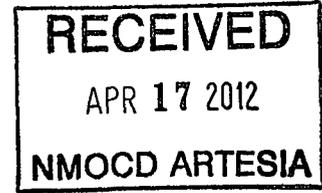




March 27, 2012



Mr. Mike Bratcher
NMOCD District 2
811 S. 1st Street
Artesia, NM 88210

AMARILLO
921 North Bivins
Amarillo, Texas 79107
Phone 806.467.0607
Fax 806.467.0622

ARTESIA
408 West Texas Ave.
Artesia, New Mexico 88210
Phone 575.746.8768
Fax 575.746.8905

AUSTIN
911 West Anderson Lane
Suite 202
Austin, Texas 78757
Phone 512.989.3428
Fax 512.989.3487

HOBBS
318 East Taylor Street
Hobbs, New Mexico 88240
Phone 575.393.4261
Fax 575.393.4658

MIDLAND
2901 State Hwy 349
Midland, Texas 79706
Phone 432.522.2133
Fax 432.522.2180

SAN ANTONIO
11 Commercial Place
Schertz, Texas 78154
Phone 210.265.8025
Fax 210.568.2191

TULSA
525 South Main Street
Suite 535
Tulsa, Oklahoma 74103
Phone 918.742.0871
Fax 918.382.0232

Subject: **Soil Assessment and Remediation Work Plan**
Cimarex Energy
Chaser 8 State No. 2
API # 30-015-37817 – 2RP-1041
37807

Dear Mr. Bratcher,

Cimarex Energy has contracted Talon/LPE (Talon) to perform soil assessment and remediation services at the referenced Chaser 8 State No. 2 release. Talon's soil assessment results and proposed remediation activities consist of the following:

Background Information

The Chaser 8 State No. 2 is located approximately twenty-one (21) miles east of Artesia, New Mexico. The legal location for the site is Section 8, Township 17 South and Range 29 East in Eddy County, New Mexico. More Specifically the latitude and longitude for the release are 32.85115 North and -104.09144 West.

According to the soil survey provided by the United States Department of Agriculture National Resources Conservation Services, the soil in this area is made up of Kimbrough-Stegall loams complex soils with 0 to 3 percent slopes. The local surface and shallow geology, Quaternary Age sedimentary deposits, is comprised of alluvium and eolian sands under lain by clay loam and hard caliches. The New Mexico State Engineer web site indicates the nearest ground water data to be 5,763 meters away in S19-T16S-R29E. The ground water in Section 19 is reported to be a depth of 110' below ground surface (bgs). The referenced groundwater data is presented in Appendix I.

The ranking for this site is 0 based on the as following:

- Depth to ground water >100'
- Wellhead Protection Area >1000'
- Distance to surface water body >1000'

Incident Description

On February 20, 2012 the gasket between the fire tube and production heater failed spraying oil and produced water out of the production heater. This caused a release of 99 barrels of oil and 188 barrels of produced water. The fluids were contained within the lined berm of the tank battery. A vacuum truck was immediately called to recover the standing fluids in the battery. The production heater was taken out of service until repairs can be completed. A total of 99 barrels of oil and 180 barrels of produced water were

ENVIRONMENTAL CONSULTING
ENGINEERING
DRILLING
CONSTRUCTION
SPILL MANAGEMENT
GENERAL CONTRACTING

Toll Free: 866.742.0742
www.talonlpe.com

recovered. The overspray from the production heater impacted a small area in front of the battery and the west side of the location. A site plan illustrating the work area is attached.

Actions Taken

On February 22, 2012 Talon/LPE mobilized personnel to begin assessment and soil sampling activities for the construction of a work plan. Grab soil samples were collected utilizing a hand auger. Grab soil samples were collected from the surface of the impacted areas to a depth of 1-foot deep. Sample locations are shown on the site plan.

On March 2, 2012 Talon/LPE mobilized personnel again to the site for additional sampling on location at greater depths. All soil samples were collected by Talon personnel wearing clean nitrile gloves. The soil samples were placed in laboratory provided sample containers, iced and transported to Cardinal Laboratories in Hobbs, New Mexico for analysis of chlorides using method SM4500Cl-B. The complete laboratory report is attached as Appendix II.

