

OCT 24 2012

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

RECEIVED 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: Bradley Blevins
Address: 1616 West Bender, Hobbs, NM 88240	Telephone No.: (575) 391-1462. ext. 86424
Facility Name: Quail Queen Unit 10	Facility Type: Flow line
Surface Owner: State of New Mexico	Mineral Owner:
API No.: 30-025-26348	

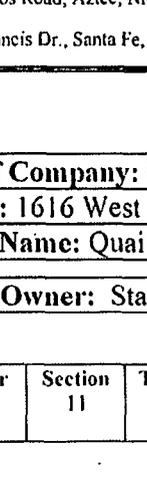
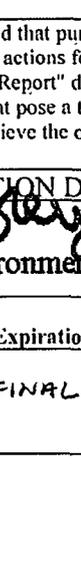
LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	11	19S	34E	1980	North	660	East	Lea

Latitude: N32° 40' 40.62"

Longitude: W103° 31' 34.40"

NATURE OF RELEASE

Type of Release: Oil and produced water	Volume of Release: ~30-bbls	Volume Recovered: ~18-bbls
Source of Release: Flow line	Date and Hour of Occurrence: 10/13/12	Date and Hour of Discovery: 10/13/12 @ 09:30 hrs
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Geoff Leking, OCD; James Amos, BLM	
By Whom? Bradley Blevins	Date and Hour: 7/24/12 10/13/12	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse: Not Applicable	
If a Watercourse was Impacted, Describe Fully.* Not Applicable		
Depth to Groundwater: ~ 85 feet		
Describe Cause of Problem and Remedial Action Taken.* A flow line ruptured releasing ~30 bbls oil and produced water with ~18 bbls recovered. An Emergency Response Team arrived at the release area and began continuous abatement of the impacted area.		
Describe Area Affected and Cleanup Action Taken.* Approximately 5,800 square feet of area was affected by the release of oil and produced water. Visibly stained soil was excavated and hauled away for disposal at a state approved facility. Soil samples were collected and submitted to Cardinal Laboratories for testing. Upon receiving acceptable results and NMOCD approval, the affected area will be backfilled, and returned to proper conditions.		
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: 	OIL CONSERVATION DIVISION  Environmental Specialist	
Printed Name: Bradley Blevins	Approved by District Supervisor:	
Title: EH & S Field Specialist	Approval Date: 10/25/12	Expiration Date: 12/26/12
E-mail Address: bradley.blevins@chk.com	Conditions of Approval: SUBMIT FINAL	Attached <input type="checkbox"/>
Date: 10-24-12 Phone: (575) 391-1462, #86424	C-141 BY 12/26/12	IRP-11-12-2864

* Attach Additional Sheets If Necessary