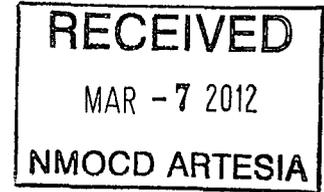




PHONE (575) 397-6388 • FAX (575) 397- 0397 • 1324 W. MARLAND • P.O. BOX 805 • HOBBS, NM 88241-0805
E-MAIL: cbrunson@bbcinternational.com

March 5, 2012



Mike Bratcher
NM Oil Conservation Division
811 S. First Street
Artesia, NM 88210

RE: Chesapeake-Benson Shugart WFU #2 Central Tank Battery

Dear Mr. Bratcher:

On behalf of Chesapeake Operating, Inc., BBC is enclosing the closure documents for the above referenced site.

If you have any questions, please let us know.

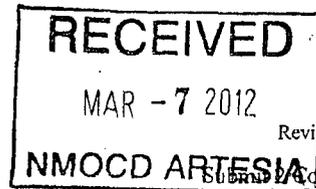
Regards,

A handwritten signature in cursive script that reads "Cliff P. Brunson".

Cliff P. Brunson
President

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 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	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?			
By Whom?	Bradley Blevins	Mike Bratcher, OCD			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Date and Hour 12/08/2011 @ 9:30 a.m.			
If YES, Volume Impacting the Watercourse.					

If a Watercourse was Impacted, Describe Fully.*

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. The contaminated soil was excavated and the site was backfilled with clean soil. Sampling was performed and the results were provided to the OCD. OCD remediation approval was granted on 01/13/2012.

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.

