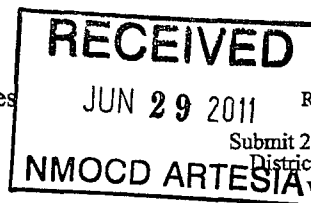


1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

30-015-34360

Release Notification and Corrective Action

NMCB 1118832873

147179

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	CHESAPEAKE OPERATING, INC.	Contact	BRADLEY BLEVINS
Address	P. O. BOX 190 HOBBS, NM 88241	Telephone No.	575-391-1462
Facility Name	H&K 18 Federal #1	Facility Type	Tank Battery
Surface Owner	BLM	Mineral Owner	BLM
		Lease No.	

LOCATION OF RELEASE API #30-015-34360

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	18	22S	28E	925	SOUTH	835	WEST	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Crude Oil	Volume of Release	200 BBLS	Volume Recovered	70 BBLS
Source of Release	Hole (corrosion) in oil tank	6/28/11 3:00 P.M.		6/28/11 3:00 P.M.	
		Date and Hour of Occurrence		Date and Hour of Discovery	
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?			
		Mike Bratcher			
By Whom?	Bradley Blevins	Date and Hour 6/29/11 8:00AM			
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.*

Describe Cause of Problem and Remedial Action Taken.*

Hole in oil tank due to corrosion released 200 BBLS of crude oil into the containment area. Vacuum trucks were used to recover the crude oil.

Describe Area Affected and Cleanup Action Taken.*

70 BBLS of crude oil was recovered. Vacuum trucks were used to recover the crude oil. Release will be investigated and sampled and a remediation work plan will be submitted to the NMOC.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOC 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 NMOC 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, NMOC 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:	OIL CONSERVATION DIVISION	
Printed Name: Bradley Blevins	Approved by	
Title: HSE Specialist	Approval Date: 7/7/2011	Expiration Date:
E-mail Address: Bradley.blevins@chk.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 6/29/11 Phone: 575-391-1462	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN: 8/7/2011	

* Attach Additional Sheets If Necessary

2RP-800