

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

July 18, 2005

Reference: Teledyne 001

C-14-23s-28e

30-015-26239

Operator,

A Final Report has been prepared and submitted by your agent, SESI, to the NMOCD District 2 Office. The report outlines remediation actions taken on a produced fluids release that occurred at the above referenced well site on 2/13/2005. The report is accepted as presented. Please submit a C-141 marked "Final Report" as this was not included in the material submitted.

Please be advised that acceptance of a Final Report, Closure Plan, and/or Final Report C-141 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, acceptance of a Final Report, Closure Plan, and/or Final Report C-141 does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Mike Bratcher

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