

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 23 bbls	Volume Recovered 19 bbls
Source of Release 2 inch hose on compressor	Date and Hour of Occurrence	Date and Hour of Discovery 10/16/07
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? 10/16/07 8:00am Pat Richards	9:30am
By Whom? BBC International	Date and Hour 10/16/07 4:45pm	
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.*

RECEIVED

Describe Cause of Problem and Remedial Action Taken.*

A 2" hose on compressor broke. Vacuum trucks recovered free fluid. Fluid stayed on caliche pad.

JAN 11 2008

HOBBS OCD

Describe Area Affected and Cleanup Action Taken.*

Area affected approximately 50'X195' on caliche pad. Impacted soil was removed and disposed of at NMOCD -Approved facility. Site confirmation samples were collected and submitted to Chris Williams of the NMOCD. Chris approved the site for closure on 11/2/07. See attached lab data with Chris' approval.

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: 11/2/07	Expiration Date: 11/2/07
Title: President	Conditions of Approval:	Attached <input type="checkbox"/>
E-mail Address: cbrunson@bbcinternational.com		
Date: 1/09/08 Phone: 505-397-6388		

* Attach Additional Sheets If Necessary

RP# 1620



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
BBC INTERNATIONAL, INC.
ATTN: CLIFF BRUNSON
P.O. BOX 805
HOBBS, NM 88241
FAX TO: (575) 397-0397

Receiving Date: 10/29/07
Reporting Date: 10/30/07
Project Owner: CHESAPEAKE
Project Name: OVERLAND #1
Project Location: LOVINGTON, NM

Analysis Date: 10/30/07
Sampling Date: 10/27/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: SB
Analyzed By: KS

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/kg)
H13610-1	SP1	256
H13610-2	SP2	272
H13610-3	SP3	48
H13610-4	SP4	64
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

OK - CW
11/2/07

METHOD: Standard Methods 4500-ClB

Note: Analyses performed on 1:4 w:v aqueous extracts.

Chemist

10/30/07
Date

H13610 BBC

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 services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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