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

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

Oil Conservation Division 1220 South St. Francis Dr. 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 \(\subseteq \)

Is position. Pagintration of a pit or below-grade tank \(\subseteq \) Closure of a pit or below-grade tank \(\subseteq \)

Type of action: Registration of a pit of	or below-grade talik	Closure of a pit of below gra	oc talk 23					
Operator: CHESAPEAKE OPERATING. INC. Telephone: 432-687-2992 e-mail address: SSTRICKLIN@CHKENERGY.CO								
Address: P. O. BOX 11050 MIDLAND. TEXAS 79702	-8050							
Facility or well name: KELLER 33 STATE WELL 002 API #: 30-025-37616 U/L or Qtr/Qtr A			Sec 33	T 23S	R 34E			
County: LEA Latitude			NAD: 1927 □ 1983 □					
Surface Owner: Federal State Private Indian								
Pit	Below-grade tank	. "						
Type: Drilling X Production Disposal	Volume:bbl Type of fluid:							
Workover Emergency	Construction material:							
Lined 🛛 Unlined 🗌	Double-walled, with leak detection? Yes If not, explain why not.							
Liner type: Synthetic X Thickness 12 mil Clay								
Pit Volume <u>12,139</u> 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)					
400'+	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)					
	200 feet or more, but	less than 1000 feet	(10 points)					
	1000 feet or more		(0 points) ()				
	Ranking Score (Tota	l 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 🔲 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 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 JUNE 8, 2006 AND COMPLETED ON JUNE 30, 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: 7/3/06								
CLIFF BRUNSON, PRESIDENT, BBC INTL. Printed Name/Title FOR CHESAPEAKE OPERATING, INC								
Printed Name/Title Signature _ Signature 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 GARYWWINK STAFFMER Signature Hayw. Wink Date: 7506								
		U						



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

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: 06/23/06 Reporting Date: 06/23/06 Project Owner: NOT GIVEN

Project Name: KELLER 33 STATE #2 Project Location: DELAWARE BASIN Analysis Date: 06/23/06 Sampling Date: 06/23/06 Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: BC

Analyzed By: AB

CI LAB NO. SAMPLE ID (mg/kg) H11268-1 PIT BOTTOM **Quality Control** 980 True Value QC 1000 % Recovery 98 Relative Percent Difference 1.0

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

METHOD: Standard Methods

4500-CI'B

H11268

PLEASE NOTE: Liability and Damages. Cardinal's liability and clien's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for anxilysos. All claims, including mose for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thiny (30) days after completion of the applicable service. In no event shall Cardinal be bable for incidental or consequential damages, including, without irmitation, but irrelation, so so due, or loss of use, or loss of plotts incurred by client, its absolidaries, 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

ARDINAL LABORATORIES, INC.		:		
2111 Beechwood, Abllene, TX 79603 101 East Maria	nd, Hobbs, NM 88240		Pageof	
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326	BILL TO	ANALYSI	S REQUEST	
Company Name: BBC International, Inc.	P.O. #:			
Project Manager Cliff Brunson		1		
Address: 1324 W. Marland	Company:	-		
city: Habbs State: NM ZIP: 88240	Attn:		1 1 1 1 1	
Phone # 505-397-6388 Fax # 505-397-0397	Address:	-		
Project ★ Project Owner:	City:	-		
Project Name: Keller 33 State #2	State: Zip:	-		
Project Location: Delaware Basin	Phone #:	-		
Sampler Name: Amy Kuth MATRI	FEX#:	-		
FOR US USE CREY		731 1 1		
CONTANTERS GROUNDWATER SOIL SOIL SOIL GROUND OIL				
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Mu Shaple Co Shaple Co Intl	dition CHECKED BY: ct (Initials)			
Sampler - UPS - Bus - Other:	Yes		i. i	
No [No L			

[†] Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2475.