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

FEB 25 2009

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

Release Notification and Corrective Action

nSEB0803137626

OPERATOR

☐ Initial Report X: **Final Report**

Name of Company Fairway Resources Operating	Contact Matt Eagleston
Address 538 Silicon Drive, Ste. 101, Southlake, Texas 76092	Telephone No. (817) 416-1946
Facility Name **Midnight Matador "A" #4**	Facility Type Oil Well

Surface Owner US - BLM	Mineral Owner US - BLM	Lease No. NM LC-055561

30 015 01231

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
"B"	35	17S	27E	990'	North	1,650	East	Eddy

Latitude 32° 47' 42.4" North **Longitude** 104° 14' 44.9" West

NATURE OF RELEASE

Type of Release Crude Oil & Produced Water	Volume of Release Unknown	Volume Recovered 0 (Zero)
Source of Release Wellhead	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 1/16/2008 0800 MST
Was Immediate Notice Given? Yes ☐ No ☒ Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken. A BLM inspection on January 16, 2008 found evidence of a release and soil impact on the north side of the wellhead area. No free liquids were observed or recovered onsite

Describe Area Affected and Cleanup Action Taken. A soil investigation was completed and analytical results indicated soil impact was not present below the gypsum cap. Excavation of the impacted soil was staged and soil samples were collected and submitted to the laboratory for analysis between excavation activities. Approximately 1,110 cubic yards of impacted soil was transported to Lea Land Landfill (Permit #NM-01-0035) for disposal. With NMOCD Artesia Office approval the excavation was backfilled with locally purchased native soil. A *Remediation Summary and Site Closure Request* dated January 2009 was submitted to the NMOCD Artesia Office and contains additional details and documentation not contained in this document.

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: Matt Eagleston	OIL CONSERVATION DIVISION
Printed Name: Matt Eagleston	Approved by District Supervisor:
Title: President and CEO	Approval Date: 4-28-09 Expiration Date: N/A
E-mail Address: meagleston@fairwayresources.com	Conditions of Approval: N/A 2RP-0124 N/A
Date: Phone: (817) 416-1946	

Basin Environmental Service Technologies, LLC

2800 Plains Highway
P. O. Box 301
Lovington, New Mexico 88260
cstanley@basinenv.com
Office: (575) 396-2378 Fax: (575) 396-1429

Effective Solutions

FEB 25 2009

REMEDIATION SUMMARY AND SITE CLOSURE REQUEST

Fairway Resources Operating, LLC

Midnight Matador A #4
Eddy County, New Mexico
Unit "B" (NW/NE), Section 35, Township 17 S, Range 27 E
Latitude 32°, 47' 42.4" North, Longitude 104°, 14' 44.9" West
2RP-124

Prepared For:

Fairway Resources Operating, LLC
538 Silicon Drive, Suite 101
Southlake, Texas 76092

Prepared By:
Basin Environmental Service Technologies, LLC

January 2009

Curt D. Stanley
Project Manager

TABLE OF CONTENTS

1.0 INTRODUCTION AND BACKGROUND INFORMATION

Basin Environmental Service Technologies, LLC (Basin), on behalf of Fairway Resources Operating, LLC (Fairway), has prepared this Remediation Summary and Site Closure Request for the release site known as Midnight Matador A #4 (API # 30-015-01231). The legal description of the release site is NW ¼ NE ¼ (Unit Letter B), Section 35, Township 17 South, Range 27 East, in Eddy County, New Mexico. The property is owned by the United States Bureau of Land Management (BLM). The release site GPS coordinates are 32° 47' 42.4" North and 104° 14' 44.9" West. The Midnight Matador A #4 well site was previously known as South Red Lake II #4, the well was re-designated Midnight Matador A #4 following deepening and "workover" operations conducted by Fairway in the fall of 2007. A Site Location and Schematic Site and Sample Location Map are provided as Figures 1 and 2, respectively. The Release Notification and Corrective Action is provided as Appendix E.

The Eddy County Soil Survey (2004) indicated the release site soil type is Reeves-Gypsum land complex with 0 – 3% slopes, the area surrounding the release site is in active oil and gas production.

On January 10, 2008, a site inspection was conducted at the Midnight Matador A #4 facility by BLM – Carlsbad District personnel, during the inspection evidence of a fluid release was documented by the BLM. The Release Notification and Corrective Action (Form C-141) indicated the well pad north of the pumping unit and areas north of the well pad had been affected by a fluid release from the wellhead. The initial Form C-141 indicated the date and volume of the release was unknown and no free fluids were observed at the time of the BLM inspection.

In correspondence from the BLM – Carlsbad District, dated January 15, 2008; the BLM representative indicated a reserve pit on the location appeared to be leaching salts, affecting the vegetation in the area. The BLM requested Fairway submit a reclamation work plan for the reserve pit and the area affected by the January 2008 release.

On January 16, 2008, Gandy Corporation (Gandy) of Lovington, New Mexico, on behalf of Fairway conducted a preliminary soil investigation to assess the impact to the soil along the fluid flowpath. Gandy excavated three (3) trenches along the flowpath to a depth of approximately three (3) feet below ground surface (bgs). Soil samples were collected at one (1) foot intervals in each trench. The soil samples were submitted to Cardinal Laboratories, Inc of Hobbs, New Mexico, for determination of concentrations of total petroleum hydrocarbons (TPH) using SW-846 8015M and concentrations of chlorides using method 4500 Cl.

The analytical results for the three (3) soil samples collected from Trench #1 indicated TPH concentrations were below the laboratory method detection limit (MDL) of 10 mg/Kg in all three (3) of the submitted soil samples. The analytical results indicated chloride concentrations in Trench #1 ranged from 384 mg/Kg at three (3) feet bgs to 5,200 mg/Kg at two (2) feet bgs. The analytical results of the three (3) soil samples collected from Trench #2 indicated TPH concentrations ranged from 417 mg/Kg at two (2) feet bgs to 1,110 mg/Kg at three (3) feet bgs. Chloride concentrations ranged from 1,570 mg/Kg at three (3) feet bgs to 2,530 mg/Kg at one (1)

foot bgs. The analytical results for the three (3) soil samples collected from Trench #3 indicated TPH concentrations ranged from less than the laboratory MDL at three (3) feet bgs to 451 mg/Kg at one (1) foot bgs. Chloride concentrations ranged from 368 mg/Kg at two (2) feet bgs to 976 mg/Kg at one (1) foot bgs.

On January 31, 2008, Fairway submitted a work plan to the BLM – Carlsbad District, in the work plan Fairway proposed excavating the areas affected by the January 2008 release. Fairway proposed "capping" the reserve pit, contouring the soil to fit the surrounding topography and re-establishing the native vegetation.

On February 1, 2008, Fairway received correspondence from the BLM – Carlsbad District; the BLM indicated a reserve pit was likely not used at the well site due to the age of the well. The New Mexico Oil Conservation Division (NMOCD) database was utilized by the BLM to determine the initial drill date of the South Red Lake II #4 well, which was renamed the Midnight Matador A #4 in 2007. The NMOCD database indicated the well was drilled in 1949 and likely utilized the cable tool method of drilling; further indicating a reserve pit was not utilized on site. The BLM correspondence indicated the impacted soil on the well pad and the area to the north of the well pad was likely the result of the January 2008 release. The BLM – Carlsbad District indicated NMOCD approval of the work plan would be required before BLM approval could be granted.

On February 1, 2008, Fairway submitted an initial C-141 to the NMOCD – Artesia District Office. On February 7, 2008, Fairway received correspondence from the NMOCD stating the Midnight Matador A #4 initial C-141 had been denied by the NMOCD. The NMOCD requested an amended initial C-141 and a Work Plan for future on site remediation activities. On February 18, 2008, an amended C-141 was submitted and accepted by the NMOCD – Artesia District Office. On March 6, 2008, Fairway submitted a Proposed Response Plan for the Midnight Matador A #4 release site to the NMOCD – Artesia office and the BLM – Carlsbad District office. The Proposed Response Plan was approved by the NMOCD – Artesia on March 6, 2008 and the BLM District Office on March 7, 2008. Correspondence from the NMOCD and BLM is included as Appendix A.

Following NMOCD and BLM approval, Gandy began excavation of the release flowpath from the wellhead to the north. Soil was excavated to a depth of approximately two (2) to three (3) feet bgs and stockpiled on site. Following completion of the excavation activities approximately 216 cubic yards (cy) of stockpiled soil was transported to an NMOCD approved landfill.

On or about March 18, 2008, four (4) soil samples (1-1, 1-2, 1-3, and 1-4) were collected from the floor of the excavation and submitted to Cardinal Laboratories, Inc in Hobbs, New Mexico. The soil samples were analyzed for concentrations of benzene, toluene, ethyl-benzene and xylene (BTEX) using EPA method SW-846 8021b, TPH using method SW-846 8015M and chloride using method 4500 Cl.

Soil sample 1-1 was collected approximately ten (10) feet north of the well head at a depth of approximately two (2) feet bgs. The analytical results indicated benzene concentrations were less than the laboratory MDL of 0.005 mg/Kg and BTEX constituent concentrations were 0.095

mg/Kg. The TPH concentration was 395 mg/Kg and the chloride concentration was 4,480 mg/Kg.

Soil sample 1-2 was collected approximately twenty (20) feet north of the well head at a depth of approximately two (2) feet bgs. The analytical results indicated benzene concentrations were less than the laboratory MDL of 0.005 mg/Kg and BTEX concentrations were 0.093 mg/Kg. The TPH concentration was 212 mg/Kg and the chloride concentration was 6,240 mg/Kg.

Soil sample 1-3 was collected approximately fifty (50) feet north of the well head at a depth of approximately two (2) feet bgs. The analytical results indicated benzene concentrations less than the laboratory MDL of 0.020 mg/Kg and BTEX concentrations were 0.119 mg/Kg. The TPH concentration was 82 mg/Kg and the chloride concentration was 1,250 mg/Kg.

