

1R - 431

REPORTS

DATE:

7/26/2005



Highlander Environmental Corp.

Midland, Texas

July 26, 2005

Mr. Ed Martin
New Mexico Energy, Minerals, & Natural Resources
Oil Conservation Division, Environmental Bureau
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Re: Sidewall Excavation and Sampling Results for the Gruy Petroleum Management Company, Riddle State #1 Well, Located in Unit Letter B, Section 1, Township 22 South, Range 34 East, Lea County New Mexico.

30-025-36232

Dear Mr. Martin:

Highlander Environmental Corp. (Highlander) was contacted by Gruy Petroleum Management to investigate an open reserve pit at the Riddle State #1 well in Lea County, New Mexico (Site), located in Unit Letter B, Section 1, Township 22 South, Range 34 East. As requested in Item 2 of your June 17, 2005, work plan approval letter, excavation of the sidewalls and sampling was performed on the resulting stockpiles.

Excavation

On July 18, 2005, the sidewalls of the reserve pit and trench area were excavated and the material stockpiled inside the pit area. The material was segregated into seven stockpiles and composite soil samples were collected. Soil samples were analyzed for chloride by method EPA 300.0. Copies of laboratory analyses and chain-of-custody documentation are included in Appendix A. The location of the stock piles and sample locations are shown on Figure 1. The sample results show that chloride concentrations in three of the stockpiles are above 100 mg/kg. Those are Stockpiles SP-2 with 1130 mg/kg, SP-4 with 1160 mg/kg and SP-5 with 374 mg/kg. The remaining samples have chloride concentrations ranging from a low of 44.8 mg/kg to a high of 92.2 mg/kg.

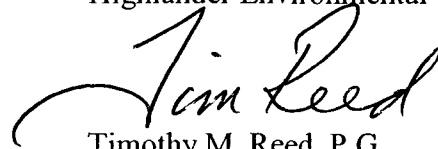
Proposed Action

1. The three stockpiles with elevated chloride concentrations will be spread over the bottom of the reserve pit that is to be covered with the 40 mil liner. This material is very sandy and will be good bedding material under the liner.
2. The remaining stockpiles will be used for backfill material after the liner is in place.

3. The recovery well will be drilled and equipped upon completion of the backfill and recontouring of the reserve pit area.
4. The temporary monitor well was plugged by EPI on May 13, 2005. A copy of the email plugging report that was sent to you by EPI is also included in Appendix A.

If you have any question or comments concerning the sampling or proposed activities please call me at (432) 682-4559.

Respectfully submitted,
Highlander Environmental Corp.

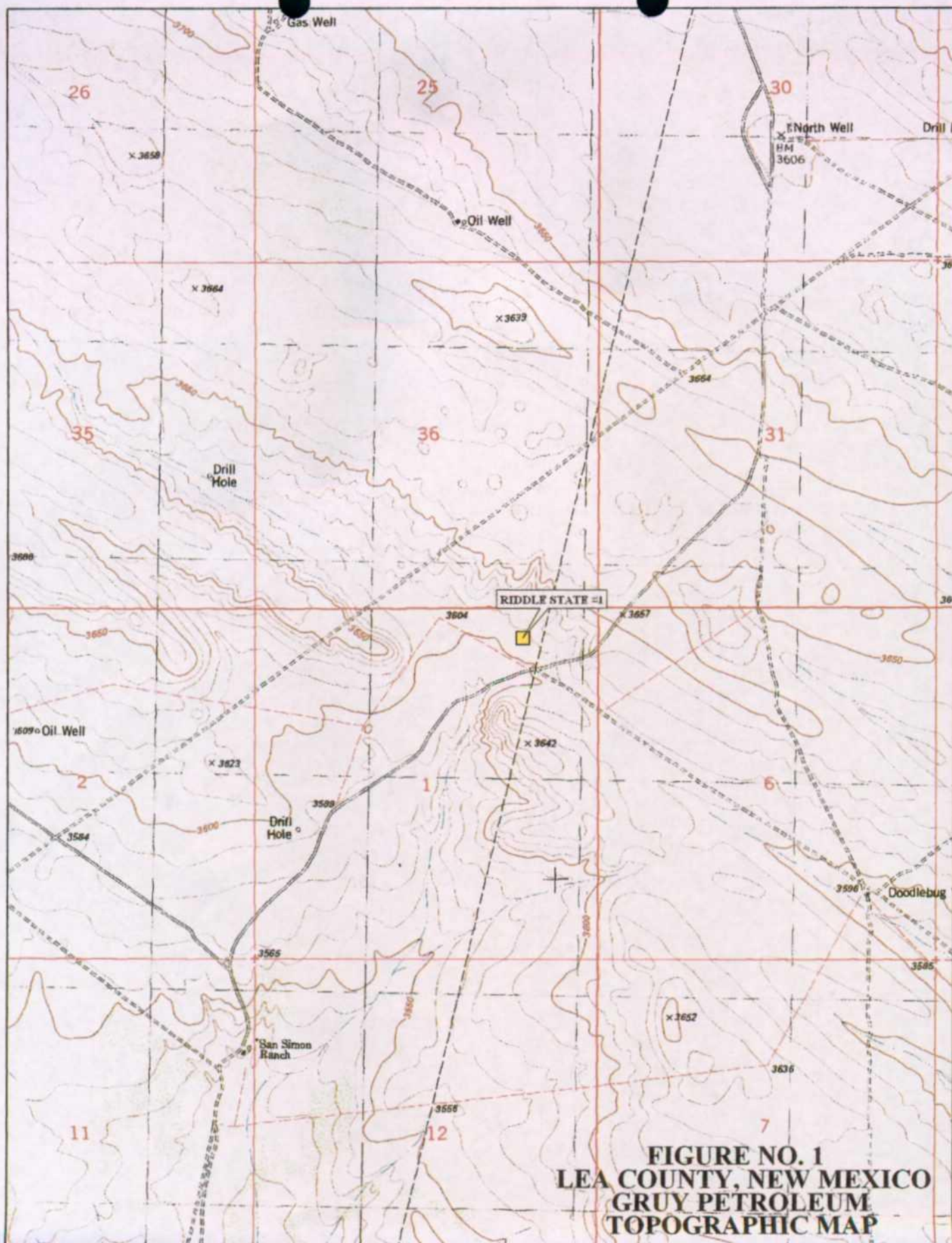


Timothy M. Reed, P.G.
Vice President

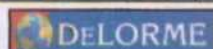
cc: Larry Johnson – NMOCD, Hobbs, NM
Bob Jennings – Gruy
Randy Ray - Gruy



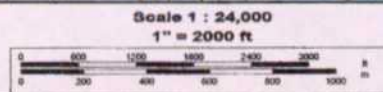
FIGURES

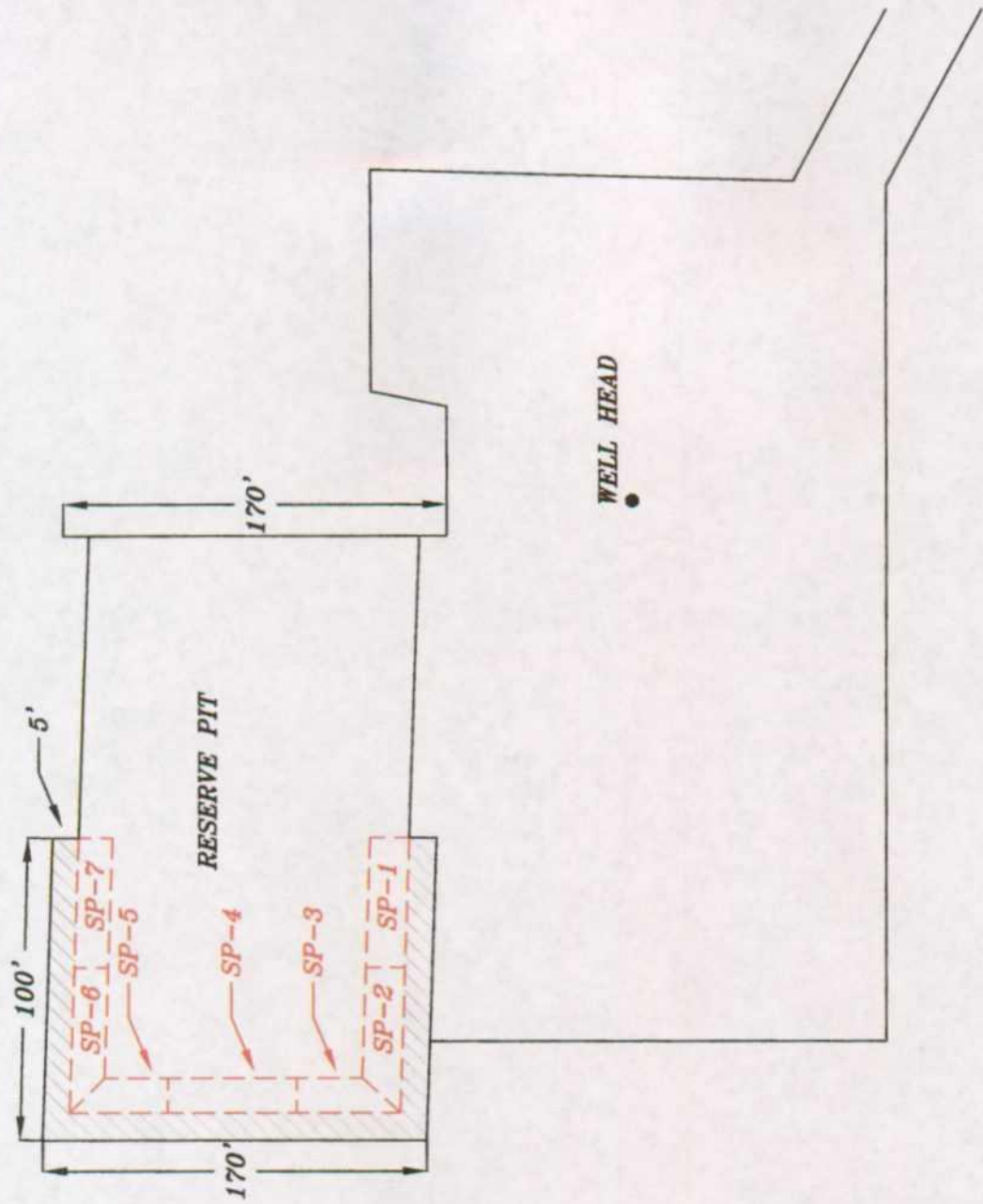


**FIGURE NO. 1
LEA COUNTY, NEW MEXICO
GRUY PETROLEUM
TOPOGRAPHIC MAP**



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www.delorme.com





[] SOIL STOCK PILES
[] ADDITIONAL EXCAVATION

FIGURE NO. 2

LEA COUNTY, NEW MEXICO

GRUY PETROLEUM
RIDDLE STATE #1

ADDITIONAL EXCAVATION & STOCK PILE

HIGHLANDER ENVIRONMENTAL CORP.
MIDLAND, TEXAS

DATE: 7/26/05
OWN: GR
FILE: GRUY/GRUY/2005
SCALE: 1"=40'

NOT TO SCALE

PHOTOGRAPHS

PHOTOGRAPHIC DOCUMENTATION

Gruy Petroleum Management Company

Riddle State #1 Well

Lea County, New Mexico



1. Stock Piles 1 & 2.



2. Stock Piles 3, 4 & 5.

PHOTOGRAPHIC DOCUMENTATION

Gruy Petroleum Management Company

Riddle State #1 Well

Lea County, New Mexico



3. All stock piles after digging sidewalls.

APPENDIX A

Gary Miller

From: ENVIPLUS1@aol.com
Sent: Thursday, June 23, 2005 10:08 AM
To: emartin@state.nm.us
Cc: PSHEELEY@STATE.NM.US; lwjohnson@state.nm.us; Cmmg142@aol.com; IOIness@hotmail.com; GMiller@HEC-Enviro.com
Subject: Gruy Petroleum Riddle State #1 Temporary Monitoring Well P&A

Mr. Martin,

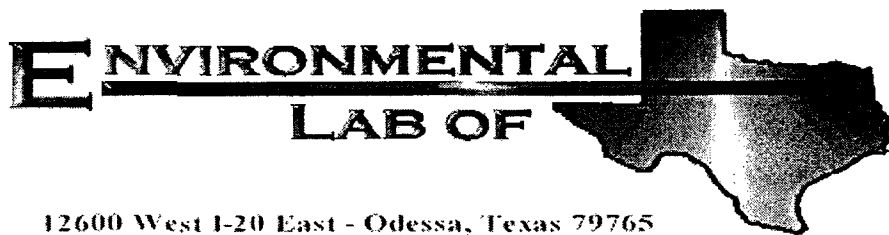
Re: Gruy Petroleum Riddle State #1
UL-B Section 1, T22S, R34E
Lea County NM

Environmental Plus, Inc. (EPI) installed the temporary monitoring well during initial delineation of the site. The well was not completed as a permanent monitoring well. Highlander Environmental subsequently took control of the site and requested that EPI plug the well. On May 13, 2005, EPI pulled the 2-inch diameter PVC tubing and screen and plugged the cavity to the surface with 12 sacks of bentonite hydrated with fresh water.

Sincerely,

Pat McCasland
Environmental Plus, Inc.
P.O. Box 1558
2100 West Avenue O
Eunice, New Mexico 88231
Office: 505.394.3481
Mobile: 505.390.7864
FAX: 505.394.2601

7/26/2005



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Gary Miller

Highlander Environmental Corp.

