

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 OPERATING, INC.	Contact	BRADLEY BLEVINS
Address	P. O. BOX 190 HOBBS, NM 88241	Telephone No.	505-391-1462
Facility Name	SV Chipshot Battery	Facility Type	Tank Battery

Surface Owner	Mineral Owner	Lease No.
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**LOCATION OF RELEASE**

CLOSEST WELL TO CHIPSHOT OOI  
API # 30-025-33466-00-00

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	11	16S	36E					LEA

Latitude N 32.93688 Longitude W 103.32724

**NATURE OF RELEASE**

Type of Release	Produced water	Volume of Release	Historical	Volume Recovered	Historical
Source of Release	Historical	Unknown		Unknown	
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	Date and Hour of Occurrence			
By Whom?	Bradley Blevins	Date and Hour of Discovery			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, To Whom?			
		Geoff Leking			
		Date and Hour 2/8/10 1:45 p.m.			
		If YES, Volume Impacting the Watercourse.			

If a Watercourse was Impacted, Describe Fully.\*

WATER @ 70'

Describe Cause of Problem and Remedial Action Taken.\*

A small non-reportable produced water release occurred. While in the process of remediating the release, historical impact was discovered.

Describe Area Affected and Cleanup Action Taken.\*

Soil removal was commenced to a depth of 2 feet. Samples were collected and the results discussed with Geoff Leking of the NMOCD. It was agreed that an additional 1 foot of soil will be removed in the SP-2 area, then the entire area will be lined with an impermeable liner and backfilled. Upon completion, a final C-141 will be submitted.

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 <b>ENV ENGINEER:</b>	Approved by <b>District Supervisor:</b> <i>Geoffrey Leking</i>
Title: HSE Specialist	Approval Date: 02/09/10	Expiration Date: 04/09/10
E-mail Address: Bradley.blevins@chk.com	Conditions of Approval: FINAL C-141 DUE	Attached <input type="checkbox"/>
Date: 2/8/10	Phone: 575-391-1462	IRP-10.2.2418

\* Attach Additional Sheets If Necessary

FGRL 1004056242