Soil sample 1-4 was collected approximately hundred (100) feet north of the well head at a depth of approximately two (2) feet bgs. The analytical results indicated benzene concentrations were less than the laboratory MDL of 0.001 mg/Kg and BTEX concentrations were 0.005 mg/Kg. The TPH concentration was 71 mg/Kg and the chloride concentration was 288 mg/Kg.

2.0 NMOCD SITE CLASSIFICATION

As described in Section 3A of the *Guidelines for Remediation of Leaks, Spills and Releases* (NMOCD, 1993), the following characteristics are used to determine the site ranking criteria, which influences the site-specific cleanup standards applicable for this site. The depth to groundwater is between 50 - 100 feet from the base of the impacted zone, resulting in ten (10) points being assigned to the site as a result of this criterion.

The water well database, maintained by the New Mexico Office of the State Engineer (NMOSE), was accessed to determine the location and type of nearby registered water wells in the area. The database indicated there are no water wells less than 1,000 feet from the release, resulting in zero (0) points being assigned to this site as a result of this criterion.

There is no surface water body located within 1,000 feet of the site. Based on the NMOCD ranking system zero (0) points will be assigned to the site as a result of the criterion. The Guidelines indicate the Midnight Matador A #4 release site has a ranking score of ten (10). Based on this score, the soil remediation levels for a site with a ranking score of ten (10) points are as follows:

- Benzene – 10 mg/Kg (ppm)
- BTEX – 50 mg/Kg (ppm)
- TPH – 1,000 mg/Kg (ppm)

The NMOCD chloride clean up level concentrations are site specific and will be 500 mg/Kg per the NMOCD – Artesia District Office.

3.0 SUMMARY OF RECENT FIELD ACTIVITIES

In April 2008, Fairway approached Basin and requested assistance in horizontally and vertically delineating the release site. Following an initial site assessment, Basin recommended advancing soil borings to thoroughly investigate the horizontal and vertical extent of impact.

On April 30, 2008, an air rotary drilling rig was mobilized to advance soil borings at the release site. The soil borings were advanced to a maximum depth of twenty-five (25) feet bgs and soil samples were collected at five (5) foot intervals.

Soil boring SB-1 was advanced off-site and upslope of the Midnight Matador A #4 well head. The soil boring was advanced to a depth of fifteen (15) feet bgs. Soil boring SB-1 was advanced to collect background concentrations of chlorides. The analytical results indicted chloride ranged from less than the laboratory MDL of 5 mg/Kg at fifteen (15) feet bgs to 43 mg/Kg at five (5) and ten (10) feet bgs. Lithologic boring logs are included as Appendix B. A summary of Concentrations of BTEX, TPH and Chlorides in Soil is included as Table 1 and laboratory reports are included as Appendix C. Photographs of field activities are included as Appendix D.

Soil boring SB-2 was advanced on the east central side of the well pad. The soil boring was advanced to a depth of twenty-five (25) feet bgs. The analytical results indicated a benzene concentration of less than the laboratory MDL of 0.001 mg/Kg at ten (10) feet bgs. The analytical results indicated a BTEX concentration of less than the laboratory MDL of 0.002 mg/Kg at ten (10) feet bgs. Soil samples from the five (5) and ten (10) foot bgs intervals were selected for TPH analysis. The analytical results indicated TPH concentrations in both the five (5) and ten (10) foot bgs intervals were less than the appropriate laboratory MDL. Soil samples from the five (5), ten (10), fifteen (15) and twenty-five (25) foot bgs intervals were selected for chloride analysis. The analytical results indicated chloride concentrations ranged from less than the laboratory MDL of 5 mg/Kg at five (5) and ten (10) feet bgs to 64 mg/Kg at fifteen (15) feet bgs. These results indicate benzene, BTEX, TPH and chloride concentrations were below NMOCD regulatory clean up levels for this soil boring.

Soil boring SB-3 was advanced in the release flowpath in center of the well pad. The soil boring was advanced to a depth of twenty-five (25) feet bgs. The analytical results indicated a benzene concentration of less than the laboratory MDL of 0.001 mg/Kg at ten (10) feet bgs. The analytical results indicated a BTEX concentration of less than the laboratory MDL of 0.002 mg/Kg at ten (10) feet bgs. Soil samples from the five (5) and ten (10) foot bgs intervals were selected for TPH analysis. The analytical results indicated TPH concentrations in both the five (5) and ten (10) foot bgs intervals were less than the appropriate laboratory MDL. Soil samples from the five (5), ten (10), fifteen (15) and twenty-five (25) foot bgs intervals were selected for chloride analysis. The analytical results indicated chloride concentrations ranged from 43 mg/Kg at twenty-five (25) feet bgs to 117 mg/Kg at ten (10) feet bgs. These results indicate benzene, BTEX, TPH and chloride concentrations were below NMOCD regulatory clean up levels for this soil boring.

Soil boring SB-4 was advanced on the west central side of the well pad. The soil boring was advanced to a depth of twenty-five (25) feet bgs. The analytical results indicated a benzene

concentration of less than the laboratory MDL of 0.001 mg/Kg at ten (10) feet bgs. The analytical results indicated a BTEX concentration of less than the laboratory MDL of 0.002 mg/Kg at ten (10) feet bgs. Soil samples from the five (5) and ten (10) foot bgs intervals were selected for TPH analysis. The analytical results indicated TPH concentrations in both the five (5) and ten (10) foot intervals were less than the appropriate laboratory MDL. Soil samples from the five (5), ten (10), fifteen (15) and twenty-five (25) foot bgs intervals were selected for chloride analysis. The analytical results indicated chloride concentrations ranged from 43 mg/Kg at twenty-five (25) feet bgs to 149 mg/Kg at fifteen (15) feet bgs. These results indicate benzene, BTEX, TPH and chloride concentrations were below NMOCD regulatory clean up levels for this soil boring.

Soil boring SB-5 was advanced in the flowpath approximately twenty feet north of the well pad. The soil boring was advanced to a depth of ten (10) feet bgs. The analytical results indicated a benzene concentration of less than the laboratory MDL of 0.001 mg/Kg at five (5) feet bgs. The analytical results indicated a BTEX concentration of less than the laboratory MDL of 0.002 mg/Kg at ten (10) feet bgs. The five (5) foot bgs soil sample was selected for TPH analysis. The analytical results indicated the TPH concentration was less than the laboratory MDL. Soil samples from the five (5) and ten (10) foot bgs intervals were selected for chloride analysis. The analytical results indicated chloride concentrations ranged from 64 mg/Kg at ten (10) feet bgs to 96 mg/Kg at five (5) feet bgs. These results indicate benzene, BTEX, TPH and chloride concentrations were below NMOCD regulatory clean up levels for this soil boring.

Soil boring SB-6 was advanced at the terminus of the flowpath approximately four hundred (400) feet north of the well pad. The soil boring was advanced to a depth of ten (10) feet bgs. The soil samples from five (5) and ten (10) feet bgs were selected for chloride analysis only. The analytical results indicated chloride concentrations ranged from 266 mg/Kg at five (5) feet bgs to 340 mg/Kg at ten (10) feet bgs. These results indicate chloride concentrations were below NMOCD regulatory clean up levels for this soil boring.

In May 2008, Basin, on behalf of Fairway submitted a *Soil Investigation Summary and Amended Soil Closure Proposal* detailing a proposed closure strategy intended to progress the site toward an NMOCD approved closure. The Work Plan was approved by the NMOCD – Artesia District Office.

On June 19, 2008, three (3) delineation soil samples (10' from Wellhead, 20' from Wellhead and 50' from Wellhead) were collected and submitted for laboratory analysis. The analytical results indicated benzene and BTEX constituent concentrations were less than the appropriate laboratory MDL in all three (3) collected soil samples. The analytical results indicated the TPH concentrations was 456.6 mg/Kg, 1036 mg/Kg and 797.1 mg/Kg for soil samples 10' from Wellhead, 20' from Wellhead and 50' from Wellhead, respectively. The chloride concentration was 7,650 mg/Kg, 1,860 mg/Kg and 258 mg/Kg for soil samples 10' from Wellhead, 20' from Wellhead and 50' from Wellhead, respectively.

In July 2008, the excavation activities proposed in the *Soil Investigation Summary and Amended Soil Closure Proposal* commenced.

On August 8, 2008, two (2) excavation floor soil samples (Floor-1 @ 4' and Floor-2 @ 5') and three (3) excavation sidewall soil samples (ESW@2', SSW@5' and WSW@5') were collected and submitted for laboratory analysis. The analytical results indicated soil sample Floor-1 @ 4' exhibited a TPH concentration less than the laboratory MDL of 18.1 mg/Kg and a chloride concentration of 2,790 mg/Kg. The results indicated soil sample Floor-2 @ 5' exhibited a TPH concentration less than the laboratory MDL of 17.6 mg/Kg and a chloride concentration of 902 mg/Kg. The analytical results indicated soil sample ESW@2' exhibited a TPH concentration less than the laboratory MDL of 19.1 mg/Kg and a chloride concentration of 618 mg/Kg. The results indicated soil sample WSW@4' exhibited a TPH concentration of 3,803 mg/Kg and a chloride concentration of 965 mg/Kg. The analytical results indicated soil sample SSW@5' exhibited a TPH concentration of less than the laboratory MDL of 18.3 mg/Kg and a chloride concentration of 3,320 mg/Kg.

The analytical results of the August 8, 2008 sampling event indicated the red clay layer observed of the floor of the excavation appeared to have been impacted by the chloride release and further excavation of the floor would be required. Soil sample SSW@5' was collected adjacent to the Midnight Matador A #4 pumping unit and due to the safety hazards associated with excavation near the pumping unit additional excavation was not conducted in this area. The results indicated additional horizontal excavation would be required along the west sidewall of the excavation.

On or about August 13, 2008, additional excavation activities were conducted on the floor of the excavation and on the north, west and southwest sidewalls of the excavation. Excavated soil was stockpiled on-site pending transportation to the Lea Land Landfill.

On August 18, 2008, two (2) excavation floor soil samples (Floor 1-A and Floor 2A) and four (4) excavation sidewall soil samples (NSW-1, NSW-2, WSW-1 and SSW-1) were collected and submitted for laboratory analysis.