1910 N. Big Spring St.

Midland, TX 79705

Project: Gruy Petroleum- Riddle Pit

Project Number: 2321

Location: None Given

Lab Order Number: 5G19009

Report Date: 07/26/05

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum- Riddle Pit
Project Number: 2321
Project Manager: Gary Miller

Fax: (432) 682-3946
Reported:
07/26/05 10:58

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
Stockpile (SP-6)	5G19009-08	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-5)	5G19009-09	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-4)	5G19009-10	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-3)	5G19009-11	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-2)	5G19009-12	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-1)	5G19009-13	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-7)	5G19009-14	Soil	07/18/05 00:00	07/19/05 15:50

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum- Riddle Pit
Project Number: 2321
Project Manager: Gary Miller

Fax: (432) 682-3946

Reported:
07/26/05 10:58

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Stockpile (SP-6) (5G19009-08) Soil									
Chloride	374	5.00	mg/kg	10	EG52508	07/22/05	07/22/05	EPA 300.0	
Stockpile (SP-5) (5G19009-09) Soil									
Chloride	1160	20.0	mg/kg	40	EG52508	07/22/05	07/22/05	EPA 300.0	
Stockpile (SP-4) (5G19009-10) Soil									
Chloride	92.2	5.00	mg/kg	10	EG52508	07/22/05	07/22/05	EPA 300.0	
Stockpile (SP-3) (5G19009-11) Soil									
Chloride	54.7	5.00	mg/kg	10	EG52508	07/22/05	07/22/05	EPA 300.0	
Stockpile (SP-2) (5G19009-12) Soil									
Chloride	1130	20.0	mg/kg	40	EG52508	07/22/05	07/22/05	EPA 300.0	
Stockpile (SP-1) (5G19009-13) Soil									
Chloride	84.0	5.00	mg/kg	10	EG52508	07/22/05	07/22/05	EPA 300.0	
Stockpile (SP-7) (5G19009-14) Soil									
Chloride	63.9	5.00	mg/kg	10	EG52508	07/22/05	07/22/05	EPA 300.0	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 2 of 4

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum- Riddle Pit
Project Number: 2321
Project Manager: Gary Miller

Fax: (432) 682-3946

Reported:
07/26/05 10:58

General Chemistry Parameters by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EG52508 - Water Extraction										
Blank (EG52508-BLK1)				Prepared & Analyzed: 07/22/05						
Chloride	ND	0.500	mg/kg							
LCS (EG52508-BS1)				Prepared & Analyzed: 07/22/05						
Chloride	10.9		mg/L	10.0		109	80-120			
Calibration Check (EG52508-CCV1)				Prepared & Analyzed: 07/22/05						
Chloride	9.34		mg/L	10.0		93.4	80-120			
Duplicate (EG52508-DUP1)				Source: 5G18015-17		Prepared & Analyzed: 07/22/05				
Chloride	1540	25.0	mg/kg		1660			7.50	20	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 3 of 4

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum- Riddle Pit
Project Number: 2321
Project Manager: Gary Miller

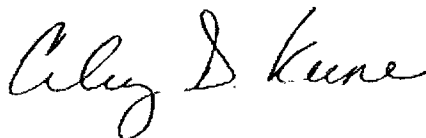
Fax: (432) 682-3946

Reported:
07/26/05 10:58

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference
LCS Laboratory Control Spike
MS Matrix Spike
Dup Duplicate

Report Approved By:



Date:

7/26/2005

Raland K. Tuttle, Lab Manager
Caley D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director
James L. Hawkins, Chemist/Geologist
Sandra Sanchez, Lab Tech.

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 4 of 4

Analysis Request and Chain of Custody Record

HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: <u>Gray Petro</u>		SITE MANAGER: <u>G. Miller</u>	
PROJECT NO.: <u>2321</u>		PROJECT NAME: <u>Riddle Pit</u>	
LAB I.D. NUMBER	DATE	TIME	SAMPLE IDENTIFICATION
56751009	7-10-05		Stock Pile (SP-6)
			Stock Pile (SP-5)
			Stock Pile (SP-4)
			Stock Pile (SP-3)
			Stock Pile (SP-2)
			Stock Pile (SP-1)
			Stock Pile (SP-7)

RECEIVED BY: (Signature) <u>G. Miller</u>	RECEIVED BY: (Signature)	RECEIVED BY: (Signature)	RECEIVED BY: (Signature)	RECEIVED BY: (Signature)
Date: <u>7-10-05</u>	Date: <u>7-10-05</u>	Date: <u>7-10-05</u>	Date: <u>7-10-05</u>	Date: <u>7-10-05</u>
Time: <u>3:50</u>	Time: <u>3:50</u>	Time: <u>3:50</u>	Time: <u>3:50</u>	Time: <u>3:50</u>
RECEIVING LABORATORY: <u>ELIOT</u>	ADDRESS:	CITY:	STATE:	ZIP:
CONTACT:	PHONE:	MATRIX:	W-Water	A-Air
			S-Soil	SD-Sludge
			O-Other	
SAMPLE CONDITION WHEN RECEIVED:		REMARKS: <u>Arrival w/ labels 800</u>		

PAGE: <u>2</u> OF <u>2</u>	
ANALYSIS REQUEST (Circle or Specify Method No.)	
PCB's Vol. B340/B260/B24	<input checked="" type="checkbox"/>
GC/MS Semi Vol. B270/B25	<input checked="" type="checkbox"/>
PCB's B080/B08	<input checked="" type="checkbox"/>
Post. B08/B08	<input checked="" type="checkbox"/>
BOD, TSS, pH, TDS, Chloride	<input checked="" type="checkbox"/>
Gamma Spec	<input checked="" type="checkbox"/>
Alpha Beta (Air)	<input checked="" type="checkbox"/>
PLM (Asbestos)	<input checked="" type="checkbox"/>

Please fill out all copies - Laboratory retains yellow copy - Return original copy to Highlander Environmental Corp. - Project Manager retains pink copy - Accounting receives Gold copy.

Environmental Lab of Texas

Variance / Corrective Action Report – Sample Log-In

Client: Highlander Env.

Date/Time: 07-19-05 @ 1550

Order #: 5919009

Initials: JMM

Sample Receipt Checklist

Temperature of container/cooler?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	8.0	C
Shipping container/cooler in good condition?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Custody Seals intact on shipping container/cooler?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<u>(Not present)</u>	
Custody Seals intact on sample bottles?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not present	
Chain of custody present?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Sample Instructions complete on Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	*	
Chain of Custody signed when relinquished and received?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Chain of custody agrees with sample label(s)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Container labels legible and intact?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Sample Matrix and properties same as on chain of custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Samples in proper container/bottle?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Samples properly preserved?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Sample bottles intact?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Containers documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Sufficient sample amount for indicated test?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
All samples received within sufficient hold time?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
VOC samples have zero headspace?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<u>Not Applicable</u>	

Other observations:

* Information not listed for Client Name, Site Manager, Project No.
and Project Name.

Variance Documentation:

Contact Person: Gary Miller Date/Time: 07-26-05 @ 0800 Contacted by: Jeanne M. Murray

Regarding:

*

Corrective Action Taken: as per Gary

Client Name: Gary Petro

Project No: 2321

Project Name: Riddle Pit

Project Manager: Gary Miller



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

June 17, 2005

Mr. Timothy M. Reed, P.G.
Highlander Environmental Corp.
1910 N. Big Spring
Midland, TX 79705

Re: Subsurface Investigation and Work Plan for the
Gruy Petroleum Management Co. Riddle State #1 Well
Located in Unit Letter B, Section 1, Township 22 South, Range 34 East
Lea County, New Mexico
NMOCD ref. 1R-0431

Dear Mr. Reed:

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed the report referenced above submitted by Highlander Environmental Corp. (Highlander) on behalf of Gruy Petroleum Management Co. (Gruy). The work plan is approved with the following conditions and understandings:

1. The temporary monitor well will be plugged using a slurry containing 3% - 5% bentonite. A report of this activity will be submitted to the NMOCD Santa Fe office upon completion.
2. Composite samples will be taken of the topsoil removed in a 5-foot radius around the western half of the reserve pit prior to using this material as backfill. These samples will be analyzed for chlorides and the results will be submitted to the NMOCD Santa Fe office prior to backfilling operations.
3. The 40-mil synthetic liner will be installed according the specifications set out in the report (figure 5).
4. The NMOCD Santa Fe office will be notified when the recovery well described in the report's "Proposed Work Plan" section has been completed.
5. The three monitor wells, as well as the recovery well will be sampled on a quarterly basis for BTEX and chlorides, and the results will be summarized in annual reports to be submitted to the NMOCD Santa Fe office by April 30th of each year. Such reports will be for the period ended on the previous December 31 and will include cumulative volumes of chloride-impacted groundwater recovered.

If you have any questions, contact me at (505) 476-3492 or ed.martin@state.nm.us

NEW MEXICO OIL CONSERVATION DIVISION

Edwin E. Martin
Environmental Bureau

Cc: NMOCD, Hobbs



Highlander Environmental Corp.

Midland, Texas

May 2, 2005

Mr. Ed Martin
New Mexico Energy, Minerals, & Natural Resources
Oil Conservation Division, Environmental Bureau
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

MAY 11 2005
Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505

1R-431

Re: Subsurface Investigation and Work Plan for the Gruy Petroleum Management Company, Riddle State #1 Well, Located in Unit Letter B, Section 1, Township 22 South, Range 34 East, Lea County New Mexico.

Dear Mr. Martin:

Highlander Environmental Corp. (Highlander) was contacted by Gruy Petroleum Management to investigate an open reserve pit at the Riddle State #1 well in Lea County, New Mexico (Site) located in Unit Letter B, Section 1, Township 22 South, Range 34 East. The Site is shown on Figure 1.

Background

This well, originally drilled by Matador, is temporarily abandoned. Prior to the well completion, it was sold to Tom Brown, Inc. and eventually to Gruy. The well was drilled prior to the implementation of the New Mexico Oil Conservation Division (NMOCD) Pit and Below Grade Tank Guidelines, issued November 1, 2004. According to information provided to Highlander, the reserve pit contents were planned to be buried in trenches located on the east and west ends of the reserve pit. In January 2005, Environmental Plus, Inc (EPI) of Eunice, New Mexico installed six hand auger holes and one borehole in and around the reserve pit and trenches. The hand auger holes indicated chloride impact to the west trench and reserve pit area. The borehole was installed outside the southwest end of the reserve pit. The borehole data showed increasing chloride concentrations with depth and was converted to a temporary monitor well (TMW-1). The reported depth to water was 45' below ground surface (bgs). Samples taken from the monitor well indicated chloride impact to the groundwater. The temporary monitor well location is shown on Figure 2.

Previous Correspondence

EPI submitted a "Written notification of groundwater impact and preliminary groundwater delineation plan", dated January 21, 2005. Three (3) permanent monitor wells were proposed for the site to establish hydraulic gradient and delineate groundwater impact. Soil sampling performed by EPI indicated that the only constituent of concern was chloride, as TPH and BTEX concentrations

were not detected at or above the method detection limits.

Regulatory and Groundwater

A risk-based evaluation was performed for the Site in accordance with the NMOCD Guidelines for Remediation of Leaks, Spills and Releases, dated August 13, 1993. The guidelines require a risk-based evaluation of the site to determine recommended remedial action levels (RRAL) for benzene, toluene, ethylbenzene and xylene (collectively referred to as BTEX) and total petroleum hydrocarbons (TPH) in soil. The proposed RRAL for benzene was determined to be 10 parts per million (ppm) or milligrams per kilogram (mg/kg) and 50 ppm for total BTEX (sum of benzene, toluene, ethylbenzene and xylene). Based on the regional groundwater data, the proposed RRAL for TPH is 100 mg/kg.

Pit Remediation

On March 1-8, 2005, Highlander personnel supervised the removal of the reserve pit contents down to native soil. The reserve pit contents were excavated out of the reserve pit and the east and west trenches by Sweatt Construction Company, Hobbs, New Mexico. A total of 4710 yds³ of material was removed and hauled to Controlled Recovery, Inc. for disposal. After removal, the depth of the reserve pit was 5' to 8' below ground surface.

Borehole Installation and Sampling

On March 22-23, 2005, a total of eight (8) soil borings were placed in the bottom of the reserve pit and west trench to delineate residual chloride impact to subsurface soils. Soil borings indicated that the pit contents had been removed down to native soils. Soil samples were collected with a split spoon sampler in five foot increments. The boreholes were installed to depths of 37' below the bottom of the reserve pit excavation. Soil samples were analyzed for chloride by method EPA 300.0. Copies of laboratory analyses and chain-of-custody documentation are included in Appendix A. The location of the soil borings are shown on Figure 3. The results of the sampling are summarized in Table 1. Referring to Table 1, chloride impact to subsurface soils appears to be confined to the western end of the reserve pit area. Chloride concentrations from borehole samples in the eastern half of the reserve pit (BH-1 through BH-4), were all well below 100 mg/kg, with most under 50 mg/kg. In the western half of the reserve pit, boreholes BH-5, BH-6 and BH-8, show the greatest impact, with BH-7 indicative of the northwest edge of subsurface impact. The borehole previously placed by EPI, delineated the soil chloride impact to the south of the reserve pit. Copies of the boring logs are included in Appendix A. Borehole locations are shown on Figure 4.

Based on the soils assessment, subsurface chloride impact appears to have migrated to groundwater in the vicinity of boreholes BH-5, BH-6 and BH-8, and appear to be confined to the immediate vicinity of the reserve pit.

Monitor Well Installation and Sampling

On March 24, 2005, three monitor wells (MW-1, MW-2 and MW-3) were installed around the reserve pit. The wells were drilled to depths of 61-62' bgs and completed with 2" PVC screen and casing. According to published data, the groundwater gradient in the vicinity of the site is reportedly south-southwest. One monitor well was placed north of the reserve pit, one was placed



southwest of the well pad and one was placed southeast of the well pad. The monitor well locations are shown on Figure 2.

Following installation, the wells were developed by hand bailing using dedicated hand bailers to remove fine grained sediment, disturbed during drilling, and to ensure collection of representative groundwater samples. Purged water from the wells was taken to a Gruy tank battery north of the site for disposal into the water tank.

On March 30, 2005, Highlander purged three casing volumes from the three monitor wells and the temporary monitor well using a submersible pump. Groundwater samples were collected and analyzed for BTEX by method EPA 8021B and major anion and cations by methods EPA 160.1, 300.0, 310.2M, and 6010B. All samples were delivered to the laboratory under chain of custody control. Prior to sampling, the wells were gauged and inspected for the presence of phase-separated hydrocarbons (PSH). No PSH was encountered in the wells. Using the water level data, a potentiometric surface map was prepared, which indicates a south-southwest hydraulic gradient. The laboratory report and chain of custody are included in Appendix B. The results are summarized in Table 2. The potentiometric surface map is included as Figure 3.

