

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

X Initial Report

Final Report

Name of Company: Range Resources Corporation	Contact: Don Robinson	
Address: 100 Throckmorton St., Ste 1200, Fort Worth, TX 76102	Telephone No.: 817-869-4128	
Facility Name: Eva Blinebry "B" Federal No. 5	Facility Type: Forced brine release at drilling unit	
Surface Owner: D.K. Boyd	Mineral Owner: Federal	API No.: 30-025-38574

LOCATION OF RELEASE

Unit Letter F	Section 34	Township 23S	Range 37E	Feet from the 1650	North/South Line FNL	Feet from the 2310	East/West Line FWL	County Lea
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Latitude: 32.263512

Longitude: 103.151395

NATURE OF RELEASE

Type of Release: 200,000 ppm brine release	Volume of Release: Est. 310 bbls	Volume Recovered: 260 bbls, approx. 50 bbls. dispersed onto pad or sprayed into off pad areas to the east.
Source of Release: Took an H2S gas kick at 2203' which caused weld to break on three inch line from manifold to the pit causing high pressure to blow through three inch line uncontained (due to high pressure) for approximately 10 minutes.	Date and Hour of Occurrence: Est. 2300 Hrs. on 4/22/08	Date and Hour of Discovery: 4/22/08 @ 2300 Hrs.
Was Immediate Notice Given: X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson, NMOCD; Jim Amos, BLM; D.K. Boyd, Rancher	
By Whom? D. Robinson / C. Winkler	Date and Hour: 4/23/08 at approximately 0900 Hours	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse. N/A	

If a Watercourse was Impacted, Describe Fully*
N/A

Describe Cause of Problem and Remedial Action Taken* ☐ Range experienced an involuntary discharge of 200,000 ppm brine water that occurred on the Eva Blinebry "B" Federal No. 5 well (Eva No. 5) while drilling at 2,203' on April 23, 2008 at 2300 Hours. We believe that the high pressure flow (19 ppg EMW) is a result of high pressure water injection from an adjoining lease. Range has no injection on the lease. Upon drilling into the pressure on Eva No. 5, the Kelly was pulled above the rotary table and the annular preventer was closed so that the flow was transferred through the choke manifold. This high pressure caused the weld to break on the three inch line running from the manifold to the pit, which allowed the flow to be uncontained. At this point, the H2S alarms sounded and the rig crew abandoned the location while noticing that a 300 ppm reading had been detected. Subsequent controlled flow detected a reading as high as 800 ppm. The flow continued until the driller could put on an air tank and shut the well in. During this period, the hyper-charged brine water was mainly contained on the drilling pad although some of the brine flowed off the pad towards the east. The discharge, which found its way to the east of the pad areas, was either caused by a (1) limited overflow from pooling on the pad or (2) a spraying effect discharged at a high velocity into the atmosphere. There were numerous "spaghetti trails" laid down which exhibited saturation into the sandy clay only a few inches in depth on the average. Three main areas of some ponding were also identified but these ranged in depth from a few inches down to an average of approximately 2 to 3 feet, noticed only in the flare pit area. Vacuum trucks were called immediately but could not engage in onsite cleanup operations until safety conditions permitted them to proceed. See Corrective Action Plan for further information.

Describe Area Affected and Cleanup Action Taken*

Refer to Final C-141 and Final Remediation Report when generated.

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. 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: DK Robinson	OIL CONSERVATION DIVISION	
Printed Name: Don Robinson	Approved by District Supervisor <i>Johnson</i>	
Title: Drilling Manager	Approval Date: 7.28.08	Expiration Date: 9.29.08
E-mail Address: drobinson@rangeresources.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 4/24/08 Phone: 817-869-4128		1 RP-1856

* Attach Additional Sheets If Necessary

FGRL0821949220

REMEDIATION FOR SPILL AREA ONLY.
(EAST AREA OFF PAD)

Mr. Don Robinson
Drilling Manager
Range Resources Corporation
100 Throckmorton Street
Suite 1200
Fort Worth, Texas 76102

RECEIVED
JUL 28 2008
HOBBS OCD

24 April 2008

Mr. Larry Johnson
OIL CONSERVATION DIVISION
1625 N. French Drive
Hobbs, NM 88240

Re: Eva Blinebry "B" Federal No. 5 Involuntary Brine Discharge *Corrective Action Plan*
(API No.: 30-025-38574) U/L F S34 T23S R37E, 1650' FNL and 2310' FWL

Dear Mr. Johnson:

Range Operating Resources, Inc. (Range) herewith submits notification of an involuntary discharge of 200,000 ppm brine water that occurred on the Eva Blinebry "B" Federal No. 5 well (Eva No. 5) while drilling at 2,203' on April 22, 2008 at 2300 Hours. We believe that the high pressure flow (19 ppg EMW) is a result of high pressure water injection from an adjoining lease. Range has no injection on the lease.

Upon drilling into the pressure on Eva No. 5, the Kelly was pulled above the rotary table and the annular preventer was closed so that the flow was transferred through the choke manifold. This high pressure caused the weld to break on the three inch line running from the manifold to the pit, which allowed the flow to be uncontained. At this point, the H2S alarms sounded and the rig crew abandoned the location while noticing that a 300 ppm reading had been detected. Subsequent controlled flow detected a reading as high as 800 ppm. The flow continued until the driller could put on an air tank and shut the well in. During this period, the hyper-charged brine water was mainly contained on the drilling pad although some of the brine flowed off the pad towards the east. The discharge, which found its way to the east of the pad areas, was either caused by a (1) limited overflow from pooling on the pad or (2) a spraying effect discharged at a high velocity into the atmosphere. There were numerous "spaghetti trails" laid down which exhibited saturation into the sandy clay only a few inches in depth on the average. Three main areas of some ponding were also identified but these ranged in depth from a few inches down to an average of approximately 2 to 3 feet, noticed only in the flare pit area.

Vacuum trucks were called immediately but could not engage in onsite cleanup operations until safety conditions permitted them to proceed. The vacuum trucks sucked up the brine water wherever it was ponding. Subsequently, a total of 260 barrels were recovered and hauled to

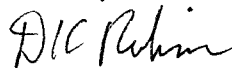
disposal. The remaining 50 barrels were handled as discussed earlier. The actual volume, which either ran off the pad or was blown off the drilling pad is estimated to be less than 20 barrels. Samples were obtained as soon as possible predicated on achieving acceptable safety limits for a life-sustaining atmosphere in the presence of dealing with the H₂S gas. Well control dominated the conditions to provide a safe working environment.

Current plans are to remove the contaminated soil to disposal from areas exceeding regulatory Performa, which will be defined by the analytical laboratory results. These shall be addressed by future reports since the data is not currently available. Summarily, as a consequence of this gas kick, Range experienced a release of approximately 310 barrels into the surrounding environment.

Range intends to continue to cooperate with the NMOCD regarding this cleanup and herewith submits its *Corrective Action Plan* to satisfy NMOCD Regulatory Performa requirements.

Should you have questions please call the office (575-394-1485).

Sincerely,

A handwritten signature in black ink, appearing to read "DRC Robinson".

Don Robinson
Drilling Manager

Enclosures: Initial C-141, Laboratory Analyticals