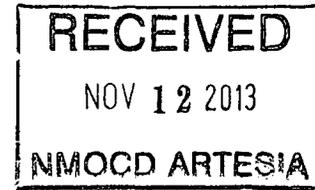




November 8, 2013



Mr. Mike Bratcher
Environmental Specialist
NMOCD District 2
811 S. First Street
Artesia, New Mexico 88210

**Re: Spill Remediation Report, Primero Operating, Inc.,
Milano #1,
Unit Letter H (SE/4, NE/4), Section 36, Township 24 South, Range 28 East,
Eddy County, New Mexico
(Latitude: N 32.17471° / Longitude: W 104.03485°)
2RP - 1867**

Dear Mr. Bratcher:

Primero Operating, Inc. (Primero) has retained Crain Environmental (CE) to remediate impacts to soil from a historical hydrocarbon and produced water spill at the Milano #1 (Site). The Site is located in the southeast quarter (SE/4) of the northeast quarter (NE/4), Section 36, Township 24 South, Range 28 East, Eddy County, New Mexico. A Letter of Violation (LOV), No. 02-09-107, was received by Primero on November 4, 2009. The LOV addressed moderate hydrocarbon contamination in the tank battery area, and fresh chlorides visible in the old drilling pit area at the Milano #2. A copy of the LOV is included as Appendix A. In a telephone conversation with you on August 21, 2013, you stated that the drilling pit should not have been included in the LOV, and remediation of that area would not be required. A C-141 was submitted to the New Mexico Oil Conservation Division (NMOCD) on August 21, 2013, a copy of which is included as Appendix B. Figure 1 shows the site location.

Based on published literature (1961), well records of the New Mexico State Engineer, and well records of the United States Geological Survey, groundwater occurs at approximately 115 feet bgs in the well located nearest the Site. No domestic water wells are located within 1,000 feet of the site. The NMOCD has established recommended remediation action levels (RRALs) for benzene, total BTEX and TPH resulting from spills of natural gas liquids ("Guidelines for Remediation of Leaks, Spills and Releases, August 13, 1993"). Remediation levels for benzene, total BTEX and TPH were calculated using the following NMOCD criteria:

Criteria	Result	Ranking Score
Depth-to-Groundwater	>100 Feet	0
Wellhead Protection Area	No	0
Distance to Surface Water Body	>1000 Horizontal Feet	0
Total:		0

The following RRALs have been assigned based on NMOCD criteria:

Benzene	10 mg/kg
Total BTEX	50 mg/kg
TPH	5,000 mg/kg

Investigation Activities

On August 27, 2013, soil samples were collected at two (2) areas (SP-1 and SP-2) within the tank battery. SP-1 samples were collected from the west end of the tank battery in the most heavily impacted area, at surface and every foot thereafter to a depth of ten (10) feet below ground surface (bgs), until caliche was encountered. Sample SP-2 was collected from the east end of the tank battery at the surface only. All SP-1 and SP-2 samples were analyzed for chlorides, with SP-2 samples from surface, 1 foot, and 2 foot also being analyzed for TPH and BTEX. Table 1 is attached that shows the laboratory results. Figure 2 shows the sample locations and laboratory results. Appendix C provides a copy of the laboratory reports and chain of custody documentation. Photographs are included in Appendix D.

A Remediation Plan was submitted to you via email on September 11, 2013, that detailed the laboratory results and proposed excavation of soil from the west end of the tank battery (surrounding the SP-1 location) to a depth of four (4) feet bgs, and excavation of hydrocarbon impacted soil from the remainder of the tank battery to a depth of two (2) feet bgs, or as necessary. The Remediation Plan was approved by you, via email, on September 12, 2013.

Remediation Activities

On September 23 and 24, 2013, hydrocarbon and chloride impacted soil was excavated from an 18 by 26 foot area at the west end of the Milano #1 tank battery, to a depth of four (4) feet bgs. On September 24, 2013, composite soil samples were collected from the North, South, and West walls of the excavation and submitted to Xenco Laboratories (Xenco), of Odessa, Texas, for chloride analysis. Table 1 shows the laboratory results. Figure 2 shows the sample locations and laboratory results. Appendix C provides a copy of the laboratory reports and chain of custody documentation. Photographs are included in Appendix D.

The laboratory reported chloride concentrations as follows:

North Wall	1,780 mg/kg
South Wall	1,320 mg/kg
West Wall	479 mg/kg

On September 25, 2013, the chloride concentrations from side wall samples (N Wall, S Wall and W Wall) were verbally reported to you, and backfilling was approved. Excavation continued surrounding the tanks, and the four (4) foot excavation was backfilled in order to avoid damage to any ancillary equipment at the battery.

On September 26, 2013, excavation of all impacted soil surrounding the tanks was completed (to a depth of 1.5 to 2 feet bgs), and a composite confirmation sample (Bottom) was collected. The sample was placed in a clean glass sample jar, chilled in an ice chest, and delivered to Xenco for analysis of TPH and chlorides. The laboratory reported a TPH

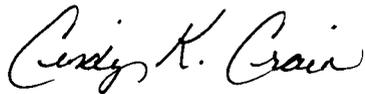
Mr. Mike Bratcher
Page 3
November 8, 2013

concentration of 1,309.6 mg/kg and a chloride concentration of 788 mg/kg. Appendix C provides a copy of the laboratory reports and chain of custody documentation.

Approximately 112 yards of impacted soil was hauled to Lea Land for disposal, and all excavated areas were backfilled with clean soil obtained from Lea Land. Table 1 shows laboratory results of samples collected from the backfill soil. Appendix C provides a copy of the laboratory reports and chain of custody documentation. Appendix D provides photographic documentation of the excavation and the final remediated Site.

Primero respectfully requests that the Milano #1 Site be closed by the NMOCD. A final C141 form is included in Appendix E. If you have any questions or need additional information, please call Mr. Phelps White at (575) 626-7660, or myself at (575) 441-7244. We may also be reached by email at pwiv@zianet.com or Cindy.Crain@gmail.com.

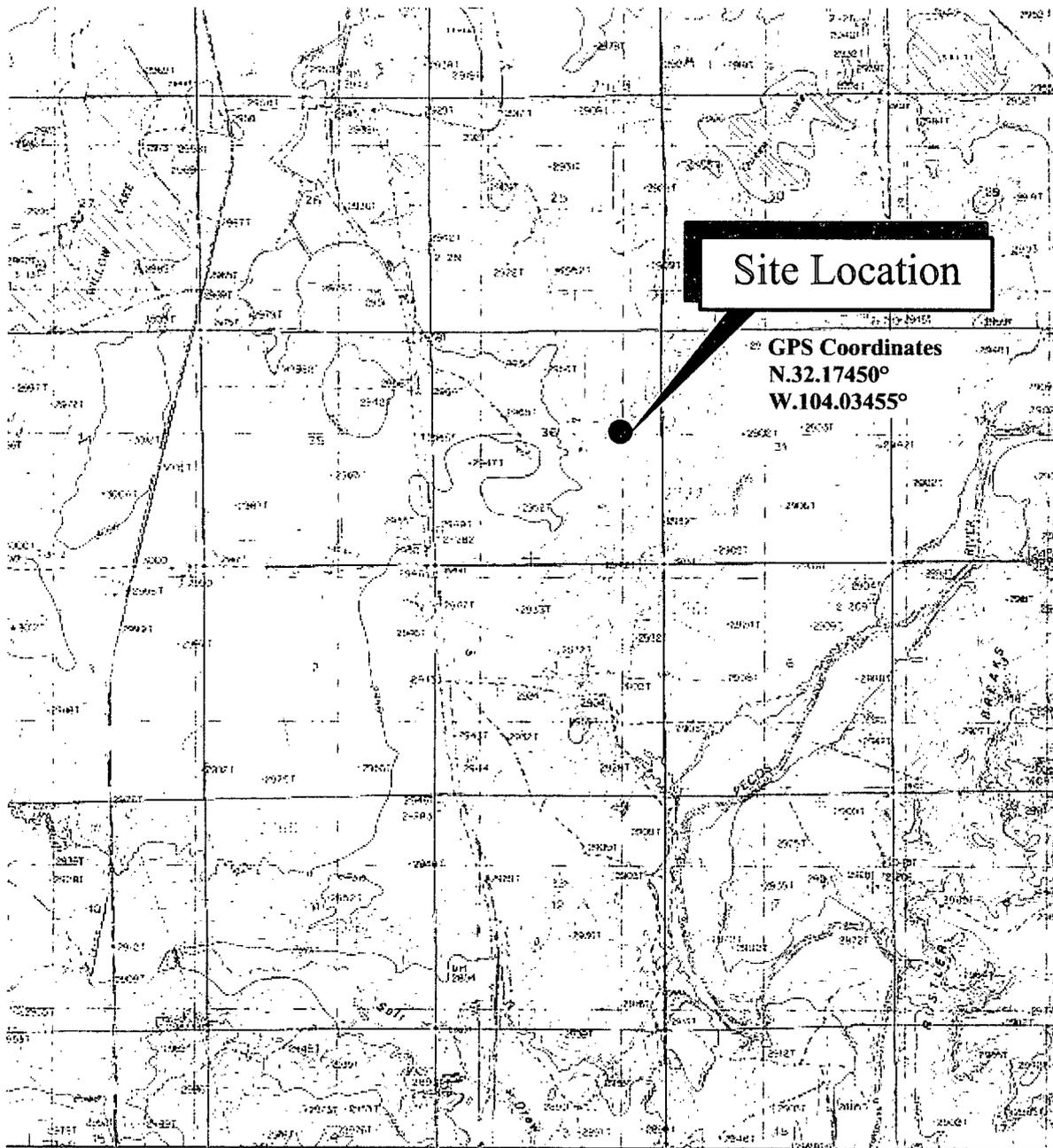
Sincerely,
Crain Environmental



Cindy K. Crain, P.G.

cc: Phelps White, Primero

FIGURES



Site Location

GPS Coordinates
N.32.17450°
W.104.03455°



QUADRANGLE LOCATION

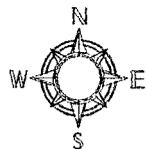
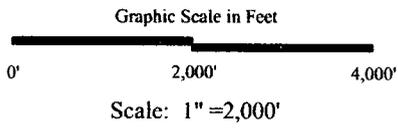
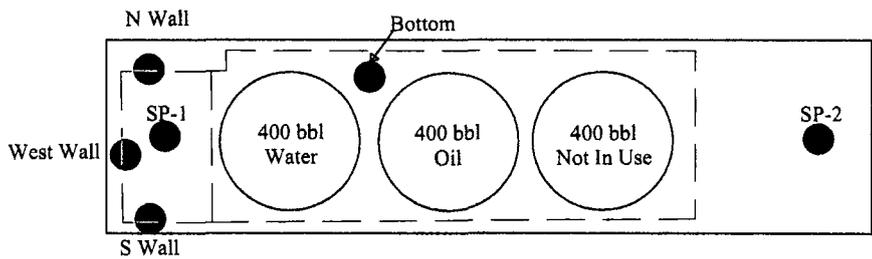


FIGURE # 1	
Eddy County, New Mexico	
Primero Operating, Inc.	
Milano #1	
UL-H, Sec.36, T24S, R28E	
Site Location	
DATE:	10-06-13
NAME:	JTC
PROJECT NO.:	

Primero Milano #1
 (X) Wellhead

(•) Heater Treater



Summary of Laboratory Results				
Sample	Depth	TPH	BTEX	CL
SP-1	0-6"	23669	<0.050	9200
SP-1	1'	3490	<0.050	4320
SP-1	2'	<20.0	<0.050	4720
SP-1	3'	*.*.*	*.*.*	2840
SP-1	4'	*.*.*	*.*.*	842
SP-1	5'	*.*.*	*.*.*	786
SP-1	6'	*.*.*	*.*.*	3380
SP-1	7'	*.*.*	*.*.*	1110
SP-1	8'	*.*.*	*.*.*	750
SP-1	9'	*.*.*	*.*.*	1340
SP-1	10'	*.*.*	*.*.*	2950
N Wall	3-4'	*.*.*	*.*.*	1780
S Wall	3-4'	*.*.*	*.*.*	1320
W Wall	3-4'	*.*.*	*.*.*	479
Bottom	2'	1310	*.*.*	788
SP-2	0-6"	*.*.*	*.*.*	784

GPS Coordinates	
SP-1	N.32.17450 W.104.03500
SP-2	N.32.17470 W.104.03455

LEGEND	
(•)	Soil Sample Location
---	Boundary of Excavation

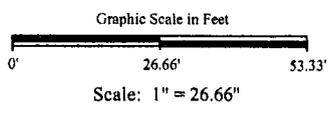


FIGURE # 2

Eddy County, NM

Primero Operating, Inc.
 Milano #1
 UL-H, Sec. 36, T24S, R28E

Site Drawing With Soil Sample Locations

August 27, September 24, 25 & 26, 2013

DATE: 10-06-13
 NAME: JTC
 PROJECT NO. :