Groundwater Sample Results

Referring to Table 2, no BTEX concentrations were detected at or above the reporting limits for any of the samples. The New Mexico Water Quality Control Commission (WQCC) limit of 250 mg/L chloride was exceeded only in the temporary monitor well, TMW-1, with a chloride concentration of 24,500 mg/L.

Conclusions

1. Soil sampling performed by EPI indicated that the only constituent of concern was chloride, as TPH and BTEX concentrations were not detected at or above the method detection limits.
2. Highlander personnel supervised the removal of the reserve pit contents down to native soil. The reserve pit contents were excavated out of the reserve pit and the east and west trenches by Sweatt Construction Company, Hobbs, New Mexico. A total of 4710 yds³ of material was removed and hauled to Controlled Recovery, Inc. for disposal. After removal, the depth of the reserve pit was 5' to 8' below ground surface.
3. Based on the soils assessment, subsurface chloride impact appears to have migrated to groundwater in the vicinity of boreholes BH-5, BH-6 and BH-8, and appear to be confined to the immediate vicinity of the western end of the reserve pit area.
4. No BTEX concentrations were detected at or above the reporting limits for any of the groundwater samples. The New Mexico Water Quality Control Commission (WQCC) limit of 250 mg/L chloride was exceeded only in the temporary monitor well, TMW-1, with a chloride concentration of 24,500 mg/L.



RECEIVED

FEB 11 2005

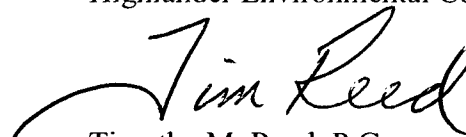
Proposed Work Plan

Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505

1. EPI is scheduling the plugging of the temporary monitor well.
2. Highlander proposes to remove topsoil in a 5' radius around the western half of the reserve pit and place this material into the excavation. The topsoil will serve as bedding material for a 40 mil plastic cap. The plastic will extend to 5' outside the current excavation in order to adequately encapsulate residual chloride impact. The proposed placement of the cap is shown on Figure 5.
3. An Application for Water Exploration/Development was submitted on April 12, 2005 to the New Mexico Commissioner of Public Lands, for a recovery well at this site. The recovery well will be installed off the southwestern edge of the reserve pit on the well pad. The well will be equipped with a low flow recovery pump to remove chloride impacted groundwater. The water will be transferred to an above-ground storage tank for use in drilling operations.
4. The three monitor wells, as well as the recovery well will be sampled on a quarterly basis for BTEX and chloride, with the results submitted annually.

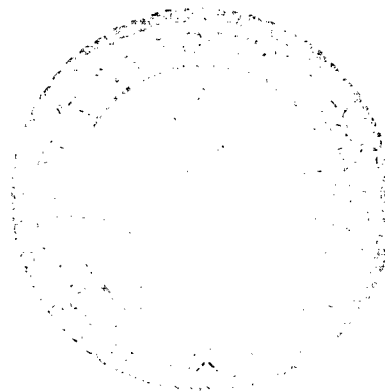
If you have any question or comments concerning the assessment or the activities performed at the Site, please call me at (432) 682-4559.

Respectfully submitted,
Highlander Environmental Corp.



Timothy M. Reed, P.G.
Vice President

cc: Larry Johnson – NMOCD, Hobbs, NM
Bob Jennings – Gruy



TABLES

Table 1, Borehole Samples
 Gruy Petroleum Management Co.
 Riddle State #1
 Lea County, NM

Sample ID	Date Sampled	Sample Depth (ft)	TPH (mg/kg)			Benzene (mg/kg)	Toluene (mg/kg)	Ethylbenzene (mg/kg)	Xylene (mg/kg)	Chloride (mg/kg)
			C6-C12	C12-C35	Total					
BH-1	03/22/05	1'-3'	-	-	-	-	-	-	-	44.3
BH-1	03/22/05	5'-7'	-	-	-	-	-	-	-	26
BH-1	03/22/05	10'-12'	-	-	-	-	-	-	-	27.2
BH-2	03/22/05	1'-3'	-	-	-	-	-	-	-	31.5
BH-2	03/22/05	5'-7'	-	-	-	-	-	-	-	27.2
BH-2	03/22/05	10'-12'	-	-	-	-	-	-	-	24.5
BH-3	03/22/05	1'-3'	-	-	-	-	-	-	-	21.6
BH-3	03/22/05	5'-7'	-	-	-	-	-	-	-	28.7
BH-3	03/22/05	10'-12'	-	-	-	-	-	-	-	30.2
BH-4	03/22/05	1'-3'	-	-	-	-	-	-	-	23
BH-4	03/22/05	5'-7'	-	-	-	-	-	-	-	34.5
BH-4	03/22/05	10'-12'	-	-	-	-	-	-	-	58.5
BH-5	03/22/05	1'-3'	-	-	-	-	-	-	-	8480
BH-5	03/22/05	5'-7'	-	-	-	-	-	-	-	4070
BH-5	03/22/05	10'-12'	-	-	-	-	-	-	-	2770
BH-5	03/22/05	15'-17'	-	-	-	-	-	-	-	2480
BH-5	03/22/05	20'-22'	-	-	-	-	-	-	-	3230
BH-5	03/22/05	25'-27'	-	-	-	-	-	-	-	5640
BH-5	03/22/05	30'-32'	-	-	-	-	-	-	-	4030
BH-5	03/22/05	35'-37'	-	-	-	-	-	-	-	1540
BH-6	03/23/05	1'-3'	-	-	-	-	-	-	-	19800
BH-6	03/23/05	5'-7'	-	-	-	-	-	-	-	18400
BH-6	03/23/05	10'-12'	-	-	-	-	-	-	-	4540
BH-6	03/23/05	15'-17'	-	-	-	-	-	-	-	881
BH-6	03/23/05	20'-22'	-	-	-	-	-	-	-	586
BH-6	03/23/05	25'-27'	-	-	-	-	-	-	-	2390
BH-6	03/23/05	30'-32'	-	-	-	-	-	-	-	723
BH-6	03/23/05	35'-37'	-	-	-	-	-	-	-	1360

(-) Not analyzed

FIGURES

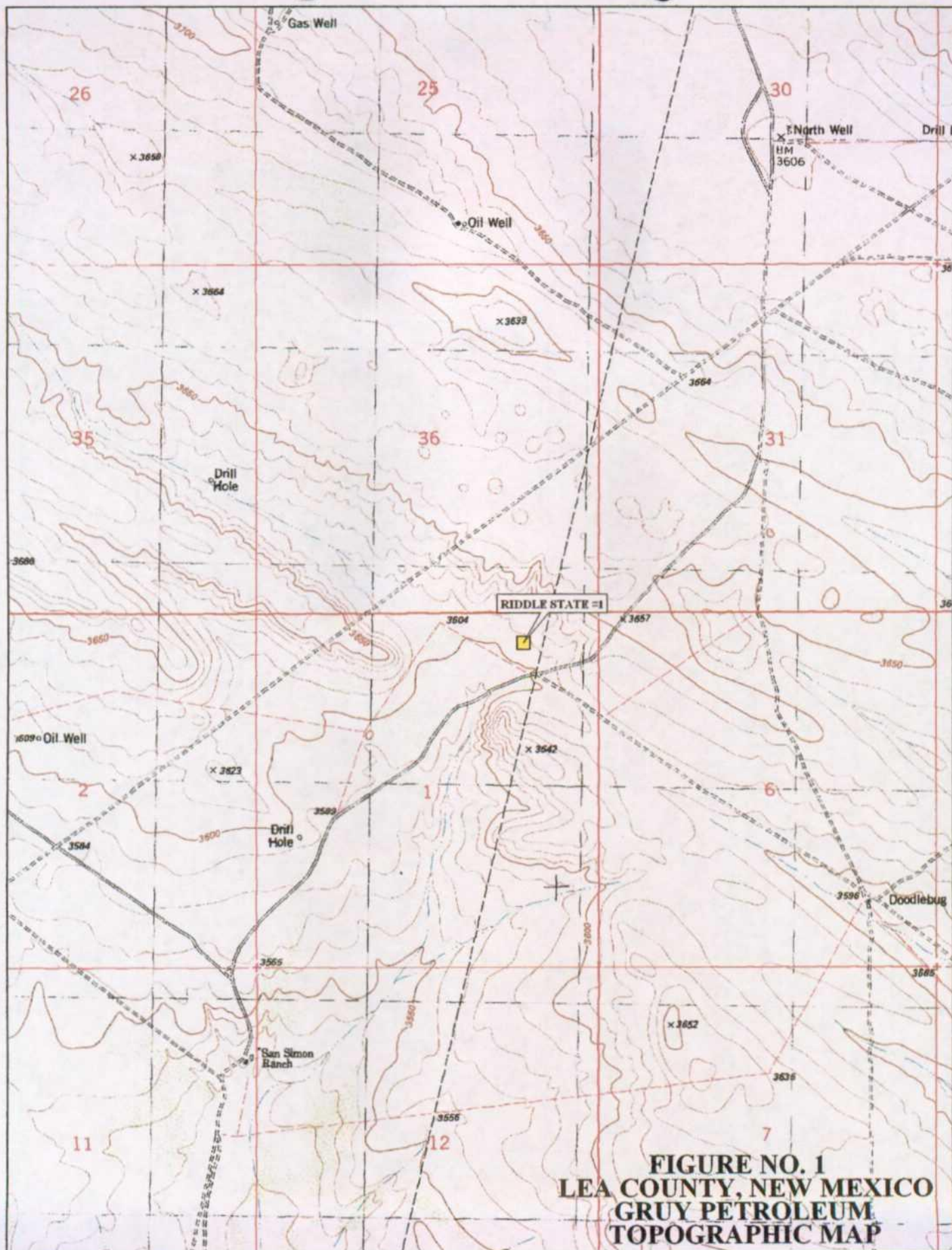
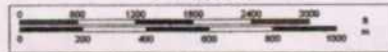


FIGURE NO. 1
LEA COUNTY, NEW MEXICO
GRUY PETROLEUM
TOPOGRAPHIC MAP



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www.delorme.com

Scale 1 : 24,000
 1" = 2000 ft





MW #1

West Stockpile

West Trench

Reserve Pit

MW Temp

East Stockpile

East Trench

Gruy Petroleum
Riddle State #1

Well Pad

MW #2

MW #3

FIGURE NO. 2

LEA COUNTY, NEW MEXICO

GRUY PETROLEUM
RIDDLE STATE #1
SITE MAP

HIGHLANDER ENVIRONMENTAL CORP.
MIDLAND, TEXAS

DATE	2/4/05
DRAWN BY	JJ
FILE	ENVIRONMENTAL
SCALE	AS SHOWN

NOT TO SCALE

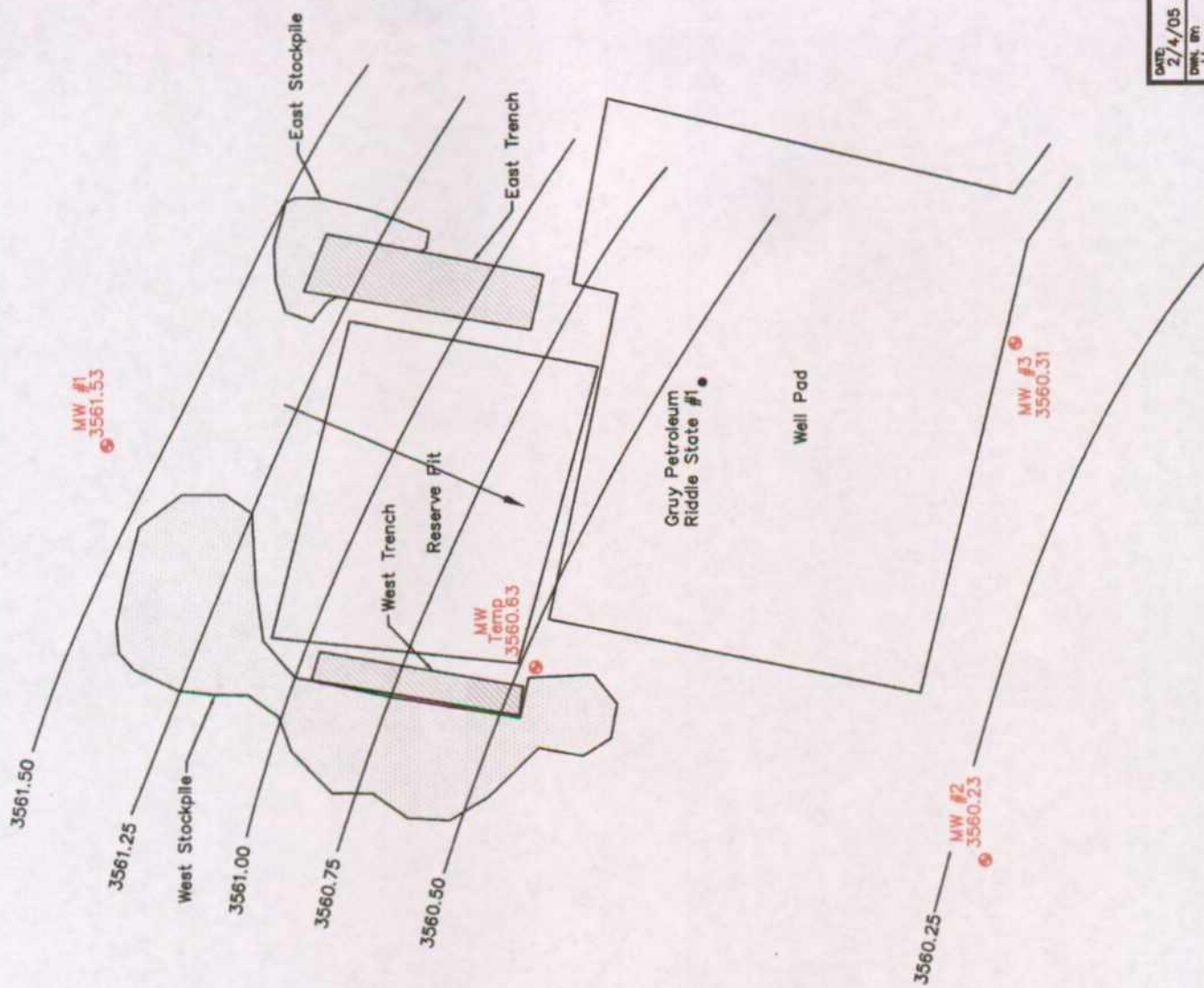
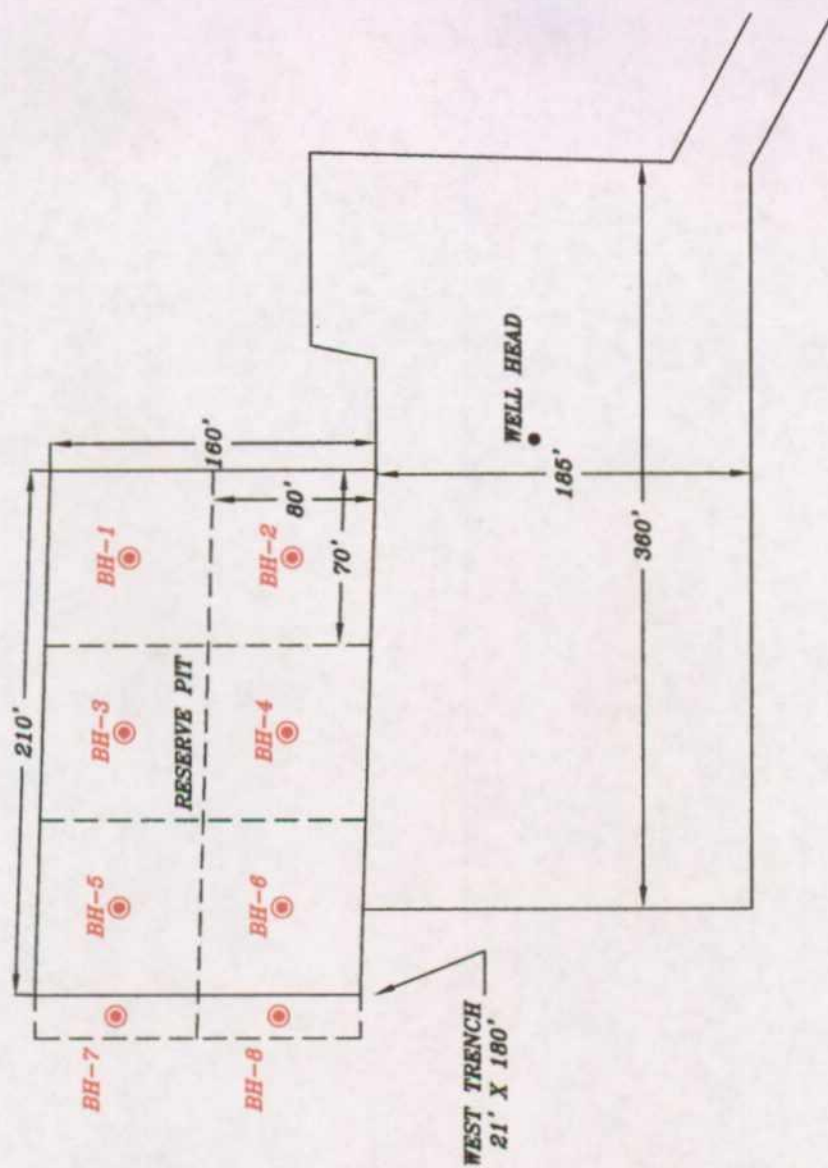


