

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: 1616 West Bender, Hobbs, NM 88240		Telephone No.: (575) 391-1462, Ext. #6224	
Facility Name: RGA #2		Facility Type: Flow line	
Surface Owner: UFFIE Land Com.		Mineral Owner:	API No.: 3001526182

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	14	23S	28E	990	South	2080	West	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: 3/21/2010 @ 1000 hrs	Date and Hour of Discovery: 3/21/2010 @ 1000 hrs
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher (ENMRD-Artesia)	
By Whom? Bradley Blevins	Date and Hour: 3/22/2010	
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

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. On 3/21/10 approximately 56 c.y. of sloppy material was scrapped up, blended into a cohesive mass and transported to CRI for disposal with 28 c.y. of chat imported on return trips; on 4/01/10 and 4/13/10 four (4) test trenches were excavated to various depths, soil samples collected and transported to an independent lab for analyses of chloride concentrations; after consultation with NMOCD personnel, permission was granted to excavate the release area within the caliche pad a minimum of 1-vertical foot and backfill with caliche; between 4/28/10 and 5/10/10 approximately 336 c.y. of impacted material were transported to Lea Land Landfarm for disposal with 308 c.y. of imported caliche from an EPI pit delivered on return trips; after backfill was complete, the areas were contoured to promote drainage and prevent pooling of water

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		Signed By: <i>Mike Bratcher</i> Approved by District Supervisor:	
Title: EH & S Field Specialist	Approval Date:	Expiration Date:	
E-mail Address: bblevins@chkenergy.com	Conditions of Approval: <i>Final</i>	Attached <input type="checkbox"/>	
Date: 5/21/10	Phone: (575) 391-1462, Ext. #6224		

* Attach Additional Sheets If Necessary

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