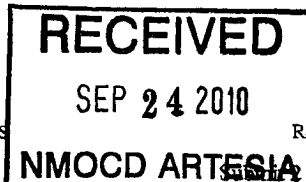


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Release Notification and Corrective Action

AMLB 1028151150 147179 **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	Baish Federal #12	Facility Type	Tank Battery
Surface Owner	Mineral Owner	Lease No. 30-015-31376	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
C	9	18S	31E	990	North	1650	West	EDDY

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Produced water and oil	Volume of Release	35 bbls oil 10 bbls water	Volume Recovered	0 bbls oil, 0 water
Source of Release	Hole in a tank	Date and Hour of Occurrence	9-20-2010 7:00 a.m.	Date and Hour of Discovery	9-20-2010 10:00 a.m.
Was Immediate Notice Given?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Mike Bratcher		
By Whom?	Bradley Blevins	Date and Hour	9/20/10 12:00 p.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.*

Describe Cause of Problem and Remedial Action Taken.*

A tank had a hole in it releasing a combination of oil and produced water to ground surface. Approximately 45 barrels of fluid was released. All fluids stayed inside the firewall. A total of 45 barrels, 35 oil-10 water, were lost.

Describe Area Affected and Cleanup Action Taken.*

Impacted soil removal was commenced on 9-21-10. Impacted soil will be removed and samples taken. The sample results will be discussed with the NMOCD to formalize a remediation plan. A final C-141 will be submitted upon completion of remediation.

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: <u>Bradley Blevins</u>	OIL CONSERVATION DIVISION	
Printed Name: Bradley Blevins	Signed By: <u>Mike Bratcher</u> Approved by District Supervisor.	
Title: HSE Specialist	Approval Date: OCT 08 2010	Expiration Date:
E-mail Address: <u>Bradley.blevins@chk.com</u>	Conditions of Approval:	Attached <input type="checkbox"/>
Date: <u>9/24/10</u> Phone: <u>575-391-1462</u>	REMEDATION per OCD Rules and Guidelines. SUBMIT REMEDIATION PROPOSAL BY: Nov 8, 2010	

* Attach Additional Sheets If Necessary

2RP-446