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GENERAL CORRESPONDENCE

YEAR(S):

2001



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

July 31, 2001

Mr. Jay Anthony
P.O. Box 398
Jal, New Mexico 88252

RE: EPPINEUR WATER WELL SAMPLE ANALYSES

Dear Mr. Anthony:

Enclosed you will find a copy of the laboratory analytical results of the water samples that the New Mexico Oil Conservation Division (OCD) obtained from your water well southwest of Jal, New Mexico on March 30, 2001. The sample analyses did not detect any petroleum hydrocarbon or oilfield-related contaminants in the well water. However, fluoride was found to be present in the water in concentrations in excess of the New Mexico Water Quality Control Commission (WQCC) drinking water standard of 1.6 mg/l. Elevated levels of fluoride are naturally present in ground water in areas of southeastern New Mexico in the Ogallala formation. Please contact the New Mexico Environment Department if you have questions regarding fluoride in ground water.

If you have any questions regarding the laboratory analyses of your water, please feel free to call me at (505) 476-3491.

Sincerely,

William C. Olson
Hydrologist
Environmental Bureau

Enclosure

xc w/enclosure: Chris Williams, OCD Hobbs District Supervisor



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Analytical and Quality Control Report

Bill Olson
OCD
1220 S. Saint Francis Dr.
Santa Fe, NM 87504

Report Date: March 30, 2001

Order ID Number: A01032212

Project Number: N/A
Project Name: Jay Anthony
Project Location: Eppineur Well

Enclosed are the Analytical Results and Quality Control Data Reports for the following samples submitted to TraceAnalysis, Inc.

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
167355	0103200945	Water	3/20/01	9:45	3/22/01

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 11 pages and shall not be reproduced except in its entirety including the chain of custody (COC), without written approval of TraceAnalysis, Inc.

Dr. Blair Leftwich, Director

Cation-Anion Balance Sheet

Sample #

167355

MS

Date:

4/2/01

Cations

	ppm	meq/L
Calcium	44.2	2.20558
Magnesium	50.2	4.130958
Sodium	99.6	4.3326
Potassium	9.72	0.2486376

Total Cations

10.9178 in meq/L

Anions

	ppm	meq/L
Alkalinity	260	5.2
Sulfate	160	3.3312
Chloride	60	1.6926
Nitrate as N	0	0
Fluoride	2.9	0.152656

Total Anions

10.3765 in meq/L

Percentage Error

5.08419 %

(needs to be <10%)

OTHER INFORMATION

TDS

500

EC

950

Measure EC and Cation Sums	1091.7776	Range should be:	855	to	1045
Measure EC and Anion Sums	1037.6456	Range should be:	855	to	1045
Calculated TDS/Conductivity	0.5263158	Range should be:	0.55	to	0.77
Measure TDS and Cation Sums	0.4579687	Range should be:	0.55	to	0.77
Measure TDS and Anion Sums	0.4818601	Range should be:	0.55	to	0.77

Analytical Report

Sample: 167355 - 0103200945

Analysis: Alkalinity Analytical Method: E 310.1 QC Batch: QC10095 Date Analyzed: 3/29/01
Analyst: RS Preparation Method: N/A Prep Batch: PB08682 Date Prepared: 3/29/01

Param	Flag	Result	Units	Dilution	RDL
Hydroxide Alkalinity		<1.0	mg/L as CaCo3	1	1
Carbonate Alkalinity		<1.0	mg/L as CaCo3	1	1
Bicarbonate Alkalinity		260	mg/L as CaCo3	1	1
Total Alkalinity		260	mg/L as CaCo3	1	1

Sample: 167355 - 0103200945

Analysis: BTEX Analytical Method: S 8021B QC Batch: QC09970 Date Analyzed: 3/23/01
Analyst: JW Preparation Method: E 5030B Prep Batch: PB08561 Date Prepared: 3/23/01

Param	Flag	Result	Units	Dilution	RDL
Benzene		<0.001	mg/L	1	0.001
Toluene		<0.001	mg/L	1	0.001
Ethylbenzene		<0.001	mg/L	1	0.001
M,P,O-Xylene		<0.001	mg/L	1	0.001
Total BTEX		<0.001	mg/L	1	0.001

