

PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W. MARLAND • P.O. BOX 805 • HOBBS, NM 88241-0805 E-MAIL: cbrunson@bbcintemational.com

June 18, 2006

JUN 2 0 2006

Mr. Van Barton NMOCD 1301 W. Grand Ave. Artesia, NM 88210

RE: Chesapeake Operating, Inc. – Teledyne 20 Well #005 – Final C-144

Dear Mr. Barton:

Please find attached a copy of the final C-144 for the Chesapeake Operating, Inc. Teledyne 20 Well #005 along with analytical results.

As described on the C-144, the reserve pit contents were buried utilizing a series of shallow lined burial trenches per our previous discussion. Please note this well is located in the salt lake northeast of Loving, NM and south of Hwy. 31.

Please let me know if you have any questions.

Sincerely,

Cliff P. Brunson, CEI, CRS

Cliff P. Tuman

President

CPB/jg

cc: Brad Blevins - Chesapeake, Hobbs, NM

Shay Stricklin - Chesapeake, Midland, TX

Approval granted by Van

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

Form C-144

June 1, 2004

Pit or Below-Grade Tank Registration or Closure
Is pit or below-grade tank covered by a "general plan"? Yes \(\subseteq \) No \(\Small \)

	r below-grade tank \(\bigcap\) Closure of a pit or below-grade	
Operator: CHESAPEAKE OPERATING, INC. Telephone	e-mail address: SST	RICKLAN@CHKENERGY.CO
Address: P. O. BOX 11050 MIDLAND, TEXAS 79702-		
	0-015-33504 U/L or Qtr/Qtr J	Sec 20 T 23S R 29E
	Longitude	
Surface Owner: Federal State Private Indian		
Pit	Below-grade tank	
Type: Drilling 🛛 Production 🗌 Disposal 🗍	Volume:bbl Type of fluid:	RECEIVED
Workover Emergency	Construction material:	JUN 2 0 2006
Lined X Unlined	Double-walled, with leak detection? Yes If not	explain why not 4 at a second
Liner type: Synthetic M Thickness 12 mil Clay	South Mariou, Will boak detection. 165 🗀 II lies	TO TESIN
Pit Volume 12,139 bbl		
Depth to ground water (vertical distance from bottom of pit to seasonal		1
high water elevation of ground water.)	Less than 50 feet	(20 points)
100' TO FRESH WATER	50 feet or more, but less than 100 feet	(10 points)
100 TO FRESH WATER	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)
	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) Indica	ite disposal location: (check the onsite box if
your are burying in place) onsite 🛛 offsite 🔲 If offsite, name of facility_	. (3) Attach a general d	escription of remedial action taken including
remediation start date and end date. (4) Groundwater encountered: No 🔝 Y		
(5) Attach soil sample results and a diagram of sample locations and excavat		and attack sample results.
Additional Comments:	ions.	
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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: 06/01/06 Reporting Date: 06/02/06 Project Owner: NOT GIVEN

Project Name: TELEDYNE 20 WELL #5

Project Location: LOVING, NM

Analysis Date: 06/02/06 Sampling Date: 06/01/06 Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: HM

Analyzed By: HM

LAB NO. SAMPLE ID	CI (ma/kg)
LAB NO. SAIVIPLE ID	(mg/kg)
H11179-1 PIT BOTTOM	< 16
Quality Control	990
True Value QC	1000
% Recovery	99
Relative Percent Difference	0.0

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

Chemist Moone

METHOD: Standard Methods

06-02-06

Date

4500-CIB

1		
2111 Beachwood	ARDINAL LA	

E ORATORIES, INC.

(9)	(915) 673-7001 Fax (915) 673-7020	(915) 673-702		(505) 393-2326 Fax (505) 393-2476			1	, 01	1
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