The analytical results indicated soil sample Floor-1A and Floor-2A exhibited a chloride concentration less than the laboratory MDL of 125 mg/Kg. The analytical results indicated soil sample NSW-1 exhibited a benzene concentration less than the laboratory MDL of 0.0011 mg/Kg, a BTEX concentration of 0.0171 mg/Kg, TPH concentration of 625 mg/Kg and a chloride concentration of 19,100 mg/Kg. The results indicated soil sample NSW-2 exhibited a benzene concentration less than the laboratory MDL of 0.0012 mg/Kg, a BTEX concentration less than the laboratory MDL of 0.0024 mg/Kg, TPH concentration of 40.9 mg/Kg and a chloride concentration of 15,300 mg/Kg. The results indicated soil sample WSW-1 exhibited a benzene concentration less than the laboratory MDL of 0.0012 mg/Kg, a BTEX concentration less than the laboratory MDL of 0.0024 mg/Kg, TPH concentration less than the laboratory MDL of 18.1 mg/Kg and a chloride concentration of 6,760 mg/Kg. The analytical results indicated soil sample SSW-1 exhibited a benzene concentration less than the laboratory MDL of 0.0012 mg/Kg, a BTEX concentration less than the laboratory MDL of 0.0024 mg/Kg, TPH concentration of 69.6 mg/Kg and a chloride concentration of 797 mg/Kg.

The analytical results of the August 18, 2008 sampling event indicated the gypsum layer observed on the floor of the excavation was not impacted by the chloride release and no further excavation of the excavation floor would be required. The analytical results are confirmed by the

analytical results of soil samples collected during the advancement of the soil borings. Soil sample SSW-1 was collected adjacent to the Midnight Matador A #4 pumping unit and due to the safety hazards associated with excavation near the pumping unit additional excavation was not conducted in this area. The results indicated additional horizontal excavation would be required along the north and west sidewalls of the excavation.

On or about August 27, 2008, additional excavation activities were conducted on the north sidewall of the excavation. In an effort to investigate the horizontal extent of impact on the north sidewall (down-slope) of excavation, two (2) investigation trenches (T-5 and T-6) were excavated. Excavated soil was added to the previously stockpiled soil pending transportation to the Lea Land Landfill.

On September 2, 2008, four (4) trench sidewall soil samples (T-5A@3', T-5B@3', T-6A@3' and T-6B@3') were collected and submitted for laboratory analysis.

The analytical results indicated soil sample T-5A@3' exhibited a TPH concentration less than the laboratory MDL of 18.6 mg/Kg and a chloride concentration of 237 mg/Kg. The results indicated soil sample T-5B@3' exhibited a TPH concentration less than the laboratory MDL of 17.8 mg/Kg and a chloride concentration of 206 mg/Kg. The results indicated soil sample T-6A@3' exhibited a TPH concentration less than the laboratory MDL of 18.1 mg/Kg and a chloride concentration of 894 mg/Kg. The results further indicated soil sample T-6B@3' exhibited a TPH concentration less than the laboratory MDL of 18.5 mg/Kg and a chloride concentration of 238 mg/Kg.

The analytical results of the September 2, 2008 sampling event indicated limited additional excavation would be required to the north of the excavation based on the analytical results of the trench soil samples. Additional excavation identified during the August 18, 2008 sampling event (soil samples WSW-1 and NSW-1) would need to be completed as well.

On or about September 20, 2008, additional excavation activities were conducted on the north and west sidewalls of the excavation. Excavated soil was added to the previously stockpiled soil pending transportation to the Lea Land Landfill.

On September 24, 2008, three (3) soil samples (WSW-1A, NSW-2A and NSW-1A) were collected and submitted for laboratory analysis. The analytical results indicated soil sample WSW-1A exhibited a TPH concentration of 20.8 mg/Kg and a chloride concentration of 390 mg/Kg. The analytical results indicated soil sample NSW-2A exhibited a TPH concentration of 51 mg/Kg and a chloride concentration of 1,860 mg/Kg. The analytical results indicated soil sample NSW-1A exhibited a TPH concentration of 492 mg/Kg and a chloride concentration of 124 mg/Kg.

The analytical results of the September 24, 2008 sampling event indicated limited additional excavation would be required to the northwest of the excavation based on the analytical results of soil sample NSW-2A.

On or about September 29, 2008, additional excavation activities were conducted on the northwest sidewall of the excavation. Excavated soil was added to the previously stockpiled soil pending transportation to the Lea Land Landfill.

On October 8, 2008, one (1) soil sample (NSW-2A) was collected and submitted for laboratory analysis. The analytical results indicated soil sample NSW-2A exhibited a benzene concentration less than the laboratory MDL of 0.0012 mg/Kg, a BTEX concentration less than the laboratory MDL of 0.0024, a TPH concentration less than the laboratory MDL of 17.7 mg/Kg and a chloride concentration of 90 mg/Kg.

On October 17, 2008, based on the analytical results of the confirmation soil samples described above, Basin on behalf of Fairway requested NMOCD approval to backfill the excavation at the Midnight Matador A #4 release site. The NMOCD verbally approved the request to backfill the excavation with locally purchased non-impacted backfill material. In addition, the NMOCD approved Fairway's request to separate excavated rock from the impacted soil using a mechanical screener.

Following the NMOCD approval to backfill, the separated rock was placed in the excavation prior to backfilling the excavation with the purchased material. Approximately 1,110 cubic yards (cy) of impacted soil was transported to the Lea Land Landfill (Permit #NM-01-0035) located in rural Lea County. The backfilling of the excavation was completed and the area was contoured to fit the surrounding topography.

On consultation with a BLM – Carlsbad District Office representative, the BLM has requested Fairway to reclaim the portion of the Midnight Matador A #4 well pad not currently in use. In response to this request, Fairway will seed (BLM #4) approximately three quarters (3/4) of the well pad as soon as scheduling permits.

4.0 SITE CLOSURE REQUEST

Based on the analytical results of confirmation soil samples collected from the floor and sidewalls of the excavation, Basin recommends Fairway provide the NMOCD – Artesia District Office and the BLM – Carlsbad District Office a copy of the Remediation Summary and Site Closure Request and request the NMOCD grant site closure status to the Midnight Matador A #4 release site.

5.0 LIMITATIONS

Basin Environmental Service Technologies, LLC has prepared this Remediation Summary and Site Closure Request to the best of its ability. No other warranty, expressed or implied, is made or intended.

Basin Environmental Service Technologies, LLC has examined and relied upon documents referenced in the report and has relied on oral statements made by certain individuals. Basin Environmental Service Technologies, LLC has not conducted an independent examination of the facts contained in referenced materials and statements. We have presumed the genuineness of

the documents and that the information provided in documents or statements is true and accurate. Basin Environmental Service Technologies, LLC has prepared this report, in a professional manner, using the degree of skill and care exercised by similar environmental consultants. Basin Environmental Service Technologies, LLC also notes that the facts and conditions referenced in this report may change over time and the conclusions and recommendations set forth herein are applicable only to the facts and conditions as described at the time of this report.

This report has been prepared for the benefit of Fairway Resources Operating, LLC. The information contained in this report, including all exhibits and attachments, may not be used by any other party without the express consent of Basin Environmental Service Technologies, LLC and/or Fairway Resources Operating, LLC.

6.0 DISTRIBUTION:

Copy 1: Sherry Bonham
New Mexico Oil Conservation Division
District 2
1301 W. Grand Avenue
Artesia, New Mexico 88210

Copy 2: James Amos
Carlsbad Field Office
United States Bureau of Land Management
620 E. Greene Street
Carlsbad, New Mexico 88220

Copy 3: Matt Eagleston
Fairway Resources Operating, LLC.
538 Silicon Drive,
Suite 101
Southlake, Texas 76092

Copy 4: Curt D. Stanley
Basin Environmental Consulting
P.O. Box 381
Lovington, New Mexico 88220
cdstanley@basin-consulting.com

