

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

nJMW 1303056004 *Chelton* OPERATOR Initial Report Final Report

Name of Company	Chesapeake Operating, Inc. <i>4323</i>	Contact	Bradley Blevins
Address	P.O. Box 190 Hobbs, NM 88241	Telephone No.	575-391-1462
Facility Name	Benson Shugart WFU #2 CTB	Facility Type	Tank Battery
Surface Owner	Mineral Owner	Lease No.	API# 30-015-20528

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	26	18S	30E	2310'	S	330'	W	Eddy

Latitude 32.71555 Longitude 103.93542

NATURE OF RELEASE

Type of Release	Water	Volume of Release	439 bbls	Volume Recovered	0 bbls
Source of Release	Corrosion of transition on injection line	Date and Hour of Occurrence	12/08/2011 @ 9:00 a.m.	Date and Hour of Discovery	
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher, OCD		
By Whom?	Bradley Blevins	Date and Hour	12/08/2011 @ 9:30 a.m.		
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.*					

RECEIVED
 MAR - 7 2012
 NMOCD ARTESIA

Describe Cause of Problem and Remedial Action Taken.*
 The transition corrosion on an injection line caused 439 bbls of water to leak onto the ground. 0 bbls were recovered. Sampling will be performed and remediation will be completed according to OCD guidelines.

Describe Area Affected and Cleanup Action Taken.*
 439 bbls of water were lost. Upon completion of delineation and remediation activities, a final C-141 and lab data will be submitted to the OCD.

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: Bradley Blevins	Approved by District Supervisor:	Signed By: <i>Mike Bratcher</i>
Title: HSE Specialist	Approval Date: JAN 30 2013	Expiration Date:
E-mail Address: Bradley.Blevins@chk.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <i>1-4-2012</i> Phone: 575-391-1462	Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:	

February 28, 2013

2RP-1531

* Attach Additional Sheets If Necessary