

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

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company Chesapeake Operating, Inc.	Contact Bradley Blevins	
Address PO Box 190 Hobbs, NM 88241	Telephone No. 505-391-1462 ext. 6224	
Facility Name Overland No. 001	Facility Type Tank Battery	
Surface Owner Slick Duncan	Mineral Owner	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
V	2	16S	37E	1276	South	1724	West	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 110 bbls	Volume Recovered 90 bbls
Source of Release Lightning Strike on Tank	Date and Hour of Occurrence 9/9/07 7:00am	Date and Hour of Discovery 9/9/07 9:30am
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 9/10/07 10:30am	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse	

RECEIVED

JAN 11 2008

HOBBS OCD

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Lightning struck fiberglass tank. Tank exploded releasing produced water. Vacuum trucks recovered free fluid. Fluid stayed in firewall containment.

Describe Area Affected and Cleanup Action Taken.*

Area affected approximately 40'X110' inside firewall. Impacted soil was removed and disposed of at an NMOCD -Approved facility. Site was sampled, then after discussion with Chris Williams of the NMOCD (e-mail attached), the area was lined with a 20 mil plastic liner then backfilled and closed.

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: <i>Cliff P. Brunson</i> for Chesapeake Operating, Inc.	Approved by District Supervisor: <i>Chris Williams</i>	
Printed Name: Cliff P. Brunson	Approval Date: <i>10/1/07</i>	Expiration Date: <i>10/1/07</i>
Title: President	Conditions of Approval:	
E-mail Address: cbrunson@bbcinternational.com	Attached <input type="checkbox"/>	
Date: 1/09/08 Phone: 505-397-6388		

* Attach Additional Sheets If Necessary

RP# 1557

Cliff P. Brunson

From: Williams, Chris, EMNRD [chris.williams@state.nm.us]
Sent: Thursday, September 27, 2007 6:59 AM
To: Cliff P. Brunson
Subject: RE: Chesapeake Overland #1

Ok per our conversation 9/26/2007.

From: Cliff P. Brunson [mailto:cbrunson@bbcinternational.com]
Sent: Wednesday, September 26, 2007 7:52 PM
To: Williams, Chris, EMNRD
Cc: Ken Swinney; Jennifer Gilkey
Subject: Chesapeake Overland #1

Chris,

This is confirm our conversation of this morning allowing Chesapeake to install a 20 mil plastic liner in the floor of the tank battery then backfill the site. A final C-141 will be issued upon completion.

Please respond back with your confirmation of the above.

Thanks again Chris.

Cliff

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