Figures

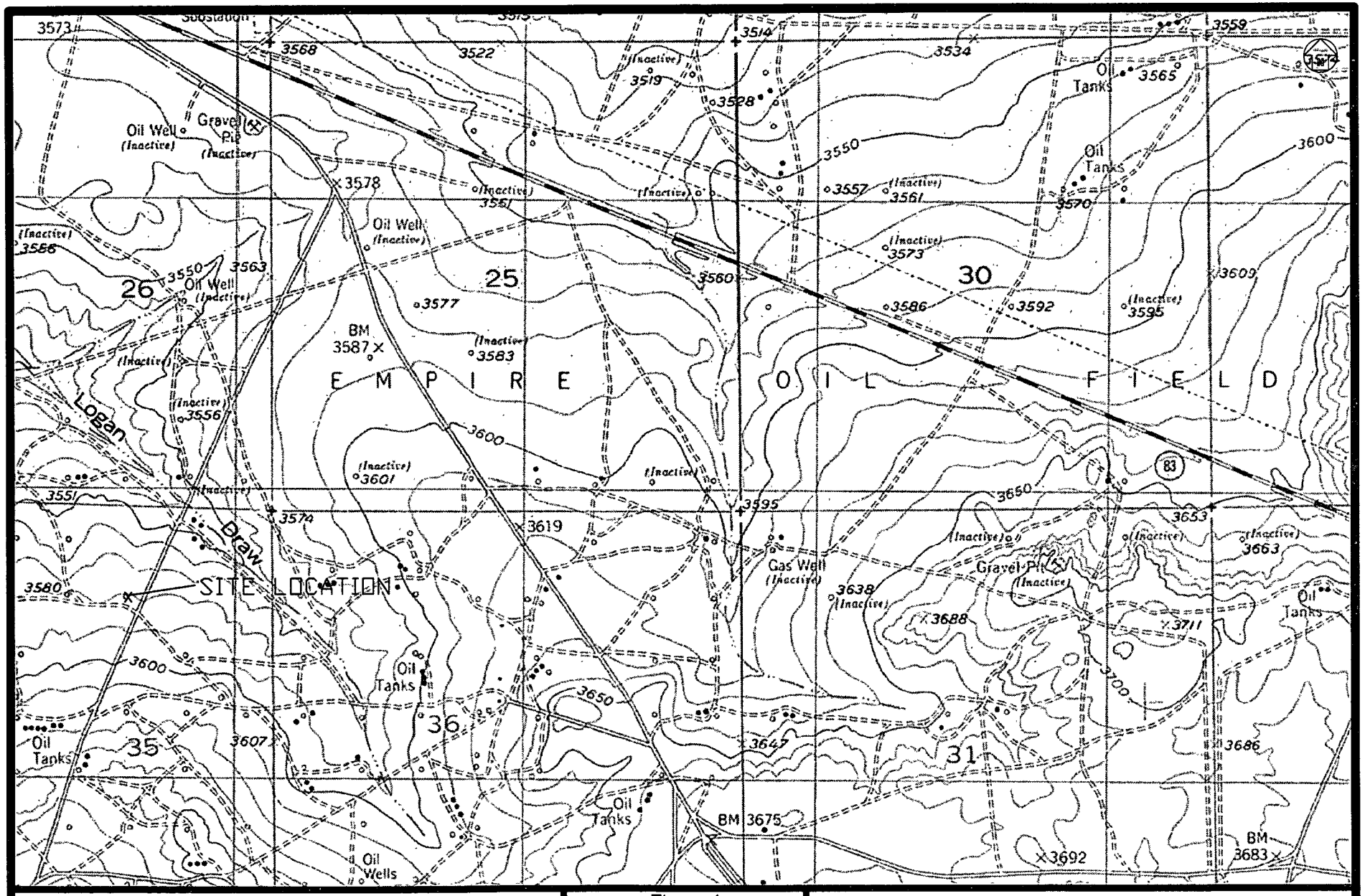
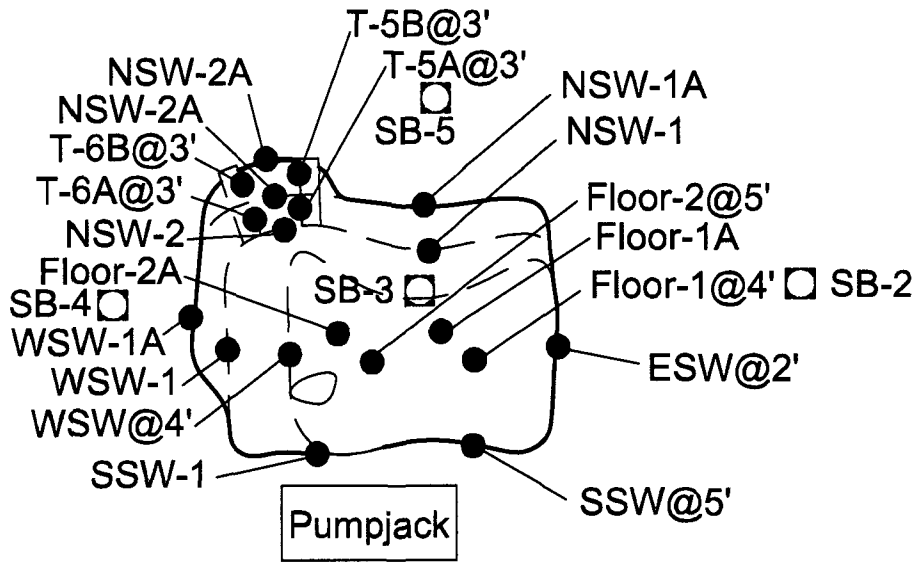


Figure 1
Site Location Map
Fairway Resources
Midnight Matador A #4
Eddy County, New Mexico

Basin Environmental Services

Prep By: CDS	Checked By: CDS
May 12, 2008	Scale 1"=1,500'



Legend:

Final Excavation Extent

Excavation Stage Extent

Grab Soil Sample Location

Soil Boring Location

Figure 2
Schematic Site and Sample Location Map
Fairway Resources
Midnight Matador A #4
Eddy County, NM
2RP-120

Basin Environmental Services

Scale: NTS	CAD By: CDS	Checked By: CDS
October 28, 2008		

Tables

Table 1

CONCENTRATIONS of BTEX, TPH and CHLORIDE IN SOIL
FAIRWAY RESOURCES - MIDNIGHT MATADOR A#4
EDDY COUNTY, NEW MEXICO
NMOCD Ref # 2RP-124

All measurments recorded in mg/kg

SAMPLE DATE	SAMPLE LOCATION	SAMPLE DEPTH	SOIL STATUS	Methods: EPA SW 846-8021B, 5030							EPA SW 846-8015M							EPA 4500 / E 300
				BENZENE (mg/Kg)	TOLUENE mg/Kg)	ETHYL-BENZENE (mg/Kg)	m,p-XYLENE (mg/Kg)	o-XYLENE (mg/Kg)	TOTAL XYLENE (mg/Kg)	TOTAL BTEX (mg/Kg)	GRO C_6-C_{10} (mg/Kg)	GRO C_6-C_{12}	DRO >C_{10}-C_{28} (mg/Kg)	DRO >C_{12}-C_{28} (mg/Kg)	ORO >C_{28}-C_{35} (mg/Kg)	TOTAL TPH C_6-C_{28} (mg/Kg)	TOTAL TPH C_6-C_{35} (mg/Kg)	Chloride (mg/Kg)
01/15/08	1st Hole N of Well 1 ft	1'	Excavated	-	-	-	-	-	-	-	<10	-	<10	-	-	<10	-	400
01/15/08	#1 Hole 2 ft	2'	Excavated	-	-	-	-	-	-	-	<10	-	<10	-	-	<10	-	**5,200**
01/15/08	#1 Hole 3 ft	3'	Excavated	-	-	-	-	-	-	-	<10	-	<10	-	-	<10	-	384
01/15/08	2nd Hole 1 ft	1'	Excavated	-	-	-	-	-	-	-	<10	-	650	-	-	650	-	**2,530**
01/15/08	2nd Hole 2 ft	2'	Excavated	-	-	-	-	-	-	-	<10	-	417	-	-	417	-	**2,060**
01/15/08	2nd Hole 3 ft	3'	Excavated	-	-	-	-	-	-	-	<10	-	1110	-	-	**1,110**	-	**1,570**
01/15/08	3rd Hole 1 ft	1'	Excavated	-	-	-	-	-	-	-	<10	-	451	-	-	451	-	**976**
01/15/08	3rd Hole 2 ft	2'	Excavated	-	-	-	-	-	-	-	<10	-	<10	-	-	<10	-	368
*3/18/2008	1-1	-	Excavated	<0.005	<0 005	0.029	-	-	0 066	0.095	<10	-	395	-	-	395	-	**4,480**
*3/18/2008	1-2	-	Excavated	<0.005	0 006	0 02	-	-	0.067	0.093	<10	-	212	-	-	212	-	**6,240**
*3/18/2008	1-3	-	Excavated	<0.02	0.119	<0 02	-	-	<0 06	0 119	<10	-	81 9	-	-	81 9	-	**1,250**
*3/18/2008	1-4	-	Excavated	<0.001	<0 001	0.001	-	-	0.004	0 005	<10	-	70 7	-	-	70.7	-	288
04/30/08	SB1 - 5'	5'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42 54
04/30/08	SB1 - 10'	10'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42 54
04/30/08	SB1 - 15'	15'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<5
04/30/08	SB2 - 5'	5'	In-Situ	-	-	-	-	-	-	-	-	<16 9	-	<16.9	<16.9	-	<16.9	<5
04/30/08	SB2 - 10'	10'	In-Situ	<0 001	<0.002	<0 001	<0 002	<0 001	<0 002	<0 002	-	<17.1	-	<17.1	<17.1	-	<17 1	<5
04/30/08	SB2 - 15'	15'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63.81
04/30/08	SB2 - 25'	25'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53 18
04/30/08	SB3 - 5'	5'	In-Situ	-	-	-	-	-	-	-	-	<16 9	-	<16 9	<16.9	-	<16 9	63 81
04/30/08	SB3 - 10'	10'	In-Situ	<0 001	<0.002	<0 001	<0 002	<0.001	<0 002	<0 002	-	<16.9	-	<16 9	<16.9	-	<16 9	117
04/30/08	SB3 - 15'	15'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63 81
04/30/08	SB3 - 25'	25'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42 54
04/30/08	SB4 - 5'	5'	In-Situ	-	-	-	-	-	-	-	-	<17 0	-	<17 0	<17 0	-	<17.0	85 08
04/30/08	SB4 - 10'	10'	In-Situ	<0 001	<0 002	<0 001	<0 002	<0.001	<0.002	<0.002	-	<16 8	-	<16 8	<16.8	-	<16 8	63 81
04/30/08	SB4 - 15'	15'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	148 9
04/30/08	SB4 - 25'	25'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42 54
04/30/08	SB5 - 5'	5'	In-Situ	<0 001	<0 002	<0 001	<0 002	<0 001	<0 002	<0 002	-	<17.0	-	<17.0	<17 0	-	<17.0	95 72
04/30/08	SB5 - 10'	10'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63 81
04/30/08	SB6 - 5'	5'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	265.9
04/30/08	SB6 - 10'	10'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	340.3
06/19/08	10' from Wellhead	1'	Excavated	<0 0011	<0.0023	<0.0011	<0 0023	<0 0011	<0 0023	<0.0023	-	<17 2	-	357	99.5	-	456 5	**7,650**
06/19/08	20' from Wellhead	1'	Excavated	<0 0012	<0 0024	<0.0012	<0 0024	<0 0012	<0 0024	<0.0024	-	<17 6	-	754	282	-	**1,036**	**1,860**
06/19/08	50' from Wellhead	1'	Excavated	<0 0012	<0 0023	<0 0012	<0 0023	<0 0012	<0.0024	<0.0024	-	20.1	-	546	231	-	797 1	**258**
08/04/08	ESW@2'	2'	In-Situ	-	-	-	-	-	-	-	-	<19.1	-	<19.1	<19.1	-	<19 1	**618**
08/04/08	Floor-1 @ 4'	4'	Excavated	-	-	-	-	-	-	-	-	<18.1	-	<18.1	<18 1	-	<18.1	**2,790**
08/04/08	SSW@5'	5'	In-Situ	-	-	-	-	-	-	-	-	<18.3	-	<18.3	<18 3	-	<18.3	**3,320**
08/04/08	Floor-2@5'	5'	Excavated	-	-	-	-	-	-	-	-	<17 6	-	<17.6	<17 6	-	<17 6	**902**
08/04/08	WSW@4'	4'	Excavated	-	-	-	-	-	-	-	-	188	-	3050	565	-	**3,803**	**965**
08/18/08	NSW-1	3'	Excavated	<0 0011	<0 0023	0 0015	0 0041	0 0037	0 0078	0 0171	-	<17 1	-	515	110	-	625	**19,100**
08/18/08	NSW-2	3'	Excavated	<0.0012	<0 0024	<0 0012	<0 0024	<0 0012	<0 0024	<0 0024	-	<18.0	-	19.5	21 4	-	40.9	**15,300**
08/18/08	WSW-1	3'	Excavated	<0 0012	<0 0024	<0 0012	<0 0024	<0.0012	<0 0024	<0 0024	-	<18 1	-	<18.1	<18.1	-	<18 1	**6,760**
08/18/08	SSW-1	3'	In-Situ	<0 0012	<0 0024	<0.0012	<0 0024	<0 0021	<0 0024	<0 0024	-	<17 8	-	46 4	23.2	-	69.6	**797**

