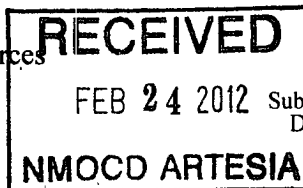


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

30-015-33881

Release Notification and Corrective Action

NMLB1206052766

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	CHI Operating, Inc.	4378	Contact	Sonny Mann
Address	P.O. Box 1799	Midland, TX 79702	Telephone No.	432-634-7062
Facility Name	BENSON DELAWARE 6		Facility Type	

Surface Owner	FED	Mineral Owner		Lease No.	NM126412X (NMNM0560353)
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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
D	12	19S	30E	660	NORTH	810	West	EDDY

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Crude Oil Mist	Volume of Release less than 5 bbl	Volume Recovered	NONE
Source of Release	Gasket failure at top of heater treater	Date and Hour of Occurrence	Date and Hour of Discovery	WITNESS
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?		
By Whom?	SONNY MANN	Date and Hour		
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.		

If a Watercourse was Impacted, Describe Fully.*

NA

Describe Cause of Problem and Remedial Action Taken.*

Failure of gasket at top of heater treater during a wind storm. Shut well in and repaired leak.

Describe Area Affected and Cleanup Action Taken.*

Brush and mesquite to the north and west side of location effected by a light mist. Due to sensitive archeological area, we propose to spray fresh water over effected area from the road. Monitor for new growth during Spring time.

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: Pam Corbett	OIL CONSERVATION DIVISION	
Printed Name: PAM Corbett	Signed By <u>Mike Brannan</u>	
Title: Regulatory Clerk	Approved by District Supervisor:	
E-mail Address: pamc@chienergyinc.com	Approval Date: FEB 29 2012	Expiration Date:
Date: 2/22/12 Sonny 432-634-7062 Phone: 432-685-5001	Conditions of Approval: Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: <u>3/29/2012</u>	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

2RP-1051