FIGURE NO. 3

LEA COUNTY, NEW MEXICO
GRUY PETROLEUM RIDDLE STATE #1
GROUNDWATER TABLE MAP
HIGHLANDER ENVIRONMENTAL CORP. MIDLAND, TEXAS

DATE	2/4/05
DRAWN BY	JJ
FILE	ENVIRONMENTAL
SCALE	AS SHOWN

NOT TO SCALE



● BOREHOLE LOCATIONS

FIGURE NO. 4

LEA COUNTY, NEW MEXICO

GRUY PETROLEUM
RIDDLE STATE #1
BOREHOLE LOCATION MAP

HIGHLANDER ENVIRONMENTAL CORP.
MIDLAND, TEXAS

DATE: 2/4/05
CHRM. BY:

FILE: C:\VOLUME3\1
SCOTT STATE #1

NOT TO SCALE

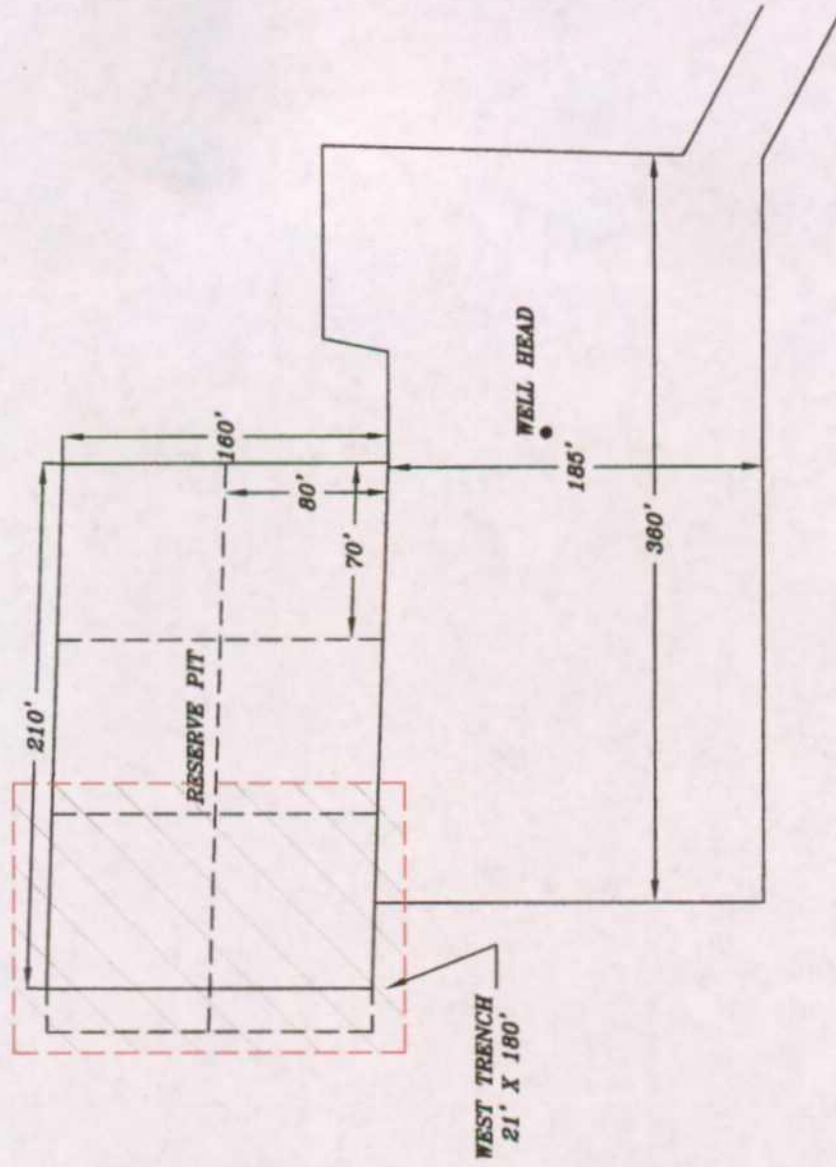


FIGURE NO. 5

LEA COUNTY, NEW MEXICO

GRUY PETROLEUM
RIDDLE STATE #1
SOIL CAP DIAGRAM

HIGHLANDER ENVIRONMENTAL CORP.
MIDLAND, TEXAS

DATE
2/4/05

DRAWN BY
J.J.

FILE
0:\PROJECTS\2005\20050204\20050204.DWG
SCALE: AS SHOWN

NOT TO SCALE

SOIL CAP AREA 170' X 100'

APPENDIX A

Boring Logs

BORING LOG

Boring/Well: BH-1
Site Location: Gruy – Riddle State # 1
Location: Lea County, New Mexico
Total Depth: 37' (Below Pit Bottom)
Date Installed: 3/22/05

[illegible]

BORING LOG

Boring/Well:	BH-2
Site Location:	Gruy – Riddle State # 1
Location:	Lea County, New Mexico
Total Depth:	37' (Below Pit Bottom)
Date Installed:	3/22/05

[illegible]

BORING LOG

Boring/Well:	BH-3
Site Location:	Gruy – Riddle State # 1
Location:	Lea County, New Mexico
Total Depth:	37' (Below Pit Bottom)
Date Installed:	3/22/05

[illegible]

BORING LOG

Boring/Well: BH-4
Site Location: Gruy – Riddle State # 1
Location: Lea County, New Mexico
Total Depth: 37' (Below Pit Bottom)
Date Installed: 3/22/05

[illegible]

BORING LOG

Boring/Well: BH-5
Site Location: Gruy – Riddle State # 1
Location: Lea County, New Mexico
Total Depth: 37' (Below Pit Bottom)
Date Installed: 3/22/05

[illegible]

BORING LOG

Boring/Well: BH-6
Site Location: Gruy – Riddle State # 1
Location: Lea County, New Mexico
Total Depth: 37' (Below Pit Bottom)
Date Installed: 3/23/05

[illegible]

BORING LOG

Boring/Well:	BH-7
Site Location:	Gruy – Riddle State # 1
Location:	Lea County, New Mexico
Total Depth:	37' (Below Pit Bottom)
Date Installed:	3/22/05

[illegible]

BORING LOG

Boring/Well: BH-8
Site Location: Gruy – Riddle State # 1
Location: Lea County, New Mexico
Total Depth: 37' (Below Pit Bottom)
Date Installed: 3/22/05

[illegible]

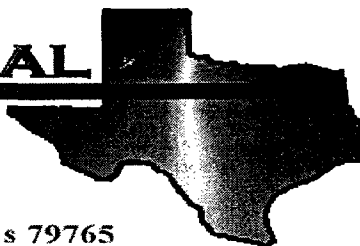
APPENDIX B

Analytical Reports

Analytical Report

3/30/2005

ENVIRONMENTAL LAB OF



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Tim Reed

Highlander Environmental Corp.

1910 N. Big Spring St.

Midland, TX 79705

Project: Gruy Petroleum/ Riddle State #1

Project Number: 2321

Location: None Given

Lab Order Number: 5C25006

Report Date: 03/30/05

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
03/30/05 15:18

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BH-1 (1'-3')	5C25006-01	Soil	03/22/05 10:50	03/24/05 17:00
BH-1 (5'-7')	5C25006-02	Soil	03/22/05 10:55	03/24/05 17:00
BH-1 (10'-12')	5C25006-03	Soil	03/22/05 11:00	03/24/05 17:00
BH-2 (1'-3')	5C25006-09	Soil	03/22/05 11:45	03/24/05 17:00
BH-2 (5'-7')	5C25006-10	Soil	03/22/05 11:50	03/24/05 17:00
BH-2 (10'-12')	5C25006-11	Soil	03/22/05 11:55	03/24/05 17:00
BH-3 (1'-3')	5C25006-17	Soil	03/22/05 13:00	03/24/05 17:00
BH-3 (5'-7')	5C25006-18	Soil	03/22/05 13:05	03/24/05 17:00
BH-3 (10'-12')	5C25006-19	Soil	03/22/05 13:10	03/24/05 17:00
BH-4 (1'-3')	5C25006-25	Soil	03/22/05 13:45	03/24/05 17:00
BH-4 (5'-7')	5C25006-26	Soil	03/22/05 13:50	03/24/05 17:00
BH-4 (10'-12')	5C25006-27	Soil	03/22/05 13:55	03/24/05 17:00
BH-5 (1'-3')	5C25006-33	Soil	03/22/05 14:40	03/24/05 17:00
BH-5 (5'-7')	5C25006-34	Soil	03/22/05 14:45	03/24/05 17:00
BH-5 (10'-12')	5C25006-35	Soil	03/22/05 14:50	03/24/05 17:00
BH-6 (1'-3')	5C25006-41	Soil	03/23/05 09:30	03/24/05 17:00
BH-6 (5'-7')	5C25006-42	Soil	03/23/05 09:40	03/24/05 17:00
BH-6 (10'-12')	5C25006-43	Soil	03/23/05 09:42	03/24/05 17:00
BH-7 (1'-3')	5C25006-49	Soil	03/22/05 15:35	03/24/05 17:00
BH-7 (5'-7')	5C25006-50	Soil	03/22/05 15:37	03/24/05 17:00
BH-7 (10'-12')	5C25006-51	Soil	03/22/05 15:45	03/24/05 17:00
BH-8 (1'-3')	5C25006-57	Soil	03/22/05 16:20	03/24/05 17:00
BH-8 (5'-7')	5C25006-58	Soil	03/22/05 16:25	03/24/05 17:00
BH-8 (10'-12')	5C25006-59	Soil	03/22/05 16:30	03/24/05 17:00

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
03/30/05 15:18

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
BH-1 (1'-3') (5C25006-01) Soil									
Chloride	44.3	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-1 (5'-7') (5C25006-02) Soil									
Chloride	26.0	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-1 (10'-12') (5C25006-03) Soil									
Chloride	27.2	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-2 (1'-3') (5C25006-09) Soil									
Chloride	31.5	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-2 (5'-7') (5C25006-10) Soil									
Chloride	27.2	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-2 (10'-12') (5C25006-11) Soil									
Chloride	24.5	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-3 (1'-3') (5C25006-17) Soil									
Chloride	21.6	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-3 (5'-7') (5C25006-18) Soil									
Chloride	28.7	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-3 (10'-12') (5C25006-19) Soil									
Chloride	30.2	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-4 (1'-3') (5C25006-25) Soil									
Chloride	23.0	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 2 of 6

