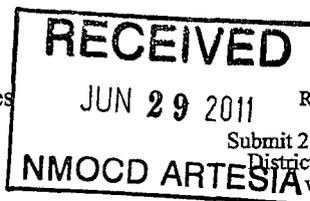


1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Avenue, Artesia, NM 88210  
 District III  
 1000 Rio Brazos Road, Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

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	Date and Hour of Occurrence	6/28/11 3:00 P.M.	Date and Hour of Discovery	6/28/11 3:00 P.M.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?	Bradley Blevins	Mike Bratcher			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Date and Hour 6/29/11 8:00AM			
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 NMOCD.

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: <i>Bradley Blevins</i>	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Bradley Blevins	Approved by District Supervisor: <i>Mike Bratcher</i>	
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. <b>SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:</b>	

\* Attach Additional Sheets If Necessary

8/7/2011

*2RP-800*