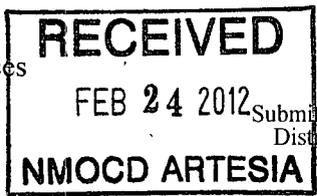


District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

30-015-33380

**Release Notification and Corrective Action**

n MLB 1206123814 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 4	Facility Type

Surface Owner	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	330	NORTH	1980	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 Pin hole in poly pipe	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.\*  
Pin Hole in poly pipe near wellhead during a wind storm. Shut well in and repaired leak in poly pipe.

Describe Area Affected and Cleanup Action Taken.\*  
Brush and mesquite to the 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	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: PAM CORBETT	Signed By: <u>Mike Brannon</u>	
Title: Regulatory Clerk	Approved by: District Supervisor:	Approval Date: MAR 01 2012
E-mail Address: pamc@chienergyinc.com	Conditions of Approval:	Expiration Date:
Date: 2/22/12 Phone: 432-685-5001	Remediation per OCD Rules & Guidelines. <b>SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:</b>	Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary

**PROPOSAL NOT LATER THAN:**  
4/11/2012  
2RP-1052