

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

RECEIVED

FEB 07 2011

NMOCD ARTESIA

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

NKmw/1104139783

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Chesapeake Operating, Inc. 147179	Contact: Bradley Blevins
Address: 5014 Carlsbad Highway	Telephone No.: (505) 391-1462, ext. 6224
Facility Name: Henshaw Deep #5	Facility Type: Production Well

Surface Owner: United States Government-Bureau of Land Management	Mineral Owner: United States Government-Bureau of Land Management	Lease No.: API #30-015-03413
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LOCATION OF RELEASE

Unit Letter F	Section 23	Township 16S	Range 30E	Feet from the 660	North/South Line South	Feet from the 660	East/West Line East	County Eddy
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Latitude: Longitude:

NATURE OF RELEASE

Type of Release: Petroleum and/or Production fluids	Volume of Release: ~35 barrels	Volume Recovered: 25 barrels
Source of Release: Stuffing Box	Date and Hour of Occurrence: January 29, 2011 @ 11:00 am	Date and Hour of Discovery: January 29, 2011 @ 1:00 pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher, NMOCD- Artesia, Jim Amos, BLM	
By Whom? Bradley Blevins, Chesapeake Operating, Inc.	Date and Hour: January 29, 2011, 1:00 pm	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse: Not Applicable	

If a Watercourse was Impacted, Describe Fully.* Not Applicable

Describe Cause of Problem and Remedial Action Taken: The Stuffing Box on well malfunctioned causing release of production fluids onto location. 25 of the 35 barrels released were recovered and contaminated soil was excavated and hauled to a state approved land farm. Soil Samples were taken and submitted to Cardinal Laboratories for testing. Upon receiving acceptable results from Cardinal Laboratories, the affected area will be backfilled, and returned to proper conditions.

Describe Area Affected and Cleanup Action Taken:

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:

Printed Name: Bradley Blevins

Title: Field Technician

E-mail Address: bblevins@chkenenergy.com

Date: November 3, 2010 Phone: (505) 391-1462 ext. 6224

Approved by District Supervisor: Mike Bratcher

Approval Date: 2/17/11

Expiration Date:

Conditions of Approval:

Remediation per OCD Rules & Guidelines. **SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:**

Attached ☐

* Attach Additional Sheets If Necessary

3/17/11

2 RP-602