

Mr. Larry Johnson
4 January 2006



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 Energy	Contact: Bradley Blevins
Address: 1616 West Bender	Telephone No.: (505) 391-1462 ext. 6224
Facility Name: RE Cole #4	Facility Type:

Surface Owner: State of New Mexico	Mineral Owner: State of New Mexico	Lease No.:
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API # 30025374890000

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	16	22S	37E					Lea

Latitude: N 32° 23' 8.87" Longitude: W 103° 10' 8.98"

NATURE OF RELEASE

Type of Release: Overflowing of drill pit	Volume of Release: ≈ 20 bbls	Volume Recovered: 0 bbls
Source of Release:	Date and Hour of Occurrence: December 15, 2005 P.M.	Date and Hour of Discovery: December 19, 2005 A.M.
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Larry Johnson, NMOCD	
By Whom? Iain Olness, Environment Plus	Date and Hour: December 21, 2005 @ 1130 hrs	
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		
Describe Cause of Problem and Remedial Action Taken.* The release of approximately 20 barrels of drilling fluids was the result of the drilling pit overflowing. Wells were shut in upon discovery.		
Describe Area Affected and Cleanup Action Taken.* Approximately 15,500 square feet of surface area was impacted by the release. Soil impacted above NMOCD Remedial Guidelines are being excavated and transported to an approved disposal facility.		
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.		

OIL CONSERVATION DIVISION

Signature:	Approved by District Supervisor:	
Printed Name: Bradley Blevins		
Title: Field Supervisor	Approval Date:	Expiration Date:
E-mail Address: bblevins@chkenergy.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date:	Phone: (505) 391-1462 ext. 6224	

* Attach Additional Sheets If Necessary

incident - n PAC 0627736953
application - p PAC 0627737073

RE Cole #4
160040

RP# 1066