Analytical Results

Analytical results received from Cardinal Laboratories are summarized below:

February 29, 2012

<u>Sample</u>	<u>Depth</u>	<u>Location</u>	<u>Chlorides</u>	<u>BTEX</u>	<u>TPH (mg/kg)</u>
S-1	0' 1'	East off location	144 768	<0.150 <0.150	1,842 10,000
S-2	0' 1'	Location	4,400 64	<0.150 <0.150	6,300 13.3
S-3	0' 1'	South off location	32 1,200	<0.150 <0.150	<10 381
S-4	0' 1'	West off location	528 32	<0.150 <0.150	70.8 <10

March 12, 2012

<u>Sample</u>	<u>Depth</u>	<u>Location</u>	<u>Chlorides</u>	<u>BTEX</u>	<u>TPH</u>
S-1	1.5' 2'	East off location	-- --	-- --	2,770 mg/kg 193
S-3	1.5'	South off location	32 mg/kg	--	--

--Analyte not tested

For this site's ranking, New Mexico Oil Conservation District action level criterion for BTEX is 50 mg/kg, Benzene is 10 mg/kg and TPH is 5,000 mg/kg. The chloride remediation standard is considered to be 1,000 mg/kg.

Summary and Conclusions

- Groundwater in the project vicinity is greater than 100-feet below land surface per the New Mexico State Engineer Database.
- Based upon the results of the laboratory data obtained for this investigation, the vertical impacts of the hydrocarbon and chloride release have been documented to extend 1-foot below ground surface in the overspray areas.
- Based on the depth to groundwater and the contamination levels detected in the soil, it is unlikely that the impacts identified from this release will pose a threat to groundwater after the proposed remediation activities are complete.

Proposed Remedial Actions

- The location between the meter run and berm (S-2) will be excavated to 0.5-foot deep and transported to a solid waste facility. Confirmation soil samples will be taken.
- The impacted areas from the overspray will be scraped/furrowed using pick axes and hand tools to enhance adsorption of the Micro Blaze solution into the location. A total of 500-gallons of fresh water and Micro Blaze will be mixed according to manufacture specifications and spray applied to the impacted area.
- A 90-day confirmation soil sample will be done on the areas in which Micro Blaze was applied.
- The containment area of the tank battery was lined and no further corrective actions will be taken until facility closure.
- A final report documenting all field activities and lab reports will be provided to the NMOCD Artesia Office including Form C-141.

If we can provide additional information or be of further assistance please contact our office at 575.746.8768.

Respectfully submitted,

TALON/LPE

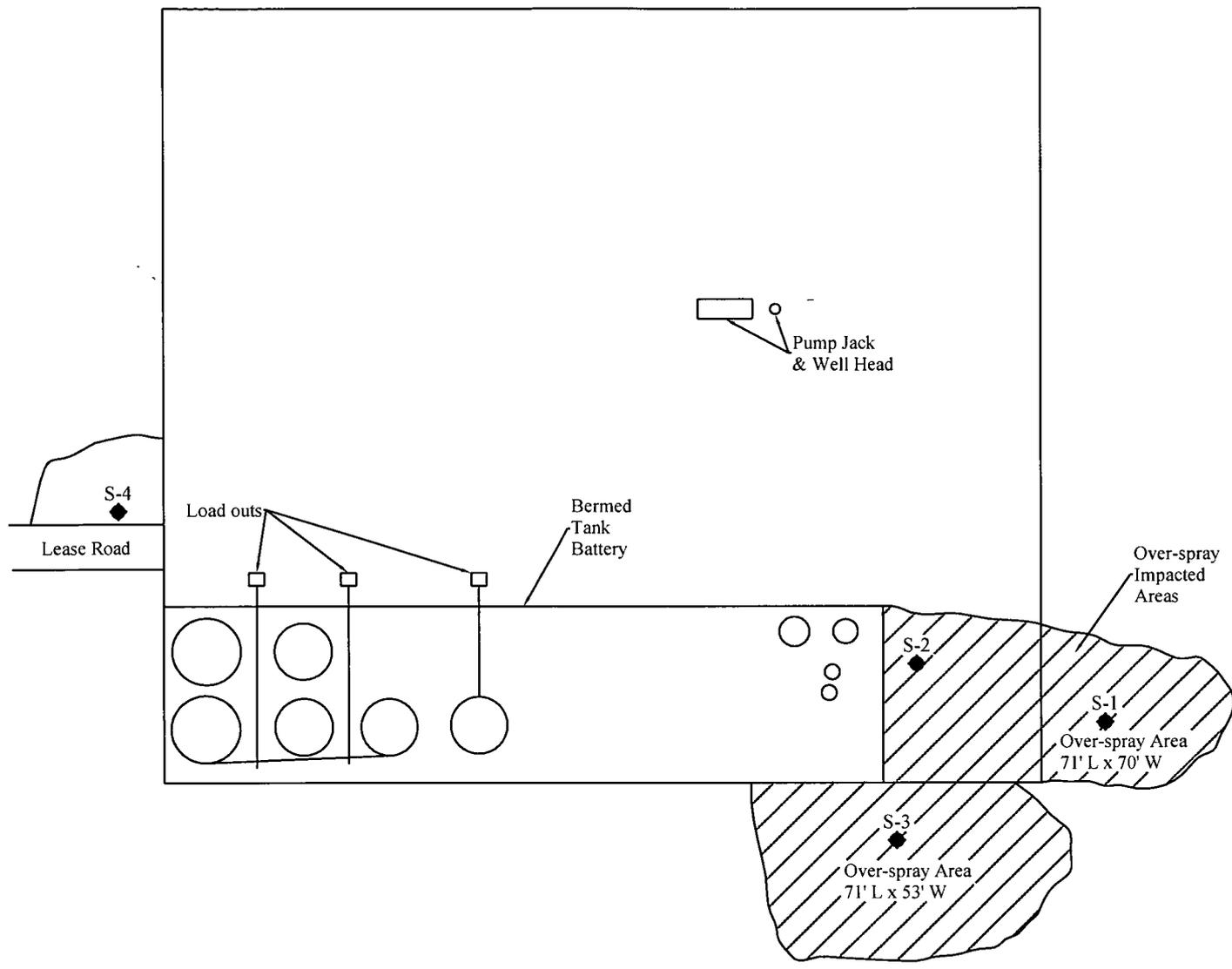
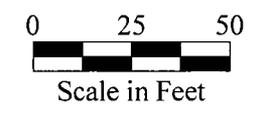
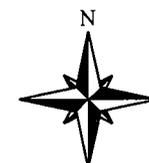