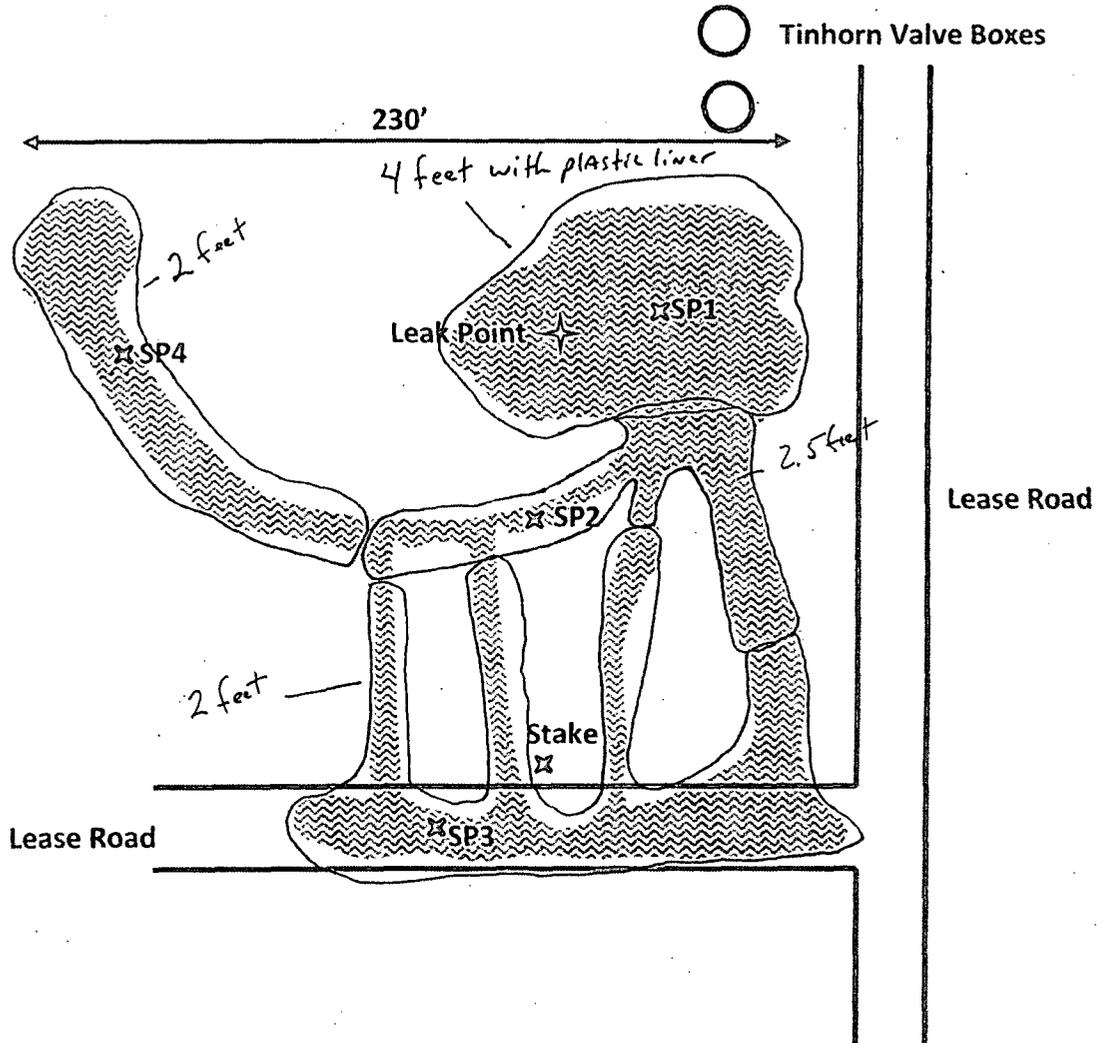
OIL CONSERVATION DIVISION

Signature: *Bradley Blevins*
Printed Name: Bradley Blevins
Title: HSE Specialist
E-mail Address: Bradley.Blevins@chk.com
Date: 3-5-2012 Phone: 575-391-1462

Approved by District Supervisor:
Approval Date: _____ Expiration Date: _____
Conditions of Approval:
Attached

* Attach Additional Sheets If Necessary

Chesapeake
Benson Shugart WFU #2 CTB



U/L I, Sec 26, T18S, R30E
2310' FSL, 330' FWL
Eddy County, NM
N 32.71555, W 103.93542

BBC International, Inc.	
Chesapeake	
Benson Shugart WFU #2 CTB	
Date: 1/3/2012	DRWG by: KAP
Not to Scale	File: Chesapeake

Laboratory Analytical Results Summary
Chesapeake, Benson Shugart WFU #2 CTB

<i>Initial</i>		Sample	SP1 @ Surface	SP1 @ 2'	SP1 @ 6'	SP1 @ 12'	SP1 @ 18'
Analyte	Method	Date	12/9/11	12/9/11	12/9/11	12/9/11	12/15/11
			mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500CI-B		8160	6000	7520	4240	2160

		Sample	SP2 @ Surface	SP2 @ 4'	SP2 @ 6'	SP2 @ 10'	SP2 @ 12'
Analyte	Method	Date	12/15/11	12/15/11	12/15/11	12/15/11	12/15/11
			mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500CI-B		6320	6080	1260	384	96

		Sample	SP3 @ Surface	SP3 @ 2'	SP3 @ 4'	SP3 @ 6'	SP3 @ 7'
Analyte	Method	Date	12/15/11	12/15/11	12/15/11	12/15/11	12/15/11
			mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500CI-B		6720	6240	160	64	80

		Sample	SP4 @ Surface	SP4 @ 2'	SP4 @ 4'	SP4 @ 6'	SP4 @ 8'	SP4 @ 10'	SP4 @ 12'
Analyte	Method	Date	12/15/11	12/15/11	12/15/11	12/15/11	12/15/11	12/15/11	12/15/11
			mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg	mg/Kg
Chloride	SM4500CI-B		6000	240	208	32	336	272	96

December 20, 2011

Cliff Brunson
BBC International, Inc.
P.O. Box 805
Hobbs, NM 88241

RE: BS WFU CTB

Enclosed are the results of analyses for samples received by the laboratory on 12/16/11 14:10.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene
Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (505) 397-0397