Table 1

CONCENTRATIONS of BTEX, TPH and CHLORIDE IN SOIL
FAIRWAY RESOURCES - MIDNIGHT MATADOR A#4
EDDY COUNTY, NEW MEXICO
NMOCD Ref # 2RP-124

All measurments recorded in mg/kg

SAMPLE DATE	SAMPLE LOCATION	SAMPLE DEPTH	SOIL STATUS	Methods: EPA SW 846-8021B, 5030							EPA SW 846-8015M							EPA 4500 / E 300
				BENZENE (mg/Kg)	TOLUENE mg/Kg)	ETHYL-BENZENE (mg/Kg)	m,p-XYLENE (mg/Kg)	o-XYLENE (mg/Kg)	TOTAL XYLENE (mg/Kg)	TOTAL BTEX (mg/Kg)	GRO C_6-C_{10} (mg/Kg)	GRO C_6-C_{12} (mg/Kg)	DRO >C_{10}-C_{28} (mg/Kg)	DRO >C_{12}-C_{28} (mg/Kg)	ORO >C_{28}-C_{35} (mg/Kg)	TOTAL TPH C_6-C_{28} (mg/Kg)	TOTAL TPH C_6-C_{35} (mg/Kg)	Chloride (mg/Kg)
08/18/08	Floor-1A	4 5'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<125
08/18/08	Floor-2A	5 5'	In-Situ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<125
09/02/08	T-5A@3'	3'	Excavated	-	-	-	-	-	-	-	-	<18 6	-	<18.6	<18 6	-	<18.6	237
09/02/08	T-5B@3'	3'	Excavated	-	-	-	-	-	-	-	-	<17 8	-	<17 8	<17 8	-	<17 8	206
09/02/08	T-6A@3'	3'	Excavated	-	-	-	-	-	-	-	-	<18.1	-	<18 1	<18 1	-	<18.1	**894**
09/02/08	T-6B@3'	3'	Excavated	-	-	-	-	-	-	-	-	<18 5	-	<18 5	<18 5	-	<18.5	238
09/24/08	WSW-1A	3'	In-Situ	-	-	-	-	-	-	-	-	<16.7	-	20 8	<16 7	-	20 8	390
09/24/08	NSW-2A	3'	Excavated	-	-	-	-	-	-	-	-	<16.8	-	51	<16.8	-	51	**1,860**
09/24/08	NSW-1A	3'	In-Situ	-	-	-	-	-	-	-	-	<16.9	-	341	151	-	492	124
10/08/08	NSW-2A	3'	In-Situ	<0 0012	<0.0024	<0 0012	<0 0024	<0 0012	<0 0024	<0.0024	-	<17 7	-	<17 7	<17.7	-	<17 7	90
NMOCD CLEAN-UP LEVEL				**10**						**50**							**1,000**	**500**

* Indicates date analyzed - sample date unavailable
BOLD indicates concentration exceeding NMOCD regulatory standards

Appendices

Appendix A
BLM and NMOCD Correspondence

Kenneth Pearce

From: mjones@fairwayresources.com
Sent: Tuesday, January 15, 2008 6:42 PM
To: kpearce@fairwayresources.com; meagleston@fairwayresources.com
Subject: Fwd: S Red Lake II Unit #4

-----Original Message-----
From: Jennifer_Bell@nm.blm.gov [mailto:Jennifer_Bell@nm.blm.gov]
Sent: Tuesday, January 15, 2008 05:09 PM
To: mjones@fairwayresources.com
Subject: S Red Lake II Unit #4

Hi Mike,

This e-mail is just to document what we discussed in our onsite meeting on January 10, 2008. The reserve pit on the S Red Lake II Unit #4 location appears to be leaching salts, and very little vegetation is growing. This is in addition to the leak at the well that appears to have run across the surface of the pit and into the pasture. As discussed, Fairway will submit a reclamation plan to me by January 31, 2008 for the pit and for the area to the north of the pit affected by the leak. Approval of the reclamation plan is subject to OCD review. Soils must be returned to OCD-approved chloride levels.

Thanks, and I look forward to working with you on this project;
Jenny

Jenny Bell
Environmental Protection Assistant
Bureau of Land Management
Office 505-234-5919
Cell 505-361-3570
Fax 505-885-9264

Kenneth Pearce

From: Kenneth Pearce [kpearce@fairwayresources.com]
Sent: Thursday, January 31, 2008 5:41 PM
To: Jenny Bell
Cc: Mike Jones; Kenneth Pearce
Subject: Fairway Resources - Midnight Matador A #4 - Soil Remediation Project
Attachments: MMA 4 Cardinal Lab TPH Chloride tests.pdf

Jenny,

Please review the following proposal and let me know if this is what you had in mind.
If so, we will start working on this as soon as possible after we hear from you.

Midnight Matador A #4 (formerly South Red Lake II Unit #4)
API 30-015-01231
Unit 'B', 988' FNL & 1664' FEL
Section 35, T-17-S, R-27-E
Eddy County, NM
Red Lake Field

Contaminated Soil Remediation at Wellhead and on North Side of Location
(possible area of original drilling pit, 1947)

Total Petroleum Hydrocarbons Testing:
by OCD point system, soil TPH limits are 5,000 ppm
Cardinal Labs results (see attached) indicate acceptable levels

Chlorides Testing:
OCD chloride limit is 500 ppm
Cardinal Labs results (see attached) indicate high levels at well and old pit area

Remediation Plans:
1) cover affected area with 2' of caliche
2) cap area with 1' of top soil
3) re-establish natural contour of area
4) seed area with weed-free native grass seed

Thanks,

Kenneth Pearce
Sr. Operations Engineer
Fairway Resources
538 Silicon Dr., Suite 101
Southlake, TX 76092
office: 817-416-1946
fax: 817-416-1949
email: kpearce@fairwayresources.com

1/31/2008

Kenneth Pearce

From: Jennifer_Bell@nm.blm.gov
Sent: Friday, February 01, 2008 8:37 AM
To: Kenneth Pearce
Cc: Mike Jones
Subject: Re: Fairway Resources - Midnight Matador A #4 - Soil Remediation Project
Attachments: MMA 4 Cardinal Lab TPH Chloride tests.pdf

Hi Kenneth,

This plan would be acceptable if it were the old drilling pit area. However, I didn't hear back from you about whether or not this was a pit. My supervisor and I did a bit of research on the OCD website, and it looks like there probably was not a pit--they used a cable method when drilling. Thus, spills and leaks from the well have likely probably caused the problems that we are seeing with chlorides and no vegetation, and the major concern would be contamination leaching downward. Capping this area would just be covering up the problem.

All of the soils here need to be returned to OCD-acceptable levels, which will most likely require quite a bit of excavation. A plan will need to be approved by OCD prior to our approval. We are all right with you removing any contaminated soils into a currently-open, lined reserve pit that you may have from a new well in the area. After you have excavated, it is also acceptable for you to line or "cap" the excavation with some caliche and fill with good, clean topsoil that you may have leftover from a nearby reserve pit. Again, though, New Mexico OCD will have to approve any proposal that you may have to clean up this location. Please notify us as soon as you have their approval, we will review the plan, and then we'll go from there. I'll expect to hear back from you by February 29.

Please let me know if you have any questions or concerns. Thanks!

Jenny

Jenny Bell
Environmental Protection Assistant
Bureau of Land Management
Office 505-234-5919
Cell 505-361-3570
Fax 505-885-9264

"Kenneth Pearce" <kpearce@fairwayresources.com>

01/31/2008 04:40 PM

To "Jenny Bell" <Jennifer_Bell@nm.blm.gov>
cc "Mike Jones" <mjones@fairwayresources.com>, "Kenneth Pearce" <kpearce@fairwayresources.com>
Subject Fairway Resources - Midnight Matador A #4 - Soil Remediation Project

Jenny,

Please review the following proposal and let me know if this is what you had in mind.
If so, we will start working on this as soon as possible after we hear from you.

2/6/2008

Kenneth Pearce

From: Bonham, Sherry, EMNRD [Sherry.Bonham@state.nm.us]
Sent: Thursday, February 07, 2008 12:37 PM
To: kpearce@fairwayresources.com
Subject: Midnight Matador A #4 30 015 01231 2RP-124

February 6, 2008

Fairway Resources Operating LLC
538 Silicon Drive, Suite 101
Southlake, TX 76092
ATTN: Mr. Kenneth Pearce

Reference: Midnight Matador A #4 35-17S-27E API: 30-015-01231 Eddy County New Mexico
2RP-124

Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report Form C-141 reporting a release of produced fluids that occurred at an unknown time at the above referenced well site. As presented, the initial report C-141 proposing relocation of release contaminated soils to a drilling reserve pit is **denied**. Contaminated soil management options are suggested in the publication *Guidelines for Remediation of Leaks, Spills and Releases.*

Please re-submit a corrected initial report on or before **February 20, 2008**. In addition, please submit a work plan proposal (plan) for remediation, removal and/or clean up of contaminants that may be present at this site. The plan is to be formulated based on vertical and horizontal delineation of contamination, site ranking, and OCD Rules and Guidelines. Please submit this plan to the OCD District 2 office no later than **March 6, 2008**. Please include any remedial or clean up actions that have already been performed.