TABLE

Table 1: Summary of Laboratory Analysis of Soil Samples
Primero Operating Company, Inc., Milano #1
UL-H, Sec. 36, T24S, R28E,
Eddy County, New Mexico

Sample Date	Soil Sample Number	Sample Depth (feet bgs)	TPH (GRO) C6-C10	TPH (DRO) >C10-C28 (mg/kg)	Total TPH (mg/kg)	Benzene (mg/kg)	Total BTEX (mg/kg)	Chlorides (mg/kg)
8/27/13	SP-1	0-6"	369	23,300	23,669	<0.050	0.483	9200
"		1	<100	3,490	3,490	<0.050	<0.300	4320
"		2	<10.0	<10.0	<20.0	<0.050	<0.300	4720
"		3	---	---	---	---	---	2840
"		4	---	---	---	---	---	842
"		5	---	---	---	---	---	786
"		6	---	---	---	---	---	3380
"		7	---	---	---	---	---	1110
"		8	---	---	---	---	---	750
"		9	---	---	---	---	---	1340
"		10	---	---	---	---	---	2950
8/27/13	SP-2	0-6"	---	---	---	---	---	784
Samples Collected from Excavation								
9/24/13	N Wall	Comp	---	---	---	---	---	1780
"	S Wall	Comp	---	---	---	---	---	1320
"	W Wall	Comp	---	---	---	---	---	479
9/26/13	*Bottom	Comp	19.6	1290	1,309.6	---	---	788
Backfill Soil Analyses								
9/25/13	Backfill 1	---	---	---	---	---	---	37.4
"	Backfill 2	---	---	---	---	---	---	26.4

Notes: *Samples SP-1 - 0-6" through 3' and SP-2 analyzed by Cardinal Laboratories, Hobbs, New Mexico.*

All other samples analyzed by Xenco Laboratories, Odessa, Texas.

1. BGS: Depth in feet below ground surface
2. mg/kg: Milligrams per kilogram
3. ---: No Data Collected

APPENDIX A
LETTER OF VIOLATION



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Response Required – Deadline Enclosed

*Field Inspection Program
"Preserving the Integrity of Our Environment"*

04-Nov-09

LOV NO. 02-09-107

PRIMERO OPERATING INC
PO BOX 1433
ROSWELL NM 88202

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

MILANO STATE No.001		H-36-24S-28E		30-015-27614-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
11/04/2009	Routine/Periodic	Ron Harvey	Yes	No	11/19/2009	iREH0930858903
Comments on Inspection: Moderate hydrocarbon contamination in tank battery area. Violation of NMAC 19.15.29. Operator must submit C-141 to OCD District II office no later than 11-19-2009. Work plan may be required.						
MILANO STATE No.002		G-36-24S-28E		30-015-28141-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
11/04/2009	Routine/Periodic	Ron Harvey	Yes	No	11/19/2009	iREH0930859049
Comments on Inspection: Fresh chlorides visible in old drilling pit area. Violation of NMAC 19.15.29. Operator must submit C-141 to OCD District II office no later than 11-19-2009. Work plan may be required.						

2

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

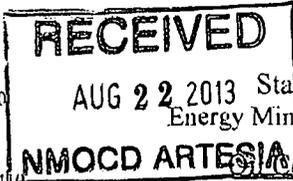
Sincerely,


Artesia OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.
*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.

APPENDIX B

INITIAL C141 DOCUMENTATION



District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

Form C-141
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

njmw / *323842700* OPERATOR Initial Report Final Report

Name of Company	Primero Operating, Inc. <i>18100</i>	Contact	Phelps White
Address	P.O. Box 1433, Roswell, NM 88202	Telephone No.	(575) 626-7660
Facility Name	Milano State # 001	Facility Type	Tank Battery
Surface Owner	State of NM	Mineral Owner	Fee
		API No.	30-015-27614

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	36	24S	28E	2110	North	890	East	Eddy

Latitude N 32.17471° Longitude W 104.03485°

NATURE OF RELEASE

Type of Release	Oil	Volume of Release	Unknown	Volume Recovered	None
Source of Release	Oil Tank	Date and Hour of Occurrence	Unknown	Date and Hour of Discovery	11/04/09
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?		Date and Hour			
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 Taken.* The oil tank at the battery leaked and a Letter of Violation was written on 11/04/09. No action has been taken.					
Describe Area Affected and Cleanup Action Taken.* The oil tank leaked inside the firewall of the tank battery. Visibly impacted soil will be excavated and disposed at an NMOCD approved disposal facility. Soil samples will be collected and analyzed for TPH, BTEX and chlorides in order to determine the extent of excavation.					

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: Phelps White	Approved by Environmental Specialist By	
Title: President	Approval Date: AUG 26 2013	Expiration Date:
E-mail Address: pwiv@zianct.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 8/21/13 Phone: (575) 626-7660	Remediation per OCD Rule & Guidelines. SUBMIT REMEDIATION PROPOSAL NO LATER THAN:	

* Attach Additional Sheets if Necessary

Sept. 26, 2013

2RP-1867

APPENDIX C

**ANALYTICAL DATA AND CHAIN OF CUSTODY
DOCUMENTATION**



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NM 88240

September 03, 2013

CINDY CRAIN
CRAIN ENVIRONMENTAL
2925 E. 17TH STREET
ODESSA, TX 79761

RE: MILANO #1

Enclosed are the results of analyses for samples received by the laboratory on 08/27/13 15:28.

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/ga/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 cursive script that reads "Celey D. Keene".

Celey D. Keene
Lab Director/Quality Manager

Analytical Results For:

 CRAIN ENVIRONMENTAL
 CINDY CRAIN
 2925 E. 17TH STREET
 ODESSA TX, 79761
 Fax To: (432) 272-0304

 Received: 08/27/2013
 Reported: 09/03/2013
 Project Name: MILANO #1
 Project Number: NONE GIVEN
 Project Location: EDDY COUNTY, NM

 Sampling Date: 08/27/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP-1 (0-6") (H302066-01)

BTEX 8260B		mg/kg		Analyzed By: CK				S-04		
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/30/2013	ND	2.31	116	2.00	1.37		
Toluene*	<0.050	0.050	08/30/2013	ND	2.21	111	2.00	1.96		
Ethylbenzene*	<0.050	0.050	08/30/2013	ND	2.11	106	2.00	3.06		
Total Xylenes*	0.483	0.150	08/30/2013	ND	6.33	106	6.00	1.84		
Total BTEX	0.483	0.300	08/30/2013	ND						

Surrogate: Dibromofluoromethane 99.8 % 61.3-142

Surrogate: Toluene-d8 112 % 71.3-129

Surrogate: 4-Bromofluorobenzene 288 % 65.7-141

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP				S-04		
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	9200	16.0	08/30/2013	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: AR/				S-04		
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	369	200	08/31/2013	ND	195	97.4	200	0.475		
DRO >C10-C28	23300	200	08/31/2013	ND	192	96.0	200	0.588		

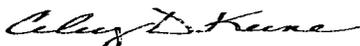
Surrogate: 1-Chlorooctane 106 % 65.2-140

Surrogate: 1-Chlorooctadecane 300 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 CRAIN ENVIRONMENTAL
 CINDY CRAIN
 2925 E. 17TH STREET
 ODESSA TX, 79761
 Fax To: (432) 272-0304

 Received: 08/27/2013
 Reported: 09/03/2013
 Project Name: MILANO #1
 Project Number: NONE GIVEN
 Project Location: EDDY COUNTY, NM

 Sampling Date: 08/27/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP-1 (1') (H302066-02)

BTEX 82608		mg/kg		Analyzed By: CK					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	08/30/2013	ND	2.31	116	2.00	1.37		
Toluene*	<0.050	0.050	08/30/2013	ND	2.21	111	2.00	1.96		
Ethylbenzene*	<0.050	0.050	08/30/2013	ND	2.11	106	2.00	3.06		
Total Xylenes*	<0.150	0.150	08/30/2013	ND	6.33	106	6.00	1.84		
Total BTEX	<0.300	0.300	08/30/2013	ND						

Surrogate: Dibromofluoromethane 102 % 61.3-142

Surrogate: Toluene-d8 102 % 71.3-129

Surrogate: 4-Bromofluorobenzene 156 % 65.7-141

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	4320	16.0	08/30/2013	ND	400	100	400	3.92		

TPH 8015M		mg/kg		Analyzed By: AR/					S-04	
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<100	100	08/31/2013	ND	195	97.4	200	0.475		
DRO >C10-C28	3490	100	08/31/2013	ND	192	96.0	200	0.588		

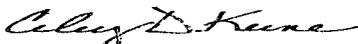
Surrogate: 1-Chlorooctane 85.7 % 65.2-140

Surrogate: 1-Chlorooctadecane 187 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 CRAIN ENVIRONMENTAL
 CINDY CRAIN
 2925 E. 17TH STREET
 ODESSA TX, 79761
 Fax To: (432) 272-0304

Received:	08/27/2013	Sampling Date:	08/27/2013
Reported:	09/03/2013	Sampling Type:	Soil
Project Name:	MILANO #1	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

Sample ID: SP-1 (2') (H302066-03)

BTEX 8260B		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	08/30/2013	ND	2.31	116	2.00	1.37	
Toluene*	<0.050	0.050	08/30/2013	ND	2.21	111	2.00	1.96	
Ethylbenzene*	<0.050	0.050	08/30/2013	ND	2.11	106	2.00	3.06	
Total Xylenes*	<0.150	0.150	08/30/2013	ND	6.33	106	6.00	1.84	
Total BTEX	<0.300	0.300	08/30/2013	ND					

Surrogate: Dibromofluoromethane 105 % 61.3-142
 Surrogate: Toluene-d8 100 % 71.3-129
 Surrogate: 4-Bromofluorobenzene 103 % 65.7-141

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	4720	16.0	08/30/2013	ND	400	100	400	3.92	

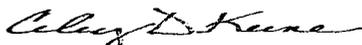
TPH 8015M		mg/kg		Analyzed By: AR/					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/31/2013	ND	195	97.4	200	0.475	
DRO >C10-C28	<10.0	10.0	08/31/2013	ND	192	96.0	200	0.588	

Surrogate: 1-Chlorooctane 93.6 % 65.2-140
 Surrogate: 1-Chlorooctadecane 95.2 % 63.6-154

Cardinal Laboratories

* = Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 CRAIN ENVIRONMENTAL
 CINDY CRAIN
 2925 E. 17TH STREET
 ODESSA TX, 79761
 Fax To: (432) 272-0304

 Received: 08/27/2013
 Reported: 09/03/2013
 Project Name: MILANO #1
 Project Number: NONE GIVEN
 Project Location: EDDY COUNTY, NM

 Sampling Date: 08/27/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP-1 (3') (H302066-04)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	2840	16.0	08/30/2013	ND	400	100	400	3.92		

Sample ID: SP-2 (0-6") (H302066-05)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	784	16.0	08/30/2013	ND	400	100	400	3.92		

Sample ID: SP-3 (0-6") (H302066-06)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	08/30/2013	ND	400	100	400	3.92		

Sample ID: SP-4 (0-6") (H302066-07)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	08/30/2013	ND	400	100	400	3.92		

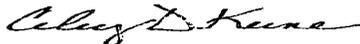
Sample ID: SP-5 (0-6") (H302066-08)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	<16.0	16.0	08/30/2013	ND	400	100	400	3.92		

Cardinal Laboratories

* = Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 CRAIN ENVIRONMENTAL
 CINDY CRAIN
 2925 E. 17TH STREET
 ODESSA TX, 79761
 Fax To: (432) 272-0304

Received:	08/27/2013	Sampling Date:	08/27/2013
Reported:	09/03/2013	Sampling Type:	Soil
Project Name:	MILANO #1	Sampling Condition:	Cool & Intact
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	EDDY COUNTY, NM		

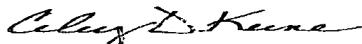
Sample ID: SP-6 (0-6") (H302066-09)

Chloride, SM4500Cl-B	mg/kg	Analyzed By: AP							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	09/03/2013	ND	400	100	400	3.92	

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

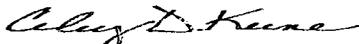
Notes and Definitions

S-04	The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
QM-07	The spike recovery was outside acceptance limits for the MS and/or MSD. The batch was accepted based on acceptable LCS recovery.
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

