District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 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 Corp. Contact: Bradley Blevins Telephone No.: (575) 441-0341 Address: 1616 West Bender Facility Name: Littlefield SWD Facility Type: Waste Disposal Lense No.: #160957 Surface Owner: BLM Mineral Owner: Unknown LOCATION OF RELEASE Unit Letter North/South Line East/West Line Feet from the County Township Feet from the Section Range NW/4 of 1980' FEL Eddy 245 FNI. NE/4 Latitude: N32° 14' 14.83" Longitude: W103° 44' 46.89" NATURE OF RELEASE Volume Recovered: 242 bbls Volume of Release: 300 bbls Type of Release: Sweet Crude Oll Date and Hour of Occurrence: Date and Hour of Discovery: Source of Release: Equipment Fallure July 11, 2009 July 11, 2009 If YES, To Whom? Was Immediate Notice Given? Mike Bratcher, NMOCD; Jim Amos, BLM Yes No Not Regulred By Whom? Bradley Blevins Date and Hour: July 11, 2009 @ 2:20 PM Was a Watercourse Reached? If YES, Volume Impacting the Watercourse: Yes No Not Applicable If a Watercourse was Impacted, Describe Fully. Not Applicable Describe Cause of Problem and Remediai Action Taken. * Equipment failure at the location caused approximately 300 barrels of oil to be released. Approximately 242 barrels were recovered at the site. Soil was excavated to a depth of one (1) foot below ground surface, and transported to a State approved disposal facility on July 13, 2009. Three (3) test trenches were excavated and sampled across the release area. On August 10, 2009, one (1) soil boring hole was advanced and sampled at depths of 5, 10, 15, and 19 feet bgs. Describe Area Affected and Cleanup Action Taken. As per Remediation Proposal submitted to NMOCD by Environmental Plus, Inc., (EPI). On August 28, 2009, tank battery was relocated on existing pad, EPI excavated the spill site an additional +3ft bgs., removing approximately 2156 yds. of additional contaminated soil, and transporting to Lea Land landfarm. An additional Sample Trench was excavated to 24.5 ft bgs. and sampled for BTEX, TPH, and Chloride concentration on August 16, 2010. Laboratory results received from Cardinal Laboratories on August 17, 2010 indicated the BTEX and TPH samples tested below NMOCD remedial threshold goals, and Chloride concentration tested at 448 mg/kg. Water depth being at approximately 356 bgs., chances of contamination are remote. However, a 40-mil plastic liner was installed to prevent possible groundwater contamination. Spiil site was backfilled using overburden from recent tank battery construction. On September 24, 2010, 15 lbs. of BLM seed mix #2 and 10 lbs. of BLM seed mix #4 were drill seeded and site was cultivated to facilitate vegetation growth on previously contaminated area. 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 falled 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 Signatures Approved by District Supervisor: Printed Name: Bradley Blevins Approval Date: Expiration Date: Title: EH&S E-mail Address: bblevins@chkenergy.com Conditions of Approval:

* Attach Additional Sheets If Necessary

Phone: (575) 441-0341

Date: 10/12/2010

ZRP-325

Attached 🔲