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
03/30/05 15:18

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
BH-4 (5'-7') (5C25006-26) Soil									
Chloride	34.5	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-4 (10'-12') (5C25006-27) Soil									
Chloride	58.5	10.0	mg/kg	20	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-5 (1'-3') (5C25006-33) Soil									
Chloride	8480	1000	mg/kg	2000	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-5 (5'-7') (5C25006-34) Soil									
Chloride	4070	100	mg/kg	200	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-5 (10'-12') (5C25006-35) Soil									
Chloride	2770	100	mg/kg	200	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-6 (1'-3') (5C25006-41) Soil									
Chloride	19800	2500	mg/kg	5000	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-6 (5'-7') (5C25006-42) Soil									
Chloride	18400	2500	mg/kg	5000	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-6 (10'-12') (5C25006-43) Soil									
Chloride	4540	100	mg/kg	200	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-7 (1'-3') (5C25006-49) Soil									
Chloride	355	25.0	mg/kg	50	EC53013	03/29/05	03/29/05	EPA 300.0	
BH-7 (5'-7') (5C25006-50) Soil									
Chloride	417	25.0	mg/kg	50	EC53013	03/29/05	03/29/05	EPA 300.0	

Environmental Lab of Texas

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Page 3 of 6

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
03/30/05 15:18

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
BH-7 (10'-12') (5C25006-51) Soil									
Chloride	444	25.0	mg/kg	50	EC53014	03/30/05	03/30/05	EPA 300.0	
BH-8 (1'-3') (5C25006-57) Soil									
Chloride	8600	1000	mg/kg	2000	EC53014	03/30/05	03/30/05	EPA 300.0	
BH-8 (5'-7') (5C25006-58) Soil									
Chloride	11000	1000	mg/kg	2000	EC53014	03/30/05	03/30/05	EPA 300.0	
BH-8 (10'-12') (5C25006-59) Soil									
Chloride	7660	1000	mg/kg	2000	EC53014	03/30/05	03/30/05	EPA 300.0	

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
03/30/05 15:18

General Chemistry Parameters by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
---------	--------	--------------------	-------	----------------	------------------	------	----------------	-----	--------------	-------

Batch EC53013 - Water Extraction

Blank (EC53013-BLK1)				Prepared & Analyzed: 03/29/05						
Chloride	ND	0.500	mg/kg							
LCS (EC53013-BS1)				Prepared & Analyzed: 03/29/05						
Chloride	10.4		mg/L	10.0		104	80-120			
Calibration Check (EC53013-CCV1)				Prepared & Analyzed: 03/29/05						
Chloride	10.6		mg/L	10.0		106	80-120			
Duplicate (EC53013-DUP1)				Source: 5C25006-26		Prepared & Analyzed: 03/29/05				
Chloride	38.3	5.00	mg/kg		34.5			10.4	20	

Batch EC53014 - Water Extraction

Blank (EC53014-BLK1)				Prepared & Analyzed: 03/30/05						
Chloride	ND	0.500	mg/kg							
LCS (EC53014-BS1)				Prepared & Analyzed: 03/30/05						
Chloride	10.5		mg/L	10.0		105	80-120			
Calibration Check (EC53014-CCV1)				Prepared & Analyzed: 03/30/05						
Chloride	10.6		mg/L	10.0		106	80-120			
Duplicate (EC53014-DUP1)				Source: 5C25006-51		Prepared & Analyzed: 03/30/05				
Chloride	449	25.0	mg/kg		444			1.12	20	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 5 of 6

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
03/30/05 15:18

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference
LCS Laboratory Control Spike
MS Matrix Spike
Dup Duplicate

Report Approved By: Raland K. Tuttle Date: 3-31-05

Raland K. Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director
James L. Hawkins, Chemist/Geologist
Sandra Sanchez, Lab Tech.

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas

Client: Highlander Env.

Date/Time: 03-24-05 @ 1700

Order #: 5025006

Initials: JMM

Sample Receipt Checklist

Temperature of container/cooler?	Yes	No	16.0	C
Shipping container/cooler in good condition?	Yes	No		
Custody Seals intact on shipping container/cooler?	Yes	No	Not present	
Custody Seals intact on sample bottles?	Yes	No	Not present	
Chain of custody present?	Yes	No		
Sample Instructions complete on Chain of Custody?	Yes	No		
Chain of Custody signed when relinquished and received?	Yes	No		
Chain of custody agrees with sample label(s)	Yes	No		
Container labels legible and intact?	Yes	No		
Sample Matrix and properties same as on chain of custody?	Yes	No		
Samples in proper container/bottle?	Yes	No		
Samples properly preserved?	Yes	No		
Sample bottles intact?	Yes	No		
Preservations documented on Chain of Custody?	Yes	No		
Containers documented on Chain of Custody?	Yes	No		
Sufficient sample amount for indicated test?	Yes	No		
All samples received within sufficient hold time?	Yes	No		
VOC samples have zero headspace?	Yes	No	(Not Applicable)	

Other observations:

Containers in boxes on top of ice

Variance Documentation:

Contact Person: - _____ Date/Time: _____ Contacted by: _____
Regarding: _____

Corrective Action Taken:

Analysis Request and Chain of Custody Record

HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: <i>Arco Refining</i>	SITE MANAGER:
PROJECT NO.: <i>2321</i>	PROJECT NAME: <i>Riddle State #1</i>

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP.	GRAB	SAMPLE IDENTIFICATION	PRESERVATIVE METHOD				NUMBER OF CONTAINERS	FILTERED (Y/N)	HCL				HNO3	ICE	NONE
-11	3/22/05	11:55				BH-2 (10'-12')					1							X	
-12		12:00				BH-2 (15'-17')					1						X		
-13		12:02				BH-2 (20'-22')					1						X		
-14		12:05				BH-2 (25'-27')					1						X		
-15		12:15				BH-2 (30'-32')					1						X		
-16		12:20				BH-2 (35'-37')					1						X		
-17		13:00				BH-3 (1'-3')					1						X		
-18		13:05				BH-3 (5'-7')					1						X		
-19		13:10				BH-3 (10'-12')					1						X		
-20		13:15				BH-3 (15'-17')					1						X		

RELINQUISHED BY: (Signature) <i>[Signature]</i>	Date: 3/24/05	Time: 5:00	RECEIVED BY: (Signature)	Date: 3/24/05	Time: 1700
RELINQUISHED BY: (Signature)	Date: _____	Time: _____	RECEIVED BY: (Signature)	Date: _____	Time: _____
RELINQUISHED BY: (Signature)	Date: _____	Time: _____	RECEIVED BY: (Signature)	Date: _____	Time: _____

RECEIVING LABORATORY: *Environmental Labs of TX*

ADDRESS: _____

CITY: *Midland* STATE: *TX* ZIP: _____

CONTACT: _____ PHONE: _____

SAMPLE CONDITION WHEN RECEIVED: *16.0°C*

MATRIX: *W-Water* *A-Air* *SD-Solid* *0-Other*

DATE: *03-24-05* TIME: *1700*

REMARKS: *Red remaining sample*

4oz glass on ice w/seals on container + cool

HTEX 8020/802	MTBE 8020/802	TFH 418.1 8015 MOD. TX1005	PAH 8270	ECRA Metals Ag As Ba Cd Cr Pb Hg Se	TCAP Volatiles	TCAP Semi Volatiles	RCl	GCMS Vol. 8240/8260/824	GCMS Semi Vol. 8270/825	PCB's 8080/808	Peel. 808/808	BOD, TSS, PH, TDS, Chloride	Gamma Spec.	Alpha Beta (Alr)	PLM (Asbestos)
												X			

SAMPLED BY: (Print & Sign) *Tim Reed* Date: *3/24/05*

Time: *4:00*

SAMPLE SHIPPED BY: (Circle)

FEDX ☒ AIRBILL # _____

HAND-DELIVERED ☒ BUS _____

OTHER: _____

HIGHLANDER CONTACT PERSON: *Tim Reed*

Results by: _____

RUSH Charges Authorized: Yes _____ No _____

Analysis Request and Chain of Custody Record

HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: <i>Guji Petroleum</i>	SITE MANAGER: <i>Tim Reed</i>	PROJECT NAME: <i>Reddick State #1</i>	SAMPLE IDENTIFICATION	PRESERVATIVE METHOD			
				HCL	HNO3	ICE	NONE
LAB I.D. NUMBER 5025006	DATE 7/22/05	TIME 13:20	GRAB BH-3 (20' - 22')				
			BH-3 (25' - 27')				
			BH-3 (30' - 32')				
			BH-3 (35' - 37')				
			BH-4 (1' - 3')				
			BH-4 (5' - 7')				
			BH-4 (10' - 12')				
			BH-4 (15' - 17')				
			BH-4 (20' - 22')				
			BH-4 (25' - 27')				

RELINQUISHED BY: (Signature)	DATE: 7/22/05	RECEIVED BY: (Signature)	DATE: 7/22/05
RELINQUISHED BY: (Signature)	DATE: 7/22/05	RECEIVED BY: (Signature)	DATE: 7/22/05
RELINQUISHED BY: (Signature)	DATE: 7/22/05	RECEIVED BY: (Signature)	DATE: 7/22/05
RECEIVING LABORATORY: <i>Environ Labs of TX</i>	DATE: 7/22/05	RECEIVED BY: (Signature)	DATE: 7/22/05
ADDRESS: <i>Midland</i>	STATE: <i>TX</i>	ZIP: <i>79705</i>	DATE: 03/24/05
CITY: <i>Midland</i>	PHONE: <i>79705</i>	MATRIX: <i>W-Water</i>	DATE: 03/24/05
SAMPLE CONDITION WHEN RECEIVED: <i>16.0°C</i>		REMARKS: <i>Hold remaining samples</i>	

Please Fill out all copies - Laboratory retains yellow copy - Return original copy to Highlander Environmental Corp. - Project Manager retains pink copy - Accounting receives Gold copy.

Analysis Request and Chain of Custody Record

HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: Elva Petalera SITE MANAGER: Tim Reed
PROJECT NO.: 2321 PROJECT NAME: Little Lake #1

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP.	GRAB	SAMPLE IDENTIFICATION	NUMBER OF CONTAINERS				PRESERVATIVE METHOD			
							1	2	3	4	HCL	HNO3	ICE	NONE
-31	3/24/05	14:15				BH-4 (30' - 32')	1						X	
-32		14:20				BH-4 (35' - 37')	1						X	
-33		14:40				BH-5 (1' - 3')	1						X	
-34		14:45				BH-5 (5' - 7')	1						X	
-35		14:50				BH-5 (10' - 12')	1						X	
-36		14:53				BH-5 (15' - 17')	1						X	
-37		14:55				BH-5 (20' - 22')	1						X	
-38		15:00				BH-5 (25' - 27')	1						X	
-39		15:05				BH-5 (30 - 32')	1						X	
-40		15:15				BH-5 (35 - 37')	1						X	

RELINQUISHED BY: (Signature) Elva Petalera Date: 3/24/05 Time: 5:00 RECEIVED BY: (Signature) Tim Reed Date: 3/24/05 Time: 1700
RELINQUISHED BY: (Signature) Date: Time: RECEIVED BY: (Signature) Date: Time:
RELINQUISHED BY: (Signature) Date: Time: RECEIVED BY: (Signature) Date: Time:

RECEIVING LABORATORY: Elva Petalera ADDRESS: Elva Petalera CITY: Elva Petalera STATE: TX ZIP: 79705
CONTACT: Elva Petalera PHONE: 682-4559 DATE: 03-24-05 TIME: 1700

SAMPLE CONDITION WHEN RECEIVED: 16.0L MATRIX: W-Water S-Solid A-Air SD-Solid O-Other REMARKS: 4oz glass or 1 oz vials or containers + coolers

Please Fill out all copies - Laboratory retains yellow copy - Return original copy to Highlander Environmental Corp. - Project Manager retains pink copy - Accounting receives Gold copy.

PAGE: 4 OF: 7

ANALYSIS REQUEST

(Circle or Specify Method No.)

BTEX 8020/808	
MTBE 8020/808	
TPH 418.1 8015 MOD. TX1006	
PAH 8270	
HCRA Metals Ag As Ba Cd Cr Pb Hg Se	
TCIP Volatiles	
TCIP Semi Volatiles	
RCI	
GC/MS Vol. 8240/8260/824	
GC/MS Semi Vol. 8270/825	
PCB's 8080/808	
Pest. 808/808	
BOD, TSS, pH, TDS, Chloride	
Gamma Spec.	
Alpha Beta (Alv)	
PLM (Asbestos)	

SAMPLED BY: (Print & Sign) Tim Reed Date: 3/24/05 Time: 14:00

FEDER: Hand Delivered AIRBILL # 74607
HAND DELIVERED: Hand Delivered OTHER: Hand Delivered

HIGHLANDER CONTACT PERSON: Tim Reed Results by: Hand Delivered
RUSH CHARGES AUTHORIZED: Yes No

Analysis Request and Chain of Custody Record

HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: City Petroleum SITE MANAGER: Tim Reed

PROJECT NO.: 2321 PROJECT NAME: Kelly Lake #1

LAB I.D. NUMBER: 5C25006 DATE: 3-23-05 TIME: 9:30

MATRIX: GRAB SAMPLE IDENTIFICATION: BH-6 (1'-3')

NUMBER OF CONTAINERS: 1

PREPAREDATIVE METHOD: NONE

HCL: X HNO3: X ICE: X

PCB's 8080/808 PCB's 8080/808 GC/MS Vol. 8240/8260/824 GC/MS Semi. Vol. 8270/825 RCI

PAH 8270 RCRA Metals Ag As Ba Cd Cr Pb Hg Se TCAP Volatiles TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006 MTBE 8020/808 BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Gamma Spec. Alpha Beta (Alr) PLM (Asbestos)

BOD, TSS, pH, TDS, Chloride

Post. 808/808

PCB's 8080/808

GC/MS Vol. 8240/8260/824

GC/MS Semi. Vol. 8270/825

RCI

PAH 8270

RCRA Metals Ag As Ba Cd Cr Pb Hg Se

TCAP Volatiles

TCAP Semi Volatiles

TPH 418.1 8015 MOD. TX1006

MTBE 8020/808

BTEX 8020/808

Analysis Request and Chain of Custody Record

HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: <u>Gray Petroleum</u>		SITE MANAGER: <u>Tim Reed</u>		PRESERVATIVE METHOD	
PROJECT NO.: <u>2321</u>		PROJECT NAME: <u>Riddle State #1</u>		NUMBER OF CONTAINERS	
LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP.	GRAB
5025006					
-51	3-22-05	15:45			BH-7 (10' - 12')
-52		15:47			BH-7 (15' - 17')
-53		15:50			BH-7 (20' - 22')
-54		15:55			BH-7 (25' - 27')
-55		16:00			BH-7 (30' - 32')
-56		16:10			BH-7 (35' - 37')
-57	3-22-05	16:20			BH-8 (1' - 3')
-58		16:25			BH-8 (5' - 7')
-59		16:30			BH-8 (10' - 12')
-60		16:35			BH-8 (15' - 17')

RELINQUISHED BY: (Signature)		RECEIVED BY: (Signature)		DATE: <u>3/24/05</u>	
RELINQUISHED BY: (Signature)		RECEIVED BY: (Signature)		DATE: <u>3/24/05</u>	
RELINQUISHED BY: (Signature)		RECEIVED BY: (Signature)		DATE: <u>3/24/05</u>	
RECEIVING LABORATORY: <u>Environ Labs of TX</u>		RECEIVED BY: (Signature)		DATE: <u>03-24-05</u>	
ADDRESS: <u>Address</u>		STATE: <u>TX</u>		ZIP: <u></u>	
CONTACT: <u></u>		PHONE: <u></u>		TIME: <u>1700</u>	
SAMPLE CONDITION WHEN RECEIVED: <u>160°C</u>		MATRIX: <u>W-Water</u>		SD-Solid	
		<u>A-Air</u>		<u>SI-Sludge</u>	
		<u>B-Soil</u>		<u>O-Other</u>	
REMARKS: <u>Hold remaining sample</u>		4oz glass or 1oz vials on containers + cooler			

Please Fill out all copies - Laboratory retains yellow copy - Return original copy to Highlander Environmental Corp. - Project Manager retains pink copy - Accounting receives Gold copy.