Surrogate	Flag	Result	Units	Dilution	Spike Amount	Percent Recovery	Recovery Limits
TFT		0.117	mg/L	1	0.10	117	72 - 128
4-BFB		0.105	mg/L	1	0.10	105	72 - 128

Sample: 167355 - 0103200945

Analysis: Conductivity Analytical Method: SM 2510B QC Batch: QC10021 Date Analyzed: 3/27/01
Analyst: JS Preparation Method: N/A Prep Batch: PB08610 Date Prepared: 3/27/01

Param	Flag	Result	Units	Dilution	RDL
Specific Conductance		950	µMHOS/cm	1	

Sample: 167355 - 0103200945

Analysis: Ion Chromatography (IC) Analytical Method: E 300.0 QC Batch: QC09959 Date Analyzed: 3/22/01
Analyst: JS Preparation Method: N/A Prep Batch: PB08556 Date Prepared: 3/22/01

Param	Flag	Result	Units	Dilution	RDL
CL		60	mg/L	5	0.50
Fluoride		2.9	mg/L	5	0.20
Nitrate-N	1	<1.0	mg/L	5	0.20
Sulfate		160	mg/L	5	0.50

¹Sample out of hold time for NO3.

Sample: 167355 - 0103200945

Analysis: Salts Analytical Method: E 200.7 QC Batch: QC10033 Date Analyzed: 3/27/01
Analyst: LDB Preparation Method: E 3005 A Prep Batch: PB08572 Date Prepared: 3/27/01

Param	Flag	Result	Units	Dilution	RDL
Dissolved Calcium		44.2	mg/L	1	5
Dissolved Magnesium		50.2	mg/L	1	5
Dissolved Potassium		9.72	mg/L	1	5
Dissolved Sodium		99.6	mg/L	1	5

Sample: 167355 - 0103200945

Analysis: TDS Analytical Method: E 160.1 QC Batch: QC10043 Date Analyzed: 3/27/01
Analyst: JS Preparation Method: N/A Prep Batch: PB08634 Date Prepared: 3/27/01

Param	Flag	Result	Units	Dilution	RDL
Total Dissolved Solids		500	mg/L	1	10

Sample: 167355 - 0103200945

Analysis: pH Analytical Method: E 150.1 QC Batch: QC10059 Date Analyzed: 3/22/01
Analyst: RS Preparation Method: N/A Prep Batch: PB08643 Date Prepared: 3/22/01

Param	Flag	Result	Units	Dilution	RDL
pH	²	7.8	s.u.	1	1

²Sample run out of holding time

Quality Control Report Method Blank

Method Blank QCBatch: QC09959

Param	Flag	Results	Units	Reporting Limit
CL		<0.5	mg/L	0.50
Fluoride		<0.2	mg/L	0.20
Nitrate-N		<0.2	mg/L	0.20
Sulfate		<0.5	mg/L	0.50

Method Blank QCBatch: QC09970

Param	Flag	Results	Units	Reporting Limit
Benzene		<0.001	mg/L	0.001
Toluene		<0.001	mg/L	0.001
Ethylbenzene		<0.001	mg/L	0.001
M,P,O-Xylene		<0.001	mg/L	0.001
Total BTEX		<0.001	mg/L	0.001

Surrogate	Flag	Result	Units	Dilution	Spike Amount	Percent Recovery	Recovery Limits
TFT		0.104	mg/L	1	0.10	104	72 - 128
4-BFB		0.094	mg/L	1	0.10	94	72 - 128

Method Blank QCBatch: QC10021

Param	Flag	Results	Units	Reporting Limit
Specific Conductance		7.3	μMHOS/cm	

Method Blank QCBatch: QC10033

Param	Flag	Results	Units	Reporting Limit
Dissolved Calcium		<5.0	mg/L	5
Dissolved Magnesium		<5.0	mg/L	5
Dissolved Potassium		<5.0	mg/L	5
Dissolved Sodium		<5.0	mg/L	5

