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

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 \(\subseteq \) e-mail address: SSTRICKLIN@CHKENERGY.COM __Telephone: _432-687-2992 Operator: CHESAPEAKE OPERATING. INC. Address: P. O. BOX 11050 MIDLAND, TEXAS 79702-8050 Facility or well name: KF 4 STATE WELL #001 API #: 30-025-37129 U/L or Qtr/Qtr X Sec 4 T 21S R 35E County: LEA Longitude Latitude NAD: 1927 🗌 1983 🔲 Surface Owner: Federal

State

Private Indian Below-grade tank Type: Drilling X Production Disposal D 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 Less than 50 feet (20 points) high water elevation of ground water.) 50 feet or more, but less than 100 feet (10 points) 89'+ (0 points) 0 100 feet or more Wellhead protection area: (Less than 200 feet from a private domestic (20 points) Yes water source, or less than 1000 feet from all other water sources.) (0 points) 0 No 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 X offsite I 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 ft, and attach sample results. (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 MAY 12, 2006 AND COMPLETED ON MAY 26, 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: 6/1/06 CLIFF BRUNSON, PRESIDENT, BBC INTL. L.
_____Signature_Cliff P. Tuunoon 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 relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or Approval: Date: 6.2.06



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

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

CIT

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

Receiving Date: 05/19/06
Reporting Date: 05/19/06
Project Owner: NOT GIVEN
Project Name: KF∯STATE #1.
Project Location: OIL CENTER, NM

Analysis Date: 05/19/06 Sampling Date: 05/18/06 Sample Type: SOIL Sample Condition: COOL & INTACT Sample Received By: NF Analyzed By: HM

LAB NO. SAMPLE ID	(mg/kg)
H11137-1 BOTTOM PIT CENTER	< 16
	4000
Quality Control	1020
True Value QC	1000
% Recovery	102
Relative Percent Difference	2.0
METHOD: Standard Methods	4500-CI [*] B

METHOD: Standard Methods

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

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Date

H11137

PLEASE NOTE: Liability and Demages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the emount paid by client for analyses. At 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 afficiates 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

(915) 0/3-	-7001 Hak (915) 873-70	03 - 101 East Marland 20 (506) 393-2326 Fz	I. Hobbs, NM 88240			900 / of /
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