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



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>Crain Environmental</i>		BILL TO		ANALYSIS REQUEST									
Project Manager: <i>Cindy Crain</i>		P.O. #:		<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">TPH 8015M</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">BTEX 8021 B</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">Chlorides</div> </div>									
Address: <i>2425 E. 17th St.</i>		Company:											
City: <i>Odessa</i> State: <i>TX</i> Zip: <i>79761</i>		Attn:											
Phone #: <i>(575) 441-7244</i> Fax #: <i>(432) 272-0304</i>		Address:											
Project #: <i>-</i> Project Owner: <i>Primero</i>		City:											
Project Name: <i>Milano #1</i>		State:											
Project Location: <i>Eddy Co., NM</i>		Zip:											
Sampler Name: <i>Cindy Crain</i>		Phone #:											
Fax #:													

FOR LAB USE ONLY		Lab I.D.	Sample I.D.	G/RAB OR (COMP. # CONTAINERS	MATRIX					PRESERV.			SAMPLING		DATE	TIME
GROUNDWATER	WASTEWATER				SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER					
		<i>H302068</i>														
		<i>1</i>	<i>SP-1 (0-6")</i>	<i>C 1</i>			<i>X</i>					<i>X</i>		<i>8/27/13</i>	<i>1048</i>	<i>X X X</i>
		<i>2</i>	<i>" (1')</i>	<i>C 1</i>			<i>X</i>					<i>X</i>		<i>"</i>	<i>1120</i>	<i>X X X</i>
		<i>3</i>	<i>" (2')</i>	<i>C 1</i>			<i>X</i>					<i>X</i>		<i>"</i>	<i>1126</i>	<i>X X X</i>
		<i>4</i>	<i>" (3')</i>	<i>C 1</i>			<i>X</i>					<i>X</i>		<i>"</i>	<i>1128</i>	<i>X X X</i>
		<i>5</i>	<i>SP-2 (0-6")</i>	<i>C 1</i>			<i>X</i>					<i>X</i>		<i>"</i>	<i>1053</i>	<i>X X X</i>
		<i>6</i>	<i>SP-3 (0-6")</i>	<i>C 1</i>			<i>X</i>					<i>X</i>		<i>"</i>	<i>1042</i>	<i>X X X</i>
		<i>7</i>	<i>SP-4 (0-6")</i>	<i>C 1</i>			<i>X</i>					<i>X</i>		<i>"</i>	<i>1038</i>	<i>X X X</i>
		<i>8</i>	<i>SP-5 (0-6")</i>	<i>C 1</i>			<i>X</i>					<i>X</i>		<i>"</i>	<i>1036</i>	<i>X X X</i>
		<i>9</i>	<i>SP-6 (0-6")</i>	<i>C 1</i>			<i>X</i>					<i>X</i>		<i>"</i>	<i>1033</i>	<i>X X X</i>
				<i>C 1</i>			<i>X</i>					<i>X</i>		<i>"</i>		<i>X X X</i>

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 the client for the 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 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.

Relinquished By: <i>Cindy Crain</i>	Date: <i>8/27/13</i>	Received By: <i>Jodi Benson</i>	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
	Time: <i>1528</i>		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS: <i>Email results to Cindy.Crain@gmail.com</i>	
	Time:			
Delivered By: (Circle One) <i>Sampler</i> - UPS - Bus - Other:	Sample Condition <i>30</i> Cool <input checked="" type="checkbox"/> Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>	CHECKED BY: (Initials) <i>JCB</i>		

+ Cardinal cannot accept verbal changes. Please fax written changes to (575) 393-2326

Analytical Report 469721

for
Crain Environmental

Project Manager: Cindy Crain

Primero-Milano #1

09-SEP-13

Collected By: Client



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-13-14-TX), Arizona (AZ0765), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102), DoD (L11-54)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87429), North Carolina (483), South Carolina (98015), Kentucky (85), DoD (L10-135)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)

Xenco-Lakeland: Florida (E84098)

Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)

Xenco Phoenix (EPA Lab Code: AZ00901): Arizona (AZ0757)

Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)

Xenco Tucson (EPA Lab code: AZ000989): Arizona (AZ0758)



09-SEP-13

Project Manager: **Cindy Crain**
Crain Environmental
2925 E 17th St.
Odessa, TX 79761

Reference: XENCO Report No(s): **469721**
Primero-Milano #1
Project Address: Eddy County, New Mexico

Cindy Crain:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number(s) 469721. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative, all data reported in this Analytical Report are in compliance with NELAC standards. The uncertainty of measurement associated with the results of analysis reported is available upon request. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 469721 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

Kelsey Brooks

Project Manager

Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.

Certified and approved by numerous States and Agencies.

A Small Business and Minority Status Company that delivers SERVICE and QUALITY

Houston - Dallas - Odessa - San Antonio - Tampa - Lakeland - Atlanta - Phoenix - Oklahoma - Latin America



Sample Cross Reference 469721



Crain Environmental, Odessa, TX

Primero-Milano #1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
SP-1 4'	S	08-27-13 11:44	- 4 ft	469721-001
SP-1 5'	S	08-27-13 11:46	- 5 ft	469721-002
SP-1 6'	S	08-27-13 12:09	- 6 ft	469721-003
SP-1 7'	S	08-27-13 12:11	- 7 ft	469721-004
SP-1 8'	S	08-27-13 12:29	- 8 ft	469721-005
SP-1 9'	S	08-27-13 12:32	- 9 ft	469721-006
SP-1 10'	S	08-27-13 12:47	- 10 ft	469721-007



CASE NARRATIVE



Client Name: Crain Environmental

Project Name: Primero-Milano #1

Project ID:

Work Order Number(s): 469721

Report Date: 09-SEP-13

Date Received: 09/04/2013

Sample receipt non conformances and comments:

Sample receipt non conformances and comments per sample:

None



Certificate of Analysis Summary 469721

Crain Environmental, Odessa, TX

Project Name: Primero-Milano #1



Project Id:

Contact: Cindy Crain

Project Location: Eddy County, New Mexico

Date Received in Lab: Wed Sep-04-13 03:10 pm

Report Date: 09-SEP-13

Project Manager: Kelsey Brooks

<i>Analysis Requested</i>	<i>Lab Id:</i>	469721-001	469721-002	469721-003	469721-004	469721-005	469721-006
	<i>Field Id:</i>	SP-1 4'	SP-1 5'	SP-1 6'	SP-1 7'	SP-1 8'	SP-1 9'
	<i>Depth:</i>	4 ft	5 ft	6 ft	7 ft	8 ft	9 ft
	<i>Matrix:</i>	SOIL	SOIL	SOIL	SOIL	SOIL	SOIL
	<i>Sampled:</i>	Aug-27-13 11:44	Aug-27-13 11:46	Aug-27-13 12:09	Aug-27-13 12:11	Aug-27-13 12:29	Aug-27-13 12:32
Inorganic Anions by EPA 300/300.1 SUB: TX104704215	<i>Extracted:</i>	Sep-06-13 12:00					
	<i>Analyzed:</i>	Sep-07-13 09:32	Sep-07-13 09:13	Sep-07-13 08:17	Sep-07-13 12:00	Sep-07-13 12:19	Sep-07-13 12:38
	<i>Units/RL:</i>	mg/kg RL					
Chloride		842 2.47	786 2.52	3380 24.5	1110 2.37	750 2.45	1340 25.2
Percent Moisture	<i>Extracted:</i>	Sep-04-13 16:15					
	<i>Analyzed:</i>	Sep-04-13 16:15					
	<i>Units/RL:</i>	% RL					
Percent Moisture		20.2 1.00	21.8 1.00	18.5 1.00	17.4 1.00	18.2 1.00	20.7 1.00

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

Houston - Dallas - San Antonio - Atlanta - Tampa - Boca Raton - Latin America - Odessa - Corpus Christi

Kelsey Brooks
Project Manager



Certificate of Analysis Summary 469721

Crain Environmental, Odessa, TX

Project Name: Primero-Milano #1



Project Id:

Contact: Cindy Crain

Project Location: Eddy County, New Mexico

Date Received in Lab: Wed Sep-04-13 03:10 pm

Report Date: 09-SEP-13

Project Manager: Kelsey Brooks

Analysis Requested	Lab Id:	469721-007				
	Field Id:	SP-1 10'				
	Depth:	10 ft				
	Matrix:	SOIL				
	Sampled:	Aug-27-13 12:47				
Inorganic Anions by EPA 300/300.1 SUB: TX104704215	Extracted:	Sep-06-13 12:00				
	Analyzed:	Sep-07-13 12:56				
	Units/RL:	mg/kg RL				
Chloride		2950 21.7				
Percent Moisture	Extracted:					
	Analyzed:	Sep-04-13 16:15				
	Units/RL:	% RL				
Percent Moisture		8.46 1.00				

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

Houston - Dallas - San Antonio - Atlanta - Tampa - Boca Raton - Latin America - Odessa - Corpus Christi

Kelsey Brooks
Project Manager



Flagging Criteria



- X** In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to affect the recovery of the spike concentration. This condition could also affect the relative percent difference in the MS/MSD.
- B** A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.
- D** The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.
- E** The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.
- F** RPD exceeded lab control limits.
- J** The target analyte was positively identified below the quantitation limit and above the detection limit.
- U** Analyte was not detected.
- L** The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H** The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K** Sample analyzed outside of recommended hold time.
- JN** A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

** Surrogate recovered outside laboratory control limit.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection

PQL Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation

DL Method Detection Limit

NC Non-Calculable

+ NELAC certification not offered for this compound.

* (Next to analyte name or method description) = Outside XENCO's scope of NELAC accreditation

Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.

Certified and approved by numerous States and Agencies.

A Small Business and Minority Status Company that delivers SERVICE and QUALITY

Houston - Dallas - San Antonio - Atlanta - Midland/Odessa - Tampa/Lakeland - Phoenix - Latin America

4143 Greenbriar Dr, Stafford, TX 77477
 9701 Harry Hines Blvd , Dallas, TX 75220
 3332 Blackberry Drive, San Antonio TX 78238
 2505 North Falkenburg Rd, Tampa, FL 33619
 12600 West I-20 East, Odessa, TX 79765
 6017 Financial Drive, Norcross, GA 30071
 3725 E. Atlanta Ave, Phoenix, AZ 85040

Phone	Fax
(281) 240-4200	(281) 240-4280
(214) 902 0300	(214) 351-9139
(210) 509-3334	(210) 509-3335
(813) 620-2000	(813) 620-2033
(432) 563-1800	(432) 563-1713
(770) 449-8800	(770) 449-5477
(602) 437-0330	



Blank Spike Recovery



Project Name: **Primero-Milano #1**

Work Order #: 469721

Project ID:

Lab Batch #: 922270

Sample: 643518-1-BKS

Matrix: Solid

Date Analyzed: 09/07/2013

Date Prepared: 09/06/2013

Analyst: RKO

Reporting Units: mg/kg

Batch #: 1

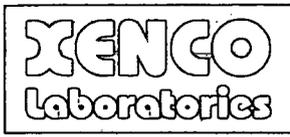
BLANK/BLANK SPIKE RECOVERY STUDY

Inorganic Anions by EPA 300/300.1 Analytes	Blank Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	<2.00	200	197	99	80-120	

Blank Spike Recovery [D] = $100 * [C] / [B]$

All results are based on MDL and validated for QC purposes.

BRL - Below Reporting Limit



Form 3 - MS / MSD Recoveries



Project Name: Primero-Milano #1

Work Order #: 469721
 Lab Batch ID: 922270
 Date Analyzed: 09/07/2013
 Reporting Units: mg/kg

Project ID:
 QC- Sample ID: 469721-003 S Batch #: 1 Matrix: Soil
 Date Prepared: 09/06/2013 Analyst: RKO

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

Inorganic Anions by EPA 300/300.1 Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spike Added [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
Chloride	3380	2450	5930	104	2450	5950	105	0	80-120	20	

Lab Batch ID: 922270 QC- Sample ID: 469721-007 S Batch #: 1 Matrix: Soil
 Date Analyzed: 09/07/2013 Date Prepared: 09/06/2013 Analyst: RKO
 Reporting Units: mg/kg

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

Inorganic Anions by EPA 300/300.1 Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spike Added [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
Chloride	2950	2170	5180	103	2170	5180	103	0	80-120	20	

Matrix Spike Percent Recovery [D] = 100*(C-A)/B
 Relative Percent Difference RPD = 200*(C-F)/(C+F)

Matrix Spike Duplicate Percent Recovery [G] = 100*(F-A)/E

ND = Not Detected, J = Present Below Reporting Limit, B = Present in Blank, NR = Not Requested, I = Interference, NA = Not Applicable
 N = See Narrative, EQL = Estimated Quantitation Limit, NC = Non Calculable - Sample amount is > 4 times the amount spiked.