 Received: 12/16/2011
 Reported: 12/20/2011
 Project Name: BS WFU CTB
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 12/09/2011
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 1 @ SURFACE (H102718-01)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	8160	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 1 @ 2' (H102718-02)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	6000	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 1 @ 6' (H102718-03)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	7520	16.0	12/19/2011	ND	416	104	400	3.77		

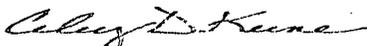
Sample ID: SP 1 @ 12' (H102718-04)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	4240	16.0	12/19/2011	ND	416	104	400	3.77		

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (505) 397-0397

Received:	12/16/2011	Sampling Date:	12/15/2011
Reported:	12/20/2011	Sampling Type:	Soil
Project Name:	BS WFU CTB	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	LOCO HILLS, NM		

Sample ID: SP 1 @ 18' (H102718-05)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	2160	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 2 @ SURFACE (H102718-06)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	6320	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 2 @ 4' (H102718-07)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	6080	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 2 @ 6' (H102718-08)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	1260	16.0	12/19/2011	ND	416	104	400	3.77		

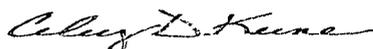
Sample ID: SP 2 @ 10' (H102718-09)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	384	16.0	12/19/2011	ND	416	104	400	3.77		

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (505) 397-0397

 Received: 12/16/2011
 Reported: 12/20/2011
 Project Name: BS WFU CTB
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 12/15/2011
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 2 @ 12' (H102718-10)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	96.0	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 3 @ SURFACE (H102718-11)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	6720	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 3 @ 2' (H102718-12)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	6240	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 3 @ 4' (H102718-13)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	160	16.0	12/19/2011	ND	416	104	400	3.77		

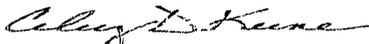
Sample ID: SP 3 @ 6' (H102718-14)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	64.0	16.0	12/19/2011	ND	416	104	400	3.77		

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Caley D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (505) 397-0397

Received:	12/16/2011	Sampling Date:	12/15/2011
Reported:	12/20/2011	Sampling Type:	Soil
Project Name:	BS WFU CTB	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	LOCO HILLS, NM		

Sample ID: SP 3 @ 7' (H102718-15)

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	80.0	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 4 @ SURFACE (H102718-16)

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	6000	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 4 @ 2' (H102718-17)

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	240	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 4 @ 4' (H102718-18)

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	208	16.0	12/19/2011	ND	416	104	400	3.77		

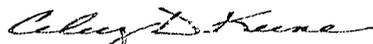
Sample ID: SP 4 @ 6' (H102718-19)

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	32.0	16.0	12/20/2011	ND	416	104	400	3.77		

Cardinal Laboratories

* = Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (505) 397-0397

Received:	12/16/2011	Sampling Date:	12/15/2011
Reported:	12/20/2011	Sampling Type:	Soil
Project Name:	BS WFU CTB	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	LOCO HILLS, NM		

Sample ID: SP 4 @ 8' (H102718-20)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	336	16.0	12/19/2011	ND	416	104	400	3.77		

Sample ID: SP 4 @ 10' (H102718-21)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	272	16.0	12/20/2011	ND	416	104	400	3.77		

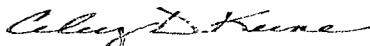
Sample ID: SP 4 @ 12' (H102718-22)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	96.0	16.0	12/20/2011	ND	416	104	400	3.77		

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

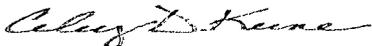
Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager



CARDINAL LABORATORIES
 101 East Marland, Hobbs, NM 88240
 (505) 393-2326 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: BBC International, Inc.		BILL TO		ANALYSIS REQUEST											
Project Manager: Cliff Brunson		P.O. #:													
Address: P.O. Box 805		Company:													
City: Hobbs State: NM Zip: 88241		Attn:													
Phone #: 575-397-6388 Fax #: 575-397-0397		Address: SAME													
Project #: Project Owner:		City:													
Project Name: PS MAIL CTB		State: Zip:													
Project Location: Loop Hills		Phone #:													
Sampler Name: Roger Hernandez		Fax #:													

FOR LAB USE ONLY		GRAB OR (C)OMP.	# CONTAINERS	MATRIX					PRESERV.		SAMPLING		CHLORIDE
Lab I.D.	Sample I.D.			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	
H102718													
1	SPIE SURFACE	G-1				✓			✓		12-9-11	10:15	✓
2	"	G-1				✓			✓		12-9-11	10:30	✓
3	"	G-1				✓			✓		12-11-11	9:10	✓
4	"	G-1				✓			✓		12-15-11	9:47	✓
5	"	G-1				✓			✓		12-15-11	10:30	✓
6	SPIE SURFACE	G-1				✓			✓		12-9-11	11:35	✓
7	"	G-1				✓			✓		12-9-11	11:35	✓
8	"	G-1				✓			✓		12-15-11	10:00	✓
9	"	G-1				✓			✓		12-15-11	11:35	✓
10	"	G-1				✓			✓		12-15-11	11:48	✓

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated causes or otherwise.

Relinquished By: <i>Roger Hernandez</i>	Date: 12-15-11	Received By: <i>Godi Benson</i>	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
	Time: 9:10		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS:	
	Time:			
Delivered By: (Circle One)	Sample Condition	CHECKED BY:		
Sampler - UPS - Bus - Other:	Cool / Intact	(Initials)		
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>GR</i>		

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#26



CARDINAL LABORATORIES
 101 East Marland, Hobbs, NM 88240
 (505) 393-2326 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: BBC International, Inc.				BILL TO				ANALYSIS REQUEST																			
Project Manager: Cliff Brunson				P.O. #:				C'ntrols																			
Address: P.O. Box 805				Company:																							
City: Hobbs		State: NM		Zip: 88241		Attn: <i>DAME</i>																					
Phone #: 575-397-6388		Fax #: 575-397-0397		Address: <i>DAME</i>																							
Project #:		Project Owner:		City:																							
Project Name: <i>PS W44 CRT</i>		State:		Zip:		Phone #:																					
Project Location: <i>Loon Hills</i>		Sampler Name: <i>RUIPER HERNANDEZ</i>				Fax #:																					
FOR LAB USE ONLY																											
Lab I.D.		Sample I.D.		CONTAINERS		MATRIX														PRESERV.		SAMPLING					
				GROUNDWATER		WASTEWATER														SOIL		OIL		SLUDGE		OTHER:	
<i>H102718</i>				<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/9/11</i>		<i>200</i>			
<i>11</i>		<i>SP 30 Surface</i>		<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/9/11</i>		<i>210</i>			
<i>12</i>		<i>0 2</i>		<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/9/11</i>		<i>300</i>			
<i>13</i>		<i>0 4</i>		<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/15/11</i>		<i>250</i>			
<i>14</i>		<i>0 6</i>		<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/15/11</i>		<i>110</i>			
<i>15</i>		<i>0 7</i>		<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/9/11</i>		<i>325</i>			
<i>16</i>		<i>SP 40 Surface</i>		<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/9/11</i>		<i>350</i>			
<i>17</i>		<i>0 2</i>		<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/9/11</i>		<i>422</i>			
<i>18</i>		<i>0 4</i>		<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/15/11</i>		<i>150</i>			
<i>19</i>		<i>0 6</i>		<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/15/11</i>		<i>228</i>			
<i>20</i>		<i>0 8</i>		<i>0</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>1</i>		<i>12/15/11</i>		<i>228</i>			

PLEASE NOTE: Liability and Damages. Cardinal's liability and chem's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims, including those for negligence and any other cause whatsoever, shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services performed by Cardinal, regardless of whether such claim is based upon any of the active states, reasons or otherwise.