Method Blank QCBatch: QC10043

Param	Flag	Results	Units	Reporting Limit
Total Dissolved Solids		<10	mg/L	10

Method Blank

QCBatch: QC10095

Param	Flag	Results	Units	Reporting Limit
Hydroxide Alkalinity		<1.0	mg/L as CaCo3	1
Carbonate Alkalinity		<1.0	mg/L as CaCo3	1
Bicarbonate Alkalinity		<4.0	mg/L as CaCo3	1
Total Alkalinity		<4.0	mg/L as CaCo3	1

Quality Control Report Duplicate Samples

Duplicate

QCBatch: QC10021

Param	Flag	Duplicate Result	Sample Result	Units	Dilution	RPD	RPD Limit
Specific Conductance		1462	1500	μMHOS/cm	1	2	4.6

Duplicate

QCBatch: QC10043

Param	Flag	Duplicate Result	Sample Result	Units	Dilution	RPD	RPD Limit
Total Dissolved Solids		2714	2700	mg/L	1	0	20

Duplicate

QCBatch: QC10059

Param	Flag	Duplicate Result	Sample Result	Units	Dilution	RPD	RPD Limit
pH		7.8	7.8	s.u.	1	0	0.99

Duplicate

QCBatch: QC10095

Param	Flag	Duplicate Result	Sample Result	Units	Dilution	RPD	RPD Limit
Hydroxide Alkalinity		<1.0	<1.0	mg/L as CaCo3	1	0	20
Carbonate Alkalinity		<1.0	<1.0	mg/L as CaCo3	1	0	20
Bicarbonate Alkalinity		224	220	mg/L as CaCo3	1	1	20
Total Alkalinity		224	220	mg/L as CaCo3	1	1	20

Quality Control Report Lab Control Spikes and Duplicate Spikes

LCS QCBatch: QC09959

Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	% Rec	% Rec Limit
CL		11.57	mg/L	1	12.50	<0.5	92	90 - 110
Fluoride		2.33	mg/L	1	2.50	<0.2	93	90 - 110
Nitrate-N		2.38	mg/L	1	2.50	<0.2	95	90 - 110
Sulfate		11.74	mg/L	1	12.50	<0.5	93	90 - 110

LCSD QCBatch: QC09959

Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	RPD	RPD Limit
CL		11.59	mg/L	1	6.25	<0.5	0	20
Fluoride		2.35	mg/L	1	1.25	<0.2	0	20
Nitrate-N		2.38	mg/L	1	2.50	<0.2	0	20
Sulfate		11.79	mg/L	1	6.25	<0.5	0	20

LCS QCBatch: QC09970

Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	% Rec	% Rec Limit
MTBE		0.098	mg/L	1	0.10	<0.001	98	80 - 120
Benzene		0.096	mg/L	1	0.10	<0.001	96	80 - 120
Toluene		0.092	mg/L	1	0.10	<0.001	92	80 - 120
Ethylbenzene		0.091	mg/L	1	0.10	<0.001	91	80 - 120
M,P,O-Xylene		0.276	mg/L	1	0.30	<0.001	92	80 - 120

Surrogate	Flag	Result	Units	Dilution	Spike Amount	Percent Recovery	Recovery Limits
TFT		0.104	mg/L	1	0.10	104	72 - 128
4-BFB		0.102	mg/L	1	0.10	102	72 - 128

LCSD QCBatch: QC09970

Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	RPD	RPD Limit
MTBE		0.098	mg/L	1	0.10	<0.001	0	20
Benzene		0.096	mg/L	1	0.10	<0.001	0	20
Toluene		0.092	mg/L	1	0.10	<0.001	0	20
Ethylbenzene		0.092	mg/L	1	0.10	<0.001	1	20

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Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	RPD	RPD Limit
M,P,O-Xylene		0.277	mg/L	1	0.30	<0.001	0	20

Surrogate	Flag	Result	Units	Dilution	Spike Amount	Percent Recovery	Recovery Limits
TFT		0.103	mg/L	1	0.10	103	72 - 128
4-BFB		0.1	mg/L	1	0.10	100	72 - 128

