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.

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

For downstream facilities, submit to Santa Fe office

Form C-144

June 1 2004

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: SSTRICKLIN@CHKENERGY.COM Operator: CHESAPEAKE OPERATING. INC. Address: P. O. BOX 11050 MIDLAND, TEXAS 79702-8050 Facility or well name: JORDAN 12 STATE WELL #3 R 32E API #: 30-025-37050 Sec 12 T 10S U/L or Qtr/Qtr E County: LEA NAD: 1927 🗌 1983 🔲 Latitude Longitude 02/222324 Surface Owner: Federal 🔲 State 🔀 Private 🔲 Indian 🔲 Below-grade tank Type: Drilling 🛛 Production 🗌 Disposal 🗍 Volume: ___ bbl Type of fluid: Workover ☐ Emergency ☐ Construction material: Double-walled, with leak detection? Yes If not explain Lined X Unlined 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 high water elevation of ground water.) 50 feet or more, but less than 100 feet (10 points) -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) () Ranking Score (Total Points) 20 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 GANDY-MARLEY (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: PIT CONTENTS WERE EXCAVATED AND TRANSPORTED TO THE GANDY-MARLEY, INC. NMOCD-APPROVED DISPOSAL FACILITY NEAR CAPROCK, NM. THE PIT WAS THEN BACKFILLED WITH CLEAN SOIL. COMPACTED, AND LEVELLED TO GRADE. THE PIT CLOSURE WAS STARTED ON AUGUST 7, 2006 AND COMPLETED ON AUGUST 15, 2006, CONFIRMATION SAMPLES WERE TAKEN FROM THE EXCAVATED PIT PRIOR TO BACKFILLING AND ARE ATTACHED. 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: 8/21/06 _ Signature Cliff P. Tunan FOR CHESAPEAKE OPERATING, INC.__ CLIFF BRUNSON, PRESIDENT, BBC INTL. 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:
Printed Name/Title GARY W. WINK STAFF MCRSignature Hay W. Wink Date: 8/21/06



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: 08/10/06 Reporting Date: 08/11/06 Project Number: NOT GIVEN

Project Name: JORDAN 12 STATE WELL #3

Project Location: TATUM, NM

Analysis Date: 08/11/06 Sampling Date: 08/09/06 Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: NF

Analyzed By: HM

LAB NO. SAMPLE ID CIT (mg/kg)

H11431-1 PIT BOTTOM	80
Quality Control	970
True Value QC	1000
% Recovery	97
Relative Percent Difference	1.0

METHOD: Standard Methods 4500-CI'B

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

Chamist Modern

08-11-06 Date

Date

ARDINAL LABORATORIES, I

ARDINAL LABORATORIES, INC. 2111 Beechwood, Apliene, TX 79603: 101 East Marland, Hobbs, NM 88240

(9	115) 873 7001 A	001 Fax (9,15) 673-7020 (505) 393-2326 Fa								× (505) 393-2476							" Pagaor											
Company Nama: BBC International, Inc. Project Manager Cliff Brusser								8/14/17/0							ANALYSIS REQUEST													
Project Manager Cliff British								P:O.	#:		<u>'-</u>			į	7				_				. }	1				
ADDIESS: P. O. BOX 805							- (Company:						\$** 	1	1			l	} '		·						
City: Hobss State: Na Zip: 88241						_ !	Attn:							}	1	·) '				1	1 1				
Phona # 397-6388 Fax # 397-0397						-	Address:								ì]			, 1	, !					
Project Owner:							_	Chy:]							1		1					
Project Name: Jordan 12 State Well # 3						_	State: 21p:											ł		1								
Project Location: Total, Ann								Phone #:						ا ہا							1	1		1	1			
Sampler Name: Jeff orneles								FRX #: PRESERY SAMPLING							17					•	1		1		İ	1		
109 reg 125 Out.				١.		-	ЖA.	TRIX	; [PRE	SEI	RV	SAMPL	MG	1 0				\	1		1	1		1		
1	į			8	ြို့	55 .		1								0			}	1	1		1			ĺ	1	
			Lì	0	E	WAT THE	!		ll		. i	اد				14	<u>†</u>		ļ	1	1		1	1			1	
Lab I.D.	Sample	111	/ 	0	1	2 3			병	 85	8	8	::			10	1		Í				1	}		1		
1 . 1	Į.			(G) RAB DR (C) CIAP	# CONTAINERS	GROUNDWATER	SOF S	CRUDE OIL	SLUDGE	OTHER	ACID/BASE:	CE /CODIT	OTHER	DATE	TIME	1	1	} .	1	l		1						
1111112 T	P.+ Bo4			ځ		9 5	10	₽Ω-	100	유	4	늿	٧	8/7/2	5: mp	1	-							<u> </u>		 		
H11431-1	111 007	H		1	+	 -	+	1						9/						,				 		 	 	
	·	1-1	1	1	1-	-	+-	 			-	7												 	 	ļ	 	
ļ		mil	 	 	1-	-	十	+				_								L	<u> </u>		<u> </u>		 	 	 	
 	·			 	1-	-	+-	1				7									<u> </u>	 	 	 	├		 	
 			+	-	 	-	-	1												<u> </u>		↓	ļ	 	├	<u> </u>	 	
			 			1	1	1												<u> </u>	 		 	 	 	 	 	
		1	1	1			1													 	ļ	↓	 	 		ļ	 	
							1									<u> </u>				 	ļ	╁	┼	 	 		 	
 	!						1	1									<u> </u>	<u> </u>		L.,			later and he	t he storp	dan's	Shrine strong	150	
Prince to the control of the control	MINIST CARDINI MINISTERNA	777	PARTY INTENDED IN MA	dein i	rivery in	heber b	e in wi	600 MG	al er la ci recol	rd Dar	De l	raiod rai wi	le the inin X	moderni padd by i O dwys antar some	ne coloral for the Markon of the Appl	icable			•	34	days Dark	pur M the f of poberator	Dep of 241	(bec stern	i tru ta i	arigenel delle	of Treice,	
Tables with the safe garge	or de prim las expressions on an		earling on a travery wi	nou fe	THE OCK	befroe	and er	pdone, on swi	io sed at d B	1 144, 6 1484 15	or 1004 2011 101	of pro	n indo Paris	pourted by Céerf, I tra 1721añ Ionach	e productionies, or otherwise.					•						-	·	
Samples Rallnquis	ihed:		Date:	I Ur	cely	ed B	/ :								Phone Re Fax Resu				No	Add'i	Phone Fax #:	<u> </u>						
Just Probes							.1						REMARK			·												
Receive Receive					ed/B	ed/By: (Lab Staff)								1														
			Tims:	-	<u>.</u>	///	// .	//	, , , , , , , , , , , , , , , , , , ,	00	7 1	<u>L</u>		-			7										•	
			inno.		D	Jul	/ 	ţı	ليه	W	لل	<u>X</u>	FOU	ED BY:			*											
Delivered BY:	(Circle Que)					C	ool Imple	inta	ct			Uni	igh)	jala)														
Sampler - UPS .	Bus - Other:					1 1	ZY a	# E]Y08	3		7	H		l				••							-	-	
1		1				N	٠,	THO	,	ل								***************************************				•						

T Carcinal cannot accept yerbal changes. Please fax written changes to 505-393-2476.