PAGE: 6 OF: 7

ANALYSIS REQUEST

(Circle or Specify Method No.)

BTEX 8020/808	
MTBE 8020/808	
TPH 4181 8015 MOD. TX1006	
PAH 8270	
RCRA Metals Ag As Ba Cd Cr Pb Hg Se	
TCIP Metals Ag As Ba Cd Cr Pb Hg Se	
TCIP Volatiles	
TCIP Semi Volatiles	
HCI	
GC/MS Vol. 8240/8260/824	
GC/MS Semi Vol. 8270/825	
PCB's 8080/808	
Post. 808/808	
BOD, TSS, pH, TDS, Chloride	X
Germine Spec.	
Alpha Beta (Air)	
PLM (Asbestos)	

SAMPLED BY: (Print & Sign)		DATE: <u>3/24/05</u>	
SAMPLE SHIPPED BY: (Circle)		TIME: <u>4:00 PM</u>	
FEDX	BUS	AIRBILL #	OTHER:
<u>HAND DELIVERED</u>			
HIGHLANDER CONTACT PERSON: <u>Tim Reed</u>			
RUSH CHARGES AUTHORIZED: <u>Yes</u>			
No			

Analysis Request and Chain of Custody Record

HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: <i>Gay P. Finkbein</i>	SITE MANAGER: <i>Tim Reed</i>	PRESERVATIVE METHOD
PROJECT NO.: <i>2321</i>	PROJECT NAME: <i>Cuddles State #1</i>	
LAB I.D. NUMBER <i>5225006</i>	DATE <i>3-22-88</i>	TIME <i>16:40</i>
MATRIX	COMP.	GRAB
SAMPLE IDENTIFICATION		

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP.	GRAB	NUMBER OF CONTAINERS	FILTERED (Y/N)	HCL	HNO3	ICE	NONE
-61	3-22-88	16:40				1				X	
-62		16:45				1				X	
-63		16:50				1				X	
-64		16:55				1				X	

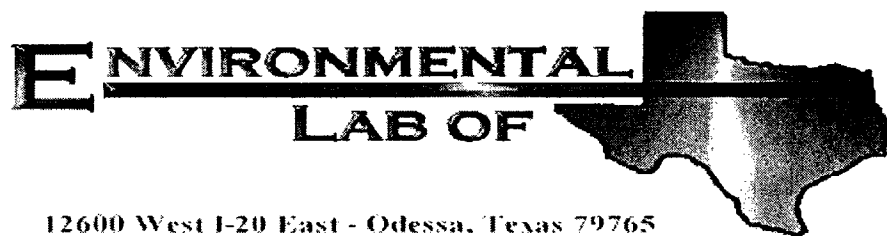
BTX 8020/802	
MTBE 8020/802	
TPH 418.1 8015 MOD. TX1006	
PAH 8270	
RCRA Metals Ag As Ba Cd Cr Pb Hg Se	
TCIP Volatiles	
TCIP Semi Volatiles	
RCI	
GC/MS Vol. 8240/8260/824	
GC/MS Semi Vol. 8270/825	
PCB# 8080/808	
Post. 808/808	
BOD, TSS, pH, TDS, Chloride	
Gamma Spec.	
Alpha Beta (Alr)	
PLM (Asbestos)	

RELINQUISHED BY: (Signature) <i>Gay P. Finkbein</i>	Date: <i>3/24/88</i>	Time: <i>5:00</i>	RECEIVED BY: (Signature) <i>Gay P. Finkbein</i>	Date: <i>3/24/88</i>	Time: <i>4:00</i>
RELINQUISHED BY: (Signature)	Date:	Time:	RECEIVED BY: (Signature)	Date:	Time:
RELINQUISHED BY: (Signature)	Date:	Time:	RECEIVED BY: (Signature)	Date:	Time:
RECEIVING LABORATORY: <i>Quincy Labs of TX</i>	DATE: <i>03-24-88</i> TIME: <i>1700</i>				
ADDRESS: <i>Quincy</i>	STATE: <i>TX</i>	ZIP: <i>79705</i>	DATE: <i>03-24-88</i> TIME: <i>1700</i>		
CITY: <i>Midland</i>	PHONE: <i>(432) 682-4559</i>	REMARKS: <i>Hold remaining sample</i>			
SAMPLE CONDITION WHEN RECEIVED: <i>16.0L</i>			REMARKS: <i>4oz glass on ice wiscals on container + cooler</i>		

HIGHLANDER CONTACT PERSON: <i>Tim Reed</i>		Result by:
FEDX HAND DELIVERED		RUSH Charges
AIRBILL #		Authorized:
BUS		Yes
UPS		No

Analytical Report

4/06/2005



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Tim Reed

Highlander Environmental Corp.

1910 N. Big Spring St.

Midland, TX 79705

Project: Gruy Petroleum/ Riddle State #1

Project Number: 2321

Location: None Given

Lab Order Number: 5C31011

Report Date: 04/06/05

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
04/06/05 14:47

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BH-5 (15'-17')	5C31011-01	Soil	03/22/05 14:53	03/24/05 17:00
BH-5 (20'-22')	5C31011-02	Soil	03/22/05 14:55	03/24/05 17:00
BH-6 (15'-17')	5C31011-03	Soil	03/23/05 09:45	03/24/05 17:00
BH-6 (20'-22')	5C31011-04	Soil	03/23/05 09:55	03/24/05 17:00
BH-7 (15'-17')	5C31011-05	Soil	03/22/05 15:47	03/24/05 17:00
BH-7 (20'-22')	5C31011-06	Soil	03/22/05 15:50	03/24/05 17:00
BH-8 (15'-17')	5C31011-07	Soil	03/22/05 16:35	03/24/05 17:00
BH-8 (20'-22')	5C31011-08	Soil	03/22/05 16:40	03/24/05 17:00

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
04/06/05 14:47

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
BH-5 (15'-17') (5C31011-01) Soil									
Chloride	2480	50.0	mg/kg	100	ED50504	04/01/05	04/01/05	EPA 300.0	
BH-5 (20'-22') (5C31011-02) Soil									
Chloride	3230	100	mg/kg	200	ED50504	04/01/05	04/01/05	EPA 300.0	
BH-6 (15'-17') (5C31011-03) Soil									
Chloride	881	25.0	mg/kg	50	ED50504	04/01/05	04/01/05	EPA 300.0	
BH-6 (20'-22') (5C31011-04) Soil									
Chloride	586	100	mg/kg	200	ED50504	04/01/05	04/01/05	EPA 300.0	
BH-7 (15'-17') (5C31011-05) Soil									
Chloride	1680	50.0	mg/kg	100	ED50504	04/01/05	04/01/05	EPA 300.0	
BH-7 (20'-22') (5C31011-06) Soil									
Chloride	527	10.0	mg/kg	20	ED50504	04/01/05	04/01/05	EPA 300.0	
BH-8 (15'-17') (5C31011-07) Soil									
Chloride	8860	1000	mg/kg	2000	ED50504	04/01/05	04/01/05	EPA 300.0	
BH-8 (20'-22') (5C31011-08) Soil									
Chloride	7860	1000	mg/kg	2000	ED50505	04/02/05	04/02/05	EPA 300.0	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 2 of 4

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946
Reported:
04/06/05 14:47

General Chemistry Parameters by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch ED50504 - Water Extraction										
Blank (ED50504-BLK1)				Prepared & Analyzed: 04/01/05						
Chloride	ND	0.500	mg/kg							
LCS (ED50504-BS1)				Prepared & Analyzed: 04/01/05						
Chloride	10.6		mg/L	10.0		106	80-120			
Calibration Check (ED50504-CCV1)				Prepared & Analyzed: 04/01/05						
Chloride	10.7		mg/L	10.0		107	80-120			
Duplicate (ED50504-DUP1)				Source: 5C31001-09		Prepared & Analyzed: 04/01/05				
Chloride	354	10.0	mg/kg		353			0.283	20	
Batch ED50505 - Water Extraction										
Blank (ED50505-BLK1)				Prepared & Analyzed: 04/02/05						
Chloride	ND	0.500	mg/kg							
LCS (ED50505-BS1)				Prepared & Analyzed: 04/02/05						
Chloride	10.4		mg/L	10.0		104	80-120			
Calibration Check (ED50505-CCV1)				Prepared & Analyzed: 04/02/05						
Chloride	10.1		mg/L	10.0		101	80-120			
Duplicate (ED50505-DUP1)				Source: 5C31011-08		Prepared & Analyzed: 04/02/05				
Chloride	7800	1000	mg/kg		7860			0.766	20	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 3 of 4

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946
Reported:
04/06/05 14:47

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference
LCS Laboratory Control Spike
MS Matrix Spike
Dup Duplicate

Report Approved By:

Raland K. Tuttle

Date:

4/6/2005

Raland K. Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director
James L. Hawkins, Chemist/Geologist
Sandra Sanchez, Lab Tech.

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 4 of 4

Environmental Lab of Texas

Variance / Corrective Action Report – Sample Log-In

Client: Highlander Env.

Date/Time: 03-24-05 @ 1700

Order #: 5628006 Resubmit # 5031011

Initials: JMM

COPY

Sample Receipt Checklist

Temperature of container/cooler?	<input checked="" type="checkbox"/> Yes	No	16.0	C
Shipping container/cooler in good condition?	<input checked="" type="checkbox"/> Yes	No		
Custody Seals intact on shipping container/cooler?	<input checked="" type="checkbox"/> Yes	No	Not present	
Custody Seals intact on sample bottles?	<input checked="" type="checkbox"/> Yes	No	Not present	
Chain of custody present?	<input checked="" type="checkbox"/> Yes	No		
Sample Instructions complete on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Chain of Custody signed when relinquished and received?	<input checked="" type="checkbox"/> Yes	No		
Chain of custody agrees with sample label(s)	<input checked="" type="checkbox"/> Yes	No		
Container labels legible and intact?	<input checked="" type="checkbox"/> Yes	No		
Sample Matrix and properties same as on chain of custody?	<input checked="" type="checkbox"/> Yes	No		
Samples in proper container/bottle?	<input checked="" type="checkbox"/> Yes	No		
Samples properly preserved?	<input checked="" type="checkbox"/> Yes	No		
Sample bottles intact?	<input checked="" type="checkbox"/> Yes	No		
Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Containers documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Sufficient sample amount for indicated test?	<input checked="" type="checkbox"/> Yes	No		
All samples received within sufficient hold time?	<input checked="" type="checkbox"/> Yes	No		
VOC samples have zero headspace?	Yes	No	Not Applicable	

Other observations:

Containers in boxes on top of ice

Variance Documentation:

Contact Person: _____ Date/Time: _____ Contacted by: _____
Regarding: _____

Corrective Action Taken:

Jeanne McMurrey

From: "Gary Miller" <gmiller@hec-enviro.com>
To: <jeanne@elabltexas.com>
Sent: Thursday, March 31, 2005 2:41 PM
Subject: Highlander Project Number 2321, Riddle State #1

Jeanne, please run the following samples for Project #2321, Riddle State #1, Chlorides only.

BH-5 (15'-17')
BH-5 (20'-22')
BH-6 (15'-17')
BH-6 (20'-22')
BH-7 (15'-17')
BH-7 (20'-22')
BH-8 (15'-17')
BH-8 (20'-22')

Thanks,

Gary E. Miller
Highlander Environmental Corp.
1910 N. Big Spring
Midland, Texas 79705

432-682-4559 office
432-557-4681 cell
432-682-3946 fax

--

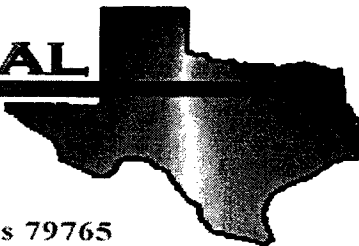
This message has been scanned for viruses and
dangerous content by MailScanner at BasinBroadBand.com, and is
believed to be clean.

3/31/2005

Analytical Report

4/12/2005

ENVIRONMENTAL LAB OF



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Tim Reed

Highlander Environmental Corp.