LCS QCBatch: QC10033

Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	% Rec	% Rec Limit
Dissolved Calcium		1093	mg/L	1	1000	<5.0	109	75 - 125
Dissolved Magnesium		1055	mg/L	1	1000	<5.0	105	75 - 125
Dissolved Potassium		1011	mg/L	1	1000	<5.0	101	75 - 125
Dissolved Sodium		1067	mg/L	1	1000	<5.0	106	75 - 125

LCSD QCBatch: QC10033

Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	RPD	RPD Limit
Dissolved Calcium		1106	mg/L	1	1000	<5.0	1	20
Dissolved Magnesium		1074	mg/L	1	1000	<5.0	1	20
Dissolved Potassium		1026	mg/L	1	1000	<5.0	1	20
Dissolved Sodium		1084	mg/L	1	1000	<5.0	1	20

Quality Control Report Matrix Spikes and Duplicate Spikes

MS QCBatch: QC09959

Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	% Rec	% Rec Limit
CL	3	828.65	mg/L	1	625	240	94	52 - 131
Fluoride		131.50	mg/L	1	125	13	94	80 - 113
Nitrate-N		126.42	mg/L	1	125	14	89	86 - 110
Sulfate		2145.62	mg/L	1	625	1600	87	71 - 121

MSD QCBatch: QC09959

³I spiked the *50 dilution for 167359, but reported the *10 dilution. The correct %EA = 89.

Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	RPD	RPD Limit
CL		838.5	mg/L	1	625	240	1	20
Fluoride		125.33	mg/L	1	1.25	13	5	20
Nitrate-N		127.05	mg/L	1	2.50	14	0	20
Sulfate		2158.31	mg/L	1	6.25	1600	2	20

MS QCBatch: QC10033

Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	% Rec	% Rec Limit
Dissolved Calcium		1190	mg/L	1	1000	190	100	75 - 125
Dissolved Magnesium		1288	mg/L	1	1000	322	96	75 - 125
Dissolved Potassium		1000	mg/L	1	1000	41.1	95	75 - 125
Dissolved Sodium		1260	mg/L	1	1000	326	93	75 - 125

MSD QCBatch: QC10033

Param	Flag	Sample Result	Units	Dil.	Spike Amount Added	Matrix Result	RPD	RPD Limit
Dissolved Calcium		1306	mg/L	1	1000	190	10	20
Dissolved Magnesium		1406	mg/L	1	1000	322	11	20
Dissolved Potassium		1086	mg/L	1	1000	41.1	8	20
Dissolved Sodium		1346	mg/L	1	1000	326	8	20

Quality Control Report Continuing Calibration Verification Standards

CCV (1) QCBatch: QC09959

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Bromide		mg/L	2.50	2.27	90	90 - 110	3/22/01
CL		mg/L	12.50	11.69	93	90 - 110	3/22/01
Fluoride		mg/L	2.50	2.36	94	90 - 110	3/22/01
Nitrate-N		mg/L	2.50	2.38	95	90 - 110	3/22/01
Sulfate		mg/L	12.50	11.95	95	90 - 110	3/22/01

ICV (1) QCBatch: QC09959

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Bromide		mg/L	2.50	2.33	93	90 - 110	3/22/01
CL		mg/L	12.50	11.57	92	90 - 110	3/22/01
Fluoride		mg/L	2.50	2.41	96	90 - 110	3/22/01
Nitrate-N		mg/L	2.50	2.38	95	90 - 110	3/22/01
Sulfate		mg/L	12.50	11.81	94	90 - 110	3/22/01

CCV (1) QCBatch: QC09970

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
MTBE		mg/L	0.10	0.104	104	85 - 115	3/23/01
Benzene		mg/L	0.10	0.099	99	85 - 115	3/23/01
Toluene		mg/L	0.10	0.095	95	85 - 115	3/23/01
Ethylbenzene		mg/L	0.10	0.094	94	85 - 115	3/23/01
M,P,O-Xylene		mg/L	0.30	0.288	96	85 - 115	3/23/01

CCV (2) QCBatch: QC09970

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
MTBE		mg/L	0.10	0.106	106	85 - 115	3/23/01
Benzene		mg/L	0.10	0.106	106	85 - 115	3/23/01
Toluene		mg/L	0.10	0.101	101	85 - 115	3/23/01
Ethylbenzene		mg/L	0.10	0.1	100	85 - 115	3/23/01
M,P,O-Xylene		mg/L	0.30	0.306	102	85 - 115	3/23/01