The publication *Guidelines for Remediation of Leaks, Spills and Releases* outlining OCD guidelines and requirements for site ranking and spill remediation can be found on the OCD website as follows: http://www.emnrd.state.nm.us/ocd/index.htm Click on each of the following items as they appear:

- Publications
- Environmental Handbook
- Miscellaneous Guidelines
- Remediation of Leaks, Spills and Releases

Information regarding approvals and/or stipulations can be found on the OCD website as follows: http://www.emnrd.state.nm.us/ocd/index.htm Click on each of the following items as they appear:

- OCD Online
- Imaging
- Administrative & Environmental Orders
- Under Specific Information Heading, next to *Order Type*, click on drop down arrow and select 2R-Remediation Permit-Artesia-(2RP). Next to *Order Number/Amendment* in the **first** box only, type the digits following the 2RP (this 2RP number is listed beneath the facility name in the 'reference' section of this letter).
- Click on the continue button. You should be able to view documentation ie approvals, work plan approvals, stipulations, etc regarding this specific incident. Click on the document and click open.

Remediation requirements may be subject to other federal, state, local laws and/or regulations. Additionally, please be advised that OCD approval does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment.

Thank you for your attention to these matters. If I can be of assistance, please don't hesitate to contact me at the contact information listed below.

2/7/2008

Respectfully,
Sherry Bonham

Sherry Bonham
NMOCD District 2
1301 W. Grand Ave.
Artesia, NM 88210
(505) 748-1283 Ext.109
sherry.bonham@state.nm.us

March 6, 2008

Sherry Bonham
NMOCD District 2
1301 W. Grand Ave.
Artesia, NM 88210

RE: Midnight Matador A #4
API 30-015-01231
Old Leak and Soil Contamination
2RP-124

Sherry,

As per your letter dated 2-6-2008, I am attaching a proposed spill remediation plan for the Midnight Matador A #4 leak and soil contamination, as reported on our recently re-submitted Form C-141. Please review and let me know if this is acceptable or if we need to make any modifications. I am mailing copies of this to you today as well.

Sincerely,

Kenneth Pearce
Sr. Operations Engineer
Fairway Resources
538 Silicon Dr., Suite 101
Southlake, TX 76092
office: 817-416-1946
fax: 817-416-1949
email: kpearce@fairwayresources.com

March 6, 2008

Fairway Resources Operating, LLC
Midnight Matador A #4
API 30-015-01231
Unit 'B', Sec. 35, T17S, R27E
Eddy Co., NM
Leak and Soil Contamination at Well Site
(C-141 filed 2-18-2008)

Proposed Response Plan

Initial Response Actions Taken

1-16-2008 Leakage and evidence of soil contamination discovered, no free liquids were found.
No free liquids were found, no current leakage.

Soil and Water Remediation Action Levels

Ranking Criteria	Depth to Ground Water;	50' - 99'	score 10
	Wellhead Protection Area;	>1000' from water source >200' from private domestic water source	score 0
	Distance to Surface Water Body;	>1000' horizontal feet	score 0
			Total Score: 10

Required Remediation Action Level

Benzene (ppm)	10
BTEX (ppm)	50
TPH (ppm)	1,000
Chlorides (ppm)	500

Proposed Remediation Plan

Notes: Remediation work will be performed as soon as possible after this plan is approved, and equipment and services are available.
All soil sampling and analyzes will be done using EPA methods and/or OCD approved standards.

1) Soil samples will be collected at 1', 2', and 3' depths within the affected area based on visual assessment. The samples will be laboratory analyzed to determine the specific area and depth of contamination above the OCD limits shown above. Additional samples at greater depths will be obtained and analyzed, if needed, to ascertain the soil depth requiring remediation. If chloride levels are found to be in access of the limitation, unaffected nearby soil samples may be obtained and analyzed to determine the 'background' chloride concentration of the area.

2) The affected soil will be excavated and hauled to an off-site OCD approved treatment or disposal facility.

3) Clean soil will be hauled in and placed in the excavated area.

4) Remedial action will be terminated once contaminant concentrations are below OCD specified levels, as shown above, or these levels cannot be practically attained and the remaining contaminant concentrations pose no threat to fresh water, the public, or the environment, subject to OCD evaluation and approval.

5) After all remedial activities are completed, a final report summarizing all actions taken to mitigate damage related to the spill will be provided to the OCD for approval.

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division

March 6, 2008

Fairway Resources Operating, LLC
538 Silicon Dr., Ste 101
Southlake, TX 76092

Attn: Kenneth Pearce

Reference: Midnight Matador A #4 35-17S-27E
30 015 01231 Eddy County, New Mexico
2RP-124

Mr. Pearce,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of a work plan proposal (plan) for remediation of a release of produced fluids discovered at the above referenced facility on January 16, 2008. The plan proposes excavation and disposal of impacted soils exceeding the OCD Recommended Remedial Action Levels (RRAL) for this site.

The plan is accepted with the following stipulations:

- Notify the OCD 24 hours prior to commencement of activities.
- Notify the OCD 48 hours prior to obtaining samples where analyses are to be submitted to the OCD.
- Results of analytical data obtained through sampling shall be forwarded to OCD for approval **prior** to any backfilling activities
- A final Report C-141 is to be submitted to the OCD upon satisfactory completion of remediation project.
- Remediation requirements may be subject to change as site conditions warrant.
- Remediation to be completed on or before May 2, 2008.

Please be advised that NMOCD acceptance of this plan 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 this plan does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

Respectfully,

Sherry Bonham
NMOCD District 2
1301 W Grand Avenue
Artesia, NM 88210
575.748.1283 ext. 109
sherry.bonham@state.nm.us

Kenneth Pearce

From: Jennifer_Bell@nm.blm.gov
Sent: Friday, March 07, 2008 8:07 AM
To: Kenneth Pearce
Subject: RE: Midnight Matador A #4 30 015 01231 2RP-124
Attachments: MMA 4 remediation plan for 1-16-08 leak.doc

Ken,

Thanks for the proposal. This plan is acceptable to us, dependent upon OCD approval. Please notify me at least three business days before you conduct sampling, and three business days before you begin excavation work. I'll set the cleanup deadline at May 7, 20008. Please e-mail or call with any questions. Thanks!

Jenny

Jenny Bell
Environmental Protection Assistant
Bureau of Land Management
Office 505-234-5919
Cell 505-361-3570
Fax 505-885-9264

"Kenneth Pearce" <kpearce@fairwayresources.com>

03/06/2008 02:38 PM

To "'Bonham, Sherry, EMNRD'" <Sherry.Bonham@state.nm.us>
cc "Jenny Bell" <Jennifer_Bell@nm.blm.gov>, <mjones@fairwayresources.com>, "Kenneth Pearce" <kpearce@fairwayresources.com>
Subject RE: Midnight Matador A #4 30 015 01231 2RP-124

March 6, 2008

Sherry Bonham
NMOCD District 2
1301 W. Grand Ave.
Artesia, NM 88210

RE: Midnight Matador A #4
API 30-015-01231
Old Leak and Soil Contamination
2RP-124

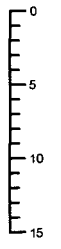
Sherry,

3/7/2008

Appendix B
Soil Boring Logs

Soil Boring SB-1

Depth (feet)	Soil Columns	PID Reading	Petroleum Odor	Petroleum Stain
0 - 5		2.0	None	None
5 - 12		2.2	None	None
12 - 15	TD	3.1	None	None



Soil Description

0 - 5' - Clay, brown, sandy with white gypsum laminations

5 - 12' - Gypsum, white, soft

12 - 13' - Clay, red, silty
13 - 15' - Gypsum, white, soft

Soil Boring Details

Date Drilled April 30, 2008
Thickness of Bentonite Seal 15 Ft
Depth of Exploratory Boring 15 Ft
Depth to Groundwater _____
Ground Water Elevation _____

▼ Indicates the PSH level measured on _____

▼ Indicates the groundwater level measured on _____

⬭ Indicates samples selected for Laboratory Analysis

PID Head-space reading in ppm obtained with a photo-ionization detector

Notes

1) The soil boring was advanced on date using air rotary drilling techniques

2.) The lines between material types shown on the profile log represent approximate boundaries. Actual transitions may be gradual

3) The depths indicated are referenced from below ground surface (bgs)

Boring Log Details
Soil Boring SB-1
Midnight Matador A #4 Eddy County, New Mexico
Fairway Resources Operating, LLC

Basin Environmental Services

Prep By CDS	Checked By CDS
May 12, 2008	

Soil Boring SB-2

Depth (feet)	Soil Columns	PID Reading	Petroleum Odor	Petroleum Stain
0				
5		2.0	None	None
10		2.2	None	None
15		3.1	None	None
20		2.1	None	None
25	TD	5.4		

Soil Description

0 - 4' - Caliche, pad construction material

4 - 5' - Clay, red, silty

5 - 13' - Gypsum, white, soft

13 - 18' - Clay, red, silty

18 - 25' - Gypsum, white, soft

Soil Boring Details

Date Drilled April 30, 2008

Thickness of Bentonite Seal 25 Ft

Depth of Exploratory Boring 25 Ft

Depth to Groundwater _____

Ground Water Elevation _____

▼ Indicates the PSH level measured on _____

▼ Indicates the groundwater level measured on _____

⬭ Indicates samples selected for Laboratory Analysis

PID Head-space reading in ppm obtained with a photo-ionization detector

Notes

1.) The soil boring was advanced on date using air rotary drilling techniques

2) The lines between material types shown on the profile log represent approximate boundaries. Actual transitions may be gradual