Mike Stubblefield
Project Manager



David J. Adkins
District Manager

SITE MAP



Legend

- ◆ - Sample Location
- ▨ - Impacted Area



Date: 03/07/2012
Scale: 1" = 50'
Drawn By: TJS

Chaser 8 State No. 2
Cimarex Energy
Artesia, New Mexico
Figure 1 - Site Plan

APPENDIX I
GROUNDWATER DATA
INITIAL C-141



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)

(R=POD has been replaced, O=orphaned, C=the file is closed)

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are smallest to largest)

(NAD83 UTM in meters)

(In feet)

POD Number	POD Code	Subbasin	County	Q 64	Q 16	Q 4	Sec	Tws	Rng	X	Y	Distance	Depth Well	Depth Water	Water Column
RA 09342			ED	4	4	3	19	16S	29E	582737	3640640*	5763	220	110	110
													Average Depth to Water: 110 feet		
													Minimum Depth: 110 feet		
													Maximum Depth: 110 feet		

Record Count: 1

UTMNAD83 Radius Search (in meters):

Easting (X): 585193

Northing (Y): 3635426

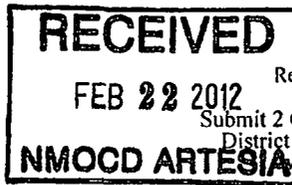
Radius: 6000

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Form C-141
Revised October 10, 2003
Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

30-015-37807 Release Notification and Corrective Action

NMLB1205849275

OPERATOR Initial Report Final Report

Name of Company-Cimarex Energy	<i>162683</i>	Contact- James Tinney
Address-600 N Marienfeld Ste 600, Midland Tx 79701		Telephone No. 575 706 0095
Facility Name-Chaser 8 State 2		Facility Type- Tank battery

Surface Owner	Mineral Owner	Lease No.
---------------	---------------	-----------

LOCATION OF RELEASE

Unit Letter <i>H</i>	Section 8	Township 17	Range 29	Feet from the 2310	North/South Line north	Feet from the 990	East/West Line east	County - Eddy
-------------------------	--------------	----------------	-------------	-----------------------	---------------------------	----------------------	------------------------	---------------

Latitude-32.85115 Longitude- -104.09144

NATURE OF RELEASE

Type of Release- crude oil and produce water	Volume of Release 99 oil -- 188 water	Volume Recovered- 99 oil --- 180 water
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <i>Doc: 2/20/12</i> Called left OCD and left message for Mike Bratcher	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Take
Gasket between fire tube and production heater failed, spraying oil and water out of production heater