Sample Duplicate Recovery



Project Name: Primero-Milano #1

Work Order #: 469721

Lab Batch #: 922045

Project ID:

Date Analyzed: 09/04/2013 13:10

Date Prepared: 09/04/2013

Analyst: WRU

QC- Sample ID: 469602-016 D

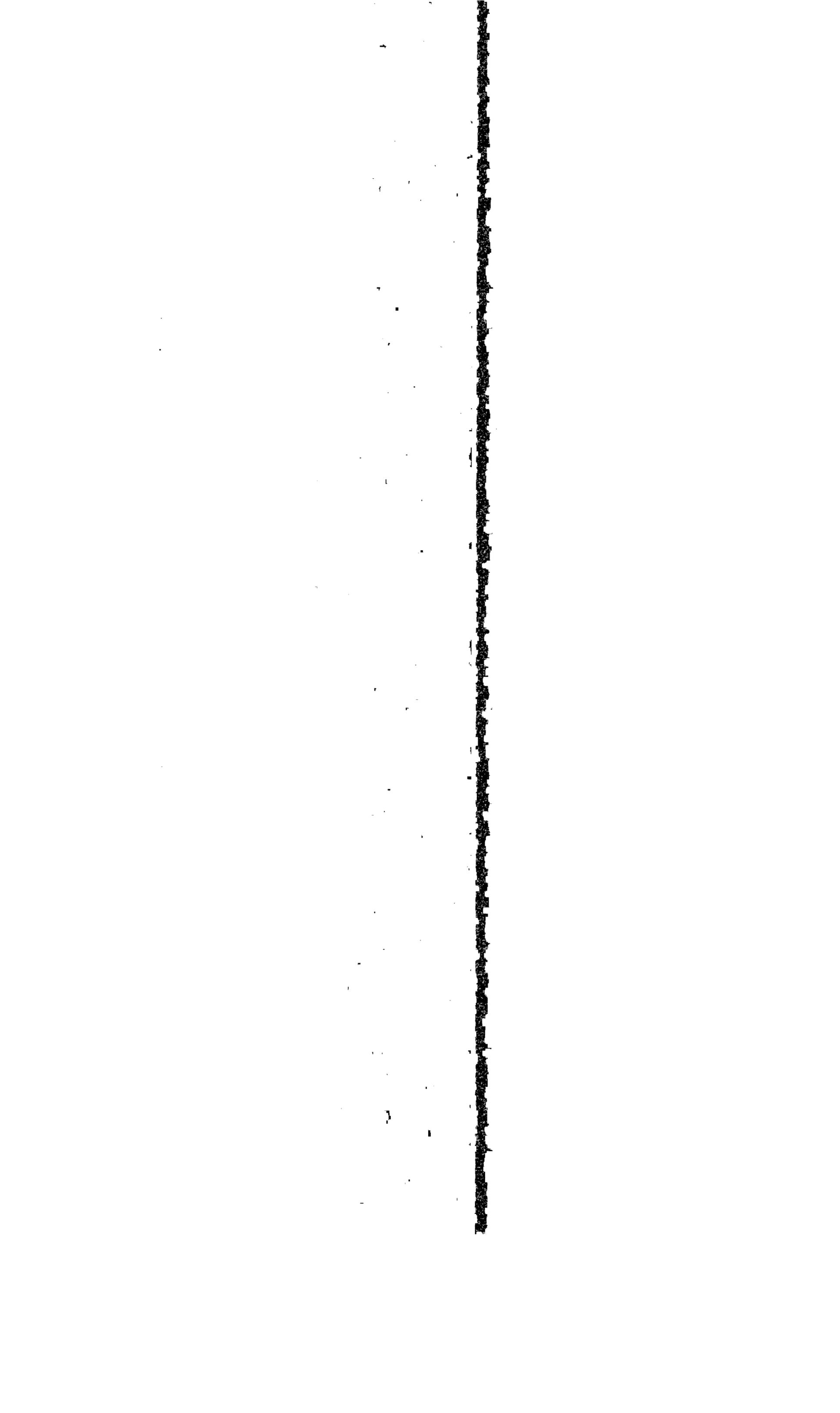
Batch #: 1

Matrix: Soil

Reporting Units: %

SAMPLE / SAMPLE DUPLICATE RECOVERY					
Percent Moisture	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Percent Moisture	5.82	5.71	2	20	

Spike Relative Difference RPD $200 * |(B-A)/(B+A)|$
 All Results are based on MDL and validated for QC purposes.
 BRL - Below Reporting Limit





XENCO Laboratories

Prelogin/Nonconformance Report- Sample Log-In



Client: Crain Environmental

Date/ Time Received: 09/04/2013 03:10:00 PM

Work Order #: 469721

Acceptable Temperature Range: 0 - 6 degC
Air and Metal samples Acceptable Range: Ambient ✓

Temperature Measuring device used :

Sample Receipt Checklist	Comments
#1 *Temperature of cooler(s)?	24.5
#2 *Shipping container in good condition?	Yes
#3 *Samples received on ice?	No
#4 *Custody Seals intact on shipping container/ cooler?	N/A
#5 Custody Seals intact on sample bottles?	N/A
#6 *Custody Seals Signed and dated?	N/A
#7 *Chain of Custody present?	Yes
#8 Sample instructions complete on Chain of Custody?	Yes
#9 Any missing/extra samples?	No
#10 Chain of Custody signed when relinquished/ received?	Yes
#11 Chain of Custody agrees with sample label(s)?	Yes
#12 Container label(s) legible and intact?	Yes
#13 Sample matrix/ properties agree with Chain of Custody?	Yes
#14 Samples in proper container/ bottle?	Yes
#15 Samples properly preserved?	Yes
#16 Sample container(s) intact?	Yes
#17 Sufficient sample amount for indicated test(s)?	Yes
#18 All samples received within hold time?	Yes
#19 Subcontract of sample(s)?	No
#20 VOC samples have zero headspace (less than 1/4 inch bubble)?	N/A
#21 <2 for all samples preserved with HNO3,HCL, H2SO4?	N/A
#22 >10 for all samples preserved with NaAsO2+NaOH, ZnAc+NaOH?	N/A

* Must be completed for after-hours delivery of samples prior to placing in the refrigerator

Analyst:	PH Device/Lot#:
----------	-----------------

Checklist completed by: *Candace James*
Candace James

Date: 09/04/2013

Checklist reviewed by: *Kelsey Brooks*
Kelsey Brooks

Date: 09/04/2013

Analytical Report 470958

for
Crain Environmental

Project Manager: Cindy Crain

Primero--Milano #1

25-SEP-13

Collected By: Client



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-13-15-TX), Arizona (AZ0765), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102), DoD (L11-54)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87429), North Carolina (483), South Carolina (98015), Kentucky (85), DoD (L10-135)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)

Xenco-Lakeland: Florida (E84098)

Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)

Xenco Phoenix (EPA Lab Code: AZ00901): Arizona (AZ0757)

Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)

Xenco Tucson (EPA Lab code: AZ000989): Arizona (AZ0758)



25-SEP-13

Project Manager: **Cindy Crain**
Crain Environmental
2925 E 17th St.
Odessa, TX 79761

Reference: XENCO Report No(s): **470958**
Primero--Milano #1
Project Address: Eddy County, NM

Cindy Crain:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number(s) 470958. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative, all data reported in this Analytical Report are in compliance with NELAC standards. The uncertainty of measurement associated with the results of analysis reported is available upon request. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 470958 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

Kelsey Brooks
Project Manager

Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.
Certified and approved by numerous States and Agencies.
A Small Business and Minority Status Company that delivers SERVICE and QUALITY

Houston - Dallas - Odessa - San Antonio - Tampa - Lakeland - Atlanta - Phoenix - Oklahoma - Latin America



Sample Cross Reference 470958



Crain Environmental, Odessa, TX

Primero--Milano #1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
N Wall	S	09-24-13 11:15	3 - 4 ft	470958-001
S Wall	S	09-24-13 11:10	3 - 4 ft	470958-002
W Wall	S	09-24-13 11:18	3 - 4 ft	470958-003



CASE NARRATIVE



Client Name: Crain Environmental

Project Name: Primero--Milano #1

Project ID:
Work Order Number(s): 470958

Report Date: 25-SEP-13
Date Received: 09/25/2013

Sample receipt non conformances and comments:

Sample receipt non conformances and comments per sample:

None

Analytical non conformances and comments:

Batch: LBA-923602 Inorganic Anions by EPA 300/300.1
E300

Batch 923602, Chloride recovered above QC limits in the Matrix Spike.

Samples affected are: 470958-003, -002, -001.

The Laboratory Control Sample for Chloride is within laboratory Control Limits



Certificate of Analysis Summary 470958

Crain Environmental, Odessa, TX

Project Name: Primero--Milano #1



Project Id:

Contact: Cindy Crain

Project Location: Eddy County, NM

Date Received in Lab: Wed Sep-25-13 09:30 am

Report Date: 25-SEP-13

Project Manager: Kelsey Brooks

<i>Analysis Requested</i>	<i>Lab Id:</i>	470958-001	470958-002	470958-003			
	<i>Field Id:</i>	N Wall	S Wall	W Wall			
	<i>Depth:</i>	3-4 ft	3-4 ft	3-4 ft			
	<i>Matrix:</i>	SOIL	SOIL	SOIL			
	<i>Sampled:</i>	Sep-24-13 11:15	Sep-24-13 11:10	Sep-24-13 11:18			
Inorganic Anions by EPA 300/300.1	<i>Extracted:</i>	Sep-25-13 11:00	Sep-25-13 11:00	Sep-25-13 11:00			
	<i>Analyzed:</i>	Sep-25-13 14:10	Sep-25-13 14:56	Sep-25-13 15:18			
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL	mg/kg RL			
Chloride		1780 40.0	1320 20.0	479 20.0			

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

Houston - Dallas - San Antonio - Atlanta - Tampa - Boca Raton - Latin America - Odessa - Corpus Christi

Kelsey Brooks
Project Manager



Flagging Criteria



- X** In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to affect the recovery of the spike concentration. This condition could also affect the relative percent difference in the MS/MSD.
- B** A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.
- D** The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.
- E** The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.
- F** RPD exceeded lab control limits.
- J** The target analyte was positively identified below the quantitation limit and above the detection limit.
- U** Analyte was not detected.
- L** The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H** The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K** Sample analyzed outside of recommended hold time.
- JN** A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.
- **** Surrogate recovered outside laboratory control limit.
- BRL** Below Reporting Limit.
- RL** Reporting Limit
- MDL** Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection
- PQL** Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation
- DL** Method Detection Limit
- NC** Non-Calculable
- + NELAC certification not offered for this compound.
- * (Next to analyte name or method description) = Outside XENCO's scope of NELAC accreditation

Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.
Certified and approved by numerous States and Agencies.
A Small Business and Minority Status Company that delivers SERVICE and QUALITY
 Houston - Dallas - San Antonio - Atlanta - Midland/Odessa - Tampa/Lakeland - Phoenix - Latin America

4143 Greenbriar Dr, Stafford, TX 77477
 9701 Harry Hines Blvd , Dallas, TX 75220
 5332 Blackberry Drive, San Antonio TX 78238
 2505 North Falkenburg Rd, Tampa, FL 33619
 12600 West I-20 East, Odessa, TX 79765
 6017 Financial Drive, Norcross, GA 30071
 3725 E. Atlanta Ave, Phoenix, AZ 85040

Phone	Fax
(281) 240-4200	(281) 240-4280
(214) 902 0300	(214) 351-9139
(210) 509-3334	(210) 509-3335
(813) 620-2000	(813) 620-2033
(432) 563-1800	(432) 563-1713
(770) 449-8800	(770) 449-5477
(602) 437-0330	



BS / BSD Recoveries



Project Name: Primero--Milano #1

Work Order #: 470958

Analyst: MTK

Lab Batch ID: 923602

Units: mg/kg

Sample: 644379-1-BKS

Date Prepared: 09/25/2013

Batch #: 1

Project ID:

Date Analyzed: 09/25/2013

Matrix: Solid

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

Inorganic Anions by EPA 300/300.1	Blank Sample Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Spike Added [E]	Blank Spike Duplicate Result [F]	Blk. Spk Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
Analytes											
- Chloride	<2.00	50.0	47.3	95	50.0	49.6	99	5	80-120	20	

Relative Percent Difference RPD = $200 * |(C-F)/(C+F)|$

Blank Spike Recovery [D] = $100 * (C)/[B]$

Blank Spike Duplicate Recovery [G] = $100 * (F)/[E]$

All results are based on MDL and Validated for QC Purposes



Form 3 - MS Recoveries



Project Name: Primero--Milano #1

Work Order #: 470958

Lab Batch #: 923602

Date Analyzed: 09/25/2013

QC- Sample ID: 470958-001 S

Reporting Units: mg/kg

Date Prepared: 09/25/2013

Batch #: 1

Project ID:

Analyst: MTK

Matrix: Soil

MATRIX / MATRIX SPIKE RECOVERY STUDY						
Inorganic Anions by EPA 300 Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	1780	1000	3120	134	80-120	X

Matrix Spike Percent Recovery [D] = $100 \cdot (C-A)/B$
 Relative Percent Difference [E] = $200 \cdot (C-A)/(C+B)$
 All Results are based on MDL and Validated for QC Purposes

BRL - Below Reporting Limit



XENCO Laboratories

Prelogin/Nonconformance Report- Sample Log-In



Client: Crain Environmental

Acceptable Temperature Range: 0 - 6 degC

Date/ Time Received: 09/25/2013 09:30:00 AM

Air and Metal samples Acceptable Range: Ambient

Work Order #: 470958

Temperature Measuring device used :

Sample Receipt Checklist	Comments
#1 *Temperature of cooler(s)?	17
#2 *Shipping container in good condition?	Yes
#3 *Samples received on ice?	Yes
#4 *Custody Seals intact on shipping container/ cooler?	N/A
#5 Custody Seals intact on sample bottles?	N/A
#6 *Custody Seals Signed and dated?	N/A
#7 *Chain of Custody present?	Yes
#8 Sample instructions complete on Chain of Custody?	Yes
#9 Any missing/extra samples?	No
#10 Chain of Custody signed when relinquished/ received?	Yes
#11 Chain of Custody agrees with sample label(s)?	Yes
#12 Container label(s) legible and intact?	Yes
#13 Sample matrix/ properties agree with Chain of Custody?	Yes
#14 Samples in proper container/ bottle?	Yes
#15 Samples properly preserved?	Yes
#16 Sample container(s) intact?	Yes
#17 Sufficient sample amount for indicated test(s)?	Yes
#18 All samples received within hold time?	Yes
#19 Subcontract of sample(s)?	No
#20 VOC samples have zero headspace (less than 1/4 inch bubble)?	N/A
#21 <2 for all samples preserved with HNO3,HCL, H2SO4?	N/A
#22 >10 for all samples preserved with NaAsO2+NaOH, ZnAc+NaOH?	N/A

* Must be completed for after-hours delivery of samples prior to placing in the refrigerator

Analyst:	PH Device/Lot#:
----------	-----------------

Checklist completed by: Candace James Date: 09/25/2013
Candace James

Checklist reviewed by: Kelsey Brooks Date: 09/25/2013
Kelsey Brooks

Analytical Report 471190

for Crain Environmental

Project Manager: Cindy Crain

Primero-Milano #1

03-OCT-13

Collected By: Client



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-13-15-TX), Arizona (AZ0765), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102), DoD (L11-54)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87429), North Carolina (483), South Carolina (98015), Kentucky (85), DoD (L10-135)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)

Xenco-Lakeland: Florida (E84098)

Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-TX)

Xenco Phoenix (EPA Lab Code: AZ00901): Arizona (AZ0757)

Xenco-Phoenix Mobile (EPA Lab code: AZ00901): Arizona (AZM757)

Xenco Tucson (EPA Lab code: AZ000989): Arizona (AZ0758)



03-OCT-13

Project Manager: **Cindy Crain**
Crain Environmental
2925 E 17th St.
Odessa, TX 79761

Reference: XENCO Report No(s): **471190**
Primero-Milano #1
Project Address: Eddy County, NM

Cindy Crain:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number(s) 471190. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative, all data reported in this Analytical Report are in compliance with NELAC standards. The uncertainty of measurement associated with the results of analysis reported is available upon request. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 471190 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

Kelsey Brooks
Project Manager

*Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.
Certified and approved by numerous States and Agencies.
A Small Business and Minority Status Company that delivers SERVICE and QUALITY*

Houston - Dallas - Odessa - San Antonio - Tampa - Lakeland - Atlanta - Phoenix - Oklahoma - Latin America



Sample Cross Reference 471190



Crain Environmental, Odessa, TX

Primero-Milano #1

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
Backfill 1	S	09-25-13 11:10		471190-001
Backfill 2	S	09-25-13 11:15		471190-002
Bottom	S	09-26-13 11:20	1.5 - 2 ft	471190-003



CASE NARRATIVE



Client Name: Crain Environmental

Project Name: Primero-Milano #1

Project ID:
Work Order Number(s): 471190

Report Date: 03-OCT-13
Date Received: 09/27/2013

Sample receipt non conformances and comments:

Sample receipt non conformances and comments per sample:

None



Certificate of Analysis Summary 471190

Crain Environmental, Odessa, TX

Project Name: Primero-Milano #1



Project Id:

Contact: Cindy Crain

Project Location: Eddy County, NM

Date Received in Lab: Fri Sep-27-13 02:05 pm

Report Date: 03-OCT-13

Project Manager: Kelsey Brooks

<i>Analysis Requested</i>	<i>Lab Id:</i>	471190-001	471190-002	471190-003			
	<i>Field Id:</i>	Backfill 1	Backfill 2	Bottom			
	<i>Depth:</i>			1.5-2 ft			
	<i>Matrix:</i>	SOIL	SOIL	SOIL			
	<i>Sampled:</i>	Sep-25-13 11:10	Sep-25-13 11:15	Sep-26-13 11:20			
Inorganic Anions by EPA 300/300.1	<i>Extracted:</i>	Sep-30-13 10:00	Sep-30-13 10:00	Sep-30-13 10:00			
	<i>Analyzed:</i>	Sep-30-13 20:16	Sep-30-13 21:01	Sep-30-13 21:24			
	<i>Units/RL:</i>	mg/kg RL	mg/kg RL	mg/kg RL			
Chloride		37.4 4.21	26.4 4.11	788 41.9			
Percent Moisture	<i>Extracted:</i>						
	<i>Analyzed:</i>	Sep-27-13 14:55	Sep-27-13 14:55	Sep-27-13 14:55			
	<i>Units/RL:</i>	% RL	% RL	% RL			
Percent Moisture		4.95 1.00	2.75 1.00	4.58 1.00			
TPH By SW8015 Mod	<i>Extracted:</i>			Oct-01-13 11:00			
	<i>Analyzed:</i>			Oct-02-13 09:08			
	<i>Units/RL:</i>			mg/kg RL			
C6-C12 Gasoline Range Hydrocarbons				19.6 15.7			
C12-C28 Diesel Range Hydrocarbons				1290 15.7			
C28-C35 Oil Range Hydrocarbons				ND 15.7			
Total TPH				1310 15.7			

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

Houston - Dallas - San Antonio - Atlanta - Tampa - Boca Raton - Latin America - Odessa - Corpus Christi

Kelsey Brooks
Project Manager



Flagging Criteria



- X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to affect the recovery of the spike concentration. This condition could also affect the relative percent difference in the MS/MSD.
- B A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.
- D The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.
- E The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.
- F RPD exceeded lab control limits.
- J The target analyte was positively identified below the quantitation limit and above the detection limit.
- U Analyte was not detected.
- L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K Sample analyzed outside of recommended hold time.
- JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

** Surrogate recovered outside laboratory control limit.

BRL Below Reporting Limit.

RL Reporting Limit

MDL Method Detection Limit **SDL** Sample Detection Limit **LOD** Limit of Detection

PQL Practical Quantitation Limit **MQL** Method Quantitation Limit **LOQ** Limit of Quantitation

DL Method Detection Limit

NC Non-Calculable

+ NELAC certification not offered for this compound.

* (Next to analyte name or method description) = Outside XENCO's scope of NELAC accreditation

Recipient of the Prestigious Small Business Administration Award of Excellence in 1994.

Certified and approved by numerous States and Agencies.

A Small Business and Minority Status Company that delivers SERVICE and QUALITY

Houston - Dallas - San Antonio - Atlanta - Midland/Odessa - Tampa/Lakeland - Phoenix - Latin America

4143 Greenbriar Dr, Stafford, TX 77477
 9701 Harry Hines Blvd, Dallas, TX 75220
 5332 Blackberry Drive, San Antonio TX 78238
 2505 North Falkenburg Rd, Tampa, FL 33619
 12600 West I-20 East, Odessa, TX 79765
 6017 Financial Drive, Norcross, GA 30071
 3725 E. Atlanta Ave, Phoenix, AZ 85040

Phone	Fax
(281) 240-4200	(281) 240-4280
(214) 902 0300	(214) 351-9139
(210) 509-3334	(210) 509-3335
(813) 620-2000	(813) 620-2033
(432) 563-1800	(432) 563-1713
(770) 449-8800	(770) 449-5477
(602) 437-0330	



Form 2 - Surrogate Recoveries

Project Name: **Primero-Milano #1**

Work Orders : 471190,

Project ID:

Lab Batch #: 924147

Sample: 471190-003 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 10/02/13 09:08

SURROGATE RECOVERY STUDY

TPH By SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	130	99.7	130	70-135	
o-Terphenyl	61.6	49.9	123	70-135	

Lab Batch #: 924147

Sample: 644696-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 10/01/13 17:29

SURROGATE RECOVERY STUDY

TPH By SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	103	100	103	70-135	
o-Terphenyl	52.9	50.0	106	70-135	

Lab Batch #: 924147

Sample: 644696-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 10/01/13 16:38

SURROGATE RECOVERY STUDY

TPH By SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	119	100	119	70-135	
o-Terphenyl	58.5	50.0	117	70-135	

Lab Batch #: 924147

Sample: 644696-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 10/01/13 17:04

SURROGATE RECOVERY STUDY

TPH By SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	125	100	125	70-135	
o-Terphenyl	58.4	50.0	117	70-135	

Lab Batch #: 924147

Sample: 471254-005 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 10/01/13 22:12

SURROGATE RECOVERY STUDY

TPH By SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	129	99.7	129	70-135	
o-Terphenyl	58.9	49.9	118	70-135	

* Surrogate outside of Laboratory QC limits

** Surrogates outside limits; data and surrogates confirmed by reanalysis

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

All results are based on MDL and validated for QC purposes.



Form 2 - Surrogate Recoveries

Project Name: **Primero-Milano #1**

Work Orders : 471190,

Project ID:

Lab Batch #: 924147

Sample: 471254-005 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 10/01/13 22:36

SURROGATE RECOVERY STUDY

TPH By SW8015 Mod Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	127	99.6	128	70-135	
o-Terphenyl	56.7	49.8	114	70-135	

* Surrogate outside of Laboratory QC limits

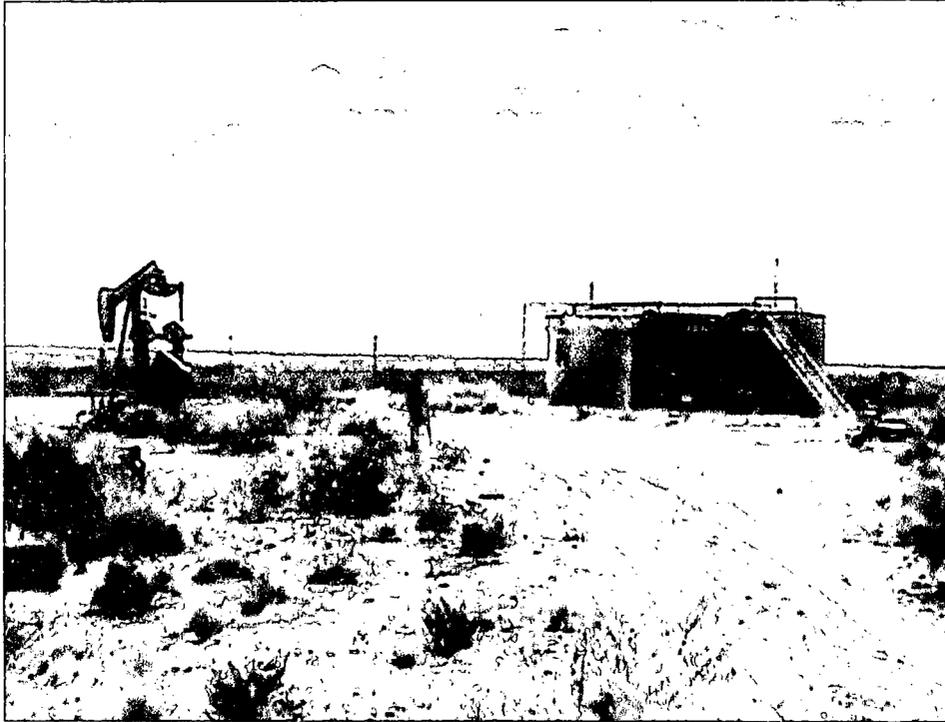
** Surrogates outside limits; data and surrogates confirmed by reanalysis