3) The depths indicated are referenced from below ground surface (bgs)

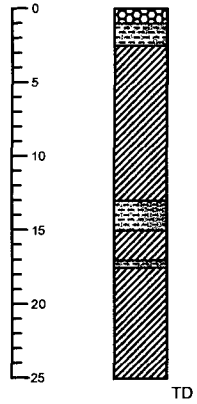
Boring Log Details
Soil Boring SB-2
Midnight Matador A #4 Eddy County, New Mexico
Fairway Resources Operating, LLC

Basin Environmental Services

Prep By CDS	Checked By CDS
May 12, 2008	

Soil Boring SB-3

Depth (feet)	Soil Columns	PID Reading	Petroleum Odor	Petroleum Stain
0				
5		2.2	None	None
10		0.3	None	None
15		0.7	None	None
20		0.9	None	None
25	TD	1.0	None	None



Soil Description

0 - 1' - Caliche, pad construction material
1 - 2.5' - Clay, red, silty

2.5 - 13' - Gypsum, white, soft

13 - 15' - Clay, red, silty
15 - 17' - Gypsum, white, soft
17 - 17.5' - Clay, red, silty

17.5 - 25' - Gypsum, white, soft

Soil Boring Details

Date Drilled April 30, 2008
Thickness of Bentonite Seal 25 Ft
Depth of Exploratory Boring 25 Ft
Depth to Groundwater _____
Ground Water Elevation _____

▼ Indicates the PSH level measured on _____

▼ Indicates the groundwater level measured on _____

⬭ Indicates samples selected for Laboratory Analysis

PID Head-space reading in ppm obtained with a photo-ionization detector

Notes

1) The soil boring was advanced on date using air rotary drilling techniques

2.) The lines between material types shown on the profile log represent approximate boundaries Actual transitions may be gradual

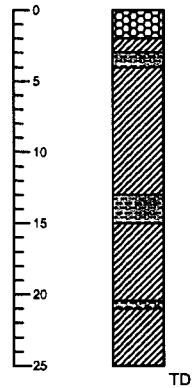
3.) The depths indicated are referenced from below ground surface (bgs)

Boring Log Details
Soil Boring SB-3
Midnight Matador A #4 Eddy County, New Mexico
Fairway Resources Operating, LLC

Basin Environmental Services

Prep By CDS	Checked By CDS
May 12, 2008	

Soil Boring SB-4

Depth (feet)	Soil Columns	PID Reading	Petroleum Odor	Petroleum Stain
0		2.1	None	None
5		1.1	None	None
10		1.4	None	None
15		1.6	None	None
20		5.8	None	None
25	TD			

Soil Description

0 - 2' - Caliche, pad construction material
2 - 3' - Gypsum, white, soft
3 - 4' - Clay, red, silty

5 - 13' - Gypsum, white, soft

13 - 15' - Clay, red, silty

15 - 20.5' - Gypsum, white, soft

20.5 - 21' - Clay, red, silty

21 - 25' - Gypsum, white, soft

Soil Boring Details

Date Drilled April 30, 2008
Thickness of Bentonite Seal 25 Ft
Depth of Exploratory Boring 25 Ft
Depth to Groundwater _____
Ground Water Elevation _____

▼ Indicates the PSH level measured on _____

▼ Indicates the groundwater level measured on _____

⬭ Indicates samples selected for Laboratory Analysis.

PID Head-space reading in ppm obtained with a photo-ionization detector.

Notes

1.) The soil boring was advanced on date using air rotary drilling techniques.

2.) The lines between material types shown on the profile log represent approximate boundaries. Actual transitions may be gradual.

3.) The depths indicated are referenced from below ground surface. (bgs)

Boring Log Details
Soil Boring SB-4
Midnight Matador A #4 Eddy County, New Mexico
Fairway Resources Operating, LLC

Basin Environmental Services

Prep By: CDS	Checked By: CDS
May 12, 2008	

Soil Boring SB-5

Depth (feet)	Soil Columns	PID Reading	Petroleum Odor	Petroleum Stain
0				
5		1.9	None	None
10	TD	0.0	None	None

Soil Description

0 - 1' - Clay, brown, sandy

1 - 10' - Gypsum, white, soft with some red clay stringers

Soil Boring Details

Date Drilled April 30, 2008
Thickness of Bentonite Seal 10 Ft
Depth of Exploratory Boring 10 Ft
Depth to Groundwater _____
Ground Water Elevation _____

▼ Indicates the PSH level measured on _____

▼ Indicates the groundwater level measured on _____

⬭ Indicates samples selected for Laboratory Analysis.

PID Head-space reading in ppm obtained with a photo-ionization detector.

Notes

1.) The soil boring was advanced on date using air rotary drilling techniques.

2.) The lines between material types shown on the profile log represent approximate boundaries. Actual transitions may be gradual.

3.) The depths indicated are referenced from below ground surface. (bgs)

Boring Log Details
Soil Boring SB-5
Midnight Matador A #4 Eddy County, New Mexico
Fairway Resources Operating, LLC

Basin Environmental Services

Prep By: CDS	Checked By: CDS
May 12, 2008	

Soil Boring SB-6

Depth (feet)	Soil Columns	PID Reading	Petroleum Odor	Petroleum Stain
0				
5		2.0	None	None
10	TD	0.5	None	None

Soil Description

0 - 1' - Clay, brown, sandy

1 - 6' - Gypsum, white, soft

6 - 9' - Clay, red, silty

9 - 10' - Gypsum, white, soft

Soil Boring Details

Date Drilled April 30, 2008

Thickness of Bentonite Seal 10 Ft

Depth of Exploratory Boring 10 Ft

Depth to Groundwater _____

Ground Water Elevation _____

▼ Indicates the PSH level measured on _____

▼ Indicates the groundwater level measured on _____

⬭ Indicates samples selected for Laboratory Analysis.

PID Head-space reading in ppm obtained with a photo-ionization detector.

Notes

1.) The soil boring was advanced on date using air rotary drilling techniques.

2.) The lines between material types shown on the profile log represent approximate boundaries. Actual transitions may be gradual.

3.) The depths indicated are referenced from below ground surface. (bgs)

Boring Log Details
Soil Boring SB-6
Midnight Matador A #4 Eddy County, New Mexico
Fairway Resources Operating, LLC

Basin Environmental Services

Prep By: CDS	Checked By: CDS
May 12, 2008	

Appendix C
Laboratory Analytical Reports

CARDINAL LABORATORIES

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

ANALYTICAL RESULTS FOR
FAIRWAY RESOURCES
ATTN: MIKE JONES
1407 W. AVE M
LOVINGTON, NM 88260

Receiving Date: 01/16/08
Reporting Date: 01/17/08
Project Number: NOT GIVEN
Project Name: MIDNIGHT MATADOR 4 A
Project Location: 5 MILES EAST OF ARTESIA, NM

Sampling Date: 01/15/08
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: ML
Analyzed By: BC

all samples north of well

LAB NO.	SAMPLE ID	GRO (C_6-C_{10}) (mg/Kg)	DRO (>C_{10}-C_{28}) (mg/Kg)
ANALYSIS DATE:		01/16/08	01/16/08
H14097-1	1st HOLE N. OF WELL 1 FT	<10.0	<10.0
H14097-2	#1 HOLE 2 FT	<10.0	<10.0
H14097-3	#1 HOLE 3 FT	<10.0	<10.0
H14097-4	2nd HOLE 1 FT	<10.0	650
H14097-5	2nd HOLE 2 FT	<10.0	417
H14097-6	2nd HOLE 3 FT	<10.0	1110
H14097-7	3rd HOLE 1 FT	<10.0	451
H14097-8	3rd HOLE 2 FT	<10.0	<10.0
Quality Control		833	805
True Value QC		800	800
% Recovery		104	101
Relative Percent Difference		3.6	0.1

METHOD: SW-846 8015 M

Chemist

1/17/08
Date

H14097 FWY

CARDINAL LABORATORIES

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

ANALYTICAL RESULTS FOR
FAIRWAY RESOURCES
ATTN: KENNETH PEARCE
538 SILICON DR., SUITE 101
SOUTHLAKE, TX 76092
FAX TO: (817) 416-1949

Receiving Date: 01/16/08
Reporting Date: 01/30/08
Project Owner: F R
Project Name: MIDNIGHT MATADOR 4A
Project Location: 5 MILES EAST OF ARTESIA, NM

Analysis Date: 01/30/08
Sampling Date: 01/15/08
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: ML
Analyzed By: HM

LAB NO.	SAMPLE ID	Cl^- (mg/kg)
H14097-1	1ST HOLE N OF WELL 1 FT.	400
H14097-2	#1 HOLE 2 FT.	5,200
H14097-3	#1 HOLE 3 FT.	384
H14097-4	2ND HOLE 1 FT.	2,530
H14097-5	2ND HOLE 2 FT.	2,060
H14097-6	2ND HOLE 3 FT.	1570
H14097-7	3RD HOLE 1 FT.	976
H14097-8	3RD HOLE 2 FT.	368
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1
METHOD: Standard Methods		4500-ClB

Note: Analyses performed on 1:4 w:v aqueous extracts.

Chemist

01-30-08
Date

H14097 Fairway Resources

CARDINAL LABORATORIES

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

ANALYTICAL RESULTS FOR
FAIRWAY RESOURCES
ATTN: MIKE JONES
538 SILICON DR., SUITE 101
SOUTHLAKE, TX 76092
FAX TO: (817) 416-1949

Receiving Date: 03/18/08
Reporting Date: 03/19/08
Project Owner: KENNETH PEARCE (A #4)
Project Name: REMEDIATION
Project Location: MIDNIGHT MATADOR A #4

Sampling Date: NOT GIVEN
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: HM
Analyzed By: AB

LAB NUMBER	SAMPLE ID	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)
ANALYSIS DATE		03/18/08	03/18/08	03/18/08	03/18/08
H14466-1	1-1	<0.005	<0.005	0.029	0.066
H14466-2	1-2	<0.005	0.006	0.020	0.067
H14466-3*	1-3	<0.020	0.119	<0.020	<0.060
H14466-4	1-4	<0.001	<0.001	0.001	0.004
Quality Control		0.098	0.092	0.088	0.282
True Value QC		0.100	0.100	0.100	0.300
% Recovery		98.5	92.5	88.2	93.9
Relative Percent Difference		0.5	0.9	0.3	0.6

METHOD: EPA SW-846 8021B

*Note: Used dilution due to matrix interference.