Describe Area Affected and Cleanup Action Take. Contained inside berm (lined). Small over sprayed area in front of battery and west side of location Vacuum trucks picked up standing oil and water and put back in stock tank, took production heater out of service until repair is done.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature:	OIL CONSERVATION DIVISION	
Printed Name: James Tinney	Approved by District Supervisor: <i>Mike Bratcher</i>	
Title: Assistant Production Foreman	Approval Date: FEB 23 2012	Expiration Date:
E-mail Address: jtinney@cimarex.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 3-13-11 Phone: 575-706-0095	Remediation per OCD Rules & Guidelines. SUBMIT REMEDIATION PROPOSAL NOT LATER THAN:	

3/23/2012

2RP-1041

* Attach Additional Sheets If Necessary

APPENDIX II
LABORATORY RESULTS



February 29, 2012

MIKE STUBBLEFIELD
TALON LPE
408 W. TEXAS AVE.
ARTESIA, NM 88210

RE: CHASE 8 STATE NO. 2

Enclosed are the results of analyses for samples received by the laboratory on 02/24/12 11:17.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene".

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	02/24/2012	Sampling Date:	02/22/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	CHASE 8 STATE NO. 2	Sampling Condition:	Cool & Intact
Project Number:	701307.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC.8 - T17S - R29E		

Sample ID: S-1 0' OFF LOCATION E (H200490-01)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/28/2012	ND	1.97	98.5	2.00	3.27		
Toluene*	<0.050	0.050	02/28/2012	ND	2.13	107	2.00	4.13		
Ethylbenzene*	<0.050	0.050	02/28/2012	ND	2.18	109	2.00	4.04		
Total Xylenes*	<0.150	0.150	02/28/2012	ND	6.79	113	6.00	4.05		

Surrogate: 4-Bromofluorobenzene (PII) 115 % 64 4-134

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	144	16.0	02/27/2012	ND	416	104	400	0.00		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	22.0	20.0	02/24/2012	ND	192	96.0	200	3.91		
DRO >C10-C28	1820	20.0	02/24/2012	ND	158	79.2	200	8.16		

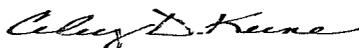
Surrogate: 1-Chlorooctane 120 % 55 5-154

Surrogate: 1-Chlorooctadecane 143 % 57.6-158

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	02/24/2012	Sampling Date:	02/22/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	CHASE 8 STATE NO. 2	Sampling Condition:	Cool & Intact
Project Number:	701307.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC.8 - T17S - R29E		

Sample ID: S-1 1' OFF LOCATION E (H200490-02)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/28/2012	ND	1.97	98.5	2.00	3.27		
Toluene*	<0.050	0.050	02/28/2012	ND	2.13	107	2.00	4.13		
Ethylbenzene*	<0.050	0.050	02/28/2012	ND	2.18	109	2.00	4.04		
Total Xylenes*	<0.150	0.150	02/28/2012	ND	6.79	113	6.00	4.05		

Surrogate: 4-Bromofluorobenzene (PIL) 110% 64.4-134

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	768	16.0	02/27/2012	ND	416	104	400	0.00		

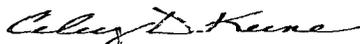
TPH 801SM		mg/kg		Analyzed By: MS							S-06
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<50.0	50.0	02/24/2012	ND	192	96.0	200	3.91			
DRO >C10-C28	10000	50.0	02/24/2012	ND	158	79.2	200	8.16			

Surrogate: 1-Chlorooctane 112% 55 5-154
Surrogate: 1-Chlorooctadecane 237% 57 6-158

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* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	02/24/2012	Sampling Date:	02/22/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	CHASE 8 STATE NO. 2	Sampling Condition:	Cool & Intact
Project Number:	701307.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC.8 - T17S - R29E		

Sample ID: S-2 0' LOCATION (H200490-03)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/28/2012	ND	1.97	98.5	2.00	3.27		
Toluene*	<0.050	0.050	02/28/2012	ND	2.13	107	2.00	4.13		
Ethylbenzene*	<0.050	0.050	02/28/2012	ND	2.18	109	2.00	4.04		
Total Xylenes*	<0.150	0.150	02/28/2012	ND	6.79	113	6.00	4.05		