*** Poor recoveries due to dilution

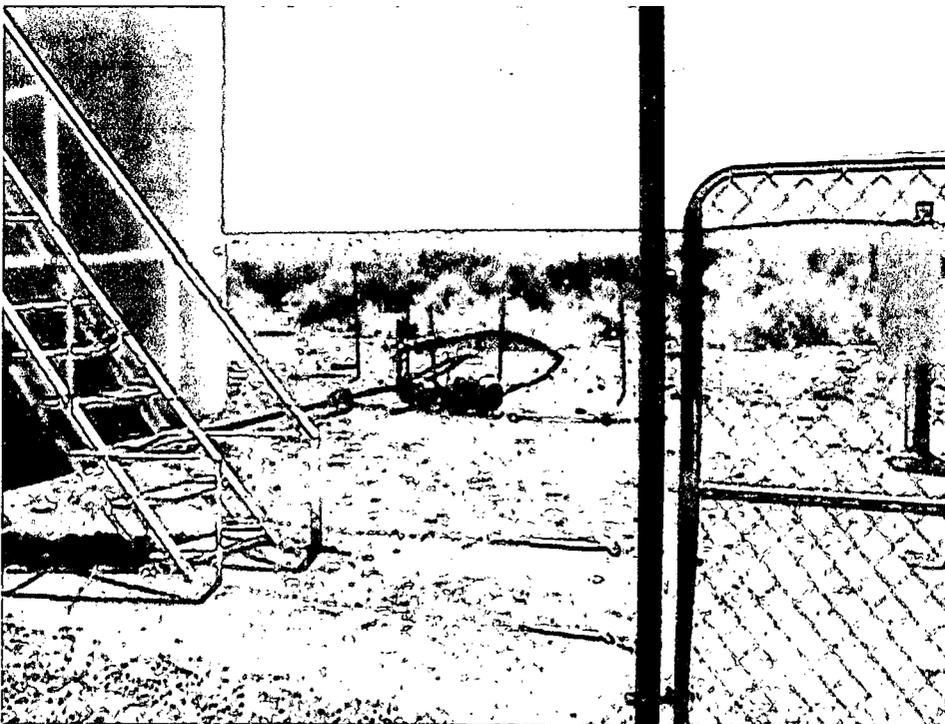
Surrogate Recovery [D] = $100 * A / B$

All results are based on MDL and validated for QC purposes.

PRIMERO, MILANO #1

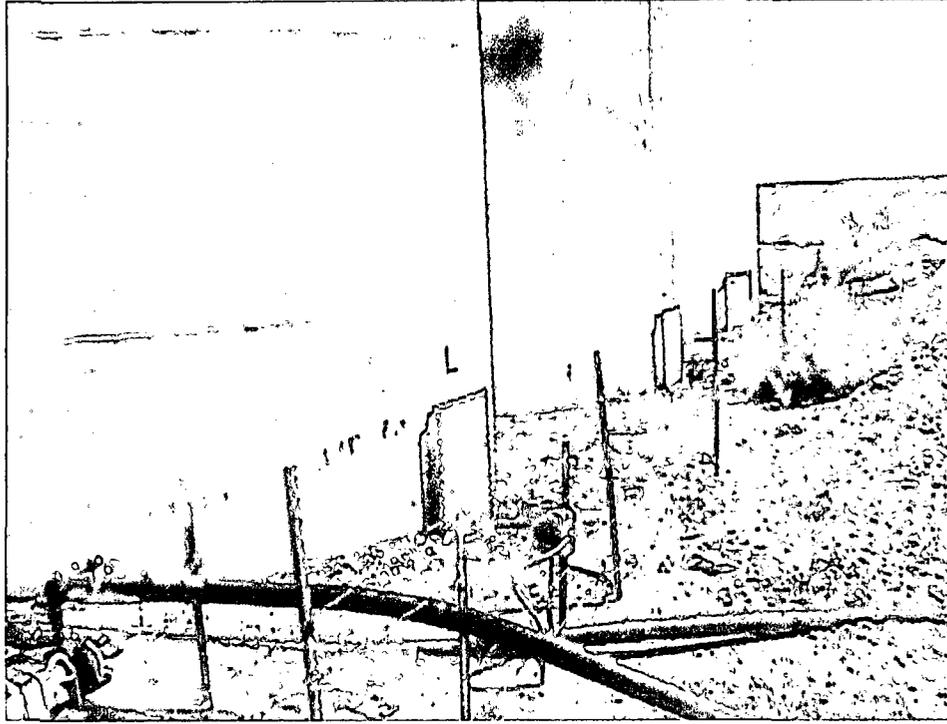


View to southeast of battery prior to remediation.

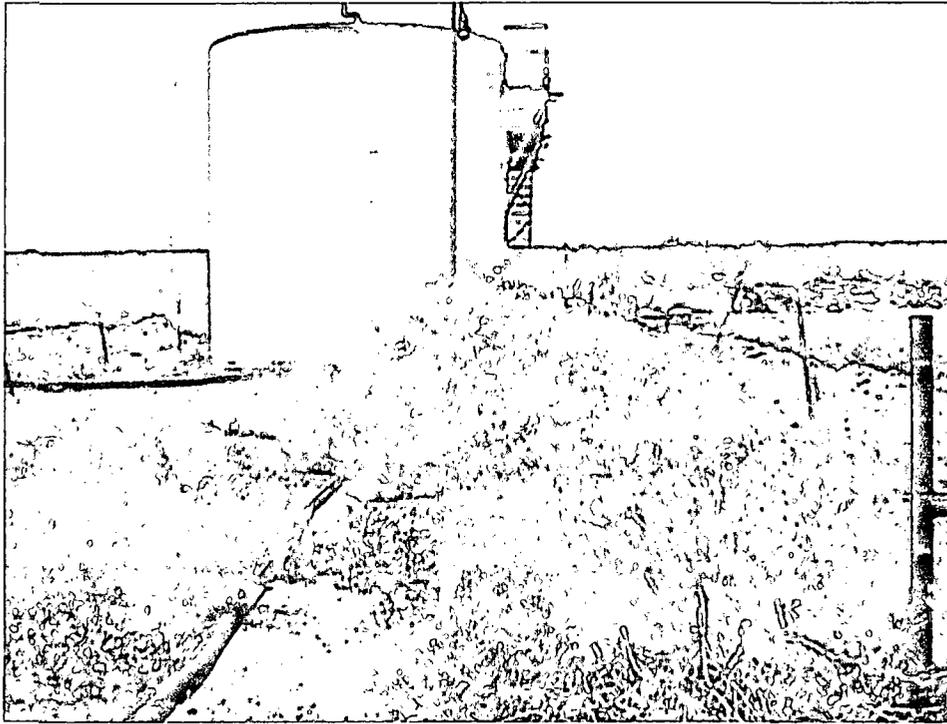


View to south of spill at west end of battery.

PRIMERO, MILANO #1

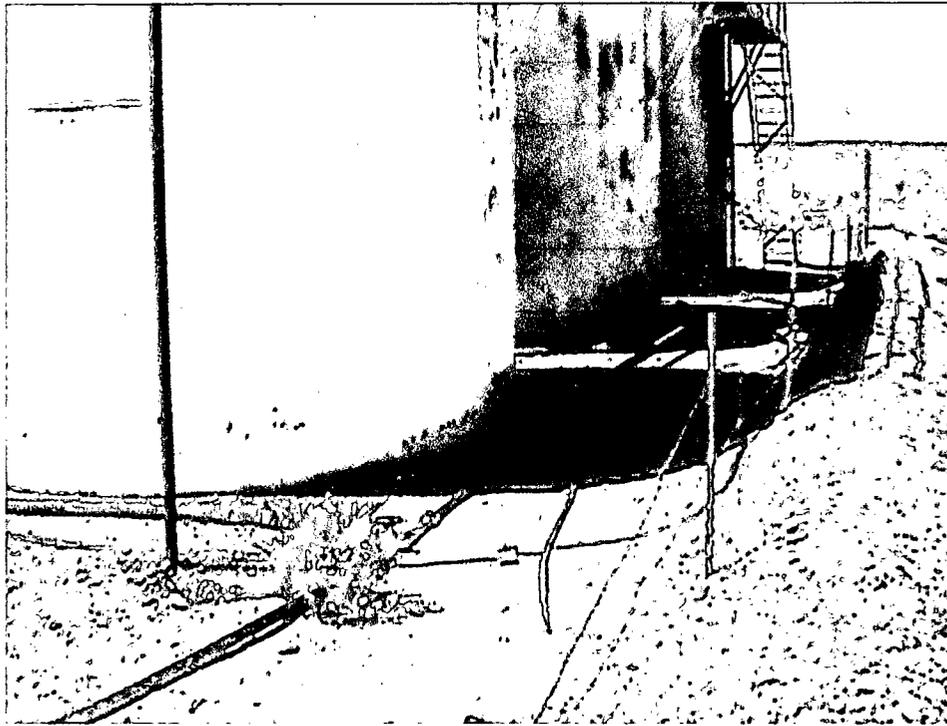


View to east of south side of battery prior to remediation.

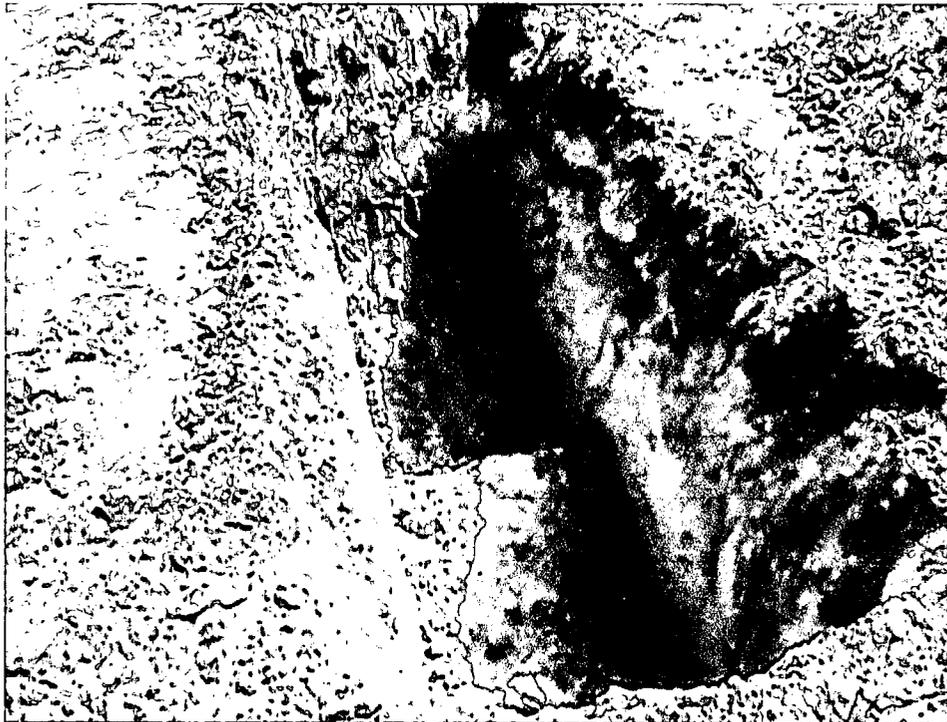


View to west of battery prior to remediation.

PRIMERO, MILANO #1

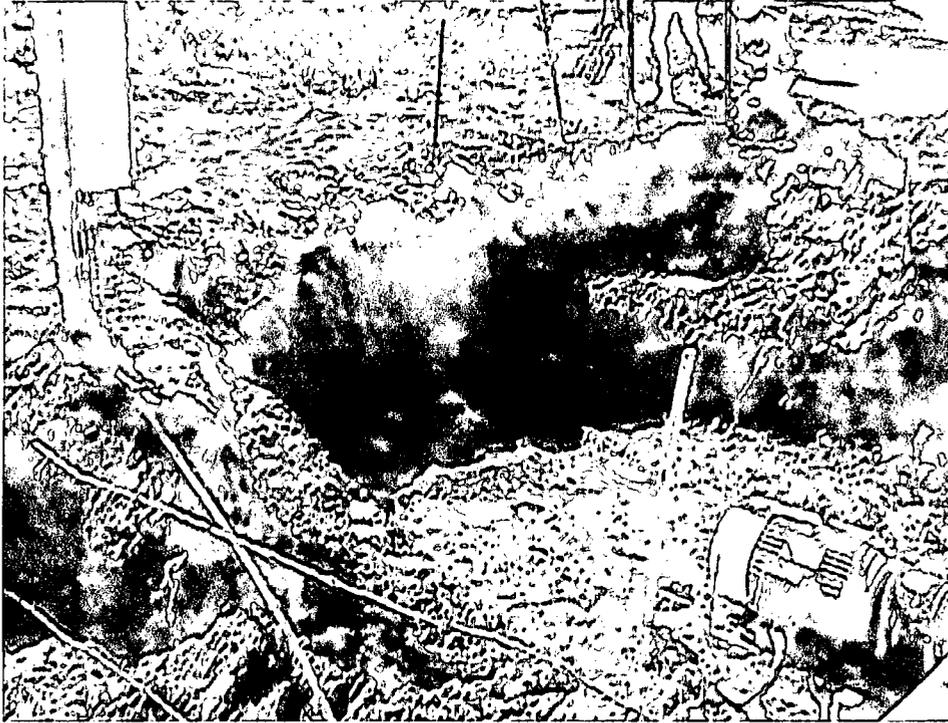


View to west of north side of battery prior to remediation.



