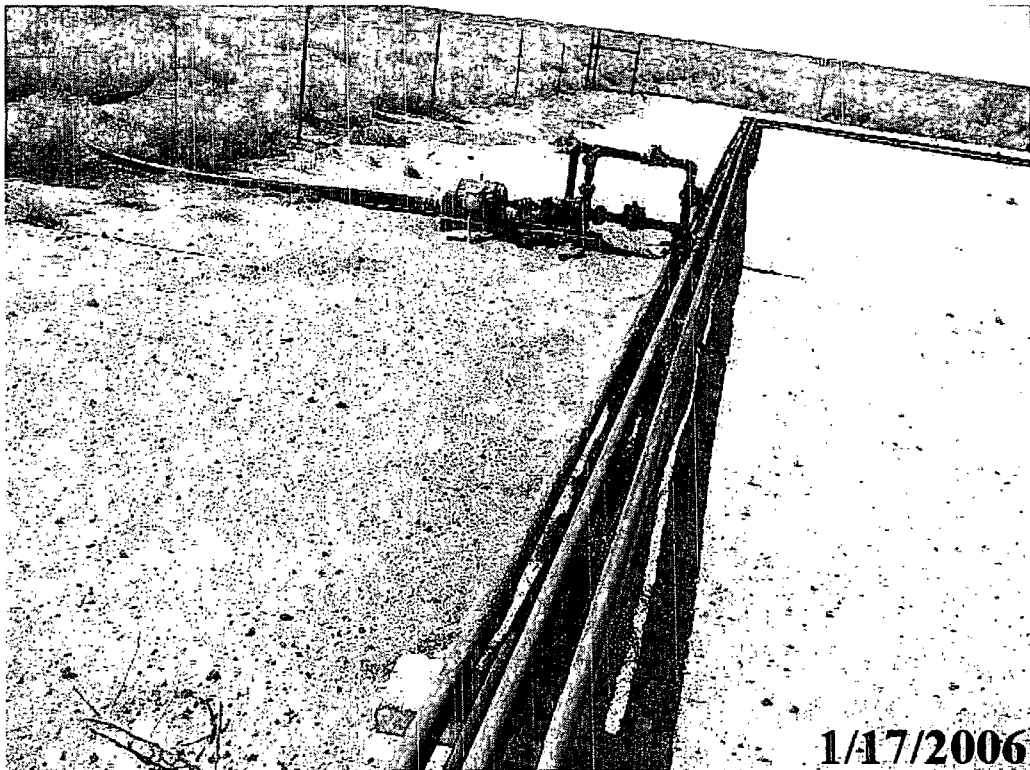
Photograph #1 – Lease sign.



Photograph #2 - Looking northwesterly at the release area.



Photograph #3 - Looking southwesterly at release area.



Photograph #4 - Looking northeasterly at the release area.



Information and Metrics

Incident Date: Historical	NMOCD Notified:
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Site: Pronghorn State #1		Assigned Site Reference : #160050	
Company: Chesapeake Energy			
Street Address: 1616 West Bender			
Mailing Address: P.O. Box 190			
City, State, Zip: Hobbs, New Mexico 88240			
Representative: Bradley Blevins			
Representative Telephone: (505) 391-1462 ext. 6224			
Telephone:			
Fluid volume released (bbls): Unknown		Recovered (bbls): Unknown	
>25 bbls: Notify NMOCD verbally within 24 hrs and submit form C-141 within 15 days. (Also applies to unauthorized releases >500 mcf Natural Gas)			
5-25 bbls: Submit form C-141 within 15 days (Also applies to unauthorized releases of 50-500 mcf Natural Gas)			
Leak, Spill, or Pit (LSP) Name: Pronghorn State #1			
Source of contamination:			
Land Owner, i.e., BLM, ST, Fee, Other: Jim Keller			
LSP Dimensions: 10 feet by 10 feet, 10 feet by 70 feet, 10 feet by 40 feet			
LSP Area: ~100 ft ² , ~70 ft ² , ~40 ft ²			
Location of Reference Point (RP):			
Location distance and direction from RP:			
Latitude: N 32° 15' 46.45"			
Longitude: W 103° 27' 20.87"			
Elevation above mean sea level: 3,458 feet			
Feet from North Section Line: 1,980			
Feet from East Section Line: 1,980			
Location- Unit or ¼: SW¼ of the NE¼		Unit Letter: G	
Location- Section: 34			
Location- Township: T23S			
Location- Range: R34E			
Surface water body within 1000' radius of site: none			
Domestic water wells within 1000' radius of site: none			
Agricultural water wells within 1000' radius of site: none			
Public water supply wells within 1000' radius of site: none			
Depth from land surface to groundwater (DG): ~475 feet			
Depth of contamination (DC): unknown			
Depth to groundwater (DG - DC = DtGW): ~475 feet			
1. Groundwater		2. Wellhead Protection Area	
If Depth to GW <50 feet: <i>20 points</i>		If <1000' from water source, or; <200' from private domestic water source: <i>20 points</i>	
If Depth to GW 50 to 99 feet: <i>10 points</i>		If >1000' from water source, or; >200' from private domestic water source: <i>0 points</i>	
If Depth to GW >100 feet: <i>0 points</i>			
3. Distance to Surface Water Body			
<200 horizontal feet: <i>20 points</i>			
200-1000 horizontal feet: <i>10 points</i>			
>1000 horizontal feet: <i>0 points</i>			
Site Rank (1+2+3) = 0			
Total Site Ranking Score and Acceptable Concentrations			
Parameter	>19	10-19	0-9
Benzene ¹	10 ppm	10 ppm	10 ppm
BTEX ¹	50 ppm	50 ppm	50 ppm
TPH	100 ppm	1,000 ppm	5,000 ppm
¹ 100 ppm field VOC headspace measurement may be substituted for lab analysis			