

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-14
Revised October 10, 200

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-26544

Release Notification and Corrective Action

n CLB 0523732298

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Chesapeake Energy	Contact: Bradley Blevins
Address: 5014 Carlsbad Highway	Telephone No.: (505) 391-1462 ext. 24
Facility Name: Markham #1	Facility Type: Tank Battery

Surface Owner: Portions of Unit Letter C of this section are owned by Floyd Markham, Peggy Doyle, John Armsburst, Roy and Janice Shugart and Samuel Burkham.	Mineral Owner: Fee	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
C	22	23 S	28 E	300	North	2,250	West	Eddy

Latitude: N 32° 17' 48.737" Longitude: W 104° 04' 36.957"

NATURE OF RELEASE

Type of Release: Water (70 barrels) and Oil (3 barrels)	Volume of Release: 73 barrels	Volume Recovered: 70 barrels
Source of Release: Tank	Date and Hour of Occurrence: 09 June 2005 @ 0200 hours	Date and Hour of Discovery: 09 June 2005 @ 0200 hrs
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher, NMOCD Artesia	RECEIVED JUN 27 2005 OCD-ARTESIA
By Whom? Bradley Blevins, Chesapeake Energy Corporation	Date and Hour: 09 June 2005 @ 1500 hrs	
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.* Truck driver failed to notice the tank was spilling over during off-loading activities, resulting in the release of approximately 73 barrels of crude oil and water. A vacuum truck was retained immediately to recover the liquid, with 70 barrels being recovered.

Describe Area Affected and Cleanup Action Taken.* Approximately 2,300 square feet of surface area was impacted by the release, all of which was within the bermed area. All liquid was recovered utilizing a vacuum truck. Saturated soil was excavated and stockpiled on plastic on June 10, 2005. The soil remains stockpiled on site until a remediation plan is developed.

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: <u>Bradley Blevins</u>		OIL CONSERVATION DIVISION	
Printed Name: Bradley Blevins		Approved by District Supervisor: <u>TIM GUM</u> <u>by Mike Bratcher</u>	
Title: Field Technician		Approval Date: <u>9/14/05</u>	Expiration Date: <u>N/A</u>
E-mail Address: bblevins@chkenegy.com		Conditions of Approval:	
Date: <u>06-23-05</u> Phone: (505) 391-1462 ext. 24		Attached <input checked="" type="checkbox"/>	

* 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

September 14, 2005

Reference: Markham 001 C-22-23s-28e 30-015-26544 Operator Reference # 160012

Operator,

The NMOCD District 2 Office (OCD) is in receipt of a Closure Proposal prepared and submitted by your agent, Environmental Plus Inc. for a produced fluids release that occurred at the above referenced well site on June 9, 2005. The document submitted proposes to remediate site at time of tank battery decommission.

According to available ground water information for this area, the well site is situated in a water sensitive area. The proposal to leave contaminants in place for any length of time is denied.

An inspection of the site by OCD personnel on 9/13/05 shows that area appears to have had recent releases, possibly after initial excavation at site. (Photos enclosed)

At this time, the OCD is requesting the following:

1. Equipment be repaired or replaced to minimize the possibility of continued and future releases at this site.
2. Site is to be delineated for vertical and horizontal extent of contamination and type and levels of contaminants present.
3. A remediation work plan is to be formulated based on OCD guidelines and presented to the OCD for review.
4. Please have work plan submitted to OCD no later than September 30, 2005

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

Thank you,

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