1910 N. Big Spring St.

Midland, TX 79705

Project: Gruy Petroleum/ Riddle State #1

Project Number: 2321

Location: None Given

Lab Order Number: 5D06005

Report Date: 04/12/05

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
04/12/05 15:20

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BH-5 (25'-27')	5D06005-01	Soil	03/22/05 15:00	03/24/05 17:00
BH-5 (30'-32')	5D06005-02	Soil	03/22/05 15:05	03/24/05 17:00
BH-5 (35'-37')	5D06005-03	Soil	03/22/05 15:15	03/24/05 17:00
BH-6 (25'-27')	5D06005-04	Soil	03/23/05 10:00	03/24/05 17:00
BH-6 (30'-32')	5D06005-05	Soil	03/23/05 10:05	03/24/05 17:00
BH-6 (35'-37')	5D06005-06	Soil	03/23/05 10:15	03/24/05 17:00
BH-7 (25'-27')	5D06005-07	Soil	03/22/05 15:55	03/24/05 17:00
BH-7 (30'-32')	5D06005-08	Soil	03/22/05 16:00	03/24/05 17:00
BH-7 (35'-37')	5D06005-09	Soil	03/22/05 16:10	03/24/05 17:00
BH-8 (25'-27')	5D06005-10	Soil	03/22/05 16:45	03/24/05 17:00
BH-8 (30'-32')	5D06005-11	Soil	03/22/05 16:50	03/24/05 17:00
BH-8 (35'-37')	5D06005-12	Soil	03/22/05 16:55	03/24/05 17:00

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
04/12/05 15:20

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
BH-5 (25'-27') (5D06005-01) Soil									
Chloride	5640	1000	mg/kg	2000	ED51211	04/08/05	04/08/05	EPA 300.0	
BH-5 (30'-32') (5D06005-02) Soil									
Chloride	4030	100	mg/kg	200	ED51211	04/08/05	04/08/05	EPA 300.0	
BH-5 (35'-37') (5D06005-03) Soil									
Chloride	1540	50.0	mg/kg	100	ED51211	04/08/05	04/08/05	EPA 300.0	
BH-6 (25'-27') (5D06005-04) Soil									
Chloride	2390	50.0	mg/kg	100	ED51211	04/08/05	04/08/05	EPA 300.0	
BH-6 (30'-32') (5D06005-05) Soil									
Chloride	723	50.0	mg/kg	100	ED51211	04/08/05	04/08/05	EPA 300.0	
BH-6 (35'-37') (5D06005-06) Soil									
Chloride	1360	50.0	mg/kg	100	ED51211	04/08/05	04/08/05	EPA 300.0	
BH-7 (25'-27') (5D06005-07) Soil									
Chloride	828	25.0	mg/kg	50	ED51211	04/08/05	04/08/05	EPA 300.0	
BH-7 (30'-32') (5D06005-08) Soil									
Chloride	556	20.0	mg/kg	40	ED51211	04/08/05	04/08/05	EPA 300.0	
BH-7 (35'-37') (5D06005-09) Soil									
Chloride	590	25.0	mg/kg	50	ED51211	04/08/05	04/08/05	EPA 300.0	
BH-8 (25'-27') (5D06005-10) Soil									
Chloride	8120	1000	mg/kg	2000	ED51211	04/08/05	04/08/05	EPA 300.0	

Environmental Lab of Texas

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Page 2 of 5

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946
Reported:
04/12/05 15:20

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
BH-8 (30'-32') (5D06005-11) Soil									
Chloride	2250	50.0	mg/kg	100	ED51211	04/08/05	04/08/05	EPA 300.0	
BH-8 (35'-37') (5D06005-12) Soil									
Chloride	797	25.0	mg/kg	50	ED51211	04/08/05	04/08/05	EPA 300.0	

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
04/12/05 15:20

General Chemistry Parameters by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
---------	--------	--------------------	-------	----------------	------------------	------	----------------	-----	--------------	-------

Batch ED51211 - Water Extraction

Blank (ED51211-BLK1)

Prepared & Analyzed: 04/08/05

Chloride	ND	0.500	mg/kg							
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LCS (ED51211-BS1)

Prepared & Analyzed: 04/08/05

Chloride	10.6		mg/L	10.0		106	80-120			
----------	------	--	------	------	--	-----	--------	--	--	--

Calibration Check (ED51211-CCV1)

Prepared & Analyzed: 04/08/05

Chloride	10.9		mg/L	10.0		109	80-120			
----------	------	--	------	------	--	-----	--------	--	--	--

Duplicate (ED51211-DUP1)

Source: 5D06005-11

Prepared & Analyzed: 04/08/05

Chloride	2280	50.0	mg/kg		2250			1.32	20	
----------	------	------	-------	--	------	--	--	------	----	--

Highlander Environmental Corp.
1910 N. Big Spring St.
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1
Project Number: 2321
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:
04/12/05 15:20

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference
LCS Laboratory Control Spike
MS Matrix Spike
Dup Duplicate

Report Approved By: Raland K Tuttle Date: 4-14-05

Raland K. Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director
James L. Hawkins, Chemist/Geologist
Sandra Sanchez, Lab Tech.

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If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas

Variance / Corrective Action Report – Sample Log-In

Client: Highlander Env.

Date/Time: 03-24-05 @ 1700

Order #: 5625006 ~~5631011~~ ^{Resubmit #56} ~~Resubmit #5631011~~ ^{#5606005}

Initials: JMM

COPY

Sample Receipt Checklist

Temperature of container/cooler?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	16.0	C
Shipping container/cooler in good condition?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Custody Seals intact on shipping container/cooler?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not present	
Custody Seals intact on sample bottles?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Not present	
Chain of custody present?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Sample Instructions complete on Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Chain of Custody signed when relinquished and received?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Chain of custody agrees with sample label(s)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Container labels legible and intact?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Sample Matrix and properties same as on chain of custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Samples in proper container/bottle?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Samples properly preserved?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Sample bottles intact?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Containers documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Sufficient sample amount for indicated test?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
All samples received within sufficient hold time?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
VOC samples have zero headspace?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Not Applicable	

Other observations:

Containers in boxes on top of ice

Variance Documentation:

Contact Person: - _____ Date/Time: _____ Contacted by: _____

Regarding: _____

Corrective Action Taken:

Martin, Ed

From: Randy Ray [rray@magnumhunter.com]
Sent: Friday, February 04, 2005 8:39 AM
To: emartin@state.nm.us
Cc: PSHEELEY@STATE.NM.US; gmiller@hec-enviro.com; itavarez@hec-enviro.com; Bob Jennings; Reggie Reston
Subject: Gruy Petroleum - Riddle State #1 Groundwater Delineation

Mr. Martin:

I am in receipt of your recent letter dated 1/26/05 concerning the notification of groundwater impact at the Gruy operated Riddle State #1 well site. Gruy has contracted Highlander Environmental to proceed with the proposed groundwater delineation project as originally proposed by Pat McCasland with Environmental Plus. Mr. Gary Miller with Highlander Environmental has submitted the water well easement and appropriate fees to the State of New Mexico to permit the 3 monitor wells on Gruy's behalf. Highlander is also currently contracting a water well rig to drill these 3 monitor wells as soon as possible. I want to assure you that we will forward these results to your office as soon as the information is obtained. If you should have any questions, please feel free to contact me at the numbers listed below, or Highland Environmental at (432) 682-4559.

Thanks,

Randy Ray

Randy W. Ray
Permian Operations Manager
Gruy Petroleum Management
rray@magnumhunter.com
(432) 571 - 7800 office
(432) 571 - 7832 fax

This email has been scanned by the MessageLabs Email Security System.
For more information please visit <http://www.messagelabs.com/email>

2/4/2005



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

January 26, 2005

Mr. Randy W. Ray
Gruy Petroleum Management Co.
508 West Wall Street
Suite 600
Midland, TX 79701

Dear Mr. Ray:

The New Mexico Oil Conservation Division (NMOCD) has received a written notification of groundwater impact and preliminary groundwater delineation proposal for the Gruy Petroleum Co. (Gruy) Riddle State #1 site located in UL-B, Sec. 1, T22S, R34E, Lea County New Mexico. Environmental Plus, Inc prepared this report on Gruy's behalf. I have responded via email to Mr. Pat McCasland approving the preliminary groundwater delineation proposal.

Please ensure that the delineation phase commences shortly and proceeds swiftly. Please keep this office informed of any problems encountered at the site and the results of the delineation.

If you have any questions, contact me at 505-476-3492 or emartin@state.nm.us

NEW MEXICO OIL CONSERVATION DIVISION

Edwin E. Martin
Environmental Engineer

cc: Paul Sheeley, NMOCD Hobbs office
Pat McCasland, Environmental Plus, Inc.



ENVIRONMENTAL PLUS, INC.

STATE APPROVED LAND FARM AND ENVIRONMENTAL SERVICES

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January 21, 2005

Mr. Ed Martin
Energy, Minerals, and Natural Resources Department
New Mexico Oil Conservation Division, Environmental Bureau
P.O. Box 6429
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

OIL CONSERVATION
DIVISION

1R-431

Subject: Written notification of groundwater impact and preliminary
groundwater delineation proposal.

Re: Gruy Petroleum
Riddle State #1
UL-B; NW¼ of the NE¼ of Section 1 T22S R34E
Lea County New Mexico
Latitude: 32°25'36.87"N Longitude: 103°25'07.52"W
Landowner: State of New Mexico

Dear Mr. Martin,

Consistent with NMAC Title 20.6.2.1203 (NOTIFICATION OF DISCHARGE), Environmental Plus, Inc. (EPI), Eunice, New Mexico, on behalf of Gruy Petroleum (Gruy), submits this written notification of groundwater impact. During implementation of the New Mexico Oil Conservation Division (NMOCD) "Riddle State #1 Pit Delineation Work Plan," groundwater at the site was encountered at approximately 45 feet below ground surface. This information was needed to determine an accurate depth to groundwater for the site to support subsequent pit closure strategies. After saturation was encountered in the soil boring, the decision was made to install and develop a temporary 2" PVC monitor well and purge and sample it for selected New Mexico Water Quality Control Commission (WQCC) groundwater parameters. Laboratory results indicate the groundwater exceeds the WQCC standards for chloride, sulfate, and total dissolved standards as listed in NMAC 20.6.2.3103. The analytical results are summarized below and the reports attached along with site maps.

ENVIRONMENTAL PLUS, INC.



It is not known if the exceedances are due to impacted groundwater encroaching from an up gradient source or from the pit. Gruy proposes to install, survey and sample one up-gradient and two down-gradient monitoring wells. Information from these wells be used to accurately determine the groundwater gradient and if impacts are due to on-site or off-site activities not associated with the pit. The up-gradient well will identify encroaching sources and the two down-gradient wells will provide information as to the extent of impact. The USGS Report #6, "Geology and Ground-Water Conditions in Southern Lea County, New Mexico, A. Nicholson and A. Clebsch, 1961," suggests the groundwater gradient at the site is to the south (refer to the attached groundwater elevation map) therefore, the up-gradient monitor well (MW4) will be installed approximately 200-feet north of the pit perimeter upgradient of the site, the southeast down-gradient well (MW2) will be installed approximately 300-feet due south of the southeast corner of the pit and the southwest well (MW3) approximately 300-feet south of the southwest corner of the pit at a bearing of 206°.

If information from the monitor wells indicates the groundwater impact is from the drilling pit, a delineation and remediation work plan addressing soil and ground water will be developed consistent with the "New Mexico Oil Conservation Division (NMOCD) Pit and Below-Grade Tank Guidelines (November 1, 2004)" and the "NMOCD Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993)" and submitted to you for approval. There are no surface water bodies or domestic, agricultural, or public water supply wells within 1,000 feet of the site. All official communication should be sent to;

Gruy Petroleum Management Co.
Mr. Randy W. Ray
508 West Wall Street
Suite 600
Midland, Texas 79701
Email: rray@magnumhunter.com



ENVIRONMENTAL PLUS, INC.
STATE APPROVED LAND FARM AND ENVIRONMENTAL SERVICES

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Micro-Blaze Out™

If there are any questions or more information is required please call Cody Miller or me at the office or Mr. Randy Ray at 432.571.7800.

Sincerely,

Pat McCasland
EPI Technical Services Manager (enviplus1@aol.com)

cc: Paul Sheeley, NMOCD Hobbs (PSHEELEY@STATE.NM.US)
Randy Ray, Gruy (rray@magnumhunter.com)
Reggie Reston, Gruy (rreston@magnumhunter.com)
Bob Jennings, Gruy (bjennings@magnumhunter.com)
Cody Miller, EPI Vice President and General Manager (enviplus1@aol.com)
Sherry Miller, EPI President (enviplus1@aol.com)
File

Attachments:

1. Gruy Riddle State #1 Pit Delineation Groundwater Data Summary
January 2005
2. Annotated USGS topographical map
3. Delineation Sample Location map
4. Proposed monitoring well location map
5. Laboratory Reports

ENVIRONMENTAL PLUS, INC.

