

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

**Release Notification and Corrective Action**

**OPERATOR**

☒ Initial Report ☐ Final Report

Name of Company: Chesapeake Operating, Inc.	Contact: Brad Blevins, EH&S Representative	
Address: 5014 W. Carlsbad Highway, Hobbs, NM	Telephone No.: (505) 391-1462	
Facility Name: Ollie J. Boyd Tank Battery	Facility Type: 2" crude oil line	
Surface Owner: Irvin Boyd	Mineral Owner	Lease No.

**LOCATION OF RELEASE**

Unit Letter C	Section 23	Township 22S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County: Lea
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**Latitude:** North 32° 22' 51.1" **Longitude:** West 103° 08' 16.9"

**NATURE OF RELEASE**


Type of Release: Crude Oil	Volume of Release: 5 – 10 bbl	Volume Recovered: 0 bbl
Source of Release: Hole in 2" line from separator to tank	Date and Hour of Occurrence: 05/02/2006, 13:00 hrs	Date and Hour of Discovery: 05/02/2006, 13:00
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Leak reported to operator by Mark Larson and to OCD by operator representative (Brad Blevins)	
By Whom? Brad Blevins	Date and Hour 05/03/06 (hour unknown)	
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 developed in 2" line from separator to tanks. Leak was isolated and line was replaced on 05/02/06. Spill will be investigated concurrent with a work plan that was submitted to OCD for the site on February 25, 2006 and approved on March 24, 2006 (see attached pages). A remediation plan will be submitted following leak assessment.

Describe Area Affected and Cleanup Action Taken.\*: Release affected area approximately 10' x 125' on the north and east side of tank battery. Release was isolated and line was replaced.

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: 		<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Mark J. Larson, Larson and Associates, Inc.		Approved by District Supervisor:	
Title: Agent/Consultant	Approval Date:	Expiration Date:	
E-mail Address: mark@laenvironmental.com	Conditions of Approval:		Attached <input type="checkbox"/>
Date: May 10, 2006	Phone: (432) 687-0901		

\* Attach Additional Sheets If Necessary

incident - NPAC0613127378  
application - NPAC0606152807

## Mark Larson

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**From:** Price, Wayne, EMNRD [wayne.price@state.nm.us]  
**Sent:** Friday, March 24, 2006 1:38 PM  
**To:** Mark Larson  
**Cc:** Jace A. Marshall; Williams, Chris, EMNRD; Paul Hagemeyer  
**Subject:** RE: Work Plan to Investigate Historic Hydrocarbons, Chesapeake Energy Corporation, Unit Letter C (NE/4, NW/4), Section 23, Township 22 South, Range 37 East, Lea County, New Mexico, February 25, 2006

Approved with the following conditions.

1. Include this approval in the final closure submittal.
2. Notify the local district office.

Please be advised that NMOCD approval of this plan does not relieve the owner/operator of Responsibility should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve the owner/operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

-----Original Message-----

**From:** Mark Larson [mailto:mark@laenvironmental.com]  
**Sent:** Friday, March 24, 2006 10:52 AM  
**To:** Price, Wayne, EMNRD  
**Cc:** Jace A. Marshall; Williams, Chris, EMNRD; Paul Hagemeyer  
**Subject:** Re: Work Plan to Investigate Historic Hydrocarbons, Chesapeake Energy Corporation, Unit Letter C (NE/4, NW/4), Section 23, Township 22 South, Range 37 East, Lea County, New Mexico, February 25, 2006

Dear Mr. Price: This request is submitted to the New Mexico Oil Conservation Division ("OCD"), on behalf of Chesapeake Energy Corporation, by Larson and Associates, Inc., its consultant, to confirm our meeting from March 17, 2006, and your verbal approval of the above-referenced work plan.

Your confirmed approval of the above-referenced work plan is requested. You may contact Mr. Jace Marshall with Chesapeake Energy Corporation at (405) 767-4530 or email jmarshall2@chkenergy.com, if you have questions. I also may be reached with questions using the contact information listed below.

Sincerely,

Mark J. Larson

Sr. Project Manager/President

Larson and Associates, Inc.

507 N. Marienfeld Street, Suite 202

Midland, Texas 79701

(432) 687-0901 (office)

(432) 687-0456 (Fax)

(432) 556-8656 (Cell)

mark@laenvironmental.com

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