View of investigation trench.

PRIMERO, MILANO #1

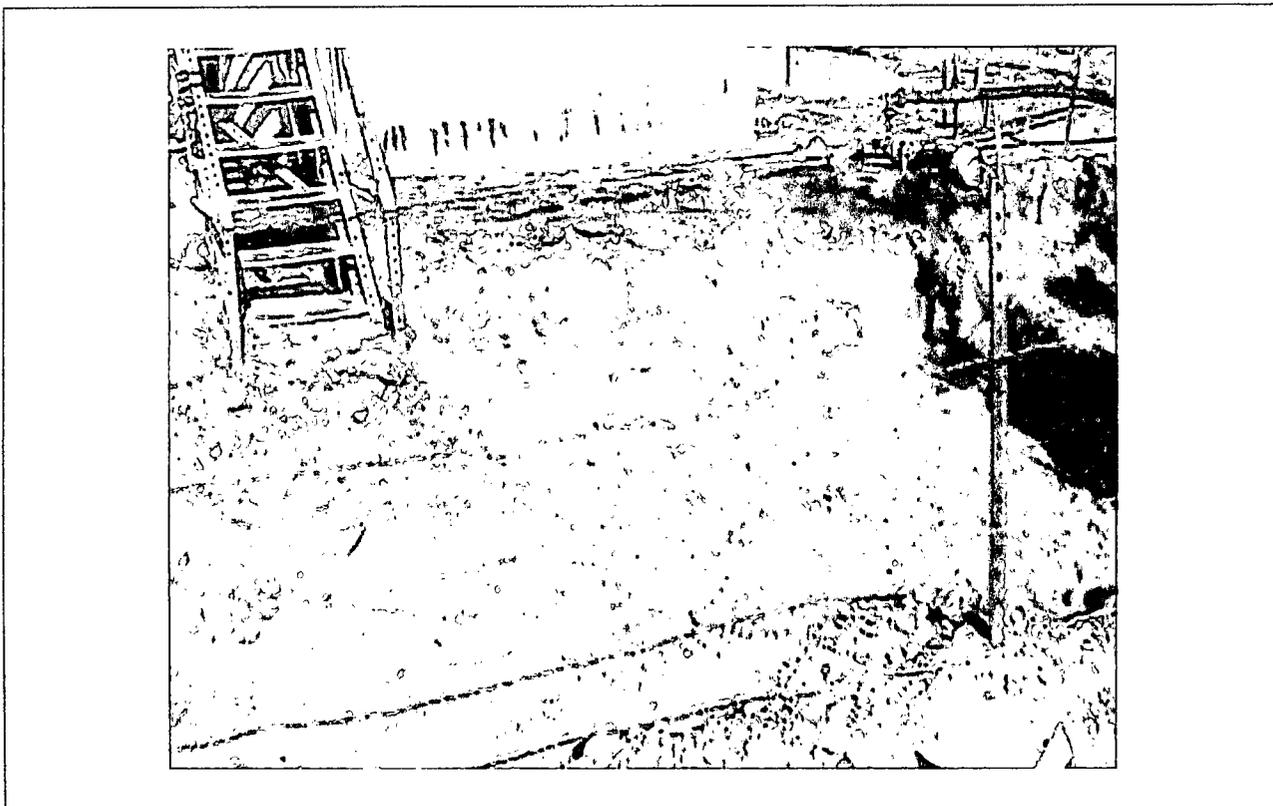


View to northwest of excavation at west end of battery.

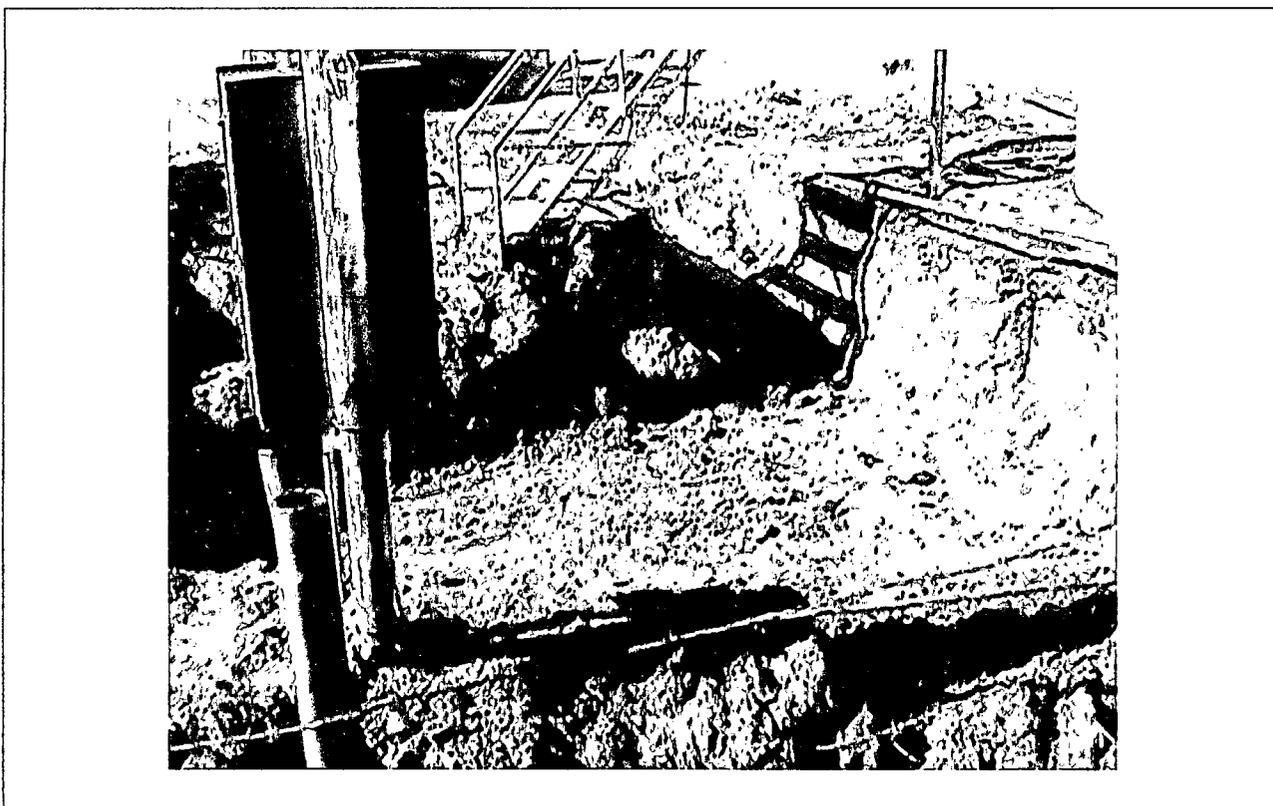


View to west of excavation at west end of battery.

PRIMERO, MILANO #1



View to east of excavation at west end of battery.



View to north of excavation at west end of battery.

PRIMERO, MILANO #1

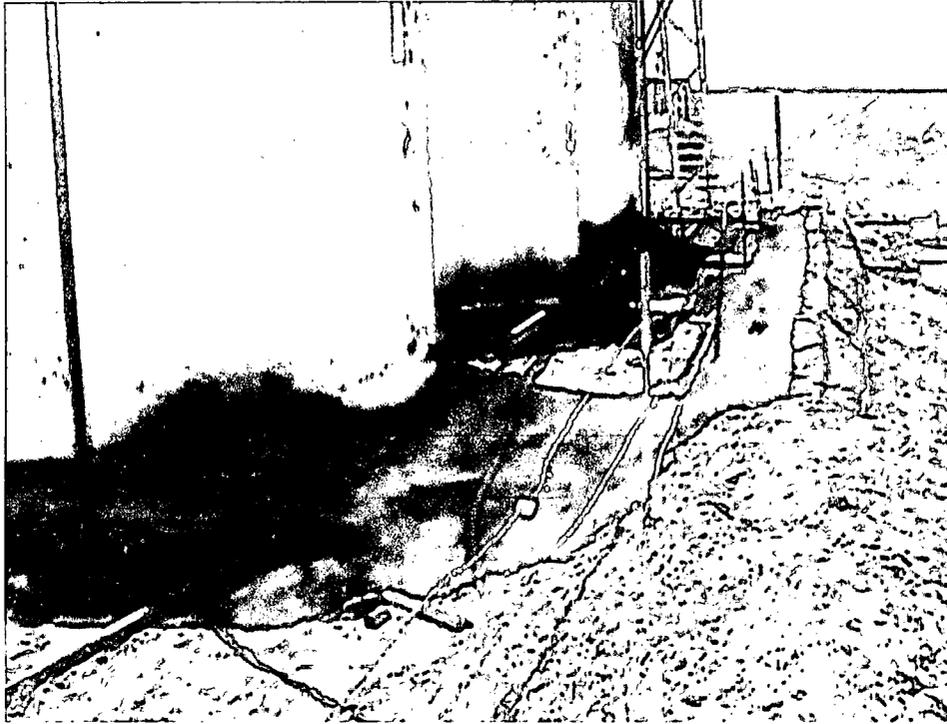


View to north of excavation at west end of battery.



View to northwest of excavation at west end of battery.

PRIMERO, MILANO #1

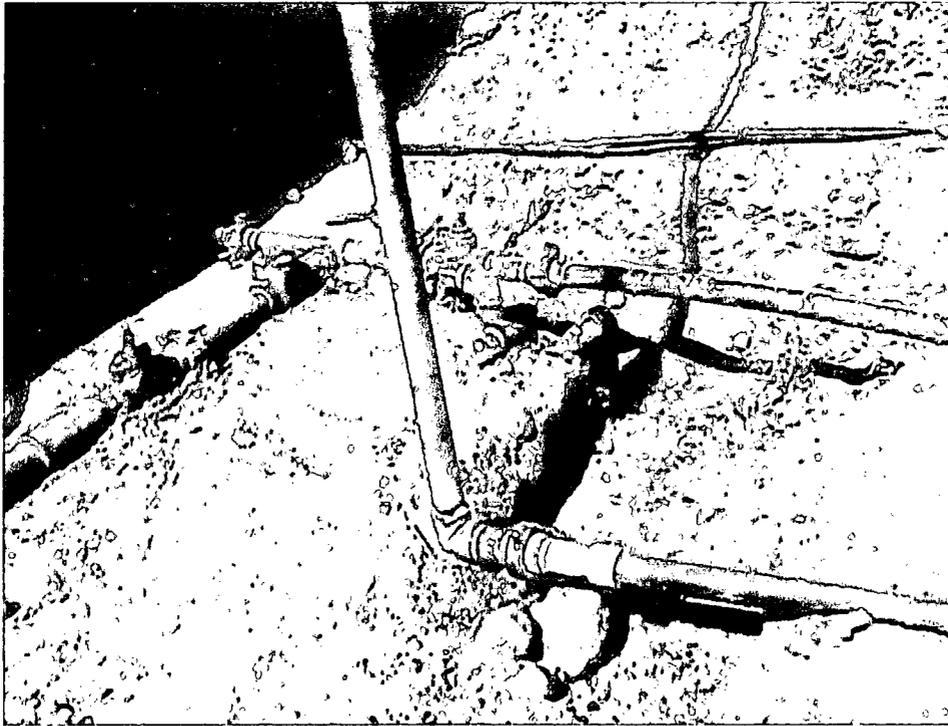


View to west of excavated area north of tanks.

