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

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

office

3 2007 OCD - ARTESIA, NM

Form C-144

June 1, 2004

w-Grade Tank Registration or Closure

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

Type of action: Registration of a pit or below-grade tank \(\subseteq \) Closure of a pit or below-grade tank \(\subseteq \)

Operator: CHESAPEAKE OPERATING. INC. Telephone	ne: 432-687-2992e-mail address: _SS	STRICKLIN@CHKENERGY.CO											
Address: P. O. BOX 11050 MIDLAND. TEXAS 79702													
Facility or well name: LOTOS C FEDERAL WELL 907 API #: 3	30-015-34945 U/L or Qtr/Qtr B	Sec 9 T 24S R 31E											
County: LEA Latitude	Longitude	NAD: 1927 🔲 1983 🔲											
Surface Owner: Federal 🛛 State 🔲 Private 🔲 Indian 🔲													
<u>Pit</u>	Below-grade tank												
Type: Drilling ☑ Production ☐ Disposal ☐	Volume:bbl Type of fluid:												
Workover ☐ Emergency ☐	Construction material:	_											
Lined 🛮 Unlined 🗌	Double-walled, with leak detection? Yes 🔲 If not, explain why not.												
Liner type: Synthetic 🛛 Thickness 12 mil Clay 🗌													
Pit Volume <u>12,139</u> bbl													
Depth to ground water (vertical distance from bottom of pit to seasonal													
high water elevation of ground water.)	Less than 50 feet	(20 points)											
400'	50 feet or more, but less than 100 feet	(10 points)											
	100 feet or more	(0 points) 0											
Wellhead protection area: (Less than 200 feet from a private domestic	Yes	(20 points)											
water source, or less than 1000 feet from all other water sources.)	No	(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	(20 points)											
inigation canals, arctico, and percinial and epitemetal watercoalses.	200 feet or more, but less than 1000 feet	(10 points)											
	1000 feet or more	(0 points) 0											
	Ranking Score (Total Points)	0											
If this is a pit closure: (1) Attach a diagram of the facility showing the pit	's relationship to other equipment and tanks. (2) Indi	cate disposal location: (check the onsite box if											
your are burying in place) onsite X offsite I If offsite, name of facility_													
remediation start date and end date. (4) Groundwater encountered: No													
(5) Attach soil sample results and a diagram of sample locations and excava													
Additional Comments:													
A SIDE DEEP BURIAL TRENCH WAS EXCAVATED NEXT	TO THE PIT THE TRENCH WAS LINED WI	TH A 20 MIL SYNTETIC LINER THE											
PIT CONTENTS WERE THEN PLACED INTO THE LINED TR													
AND A TOP COVER OF 20 MIL SYNTHETIC LINER WAS SEWED IN PLACE. THREE FEET OF TOP SOIL WAS PLACED ON TOP OF THE													
LINED TRENCH AND COMPACTED. THE ORIGINAL PIT WAS BACKFILLED WITH CLEAN SOIL, COMPACTED, AND LEVELLED TO GRADE. CONFIRMATION SAMPLES WERE TAKEN FROM THE EXCAVATED PIT PRIOR TO BACKFILLING AND ARE ATTACHED. THE PIT													
CLOSURE WAS STARTED ON FEBRUARY 13, 2007 AND COMPLETED ON FEBRUARY 28, 2007.													
I hereby certify that the information above is true and complete to the best	t 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 guidelin-	es 🔼, a general permit 🔲, or an (attached) altern	ative OCD-approved plan .											
Date: 3/7/07													
CLIFF PRINCON PRECIPENT PRODUCT													
Printed Name/Title	Signature_ Cliff P. Tunan FO	R CHESAPEAKE OPERATING, INC											
Your certification and NMOCD approval of this application/closure does	not relieve the operator of liability should the content	ts of the nit or tank contaminate around water or											
otherwise endanger public health or the environment. Nor does it relieve													
Approval:	NMOCD												
Printed Name/Title		Da MAR 0 8 2007											



PHONE (505) 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: (505) 397-0397

Receiving Date: 02/26/07 Reporting Date: 02/27/07 Project Owner: NOT GIVEN

Project Name: LOTOS C FEDERAL #907

Project Location: EUNICE, NM

Analysis Date: 02/27/07 Sampling Date: 02/23/07 Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: BC

Analyzed By: HM

_ .--

	CI
LAB NO. SAMPLE ID	(mg/Kg)
H12247-1 PIT BOTTOM	< 16
Quality Control	490
True Value QC	500
% Recovery	98
Relative Percent Difference	0.0

METHOD: Standard Methods 4500-CIB

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

Joseph J. Macono Cherhist

H12247

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.

ARDINAL LABORATORIES, INC.

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

2111 Beachwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240 (915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

Page / of /

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