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.

PC 4/24/04

Form C-144 June 1, 2004

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

Santa Fe, NM 87505 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 \(\subseteq \) Telephone: 432-687-2992 e-mail address: BCOFFMAN@CHKENERGY.COM Operator: CHESAPEAKE OPERATING. INC. Address: P. O. BOX 11050 MIDLAND, TEXAS 79702-8050 Facility or well name: ANGUS 7 STATE WELL #001 API #: 30-025-36688 _U/L or Qtr/Qtr H Sec 7 R 35E County: LEA Longitude NAD: 1927 | 1983 | Latitude Surface Owner: Federal State Private Indian Below-grade tank Type: Drilling X Production Disposal _bbl Type of fluid: ___ Volume: 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 12,129 bbl Depth to ground water (vertical distance from bottom of pit to seasonal Less than 50 feet (20 points) high water elevation of ground water.) (10 points) 10 50 feet or more, but less than 100 feet 50'+100 feet or more (0 points) Wellhead protection area: (Less than 200 feet from a private domestic (20 points) Yes (0 points) 0 water source, or less than 1000 feet from all other water sources.) Nο Distance to surface water: (horizontal distance to all wetlands, playas, Less than 200 feet (20 points) irrigation canals, ditches, and perennial and ephemeral watercourses.) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points) 0 Ranking Score (Total Points) 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 🔀 offsite 🗌 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 MARCH 20, 2006 AND COMPLETED ON APRIL 11, 2006. 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: 4/11/06 CLIFF BRUNSON, PRESIDENT, BBC INTL. Signature Cliff P. Tuenon FOR CHESAPEAKE OPERATING, INC.__ Printed Name/Title 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 refieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or Approval: Printed Name/Title



PHONE (325) 673-7001 · 2111 BEECHWOOD · ABILENE, TX 79803

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

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

Receiving Date: 04/07/06 Reporting Date: 04/07/06

Project Number: NOT GIVEN

Project Name: ANGUS 7 STATE WELL #1 Project Location: SAN SIMON RANCH

Analysis Date: 04/07/06

Sampling Date: 04/06/06 Sample Type: SOIL Sample Condition: COOL & INTACT Sample Received By: NF Analyzed By: AB

CI LAB NO. SAMPLE ID (mg/kg)

H10998-1 PIT BOTTOM	32
	
Quality Control	510
True Value QC	500
% Recovery	102
Relative Percent Difference	2.0

METHOD: Standard Methods 4500-CFB

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

H10998

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

ARDINAL LABORATORIES, INC.
2111 Beachwood, Abilene, TX 79503, 101 East Marland, Hobbs, NM 88240
(915) 673-7001 Flak (915) 673-7020 (505) 393-2326 Fax (505) 393-2478 Page / of / Company kama: BBC International, Inc.
Project Manager: Cliff Revision BILL TO ANALYSIS REQUEST P:O. #: ARGITASS: P.O. BOX 801 Company: H0665 STATA: NM Zip: 88241 100 Attn: Phone # 397- 6788 Max 397-0397 Address; Reolect Owner: Project F. chy: Project Name: Argus 7 54 He well #1 State: Project Location: San S. Por Rauch
Sampler Name: Cliff Terrior Phone #: Fax #: Chlorid かみたむ ふきゃくて HATRIX PRESERY SAMPLING Lab I.D. Sample DATE TIME Pit Bottom 410798-1 4/6/06 12:70pm V 30 days part are st. No trap of 20% per series from the ariginal date of Trade ped tol state of state-ofern, including september from Phone Regult: DYes DNo Add'l Phone F:
Fax Result: DYes DNo Add'l Fax 6:
REMARKS: 13°; 45 A. Doliyaron By: (Gircle One) Sample Condition
Cool Intact
Yes MYES
No Ho CHECKED BY: Sampler-DPS . Bus . Other:

T Cardinal cannot accept yerbal changes. Please fax written changes to 605-393-2475.