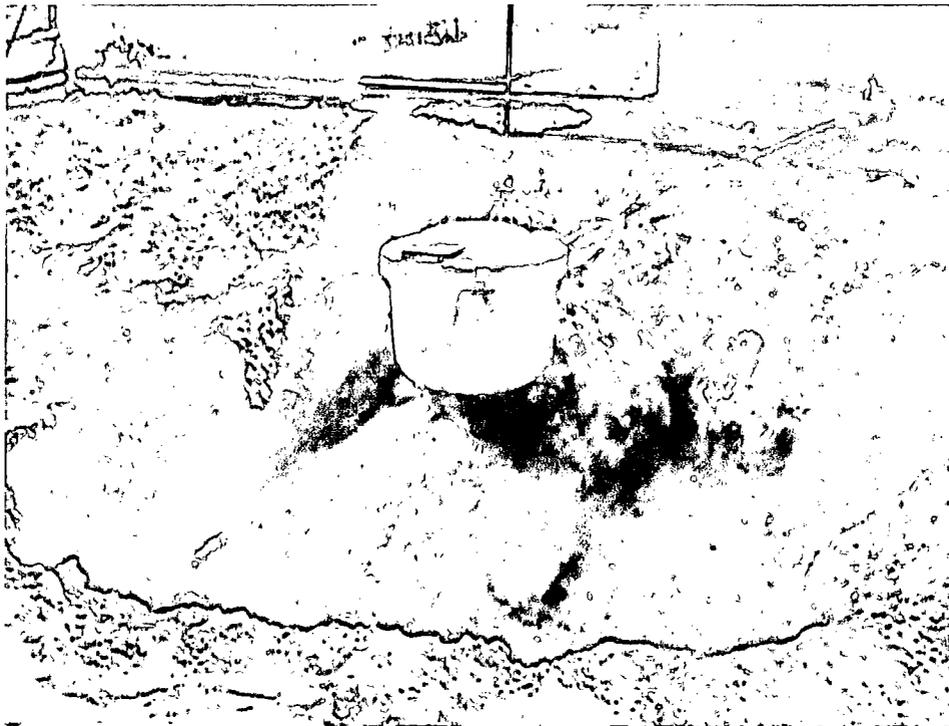


View to west of excavated area south of tanks.

PRIMERO, MILANO #1

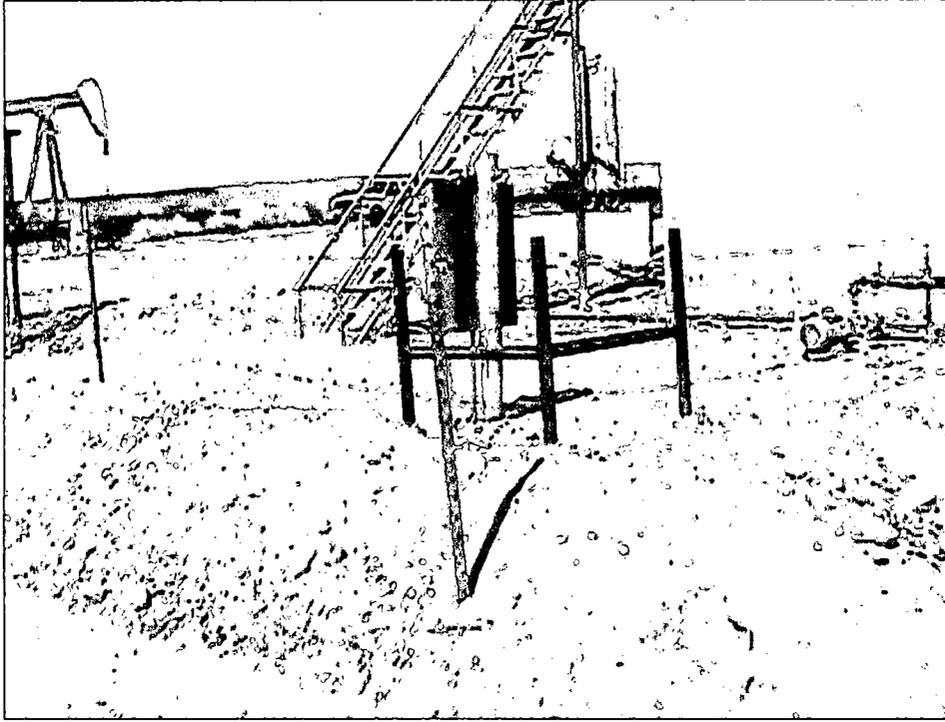


View of replaced joint and flowline.



View of excavated load line area.

PRIMERO, MILANO #1

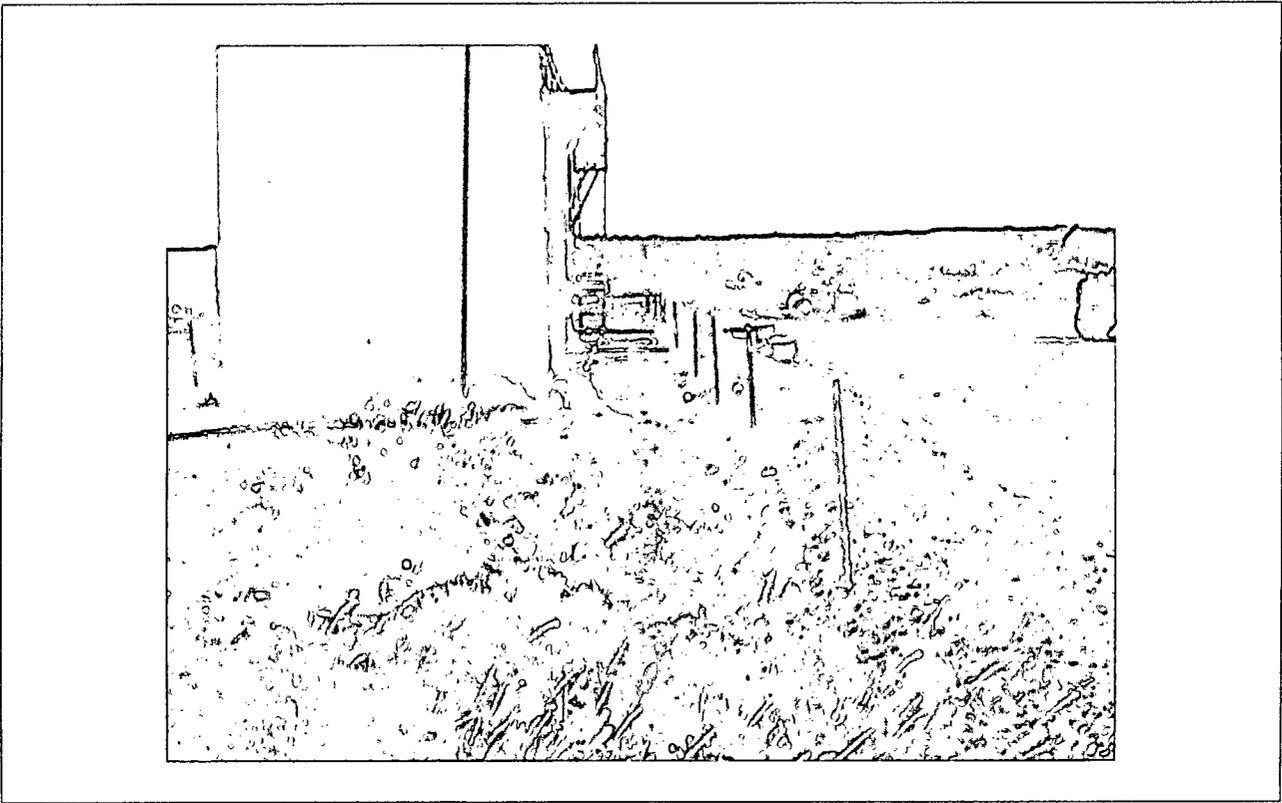


View to northeast of backfilled excavation west of tanks.

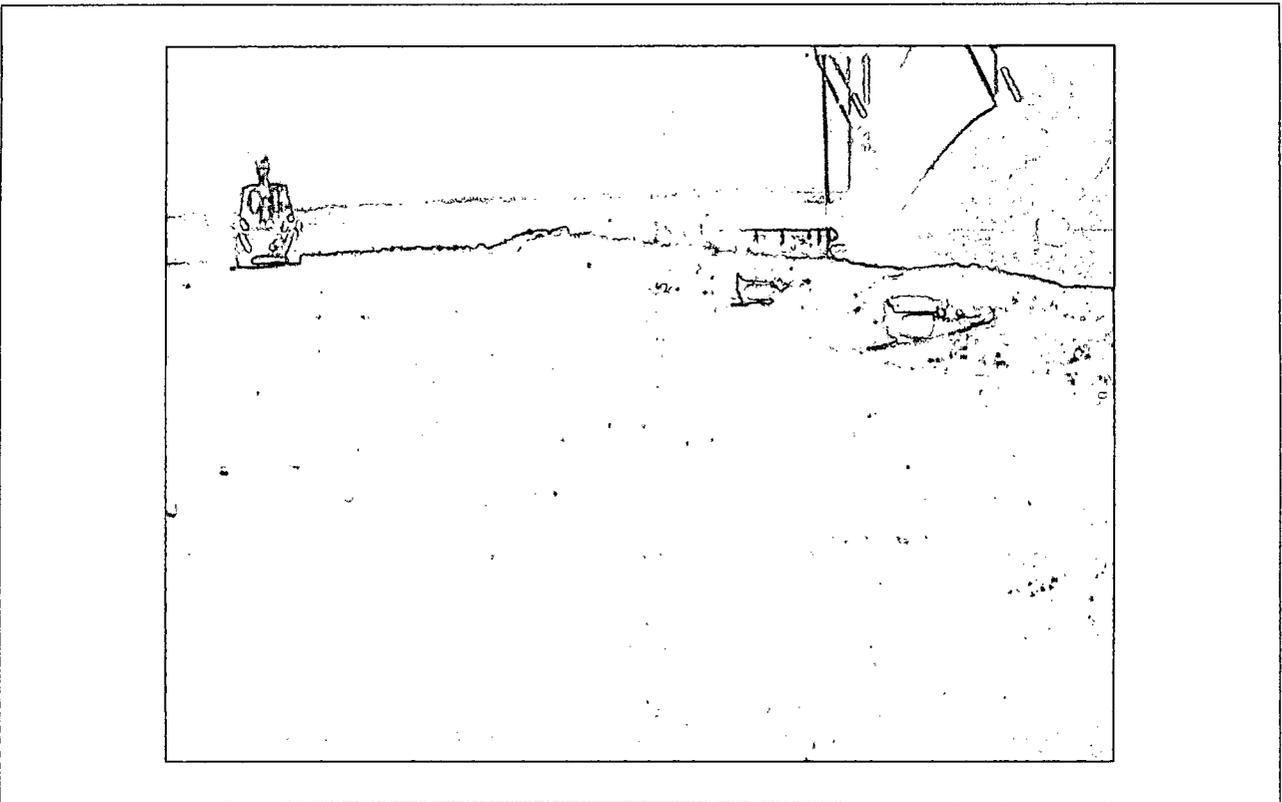


View to east of backfilled excavation south of tanks.

PRIMERO, MILANO #1



View to west of backfilled excavation north of tanks.



View to east of completed remediation.

APPENDIX E
FINAL C141 FORM

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

Form C-141
Revised August 8, 2011

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

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

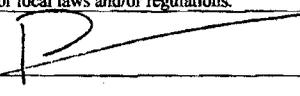
Name of Company	Primero Operating, Inc.	Contact	Phelps White
Address	P.O. Box 1433, Roswell, NM 88202	Telephone No.	(575) 626-7660
Facility Name	Milano State # 001	Facility Type	Tank Battery
Surface Owner	State of NM	Mineral Owner	Fee
			API No. 30-015-27614 (2RP-1867)

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	36	24S	28E	2110	North	890	East	Eddy

Latitude N 32.17471° Longitude W 104.03485°

NATURE OF RELEASE

Type of Release	Oil	Volume of Release	Unknown	Volume Recovered	None
Source of Release	Oil Tank	Date and Hour of Occurrence	Unknown	Date and Hour of Discovery	11/04/09
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?	Date and Hour				
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 Taken.* The oil tank at the battery leaked and a Letter of Violation was written on 11/04/09. Impacted soil was excavated from the west end of the tank battery to a depth of four (4) feet bgs. Impacted soil was removed around the tanks to a depth of 1.5 to 2 feet bgs. Excavated soil was hauled to Lea Land for disposal, and all excavations were backfilled with clean soil obtained from Lea Land. The valve was replaced on the oil tank, and a new poly flow line was installed from the heater treater to the oil tank.					
Describe Area Affected and Cleanup Action Taken.* The oil tank leaked inside the firewall of the tank battery. An 18' x 26' x 4' area was excavated from the west end of the battery, and all impacted soil surrounding the tanks was excavated to a depth of 1.5 to 2' bgs. Confirmation soil samples were collected and all data is provided in a Remediation Report dated October 3, 2013.					
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: Phelps White		Approved by Environmental Specialist:			
Title: President		Approval Date:		Expiration Date:	
E-mail Address: pwiv@zianet.com		Conditions of Approval:			Attached <input type="checkbox"/>
Date: 11/6/13 Phone: (575) 626-7660					

* Attach Additional Sheets If Necessary