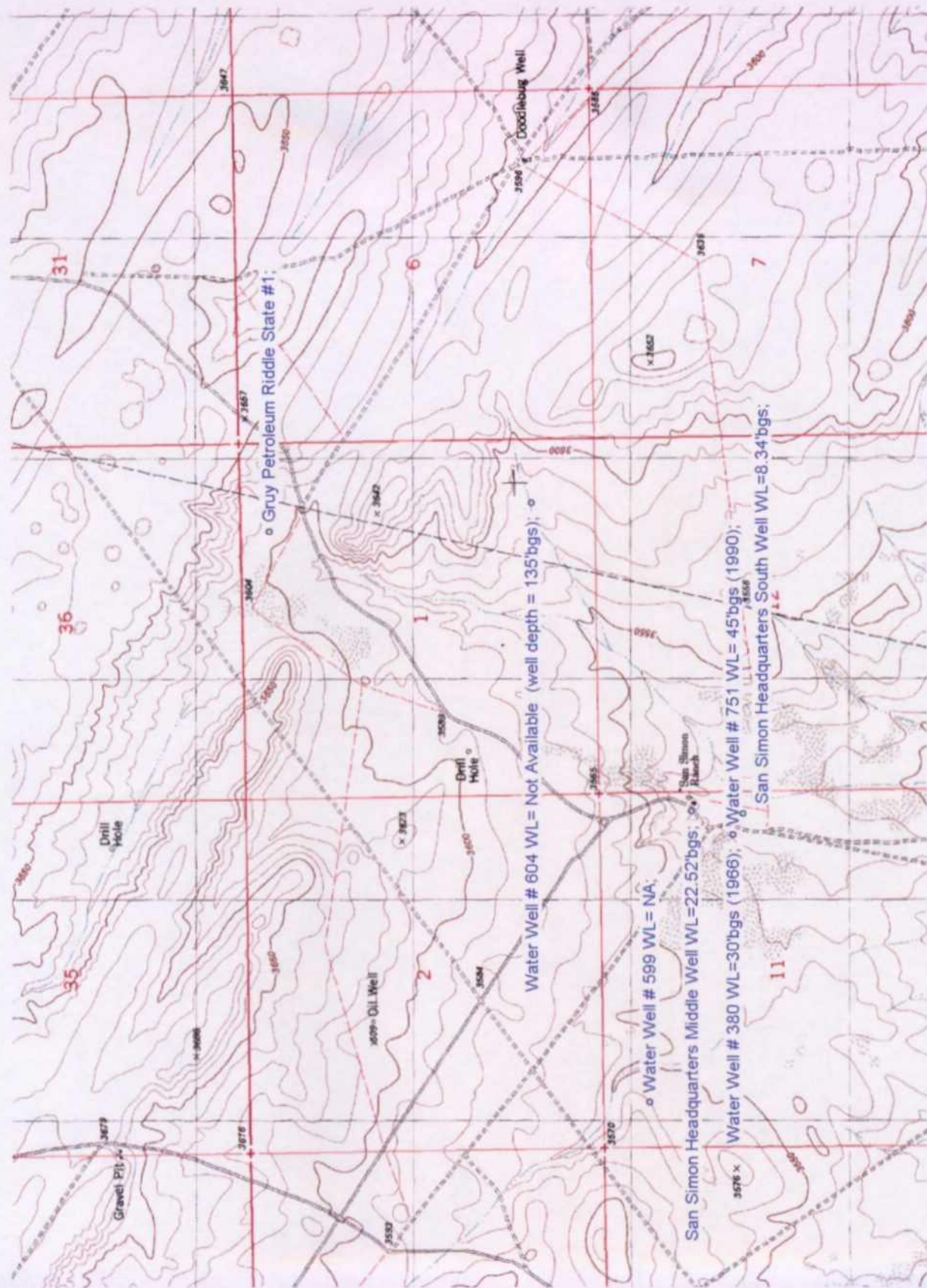


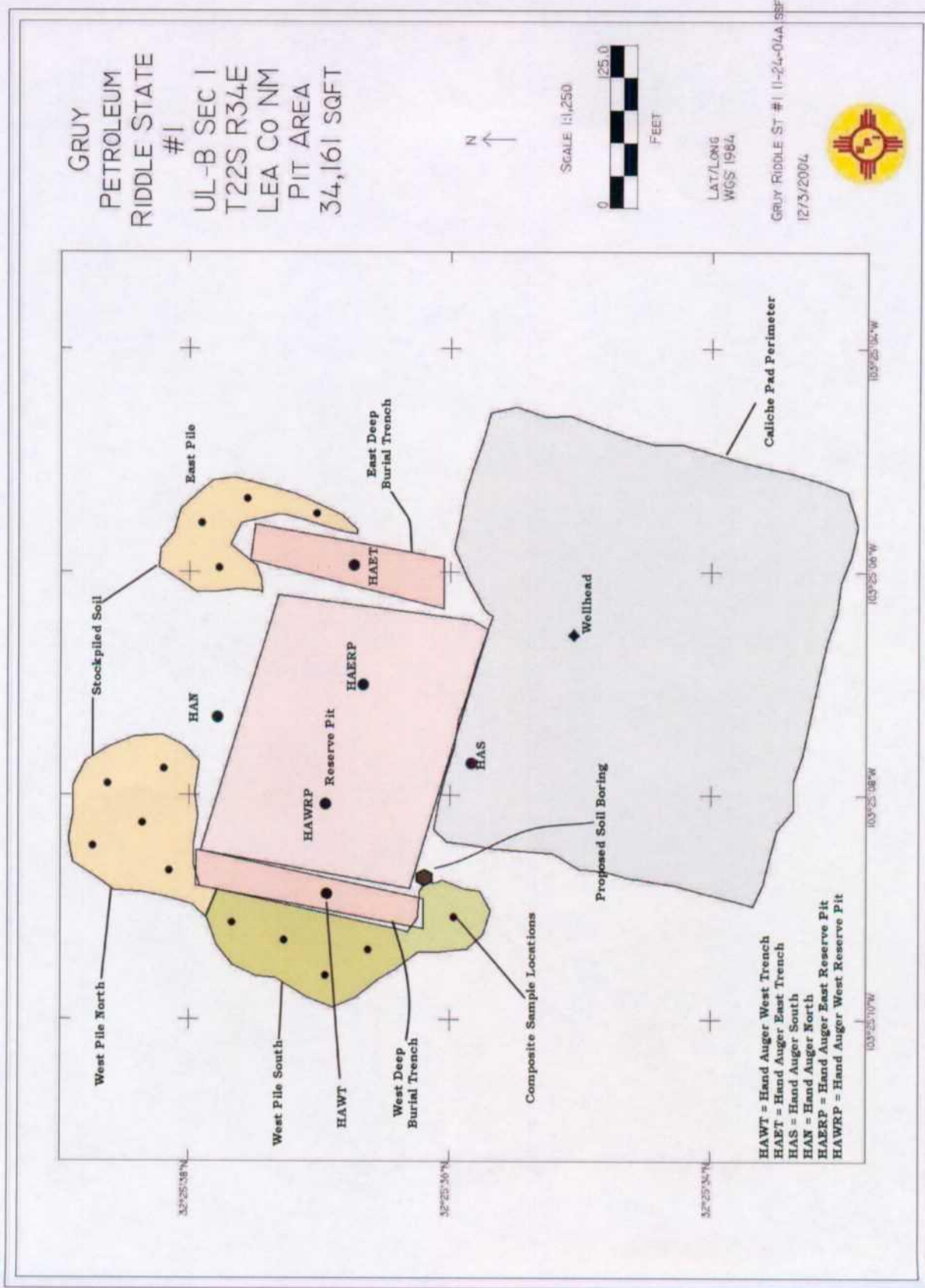
Gruy Petroleum

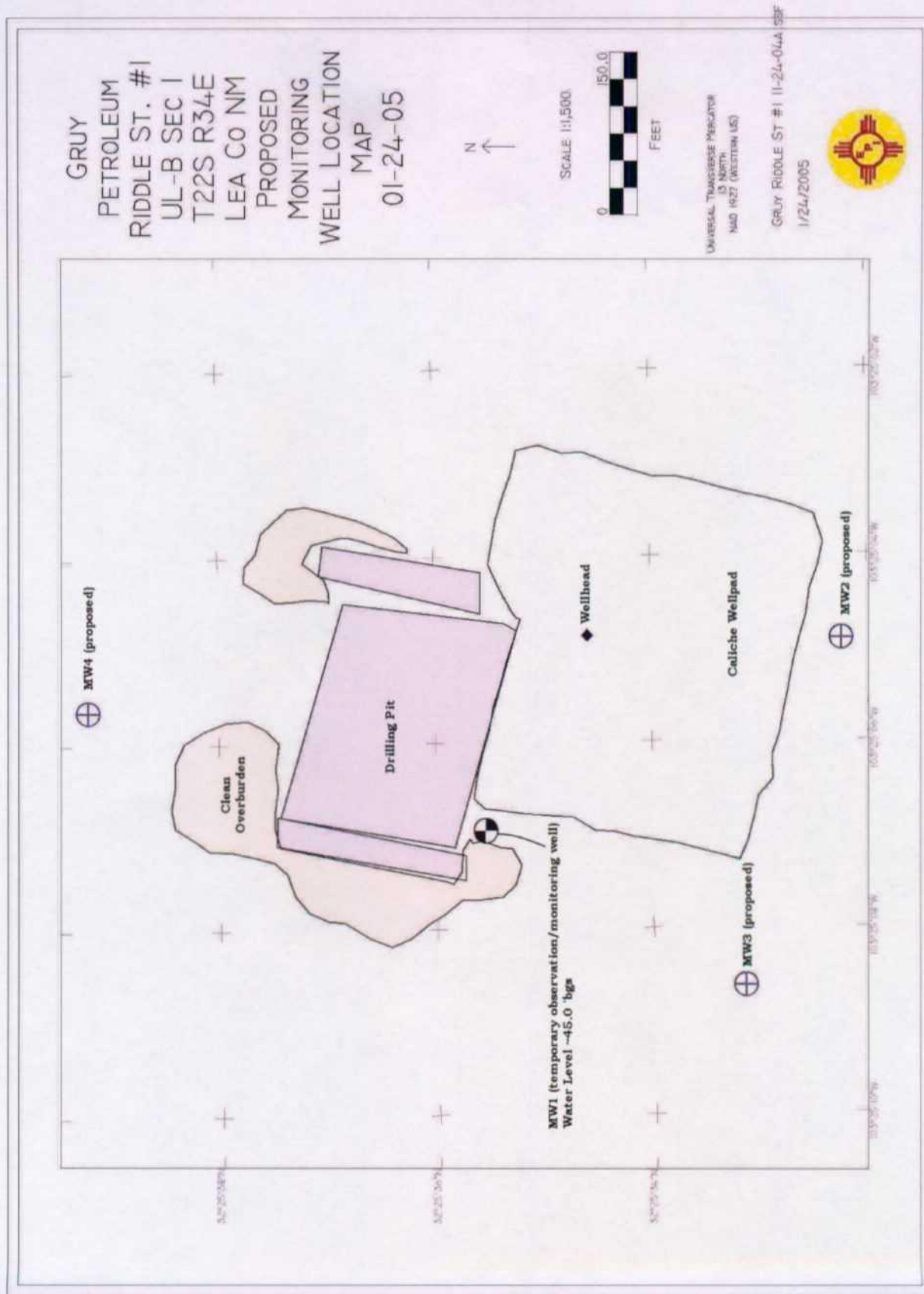
Riddle State #1 Drilling Pit Delineation Groundwater Data January 2005

Sample Location	Water Level (FT. BGS ¹)	SAMPLE ID#	Date	Sodium (Na) mg/L	Calcium (Ca) mg/L	Magnesium (Mg) mg/L	Potassium (K) mg/L	Conductivity (μS/cm)	T-Alkalinity (mgCaCO ₃ /L)	Chloride (Cl) mg/L	Sulfate (SO ₄) mg/L
BH1	44.8	BH1 Monitor	1/12/2005	11914	2922	650	261	40044	180	24992	799
NM Water Quality Control Commission Standard											
				--	--	--	--	--	--	250	600

Sample Location	Water Level (FT. BGS ¹)	SAMPLE ID#	Date	Carbonate (CO ₃) mg/L	Bicarbonate (HCO ₃) mg/L	pH	Total Dissolved Solids (TDS) mg/L	Benzene mg/L	Toluene mg/L	Ethylbenzene mg/L	m,p, & o Xylenes mg/L
BH1	44.8	BH1 Monitor	1/12/2005	0	220	7	41800	<0.002	<0.002	<0.002	<0.006
NM Water Quality Control Commission Standard											
				--	--	6-9	1000	0.01	0.75	0.75	0.62







**ARDINAL
LABORATORIES**

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

PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
ENVIRONMENTAL PLUS, INC.
ATTN: PAT McCASLAND
P.O. BOX 1558
EUNICE, NM 88231
FAX TO: (505) 394-2801

Receiving Date: 01/18/05
Reporting Date: 01/19/05
Project Owner: GRUY PETROLEUM
Project Name: RIDDLE STATE #1
Project Location: NOT GIVEN

Sampling Date: 01/12/05
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (uS/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		01/18/05	01/19/05	01/19/05	01/19/05	01/19/05	01/19/05
H9480-4	GPH2O MW1	11814	2922	650	281	40044	180
Quality Control		NR	58	54	4.90	1322	NR
True Value QC		NR	50	50	5.00	1413	NR
% Recovery		NR	116	108	98.0	93.6	NR
Relative Percent Difference		NR	3.1	3.8	0.8	0.7	NR
METHODS:		SM3500-Ca-D	3500-Mg E		8049	120.1	310.1

		Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		01/19/05	01/19/05	01/19/05	01/19/05	01/19/05	01/19/05
H9480-4	GPH2O MW1	24992	799	0	220	6.93	41800
Quality Control		970	50.33	NR	961	7.03	NR
True Value QC		1000	50.00	NR	1000	7.00	NR
% Recovery		97.0	101	NR	96.1	103	NR
Relative Percent Difference		4.0	0.2	NR	1.6	0.8	1.4
METHODS:		SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1

Amy Hill
Chemist

1/19/05
Date

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.



Gruy Petroleum

Cardinal Laboratories Inc.

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Company Name		Gruy Petroleum	
Project Manager		Pat McCasland	
Address			
City, State, Zip			
Phone#/Fax#			
Project #/Owner			
Project Name		Riddle State #1	
Project Location			
Sampler Name		Manuel Gonzales	

LAB I.D.	SAMPLE I.D.	# CONTAINERS	(G)RAB OR (COMP)	MATRIX					PRESERV.			SAMPLING		Analysis Request							
				GROUND WATER	WASTEWATER	SOIL	CRUDE OIL	SLUDGE	OTHER	ACID/BASE	ICE/COOL	OTHER	DATE	TIME	BTEX 8021B	TPH 8015 Modified	Cl	SAR	EC	TDS	ANIONS
HAFT 1	HAFT Top Soil	G 1				X					X				X	X					
-2	HAFT 5'	G 1				X					X				X						
-3	HAFT 6'	G 1				X					X				X						
-4	GPH20 MW1	G 1	X			X					X				X						
-5	BH1 MONITOR	G 2	X			X					X				X						
-6	HAFT Top Soil	G 1				X					X				X						
-7	HAFT 5'	G 1				X					X				X						
-8	HAWRP Top Soil	G 1				X					X				X						
-9	HAWRP 4'5"	G 1				X					X				X						
-10	HAWRP Top Soil	G 1				X					X				X						
-11	HAWRP 3'5"	G 1				X					X				X						

Sampler Requisitioned by:	Manuel Gonzales	Received By:	Ryan Bore
Requisitioned by:	Manuel Gonzales	Received By: (lab staff)	Manuel Gonzales
Delivered by Sampler		Sample Col & Intd	Manuel Gonzales
		Checked By:	Manuel Gonzales

Remarks: Fax results to Pat McCasland 505-398-2901