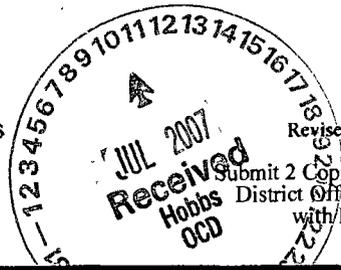


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 <i>Chesapeake Operations, Inc.</i>	Contact <i>Bradley Blewitt</i>
Address <i>P.O. Box 190, Hobbs, NM 88241</i>	Telephone No. <i>505-391-1462, ext. 6224</i>
Facility Name <i>FW Walden #6</i>	Facility Type <i>oil well</i>

Surface Owner <i>Irvin Boyd</i>	Mineral Owner	Lease No.
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LOCATION OF RELEASE

API # 30-025-10288

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>N</i>	<i>15</i>	<i>225</i>	<i>37E</i>	<i>660</i>	<i>South</i>	<i>1980</i>	<i>West</i>	<i>Lea</i>

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release <i>Produced water</i>	Volume of Release <i>300661</i>	Volume Recovered <i>150661</i>
Source of Release <i>line break</i>	Date and Hour of Occurrence <i>5/23/07</i>	Date and Hour of Discovery <i>5/21/07</i>
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>Pat Caperton</i>	<i>11:00am</i>
By Whom? <i>Cliff Brunson - BBC International</i>	Date and Hour <i>5/23/07 4:00pm</i>	
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.* *Line broke releasing produced water. Vacuum trucks were used to recover the fluid. Line was repaired.*

Describe Area Affected and Cleanup Action Taken.* *Fluid ran across location and down road. Impacted soil will be removed and disposed of. Samples will be collected for confirmation. Impacted soil was removed and disposed of at Sundance's facility. Confirmation soil samples were collected and the data is attached. Chris Williams approved closure on 7/5/07. Site was backfilled.*

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>Cliff P. Brunson</i>	OIL CONSERVATION DIVISION	
Printed Name: <i>Cliff P. Brunson for Chesapeake</i>	Approved by District Supervisor: <i>[Signature]</i>	
Title: <i>President</i>	Approval Date: <i>7-11-07</i>	Expiration Date: _____
E-mail Address: <i>cb15nsan@bbcinternational.com</i>	Conditions of Approval: _____	Attached <input type="checkbox"/>
Date: <i>7/7/07</i> Phone: <i>505-397-6388</i>		

* Attach Additional Sheets If Necessary

RP# 1360



CARDINAL LABORATORIES, INC.

2111 Beachwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: <u>BBC International, Inc.</u>	BILL TO	ANALYSIS REQUEST									
Project Manager: <u>Cliff Brunson</u>	P.O. #:										
Address: <u>P.O. Box 805</u>	Company:										
City: <u>Hobbs</u> State: <u>Nm</u> Zip: <u>88241</u>	Attn: <u>Same</u>										
Phone #: <u>505-397-6388</u> Fax #: <u>505-397-0397</u>	Address:										
Project #: Project Owner:	City:										
Project Name: <u>EW Walden #6</u>	State: Zip:										
Project Location: <u>Funice, Nm</u>	Phone #:										
Sampler Name: <u>Cliff Brunson</u>	Fax #:										

Lab I.D.	Sample I.D.	(G)RAB OR (C)DMP. # CONTAINERS	MATRIX							PRESERV.		SAMPLING		DATE	TIME	Chloride
			GROUNDWATER	WASTEWATER	SOIL	CRUDE OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:					
H12815-1	North Excavation SP-1-S	G 1			✓					✓		6/26/07	2:35p	✓		
	-2 North Excavation SP-2-N	G 1			✓					✓		"	2:37p	✓		
	-3 Middle Excavation SP-1-C	G 1			✓					✓		"	2:42p	✓		
	-4 South Excavation SP-1-C	G 1			✓					✓		"	2:50p	✓		

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. All claims, including those for negligence and any other cause whatsoever that be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or resulting from the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

TERMS AND CONDITIONS: 10% fee will be charged on all accounts more than 30 days past due at the rate of 2.5% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

Sampler Relinquished By: <u>Cliff Brunson</u>	Date: <u>6/27/07</u> Time: <u>1:20pm</u>	Received By: <u>[Signature]</u>	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
Relinquished By:	Date:	Received By: (Lab Staff)	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Delivered By: (Circle One) Sampler - UPS - Bus - Other:	Sample Condition Cool Intact <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No	CHECKED BY: (Initials) <u>JB</u>	REMARKS:	

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476.