Relinquished By: <i>[Signature]</i>		Date: <i>12/16/11</i>		Received By: <i>[Signature]</i>		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No		Add'l Phone #:	
Time: <i>8:10</i>		Time: <i>8:10</i>		Time: <i>8:10</i>		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No		Add'l Fax #:	
Relinquished By: <i>[Signature]</i>		Date: _____		Received By: _____		REMARKS:			
Time: _____		Time: _____		Time: _____					
Delivered By: (Circle One)		Sample Condition		CHECKED BY:					
Sampler - UPS - Bus - Other:		Cool <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#26



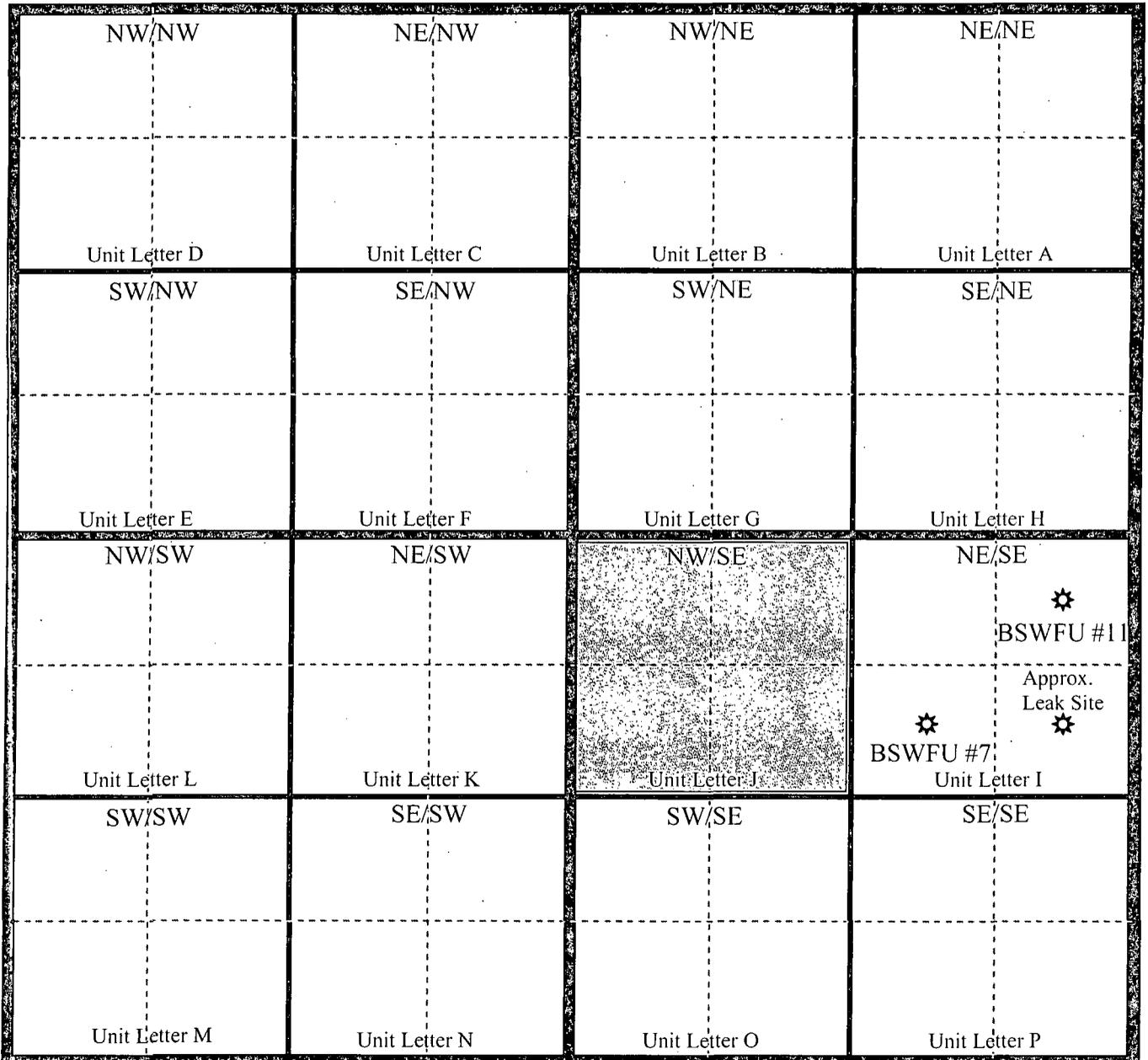
Section Quarters

Chesapeake BS WFU #2 CTB Transfer Line Leak

County Eddy	Unit Letter	Section 26	Township 18S	Range 30E
-----------------------	--------------------	----------------------	------------------------	---------------------

Trend Map 184'

1 # 2



3 4

Location
 Nearby location
 Private land

Bratcher, Mike, EMNRD

From: Cliff P. Brunson [cbrunson@bbcinternational.com]
Sent: Friday, January 13, 2012 4:06 PM
To: Bratcher, Mike, EMNRD
Subject: Chesapeake Benson Shugart WFU #2 CTB
Attachments: NMOCD Packet- Chesapeake, BH WFU #2 CTB.pdf

Mike,

SEE THIS EMAIL - HAS photos etc.

Here is the second one.

Cliff

Cliff P. Brunson, CEI, CRS
President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, NM 88241-0805 USA
Shipping Address:
1324 W. Marland St.
Hobbs, NM 88240 USA
Phone: (575) 397-6388
Fax: (575) 397-0397
E-Mail: cbrunson@bbcinternational.com

Confidentiality Notice: This electronic transmission (and any attached documents) is intended only for the person(s) to whom it is addressed and may contain information that is privileged, confidential, or otherwise protected from disclosure. If you have received this transmission in error, please immediately notify the sender by e-mail or by telephone call to (575) 397-6388 for handling instructions. Any disclosure or distribution of the contents of this transmission by anyone other than the named recipient(s) is strictly prohibited.

