

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 March 17, 1999

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-25416

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Chesapeake	Contact Brad Blevins
Address 5014 Carlsbad Highway Hobbs, New Mexico 88240	Telephone No. 505.391.1462
Facility Name Brushy 12 Federal #1 (#160005)	Facility Type Tank Battery

Surface Owner: US Department of Interior Bureau of Land Management	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter 12	Section 12	Township T26S	Range R29E	Feet from the	North/South Line	Feet from the	East/West Line	County: Lea
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Latitude: 32°03'03.5"N

Longitude: 103°56'19.6"W

NATURE OF RELEASE

Type of Release Production Fluids	Volume of Release unknown barrels	Volume Recovered unknown barrels
Source of Release Tank Battery	Date and Hour of Occurrence Historical	Date and Hour of Discovery Historical
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher	
By Whom? Pat McCasland EPI	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. NA	

If a Watercourse was Impacted, Describe Fully.*
NA

Describe Cause of Problem and Remedial Action Taken.*

Production fluid (i.e., crude oil and saline produced water) was historically released from the facilities at this site.

Describe Area Affected and Cleanup Action Taken.*

Tank Battery Area = 12,427 sqft 112' NS x 112' EW: Impacted soil to 3'bgs has been disposed of off-site and the drill pit buried in accordance with NMOCD Pit rule 50 and the pit closure guidelines. The vertical extents of production fluid impact have been delineated and the 20 mil polyethylene liner install consistent with the NMOCD approved closure proposal.

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>	OIL CONSERVATION DIVISION	
Printed Name: Brad Blevins	TIM GUM by MB	
Title: Field Technician	Approved by District Supervisor: <i>Mike Bratcher</i>	
Email: bblevins@chkenergy.com	Approval Date: 11/2/05	Expiration Date: N/A
Date: 10-20-05 Phone: 505.391.1462	Conditions of Approval: N/A	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

Closure Report on file