Surrogate: 4-Bromofluorobenzene (PIL) 111 % 64 4-134

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	4400	16.0	02/27/2012	ND	416	104	400	0.00		

TPH 8015M		mg/kg		Analyzed By: MS							S-06
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<100	100	02/27/2012	ND	191	95.3	200	6.83			
DRO >C10-C28	6300	100	02/27/2012	ND	161	80.4	200	9.90			

Surrogate: 1-Chlorooctane 83.7 % 55.5-154

Surrogate: 1-Chlorooctadecane 161 % 57.6-158

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* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	02/24/2012	Sampling Date:	02/22/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	CHASE 8 STATE NO. 2	Sampling Condition:	Cool & Intact
Project Number:	701307.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC.8 - T17S - R29E		

Sample ID: S-2 1' LOCATION (H200490-04)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/29/2012	ND	2.10	105	2.00	2.86		
Toluene*	<0.050	0.050	02/29/2012	ND	2.27	114	2.00	2.79		
Ethylbenzene*	<0.050	0.050	02/29/2012	ND	2.32	116	2.00	2.60		
Total Xylenes*	<0.150	0.150	02/29/2012	ND	7.29	122	6.00	2.38		

Surrogate: 4-Bromofluorobenzene (PIL) 109 % 64 4-134

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	64.0	16.0	02/27/2012	ND	416	104	400	0.00		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	02/27/2012	ND	191	95.3	200	6.83		
DRO >C10-C28	13.3	10.0	02/27/2012	ND	161	80.4	200	9.90		

Surrogate: 1-Chlorooctane 87.0 % 55.5-154

Surrogate: 1-Chlorooctadecane 83.8 % 57.6-158

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	02/24/2012	Sampling Date:	02/22/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	CHASE 8 STATE NO. 2	Sampling Condition:	Cool & Intact
Project Number:	701307.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC.8 - T17S - R29E		

Sample ID: S-3 0' OFF LOCATION S (H200490-05)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/29/2012	ND	2.10	105	2.00	2.86		
Toluene*	<0.050	0.050	02/29/2012	ND	2.27	114	2.00	2.79		
Ethylbenzene*	<0.050	0.050	02/29/2012	ND	2.32	116	2.00	2.60		
Total Xylenes*	<0.150	0.150	02/29/2012	ND	7.29	122	6.00	2.38		

Surrogate 4-Bromofluorobenzene (PIL) 110 % 64 4-134

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	32.0	16.0	02/27/2012	ND	416	104	400	0.00		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	02/27/2012	ND	191	95.3	200	6.83		
DRO >C10-C28	<10.0	10.0	02/27/2012	ND	161	80.4	200	9.90		

Surrogate 1-Chlorooctane 85.7 % 55 5-154

Surrogate 1-Chlorooctadecane 86.7 % 57 6-158

Cardinal Laboratories

*=Accredited Analyte

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Celest D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	02/24/2012	Sampling Date:	02/22/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	CHASE 8 STATE NO. 2	Sampling Condition:	Cool & Intact
Project Number:	701307.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC.8 - T17S - R29E		

Sample ID: S-3 1' OFF LOCATION S (H200490-06)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/29/2012	ND	2.10	105	2.00	2.86		
Toluene*	<0.050	0.050	02/29/2012	ND	2.27	114	2.00	2.79		
Ethylbenzene*	<0.050	0.050	02/29/2012	ND	2.32	116	2.00	2.60		
Total Xylenes*	<0.150	0.150	02/29/2012	ND	7.29	122	6.00	2.38		

Surrogate 4-Bromofluorobenzene (PII) 110 % 64 4-134

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	1200	16.0	02/27/2012	ND	416	104	400	0.00		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	02/27/2012	ND	191	95.3	200	6.83		
DRO >C10-C28	381	10.0	02/27/2012	ND	161	80.4	200	9.90		

Surrogate 1-Chlorooctane 85.8 % 55 5-154

Surrogate: 1-Chlorooctadecane 109 % 57 6-158

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	02/24/2012	Sampling Date:	02/22/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	CHASE 8 STATE NO. 2	Sampling Condition:	Cool & Intact
Project Number:	701307.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC.8 - T17S - R29E		

Sample ID: S-4 0' OFF LOCATION W (H200490-07)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/29/2012	ND	2.10	105	2.00	2.86		
Toluene*	<0.050	0.050	02/29/2012	ND	2.27	114	2.00	2.79		
Ethylbenzene*	<0.050	0.050	02/29/2012	ND	2.32	116	2.00	2.60		
Total Xylenes*	<0.150	0.150	02/29/2012	ND	7.29	122	6.00	2.38		

