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-144
June 1, 2004
For driff Sand production facilities, submit to ppropriate NMOGO District Office.
For downstream acilities, 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 \(\subseteq \) 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. Telephon	e: 432-687-2992 e-mail address: SS	TRICKLIN@CHKENERGY.CO
Address: P. O. BOX 11050 MIDLAND, TEXAS 79702-8050		
	0-015-34944 U/L or Qtr/Qtr B	Sec 10 T 24S R 31E
	Longitude	
Surface Owner: Federal X State Private Indian		
Pit	Below-grade tank	
	Volume:bbl Type of fluid:	
Workover ☐ Emergency ☐	Construction material:	
Lined X Unlined	Double-walled, with leak detection? Yes If not, explain why not.	
Liner type: Synthetic X Thickness 12 mil Clay		
Pit Volume 12,139 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)
250'	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)
and opposite the second of the	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) Indicate disposal location: (check the onsite box if		
your are burying in place) onsite \(\text{\square} \) If offsite, name of facility (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		
(5) Attach soil sample results and a diagram of sample locations and excavations.		
Additional Comments:		
A SIDE DEEP BURIAL TRENCH WAS EXCAVATED NEXT TO THE PIT. THE TRENCH WAS LINED WITH A 20 MIL SYNTETIC LINER. THE PIT CONTENTS WERE THEN PLACED INTO THE LINED TRENCH. THE SIDES OF THE TRENCH WERE FOLDED OVER THE CONTENTS		
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 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 , or an (attached) alternative OCD-approved plan .		
Date: 3/8/07		
CLIFF BRUNSON, PRESIDENT, BBC INTL.	C0:1.07	R CHESAPEAKE OPERATING, INC
Printed Name/Title	Signature_Cuff T. Usunaa FOI	R 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: NMOCD		
Printed Name/Title	NMOCD Signature	₽ ₩AR 0 8 2007
		W/W V O ZUU/



Month - Year

WAR - 2007

OCD - ARTESIA, NM

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 10 FEDERAL #6

Project Location: NOT GIVEN

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

Sample Condition: COOL & INTACT

Sample Received By: BC

Analyzed By: HM

LAB NO. SAMPLE ID	CI (mg/Kg)
H12248-1 PIT BOTTOM	< 16
Quality Control	490
True Value QC	500
% Recovery	98
Relative Percent Difference	0.0

METHOD: Standard Methods 4500-Cl'B

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

Chemist Time

H12248

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.

2111 Beachwood, Abilene, TX 79603, 101 Fast Marland, H

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 Company Name: BBC International, Inc. BILL TO ANALYSIS REQUEST Cliff Brunson P.O. #: Address: P.O. Box 805 Company: city: Hobbs State: NM Zip: 88ZY/ Attn: 397-6318 Fax #: 397-0397 Phone #: Address: Project #: Project Owner: City: Project Name: Lotos 10 Federal # 6 State: ZIp: Phone #: Project Location: OSCAT Frayer Sampler Name: Fax#: MATRIX PRESERY. SAMPLING FOR LAB USE COLT (G)RAB OR (C)OMP GROUNDWATER WASTEWATER CONTAINERS Sample I.D. Lab I.D. TIME DATE Pit Botton 2/23/07 2:00 10 30 days part due at the rate of 26% per servers been the original date of hardon Maryane, Al Cours Transfer) those for regispense and any some cause when ower shall be deemed water unless made in whing and received by Cardinal within 30 days after completion of the epptiservice, In the every small Carabout by Jacon for transmist or consequental countries, business, britishous business business at use, or tops of prests incurred by their, he substitutes and at posts of solvedors, helicity attempt foot INTERIOR OF SECURIORS STATED OF OF CORRES TO FOR POTOTIONIS Of SECURIOR INCIDENT BY CONTRACT OF SECURIOR OF SECURI Phone Result: □ No |Add'| Phone #: ☐ Yes Received By: Add'I Fax #: Fax Result: ☐ Yes □ № Tima; REMARKS: 2:25 Date: Received By: (Lab Staff) Delivered By: (Circle Qne) Cool_Intact (Initials) Sampler - UPS - Bus - Other:

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