

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

Form C-144  
June 1, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes  No

Type of action: Registration of a pit or below-grade tank  Closure of a pit or below-grade tank

Operator: CHESAPEAKE OPERATING, INC. Telephone: 432-687-2992 e-mail address: SSTRICKLIN@CHKENERGY.COM  
Address: P. O. BOX 11050 MIDLAND, TEXAS 79702-8050  
Facility or well name: MM 25 FEDERAL WELL #12 API #: 30-005-63712 U/L or Qtr/Qtr M Sec 25 T 9S R 25E  
County: CHAVES Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927  1983   
Surface Owner: Federal  State  Private  Indian

<u>Pit</u>	<u>Below-grade tank</u>	
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>12,139</u> bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>-50'</u>	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) 20 (10 points) ( 0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) ( 0 points) 0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) ( 0 points) 0
<b>Ranking Score (Total Points)</b>		<b>20</b>

**If this is a pit closure:** (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite  offsite  If offsite, name of facility GANDY-MARLEY. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No  Yes  If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:  
PIT CONTENTS WERE EXCAVATED AND TRANSPORTED TO THE GANDY-MARLEY, INC. NMOCD-APPROVED DISPOSAL FACILITY NEAR CAPROCK, NM. THE PIT WAS THEN BACKFILLED WITH CLEAN SOIL, COMPACTED, AND LEVELLED TO GRADE. THE PIT CLOSURE WAS STARTED ON DECEMBER 18, 2006 AND COMPLETED ON JANUARY 15, 2007. CONFIRMATION SAMPLES WERE TAKEN FROM THE EXCAVATED PIT PRIOR TO BACKFILLING AND ARE ATTACHED.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

Date: 1/20/07  
Printed Name/Title CLIFF BRUNSON, PRESIDENT, BBC INTL. Signature Cliff P. Brunson FOR CHESAPEAKE OPERATING, INC.

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or

Approval: Printed Name/Title Mike Bratcher DISTRICT Signature Mike Bratcher Date: 1/22/07



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E MARLAND • HOBBS, NM 88240

30-005-63712

ANALYTICAL RESULTS FOR  
BBC INTERNATIONAL, INC.  
ATTN: CLIFF BRUNSON  
P.O. BOX 805  
HOBBS, NM 88241  
FAX TO: (505) 397-0397

Receiving Date: 01/15/07  
Reporting Date: 01/15/07  
Project Owner: NOT GIVEN  
Project Name: MM 25 FEDERAL WELL #5  
Project Location: ROSWELL, NM

Analysis Date: 01/15/07  
Sampling Date: 01/12/07  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: BC  
Analyzed By: AB

LAB NO.	SAMPLE ID	Cl <sup>-</sup> (mg/Kg)
H12037-1	PIT BOTTOM	<16
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		0.0

METHOD: Standard Methods 4500-Cl<sup>-</sup>B

NOTE: Analysis performed on a 1:4 w:v aqueous extract.

*Alfred S. Moreno*  
\_\_\_\_\_  
Chemist

01-16-07  
\_\_\_\_\_  
Date

H12037

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.



# CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Maryland, Hobbs, NM 88240  
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2478

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: <b>BGC International, Inc.</b>				P.O. #: <b>BILL TO</b>				ANALYSIS REQUEST			
Project Manager: <b>Cliff Brunson</b>				Company:							
Address: <b>P.O. Box 805</b>				City:							
City: <b>Hobbs</b>				State: <b>NM</b>				Zip: <b>88241</b>			
Phone #: <b>397-6388</b>				Fax #: <b>397-0397</b>				Attn: <b>Sandy</b>			
Project #:				Project Owner:				City:			
Project Name: <b>Mm 25 Federal well 45</b>				State:				Zip:			
Project Location: <b>Roswell, nm</b>				Sampler Name: <b>Cliff Brunson</b>				Phone #:			
For Use Only:				Fax #:							
Lab I.D. <b>Sample I.D.</b>				MATERIAL				PRESERVATION			
412037 P.t. Boston (G)RAB OR (C)OMP. <input checked="" type="checkbox"/> G # CONTAINERS: GROUNDWATER WASTEWATER SOIL <input checked="" type="checkbox"/> CRUDE OIL SLUDGE OTHER: ACID/BASE: ICE / COOL <input checked="" type="checkbox"/> OTHER: DATE: 11/2/07 9:00 am TIME: Chloride				DATE				TIME			

**PLEASE NOTE:** Liability and Damages: Cardinal's liability shall be limited to the amount paid by the client for the analysis. All claims regarding results for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damage, including without limitation, business interruption, loss of data, or loss of profits incurred by client. An acknowledgment of receipt of this report shall be provided to the performance of services rendered by Cardinal. A signature of the recipient shall be required for all reports and shall be dated upon any of the above stated reasons or otherwise.

Terms and Conditions: All work will be done on all samples more than 30 days from date of the issue of 24% per annum from the original date of transfer, and all costs of collection, handling, recovery, etc.

Sampler Relinquished: **11/5/07** Received By: \_\_\_\_\_

Date: **11/5/07** Time: **11:15 am**

Relinquished By: *Cliff Brunson* Received By: (Lab Staff) \_\_\_\_\_

Date: \_\_\_\_\_ Time: \_\_\_\_\_

Delivered By: (Circle One)  UPS  Bus  Other: \_\_\_\_\_

Sample Condition:  Yes  No

Cool Inlet:  Yes  No

Checked By: *[Signature]* (Initials)

Phone Result:  Yes  No Add'l Phone #: \_\_\_\_\_

Fax Result:  Yes  No Add'l Fax #: \_\_\_\_\_

REMARKS: \_\_\_\_\_

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