Surrogate 4-Bromofluorobenzene (PII) 108 % 64.4-134

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	528	16.0	02/27/2012	ND	416	104	400	0.00		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	02/27/2012	ND	191	95.3	200	6.83		
DRO >C10-C28	70.8	10.0	02/27/2012	ND	161	80.4	200	9.90		

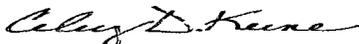
Surrogate: 1-Chlorooctane 99.6 % 55.5-154

Surrogate: 1-Chlorooctadecane 102 % 57.6-158

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* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	02/24/2012	Sampling Date:	02/22/2012
Reported:	02/29/2012	Sampling Type:	Soil
Project Name:	CHASE 8 STATE NO. 2	Sampling Condition:	Cool & Intact
Project Number:	701307.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC.8 - T17S - R29E		

Sample ID: S-4 1' OFF LOCATION W (H200490-08)

BTEX 8021B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	02/29/2012	ND	2.10	105	2.00	2.86		
Toluene*	<0.050	0.050	02/29/2012	ND	2.27	114	2.00	2.79		
Ethylbenzene*	<0.050	0.050	02/29/2012	ND	2.32	116	2.00	2.60		
Total Xylenes*	<0.150	0.150	02/29/2012	ND	7.29	122	6.00	2.38		

Surrogate: 4-Bromofluorobenzene (PIL) 110 % 64 4-134

Chloride, SM4500CI-B		mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	32.0	16.0	02/27/2012	ND	416	104	400	0.00		

TPH 8015M		mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	02/27/2012	ND	191	95.3	200	6.83		
DRO >C10-C28	<10.0	10.0	02/27/2012	ND	161	80.4	200	9.90		

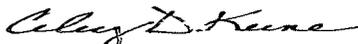
Surrogate: 1-Chlorooctane 96.2 % 55.5-154

Surrogate: 1-Chlorooctadecane 95.8 % 57.6-158

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

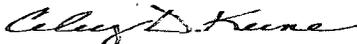
Notes and Definitions

- S-06 The recovery of this surrogate is outside control limits due to sample dilution required from high analyte concentration and/or matrix interference's.
- QM-10 LCS/LCSD were analyzed in place of MS/MSD.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
 (575) 393-2326 FAX (575) 393-2476

Company Name: Talon/LPE		BILL TO		ANALYSIS REQUEST																							
Project Manager: Mike Stubblefield		P.O. #:																									
Address: 408 West Texas Ave.		Company: Talon/LPE																									
City: Artesia State: N.M. Zip: 88210		Attn:																									
Phone #: 505-441-7254 Fax #:		Address:																									
Project #: 701307.036.01 Project Owner: Cimarron Energy		City:																									
Project Name: CHASE 8 STATE No. 2		State: Zip:																									
Project Location: SEC. 8 T12S R29E		Phone #:																									
Sampler Name: Mike Stubblefield		Fax #:																									
FOR LAB USE ONLY																											
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP	# CONTAINERS	MATRIX				PRESERV.		SAMPLING																	
				GROUNDWATER	WAS IEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER	DATE	TIME													
H200490																											
1	5-1 0' off location east	G		/						/			2/22/2012	3:27 P	/	/	/										
2	5-1 1' off location east	G		/						/			2/22/2012	3:32 P	/	/	/										
3	5-2 0' location	G		/						/			2/22/2012	3:36 P	/	/	/										
4	5-2 1' location	G		/						/			2/22/2012	3:44 P	/	/	/										
5	5-3 0' off location south	G		/						/			2/22/2012	3:57 P	/	/	/										
6	5-3 1' off location south	G		/						/			2/22/2012	4:01 P	/	/	/										
7	5-4 0' off location west	G		/						/			2/22/2012	4:09 P	/	/	/										
8	5-4 1' off location west	G		/						/			2/22/2012	4:18 P	/	/	/										

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Relinquished By: Mike Stubblefield	Date: 2/24/2012 Time: 11:17 AM	Received By: Jodi Jensen	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #:
Relinquished By:	Date:	Received By:	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #:
Delivered By: (Circle One) Sampler - UPS - Bus - Other	Sample Condition Cool Intact 5c <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	CHECKED BY: (Initials) JST	REMARKS:

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

March 12, 2012

MIKE STUBBLEFIELD

TALON LPE

408 W. TEXAS AVE.

ARTESIA, NM 88210

RE: CHASE 8 STATE NO. 2

Enclosed are the results of analyses for samples received by the laboratory on 03/06/12 11:18.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

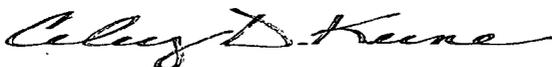
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

 TALON LPE
 MIKE STUBBLEFIELD
 408 W. TEXAS AVE.
 ARTESIA NM, 88210
 Fax To: (575) 745-8905

Received:	03/06/2012	Sampling Date:	03/02/2012
Reported:	03/12/2012	Sampling Type:	Soil
Project Name:	CHASE 8 STATE NO. 2	Sampling Condition:	Cool & Intact
Project Number:	701307.036.01	Sample Received By:	Jodi Henson
Project Location:	SEC.8 - T17S - R29E		

Sample ID: S-1 1.5' (H200582-01)

TPH 8015M	mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<50.0	50.0	03/09/2012	ND	250	125	200	2.40	
DRO >C10-C28	2770	50.0	03/09/2012	ND	199	99.7	200	0.875	
<hr/>									
Surrogate: 1-Chlorooctane	124 %	55.5-154							
Surrogate: 1-Chlorooctadecane	62.5 %	57.6-158							

Sample ID: S-1 2' (H200582-02)

TPH 8015M	mg/kg		Analyzed By: MS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	03/09/2012	ND	250	125	200	2.40	
DRO >C10-C28	193	10.0	03/09/2012	ND	199	99.7	200	0.875	
<hr/>									
Surrogate: 1-Chlorooctane	118 %	55.5-154							
Surrogate: 1-Chlorooctadecane	117 %	57.6-158							

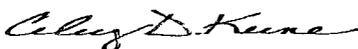
Sample ID: S-3 1.5' (H200582-03)

Chloride, SM4500Cl-B	mg/kg		Analyzed By: HM						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	32.0	16.0	03/08/2012	ND	416	104	400	0.00	

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

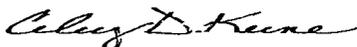
Notes and Definitions

- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
 (575) 393-2326 FAX (575) 393-2476

Company Name: <i>Talon/LPE</i>		BILL TO		ANALYSIS REQUEST												
Project Manager: <i>Mike Stubblefield</i>		P.O. #:		<div style="display: flex; align-items: center; justify-content: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">Total Chloride</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">80157 TPH</div> </div>												
Address: <i>408 West Texas Ave.</i>		Company: <i>Talon/LPE</i>														
City: <i>Artesia</i> State: <i>NM</i> , Zip: <i>88210</i>		Attn:														
Phone #: <i>575-441-7754</i> Fax #:		Address:														
Project #: <i>201302.036.0</i> Project Owner: <i>Cimarron Energy</i>		City:														
Project Name: <i>Chase 8 State No. 2</i>		State: Zip:														
Project Location: <i>sec. 8-T175-R29E</i>		Phone #:														
Sampler Name: <i>Mike Stubblefield</i>		Fax #:														
FOR LAB USE ONLY																
Lab I.D.	Sample I.D.	(GRAB OR (C)OMP # CONTAINERS	MATRIX	PRESERV.	SAMPLING											
			GROUNDWATER WASTEWATER SOIL SLUDGE OTHER	ACID/BASE ICE/COOL OTHER	DATE	TIME										
<i>H220582</i>																
<i>1</i>	<i>S-1 1.5'</i>	<i>5</i>			<i>3/2/2012</i>	<i>1:51P</i>										
<i>2</i>	<i>S-1 2'</i>	<i>5</i>			<i>3/2/2012</i>	<i>2:09P</i>										
<i>3</i>	<i>S-3 1.5'</i>	<i>5</i>			<i>3/2/2012</i>	<i>2:42P</i>										

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Relinquished By: <i>Mike Stubblefield</i>	Date: <i>3/6/2012</i> Time: <i>11:18 AM</i>	Received By: <i>Jodi Benson</i>	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
Relinquished By:	Date:	Received By:	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Delivered By: (Circle One) Sampler - UPS - Bus - <u>Other</u>		Sample Condition Cool Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	CHECKED BY: (Initials) <i>JS</i>	

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#26