

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

DATE REC'D?

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

#### OPERATOR

☒ Initial Report ☐ Final Report

Name of Company	CHESAPEAKE OPERATING, INC.	Contact	BRADLEY BLEVINS
Address	P. O. BOX 190 HOBBS, NM 88241	Telephone No.	505-391-1462
Facility Name	LAGOS 22 STATE #1	Facility Type	Producing Well

Surface Owner	STATE OF NM	Mineral Owner	Lease No.
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API# 30025375410000

#### LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	22	14S	34E	660	SOUTH	1980	WEST	LEA

57'

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

#### NATURE OF RELEASE

Type of Release	PRODUCED WATER	Volume of Release	23 BBLS	Volume Recovered	10 BBLS
Source of Release	1/4" VALVE FAILURE	Date and Hour of Occurrence	1/18/07 P.M.	Date and Hour of Discovery	1/19/07 9:00 A.M.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	PAT CAPERTON		
By Whom?	BRADLEY BLEVINS	Date and Hour	1/19/07 10:00 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.\*

AREAL DIMENSIONS?

Describe Cause of Problem and Remedial Action Taken.\*

1/4" VALVE FROM WELLHEAD BROKE RELEASING 23 BBLS OF PRODUCED WATER TO LOCATION SURFACE. VACUUM TRUCKS DISPATCHED TO RECOVER AS MUCH FLUID AS POSSIBLE.

Describe Area Affected and Cleanup Action Taken.\*

10 BBLS OF PRODUCED WATER WAS RECOVERED. SOIL REMEDIATION ACTIVITIES COMMENCED. SOIL WILL BE EXCAVATED, DISPOSED OF AT NMOCDD-APPROVED DISPOSAL FACILITY, SAMPLED, AND BACKFILLED UPON APPROVAL FROM NMOCDD.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCDD 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 NMOCDD 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, NMOCDD 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: <u>Cliff P. Brunson</u> for Chesapeake Operating, Inc.	Approved by District Supervisor: <u>ENGINEER</u>	
Printed Name: CLIFF P. BRUNSON	Approval Date: <u>3.19.07</u> Expiration Date: <u>6.12.07</u>	
Title: PRESIDENT	Conditions of Approval: <u>SUBMIT SUMMARY &amp; SAMPLE RESULT W/ FINAL C-141</u>	
E-mail Address: CBRUNSON@BBCINTERNATIONAL.COM	Attached <input type="checkbox"/>	
Date: 2/23/07 Phone: 505-397-6388		

\* Attach Additional Sheets If Necessary

incident - n PAC0707 923908  
application - p PAC0707 923995

NOTE: ALWAYS SUBMIT APPROX  
CHLORIDE CONTENT OF PROD  
WTR ON INITIAL C-141  
ALONG W/ AREAL DIMENSIONS  
OF SPILL AREA

RP# 1218