

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

30-015-26239

Release Notification and Corrective Action

nMLB0506341463

OPERATOR

x Initial Report ☐ Final Report

Name of Company Chesapeake Energy	Contact James D. Clary
Address 5014 Carlsbad hwy, Hobbs, New Mexico 88240	Telephone No. 505-391-1462 ext.15/ cell # 505-631-9749
Facility Name Teledyne #1 Btry	Facility Type Heater Treater

Surface Owner Intrepid Potash	Mineral Owner FEE	Lease No. N/A
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
C	14	T23S	R28E	660'	North	1980'	West	Eddy

Latitude 32 18.63 N Longitude 104 03.58W

NATURE OF RELEASE

Type of Release Oil	Volume of Release 15 bbls	Volume Recovered 8 bbls
Source of Release gasket on heater treater fire tube	Date and Hour of Occurrence 2/13/05 6:30AM	Date and Hour of Discovery 2/13/05—8:30am
Was Immediate Notice Given? X Yes No <input type="checkbox"/> Not Required	If YES, To Whom? Van Barton	
By Whom? Bob Allen / Safety & Environmental Solutions	Date and Hour 2/13/05 2:00 PM	
Was a Watercourse Reached? <input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

RECEIVED

FEB 23 2005

DOBARTESIA

Describe Cause of Problem and Remedial Action Taken.*

The fire tube gasket on the heater treater lost its seal on the flange surface, causing the leak. Shut-in the lease and recovered fluid from the heater to stop the leak.

Describe Area Affected and Cleanup Action Taken.*

Used a vacuum truck to recover the free standing fluid, most of the oil was contained in the berm area around the vessels @ the sight. Wind blowing from The west carried a mist 150' east of the location covering approximately 14000 SQ FT

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>James D. Clary</i>		OIL CONSERVATION DIVISION	
Printed Name: James D. Clary		Approved by District Supervisor: <i>T. Gam by Mike Brantler</i>	
Title: Production Supervisor		Approval Date: 3/11/05	Expiration Date: N/A
E-mail Address: jclary@chkenergy.com		Conditions of Approval: <i>Receipt of an approved remediation work plan</i>	
Date:		Attached <input type="checkbox"/>	
Phone: 505-391-1462 ext.15			

* Attach Additional Sheets If Necessary