

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**

OCT 09 2009

Form C-141  
Revised October 10, 2003

**HOBSOCD** 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 PO Box 190 Hobbs, NM 88241	Telephone No. 575-391-1462 ext. 6224
Facility Name Shell 26 State #3	Facility Type Tank Battery

Surface Owner Slick Duncan	Mineral Owner	Lease No.
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**LOCATION OF RELEASE API #: 30-025-38171**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	26	10S	32E	2130	North	1980	East	Lea

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

**NATURE OF RELEASE**

Type of Release Produced Water	Volume of Release 170 bbls	Volume Recovered 100 bbls
Source of Release Lightning strike and fire	Date and Hour of Occurrence	Date and Hour of Discovery 09/22/09
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? 09/21/09 10: pm Geoff Leking	7:00 am
By Whom? Bradley Blevins	Date and Hour 09/22/09 4:00 pm	
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.\*  
Lightning struck the battery and caused a fire. A fiberglass water tank burned releasing produced water. All fluids stayed inside the plastic lined retaining wall. Vacuum trucks were used to recover the fluids.

Describe Area Affected and Cleanup Action Taken.\*  
All fluids remained inside lined retaining wall. Impacted soil will be removed and disposed of at NMOCD --Approved facility. Soil was removed and backfilled with Geoff Leking of NMOCD approving the backfill and completion.

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 <small>ENVIRONMENTAL ENGINEER:</small> District Supervisor: <i>Geoffrey Blevins</i>	
Title: EHS Specialist		Approval Date: 05/03/10	Expiration Date: -
E-mail Address: bradley.blevins@chk.com		Conditions of Approval:	
Date: 09-30-09 Phone: 575-391-1462		Attached <input type="checkbox"/> IRP-09-11-2323	

\* Attach Additional Sheets If Necessary