

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**

nJMW1320734698 OPERATOR  Initial Report  Final Report

<b>Name of Company:</b> Chesapeake Operating, Inc.	<b>Contact:</b> Bradley Blevins
<b>Address:</b> 1616 West Bender, Hobbs, NM 88240	<b>Telephone No.:</b> (575) 391-1462. ext. 86424
<b>Facility Name:</b> Government D #4	<b>Facility Type:</b> Injection Line
<b>Surface Owner:</b> Winston & Jan Ballard	<b>Mineral Owner:</b>
<b>API No.:</b> 30-015-24921	

**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
G	1	21S	27E	1554	North	1980	East	Eddy

Latitude: N32° 31' 06.27" Longitude: W104° 08' 27.26"

**NATURE OF RELEASE**

<b>Type of Release:</b> Produced water	<b>Volume of Release:</b> ~20-bbbls	<b>Volume Recovered:</b> ~15-bbbls
<b>Source of Release:</b> Injection line	<b>Date and Hour of Occurrence:</b> 7/12/12	<b>Date and Hour of Discovery:</b> 7/12/12 @ 09:30 hrs
<b>Was Immediate Notice Given?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	<b>If YES, To Whom?</b> Mike Bratcher, EMNRD; James Amos, BLM	
<b>By Whom?</b> Bradley Blevins	<b>Date and Hour:</b> 7/12/12	
<b>Was a Watercourse Reached?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>If YES, Volume Impacting the Watercourse:</b> Not Applicable	
<b>If a Watercourse was Impacted, Describe Fully.*</b> Not Applicable		

**Depth to Groundwater:** ~ 25 feet

**Describe Cause of Problem and Remedial Action Taken.\*** A one inch injection line ruptured releasing ~20 bbbls produced water with ~15 bbbls recovered. An Emergency Response Team arrived at the release area and began continuous abatement of the impacted area.

**Describe Area Affected and Cleanup Action Taken.\*** Approximately 41,800 square feet of area was affected by the release of produced water. Visibly stained soil was excavated and hauled away for disposal at a state approved facility. Soil samples were collected and submitted to Cardinal Laboratories for testing. Upon receiving acceptable results and NMOCD approval, the affected area will be backfilled, and returned to proper conditions.

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**

<b>Signature:</b> 	<b>Approved by District Supervisor:</b> 	
<b>Printed Name:</b> Bradley Blevins	<b>Approval Date:</b> 7/26/13	<b>Expiration Date:</b>
<b>Title:</b> EH & S Field Specialist	<b>Conditions of Approval:</b> Remediation per NMOCD Rules and Guidelines	<b>Attached</b> <input type="checkbox"/>
<b>E-mail Address:</b> bradley.blevins@chk.com		
<b>Date:</b> 8-20-12 <b>Phone:</b> (575) 391- 1462, #86424		

\* Attach Additional Sheets If Necessary

2RP-1750