ICV (1) QCBatch: QC09970

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
MTBE		mg/L	0.10	0.1	100	85 - 115	3/23/01
Benzene		mg/L	0.10	0.1	100	85 - 115	3/23/01
Toluene		mg/L	0.10	0.096	96	85 - 115	3/23/01
Ethylbenzene		mg/L	0.10	0.096	96	85 - 115	3/23/01
M,P,O-Xylene		mg/L	0.30	0.289	96	85 - 115	3/23/01

CCV (1) QCBatch: QC10021

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Specific Conductance		µMHOS/cm	1413	1370	96	88 - 99	3/27/01

ICV (1) QCBatch: QC10021

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Specific Conductance		μMHOS/cm	1413	1387	98	88 - 99	3/27/01

CCV (1) QCBatch: QC10033

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Dissolved Calcium		mg/L	25	27.1	108	75 - 125	3/27/01
Dissolved Magnesium		mg/L	25	25.4	101	75 - 125	3/27/01
Dissolved Potassium		mg/L	25	23.4	93	75 - 125	3/27/01
Dissolved Sodium		mg/L	25	25.0	100	75 - 125	3/27/01

ICV (1) QCBatch: QC10033

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Dissolved Calcium		mg/L	25	25.8	103	75 - 125	3/27/01
Dissolved Magnesium		mg/L	25	25.6	102	75 - 125	3/27/01
Dissolved Potassium		mg/L	25	23.8	95	75 - 125	3/27/01
Dissolved Sodium		mg/L	25	24.9	99	75 - 125	3/27/01

CCV (1) QCBatch: QC10043

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Total Dissolved Solids		mg/L	1000	919	91	90 - 110	3/27/01

ICV (1) QCBatch: QC10043

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Total Dissolved Solids		mg/L	1000	915	91	90 - 110	3/27/01

CCV (1) QCBatch: QC10059

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Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
pH		s.u.	7	7.1	101	-0.1 s.u. - +0.1 s.u.	3/22/01

ICV (1) QCBatch: QC10059

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
pH		s.u.	7	7.1	101	-0.1 s.u. - +0.1 s.u.	3/22/01

CCV (1) QCBatch: QC10095

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Hydroxide Alkalinity		mg/L as CaCo3	0	<1.0	0	85 - 115	3/29/01
Carbonate Alkalinity		mg/L as CaCo3	0	228	0	85 - 115	3/29/01
Bicarbonate Alkalinity		mg/L as CaCo3	0	8.0	0	85 - 115	3/29/01
Total Alkalinity		mg/L as CaCo3	250	236	94	85 - 115	3/29/01

ICV (1) QCBatch: QC10095

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Hydroxide Alkalinity		mg/L as CaCo3	0	<1.0	0	85 - 115	3/29/01
Carbonate Alkalinity		mg/L as CaCo3	0	232	0	85 - 115	3/29/01
Bicarbonate Alkalinity		mg/L as CaCo3	0	8.0	0	85 - 115	3/29/01
Total Alkalinity		mg/L as CaCo3	250	240	96	85 - 115	3/29/01

TraceAnalysis, Inc.
General Terms and Conditions

Article 1: General

1.1 The words "we", "us", and "our" refer to TraceAnalysis. You will deliver samples to us for analysis, accompanied, or preceded by, a signed Chain of Custody/Analysis Request defining the scope and timing of our work and stating either the testing criteria you require or identifying the agency to which the results will be submitted.

Article 2: Our General Responsibilities

2.1 We agree to provide the professional services described in this agreement. We will provide you with written reports containing analytical results. In performing our service, we will use that degree of care and skill ordinarily exercised under similar circumstances by reputable members of our profession practicing in the same locality.

2.2 Test and observations will be conducted using test procedures and laboratory protocols as specified in accepted Chain of Custody/Analysis Request. If you direct a manner of making tests that varies from our standard or recommended procedures, you agree to hold us harmless from all claims, damages, and expenses arising out of your direction.