Bratcher, Mike, EMNRD

From: Cliff P. Brunson [cbrunson@bbcinternational.com]
Sent: Thursday, December 08, 2011 12:48 PM
To: Bratcher, Mike, EMNRD
Cc: Bradley Blevins; Ken Swinney; Jennifer Gilkey; Kathy Purvis
Subject: Chesapeake-Benson Shugart Water Flood Unit #2 CTB water transfer line

Mike,

On behalf of Chesapeake, this message is to inform you that Chesapeake had a produced water release on the Benson Shugart Water Flood Unit #2 Central Tank Battery which is located in Section 26, T18S, R30E, Eddy Co. This release occurred in the early hours of the morning today, 12/8/11, and was discovered at 9:00 a.m. today, 12/8/11. Approximately 450 barrels of produced water was released with zero recovery. The release was due to the 2 inch transfer line transition breaking. Immediate response was initiated and an initial C-141 will be forthcoming. Investigation and remediation activities will be started immediately.

Thanks, Cliff

Cliff Brunson, CEI, CRS
President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, NM 88241-0805 USA
Shipping Address:
1324 W. Marland St.
Hobbs, NM 88240 USA
Phone: (575) 397-6388
Fax: (575) 397-0397
E-Mail: cbrunson@bbcinternational.com

Confidentiality Notice: This electronic transmission (and any attached documents) is intended only for the person(s) to whom it is addressed and may contain information that is privileged, confidential, or otherwise protected from disclosure. If you have received this transmission in error, please immediately notify the sender by e-mail or by telephone call to (575) 397-6388 for handling instructions. Any disclosure or distribution of the contents of this transmission by anyone other than the named recipient(s) is strictly prohibited.
