

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

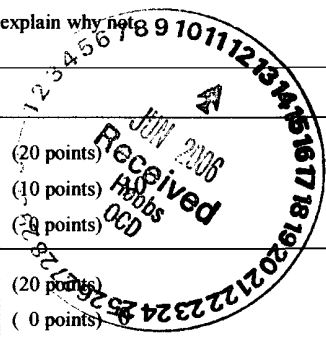
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: <u>CHESAPEAKE OPERATING, INC.</u> Telephone: <u>432-687-2992</u> e-mail address: <u>SSTRICKLIN@CHKENERGY.COM</u>		
Address: <u>P. O. BOX 11050 MIDLAND, TEXAS 79702-8050</u>		
Facility or well name: <u>ALBACORE 25 WELL #001</u> API #: <u>30-025-37054</u> U/L or Qtr/Qtr <u>N</u> Sec <u>25</u> T <u>16S</u> R <u>35E</u>		
County: <u>LEA</u> Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>		
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input checked="" type="checkbox"/>		
<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>20</u> mil Clay <input type="checkbox"/> Pit Volume <u>12,139</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why note _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>60'</u>	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)	
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points)	
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	
<b>Ranking Score (Total Points)</b> 10		

**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 you 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 \_\_\_\_\_ 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 OF TEN FEET WAS EXCAVATED NEXT TO THE PIT. THE TRENCH WAS LINED WITH A 20 MIL SYNTHETIC 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 APRIL 14, 2006 AND COMPLETED ON MAY 11, 2006.
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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 <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		
Date: <u>6/2/06</u>		
CLIFF BRUNSON, PRESIDENT, BBC INTL.		
Printed Name/Title	Signature <u>Cliff P. Brunson</u>	FOR 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:		
Printed Name/Title <u>CHRIS WILLIAMS/DIST. SUPV.</u>	Signature <u>Chris Williams</u>	Date: <u>6/5/06</u>



Analysis Date: 05/04/06  
Sampling Date: 05/03/06  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: HM  
Analyzed By: HM

LAB NO.	SAMPLE ID	Cl <sup>-</sup> (mg/kg)
H11081-1	PIT BOTTOM	16
Quality Control		990
True Value QC		1000
% Recovery		99
Relative Percent Difference		2.0

**METHOD:** Standard Methods 4500-CrB

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

Isaac S. M. Jones  
Chemist

05-04-06  
Date

H11081

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.



## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 1

(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2478 <b>Company Name:</b> <u>BBC International, Inc.</u>				<b>BILL TO</b>				<b>ANALYSIS REQUEST</b>											
<b>Project Manager:</b> <u>Cliff Brunson</u>				<b>P.O. #:</b>				<div style="display: flex; align-items: center; justify-content: center; font-size: 2em; font-weight: bold;"> <span style="writing-mode: vertical-rl; transform: rotate(180deg);">Chloride</span> </div>											
<b>Address:</b> <u>P.O. Box 805</u>				<b>Company:</b>															
<b>City:</b> <u>Hobbs</u>				<b>State:</b> <u>NM</u> <b>Zip:</b> <u>88241</u>															
<b>Phone #:</b> <u>397-6388</u>				<b>Fax #:</b> <u>397-0397</u>															
<b>Project #:</b>				<b>Project Owner:</b>															
<b>Project Name:</b> <u>San Simon 21 State #2</u>				<b>State:</b> <u>NM</u> <b>Zip:</b>															
<b>Project Location:</b> <u>San Simon Ranch</u>				<b>Phone #:</b>															
<b>Sampler Name:</b> <u>Cliff Brunson</u>				<b>Fax #:</b>															
<div style="display: flex; justify-content: space-between;"> <div style="width: 20%;"> <b>FOR LAB USE ONLY</b> </div> <div style="width: 40%; text-align: center;"> <b>MATRIX</b> </div> <div style="width: 10%; text-align: center;"> <b>PRESERV.</b> </div> <div style="width: 20%; text-align: center;"> <b>SAMPLING</b> </div> </div>																<b>DATE</b>		<b>TIME</b>	
<div style="display: flex; justify-content: space-between;"> <div style="width: 20%;"> <b>Lab I.D.</b> </div> <div style="width: 40%;"> <b>Sample I.D.</b> </div> <div style="width: 10%; text-align: center;"> <b>(G)RAB OR (C)OMP.</b> </div> <div style="width: 10%; text-align: center;"> <b># CONTAINERS</b> </div> <div style="width: 10%; text-align: center;"> <b>GROUNDWATER</b> </div> <div style="width: 10%; text-align: center;"> <b>WASTEWATER</b> </div> <div style="width: 10%; text-align: center;"> <b>SOIL</b> </div> <div style="width: 10%; text-align: center;"> <b>CRUDE OIL</b> </div> <div style="width: 10%; text-align: center;"> <b>SLUDGE</b> </div> <div style="width: 10%; text-align: center;"> <b>OTHER:</b> </div> <div style="width: 10%; text-align: center;"> <b>ACID/BASE:</b> </div> <div style="width: 10%; text-align: center;"> <b>ICE / COOL</b> </div> <div style="width: 10%; text-align: center;"> <b>OTHER:</b> </div> </div>																			
<u>H11082-1</u>		<u>Pit Bottom</u>		<u>C</u>		<u>1</u>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<u>5/4/06</u>		<u>8:00am</u>					
<div style="font-size: 0.8em;"> <p>PLEASE NOTE: Liability and Damages, Conditions, Exclusions and other limitations apply for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis and shall include costs for transportation and any other charges incurred that are deemed related unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for recovery of consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or customers arising out of or resulting in the transportation of samples performed by Cardinal, regardless of whether such claim is based upon any of the express stated warranties or otherwise.</p> <p>Terms and Conditions (which) will be charged on all accounts from 90 days from date of the invoice at the rate of 3.4% per annum from the original date of invoice and all costs of collection, including company's fees.</p> </div>																			
<b>Sampler Relinquished:</b> <u>Cliff Brunson</u>				<b>Date:</b> <u>5/4/06</u> <b>Time:</b> <u>10:45am</u>				<b>Received By:</b> <u>[Signature]</u>				<b>Phone Result:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Fax Result:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No							
<b>Relinquished By:</b> <u>[Signature]</u>				<b>Date:</b> <u>05-04-06</u> <b>Time:</b> <u>10:50</u>				<b>Received By: (Lab Staff)</b> <u>[Signature]</u>				<b>Add'l Phone #:</b> <b>Add'l Fax #:</b>							
<b>Delivered BY: (Circle One)</b> <input checked="" type="checkbox"/> UPS <input type="checkbox"/> Bus <input type="checkbox"/> Other:				<b>Sample Condition</b> <b>Cool</b> <input type="checkbox"/> <b>Intact</b> <input type="checkbox"/> <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>				<b>CHECKED BY:</b> <b>(Initials)</b>											
<b>REMARKS:</b>																			

† Cardinal cannot accept verbal changes. Please fax written changes to 605-393-2476.