2.3 We will not release information regarding our services for you or any information that we receive from you, except for information that is in the public domain and except as we are required by law.

Article 3: Your General Responsibilities

3.1 On each Chain of Custody/Analysis Request you will designate a representative who has authority to transmit instructions, receive information, and make decisions relative to our work.

3.2 You will respond in a reasonable time to our request for decisions, authorization for changes, additional compensation, or schedule extensions.

3.3 For each Chain of Custody/Analysis Request you will either provide us with the exact methods for analysis of each fraction or you will identify the regulations and agency under which or for which the analysis is to be prepared. If permits, consent orders, work plans, quality assurance plans, or correspondence with regulatory agencies address laboratory requirements, you will provide us with copies of the relevant provisions prior to our initiation of the analyses.

Article 4: Reports and Records

4.1 We will furnish copies of each report to you as specified in the Chain of Custody and Analysis Request. We will retain analytical data for seven years and financial data for three years relating to the services performed following transmittal of our final report.

4.2 If you do not pay for our services as agreed, you agree that we may retain all reports and work not yet delivered to you. You also agree that our work will not be used by you for any purpose unless paid for.

Article 5: Delivery and Acceptance of Samples

5.1 Until we accept delivery of samples by notation on chain of custody documents or otherwise in writing accept the samples, you are responsible for loss of or damage to samples. Until so accepted, we have no responsibility as to samples.

5.2 As to any samples that are suspected of containing hazardous substances or radioactive material, such that would make special handling required, you will specify the suspected or known substances and level and type of radioactive activity. This information will be given to us in writing as a part of the Chain of Custody/Analysis Request and will precede or accompany samples suspected of containing hazardous substances.

5.3 Samples accepted by us remain your property while in our custody. We will retain samples for a period of 14 days following the date of submission or our report. We will extend the retention period if you so direct. Following the retention period we will dispose of non-hazardous samples. We may return highly hazardous, acutely toxic, or radioactive samples and samples containers and residues to you. You agree to accept them.

5.4 Regardless of a prior acceptance, we may refuse acceptance or revoke acceptance of samples if we determine that the samples present a risk to health, safety, or the environment, or that we are not authorized to accept them. If we revoke acceptance of any sample, you will have it removed from our facilities promptly.

Article 6: Changes to Task Orders

6.1 No persons other than the designated representatives for each Chain of Custody/Analysis Request are authorized to act regarding changes to a Chain of Custody/Analysis Request. We will notify you promptly if we identify any activity that we regard as a change to the terms and conditions of a Chain of Custody/Analysis Request. Our notice will include the date, nature, circumstance, and cause of the activity regarded as a change. We will specify the particular elements of project performance for which we may seek an equitable adjustment.

6.2 You will respond to the notice provided for in paragraph 6.1 promptly. Changes may be made to a Chain of Custody/Analysis Request through issuance of an amendment. The amendment will specify the reason for the change and, as appropriate, include any modified budgets, schedules, scope of work, and other necessary provisions.

6.3 Until agreement is reached concerning the proposed change, we may regard the situation as a suspension directed by you.

Article 7: Compensation

7.1 Our pricing for the work is predicated upon your acceptance of the conditions and allocations of risks and responsibilities described in this agreement. You agree to pay for services as stated in our proposal and accepted by you or according to our then current standard pricing documents if there is no other written agreement as to price. An estimate or statement of probable cost is not a firm figure unless stated as such.

7.2 Unless otherwise agreed to elsewhere, you agree to pay invoices within 30 days of receipt unless, within 15 days from receipt of the invoice, you notify us in writing of a particular item that is alleged to be incorrect. You agree to pay the uncontested portions of the invoices within 30 days of receipt. You agree to pay interest on unpaid balances beginning 60 days after receipt of invoice at the rate of 1.5% per month, but not to exceed the maximum rate allowed by law.

7.3 If you direct us to invoice another, we will do so, but you agree to be ultimately responsible for our compensation until you provide us with that third party's written acceptance of all terms of our agreement and until we agree to the substitution.

7.4 You agree to compensate us for our services and expenses if we are required to respond to legal process related to our services for you. Compensable services include hourly charges for all personnel involved in the response and attorney fees reasonably incurred in obtaining advice concerning the response, the preparation of the testifier, and appearances related to the legal process.

7.5 If we are delayed by, or the period of performance is materially extended because of, factors beyond our control, or if project condition or the scope or amount of work change, or if the standards or methods of testing change, we will give you timely notice of the change and we will receive an equitable adjustment of our compensation.

Article 8: Risk Allocation, Disputes, and Damages

8.1 Neither we nor you will be liable to the other for special, incidental, consequential or punitive losses or damages, including but not limited to those arising from delay, loss of use, loss of profits or revenue, or the cost of capital.

8.2 We will not be liable to you for damages unless suit is commenced within two years of injury or loss or within two years of the date of the completion of our services, whichever is earlier. In no event will we be liable to you unless you have notified us of the discovery of the negligent act, error, omission or breach within 30 days of the date of its discovery and unless you have given us an opportunity to investigate and to recommend ways of mitigating your damages.

8.3 In the event you fail to pay us within 90 days following the invoice date, we may consider the default a total breach of our agreement and we may, at our option, terminate all of our duties without liability to you or to others.

8.4 If it is claimed by a third party that we did not complete an acceptable analysis, at your request will seek further review and acceptance of the completed work by the third party and use your best efforts to obtain that acceptance. We will assist you as directed.

8.5 You and we agree that disputes will be submitted to "Alternative Dispute Resolution" (ADR) as a condition precedent to litigation and other remedies provided by law. Each of us agrees to exercise good faith efforts to resolve disputes through mediation unless we both agree upon another ADR procedure. All disputes will be governed by the law of the place where our services are rendered, or if our services are rendered in more than one state, you and we agree that the law of the place that services were first rendered will govern.

8.6 If either of us makes a claim against the other as to issues out of the performance of this agreement, the prevailing party will be entitled to recover its reasonable expenses of litigation, including reasonable attorney's fees. If we bring lawsuit against you to collect our invoiced fees and expenses, you agree to pay our reasonable collection expenses including attorney fees.

Article 9: Indemnities

9.1 We will indemnify and hold you harmless from and against demands, damages, and expenses caused by our negligent acts and omissions and breach of contract and by the negligent acts and omissions and breach of contract of persons for whom we are legally responsible. You will indemnify and hold us harmless from and against demands, damages, and expenses caused by your negligent act and omissions and breach of contract and by the negligent acts and omissions and breach of contract of persons for whom you are legally responsible. These indemnities are subject to specific limitations provided for in this agreement.

Article 10: Miscellaneous Provisions

10.1 This agreement constitutes the entire agreement between you and us, and it supersedes all prior agreements. Any term, condition, prior course of dealing, course of performance, usage of trade, understanding, purchase order conditions, or other agreement purporting to modify, vary, supplement, or explain any provision of this agreement is of no effect until placed in writing and signed by both parties subsequent to the date of this agreement. In no event will the printed terms or conditions stated in a purchase or work order, other than an agreed upon Chain of Custody/Analysis Request, be considered a part of this agreement, even if the document is signed by both of us.

10.2 Neither party will assign this agreement without the express written approval of the other, but we may subcontract laboratory procedures with your approval as we deem necessary to meet our obligations to you.

10.3 If any of the provisions of this agreement are held to be invalid or unenforceable in any respect, the remaining terms will be in full effect and the agreement will be construed as if the invalid or unenforceable matters were never included in it. No waiver of any default will be waiver of any future default.

10.4 Neither you or we will have any liability for nonperformance caused in whole or in part by causes beyond our reasonable control. Such causes include but are not limited to Acts of God, civil unrest and war, labor unrest and strikes, equipment failures, matrix interference, acts of authorities, and failures of subcontractors that could not be reasonably anticipated.

10.5 You may stop our work by giving a written suspension or termination directive, but once work has been suspended, we need not resume work until we agree to change in scope, schedule, and compensation. Upon suspension or termination, we will use reasonable care to preserve samples provided that you agree to compensate us for any additional effort, but we will have no responsibility for meeting holding time limitations after the effective time of a suspension or termination directive. We will be compensated for service rendered and expenses incurred prior to termination that cannot reasonably be avoided.