Chemist

03/21/08
Date

H14466B.FR

CARDINAL LABORATORIES

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

ANALYTICAL RESULTS FOR
FAIRWAY RESOURCES
ATTN: MIKE JONES
538 SILICON DR., SUITE 101
SOUTHLAKE, TX 76092
FAX TO: (817) 416-1949

Receiving Date: 03/18/08
Reporting Date: 03/20/08
Project Owner: KENNETH PEARCE (A #4)
Project Name: REMEDIATION
Project Location: MIDNIGHT MATADOR A #4

Sampling Date: NOT GIVEN
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: HM
Analyzed By: AB/CK/HM

LAB NUMBER	SAMPLE ID	GRO (C_6-C_{10}) (mg/kg)	DRO (>C_{10}-C_{28}) (mg/kg)	Cl* (mg/kg)
ANALYSIS DATE		03/18/08	03/18/08	03/18/08
H14466-1	1-1	<10.0	395	4,480
H14466-2	1-2	<10.0	212	6,240
H14466-3	1-3	<10.0	81.9	1,250
H14466-4	1-4	<10.0	70.7	288
Quality Control		429	570	490
True Value QC		500	500	500
% Recovery		85.8	114	98.0
Relative Percent Difference		10.2	5.1	<0.1

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl^-: Std. Methods 4500-Cl^-B
*Analyses performed on 1:4 w:v aqueous extracts.

Chemist

03/21/08
Date

H14466A FR

CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240
(505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page ____ of ____

Company Name:	Faircloth Resources
Project Manager:	Mike Jones
Address:	539 Silicon Dr - Suite 101
City:	Southlake State: TX Zip: 76092
Phone #:	390-4611 Fax #: 817-416-1549
Project #:	A#4 Project Owner: Kenneth Faircloth
Project Name:	Remediation
Project Location:	Midnight Matador A#4
Sampler Name:	Joel Munoz

BILL TO

P.O. #:	
Company:	Cavendy Corp
Attn:	Joel Munoz
Address:	1623 S Main
City:	Lovington N.M.
State: NM	Zip: 88260
Phone #:	575 396-3537
Fax #:	575-396-6887

ANALYSIS REQUEST: TPH | B-Tex | Chlorides

FOR LAB USE ONLY Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX: GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	PRESERV.: ACID/BASE:	ICE / COOL	OTHER:	SAMPLING: DATE	TIME
414466-1	1-1					✓								
-2	1-2					✓								
-3	1-3					✓								
-4	1-4					✓								

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.

Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

Sampler Relinquished:	Date: 12-14-09	Received By:	
	Time: 1:30		
Relinquished By:	Date:	Received By:	
	Time:		
Delivered By: (Circle One)	Temp.	Sample Condition: Cool ☐ Yes ☐ No; Intact ☑ Yes ☐ No	CHECKED BY: (Initials)
Sampler - UPS - Bus - Other:			

Phone Result: ☐ Yes ☐ No Add'l Phone #:
Fax Result: ☐ Yes ☐ No Add'l Fax #:
REMARKS:

Fax To 575-396-6887

† Cardinal cannot accept verbal changes. Please fax written changes to 575-393-2476.

3

Analytical Report 303107

for

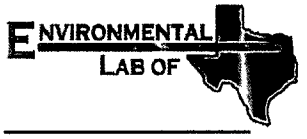
Basin Enivronmental Services

Project Manager: Curt Stanley

Fairway Resources - Midnight Matador A #4

Midnight Matador A#4

07-MAY-08



12600 West I-20 East Odessa, Texas 79765

Texas certification numbers:
Houston, TX T104704215

Florida certification numbers:
Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675
Norcross(Atlanta), GA E87429

South Carolina certification numbers:
Norcross(Atlanta), GA 98015

North Carolina certification numbers:
Norcross(Atlanta), GA 483

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America
Midland - Corpus Christi - Atlanta

XENCO Laboratories

07-MAY-08

Project Manager: **Curt Stanley**
Basin Enivronmental Services
P.O. Box 301
Lovington, NM 88260

Reference: XENCO Report No: **303107**
Fairway Resources - Midnight Matador A #4
Project Address: East of Artesia, NM

Curt Stanley:

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 303107. 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. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. 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. 303107 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,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 303107

Basin Enivronmental Services, Lovington, NM

Fairway Resources - Midnight Matador A #4

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
SB1-5'	S	Apr-30-08 10:20		303107-001
SB1-10'	S	Apr-30-08 10:25		303107-002
SB1-15'	S	Apr-30-08 10:30		303107-003
SB2-5'	S	Apr-30-08 11:00		303107-004
SB2-10'	S	Apr-30-08 11:05		303107-005
SB2-15'	S	Apr-30-08 11:10		303107-006
SB2-25'	S	Apr-30-08 11:20		303107-008
SB3-5'	S	Apr-30-08 12:35		303107-009
SB3-10'	S	Apr-30-08 12:40		303107-010
SB3-15'	S	Apr-30-08 12:45		303107-011
SB3-25'	S	Apr-30-08 12:55		303107-013
SB4-5'	S	Apr-30-08 13:15		303107-014
SB4-10'	S	Apr-30-08 13:17		303107-015
SB4-15'	S	Apr-30-08 13:20		303107-016
SB4-25'	S	Apr-30-08 13:30		303107-018
SB5-5'	S	Apr-30-08 14:05		303107-019
SB5-10'	S	Apr-30-08 14:15		303107-020
SB6-5'	S	Apr-30-08 14:20		303107-021
SB6-10'	S	Apr-30-08 14:25		303107-022

Certificate of Analysis Summary 303107

Basin Enivronmental Services, Lovington, NM

Project Name: Fairway Resources - Midnight Matador A #4

Project Id: Midnight Matador A#4
Contact: Curt Stanley
Project Location: East of Artesia, NM

Date Received in Lab: Fri May-02-08 04:23 pm
Report Date: 07-MAY-08
Project Manager: Brent Barron, II

Analysis Requested							
	Lab Id:	303107-001	303107-002	303107-003	303107-004	303107-005	303107-006
	Field Id:	SB1-5'	SB1-10'	SB1-15'	SB2-5'	SB2-10'	SB2-15'
	Depth:						
	Matrix:	SOIL	SOIL	SOIL	SOIL	SOIL	SOIL
	Sampled:	Apr-30-08 10:20	Apr-30-08 10:25	Apr-30-08 10:30	Apr-30-08 11:00	Apr-30-08 11:05	Apr-30-08 11:10
BTEX by EPA 8021B	*Extracted:*					May-05-08 16:35	
	Analyzed:					May-05-08 19:21	
	Units/RL:					mg/kg RL	
Benzene						ND 0.0010	
Toluene						ND 0.0020	
Ethylbenzene						ND 0.0010	
m,p-Xylenes						ND 0 0020	
o-Xylene						ND 0 0010	
Xylenes, Total						ND	
Total BTEX						ND	
Chloride by SM4500-Cl- B	*Extracted:*						
	Analyzed:	May-06-08 00:00	May-06-08 00:00	May-06-08 00.00	May-06-08 00:00	May-06-08 00:00	May-06-08 00:00
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL
Chloride		42.54 5.000	42.54 5 000	ND	ND	ND	63.81 5.000
Percent Moisture	*Extracted:*						
	Analyzed:				May-05-08 15:35	May-05-08 15:35	
	Units/RL:				% RL	% RL	
Percent Moisture					11.4 1.00	12.3 1 00	
TPH by SW8015 Mod	*Extracted:*				May-05-08 16:55	May-05-08 16:55	
	Analyzed:				May-06-08 05.03	May-06-08 05:29	
	Units/RL:				mg/kg RL	mg/kg RL	
C6-C12 Gasoline Range Hydrocarbons					ND 16.9	ND 17.1	
C12-C28 Diesel Range Hydrocarbons					ND 16 9	ND 17.1	
C28-C35 Oil Range Hydrocarbons					ND 16.9	ND 17.1	
Total TPH					ND	ND	

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Brent Barron
Odessa Laboratory Director

Certificate of Analysis Summary 303107

Basin Enivronmental Services, Lovington, NM

Project Name: Fairway Resources - Midnight Matador A #4

Project Id: Midnight Matador A#4
Contact: Curt Stanley
Project Location: East of Artesia, NM

Date Received in Lab: Fri May-02-08 04:23 pm
Report Date: 07-MAY-08
Project Manager: Brent Barron, II

Analysis Requested							
	Lab Id:	303107-008	303107-009	303107-010	303107-011	303107-013	303107-014
	Field Id:	SB2-25'	SB3-5'	SB3-10'	SB3-15'	SB3-25'	SB4-5'
	Depth:						
	Matrix:	SOIL	SOIL	SOIL	SOIL	SOIL	SOIL
	Sampled:	Apr-30-08 11:20	Apr-30-08 12:35	Apr-30-08 12:40	Apr-30-08 12:45	Apr-30-08 12:55	Apr-30-08 13:15
BTEX by EPA 8021B	*Extracted:*			May-05-08 16:35			
	Analyzed:			May-05-08 22:07			
	Units/RL:			mg/kg RL			
Benzene				ND 0.0010			
Toluene				ND 0.0020			
Ethylbenzene				ND 0.0010			
m,p-Xylenes				ND 0.0020			
o-Xylene				ND 0.0010			
Xylenes, Total				ND			
Total BTEX				ND			
Chloride by SM4500-Cl- B	*Extracted:*						
	Analyzed:	May-06-08 00:00	May-06-08 00:00	May-06-08 00:00	May-06-08 00:00	May-06-08 00:00	May-06-08 00:00
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL
Chloride		53.18 5.000	63.81 5.000	117.0 5.000	63.81 5.000	42.54 5.000	85.08 5.000
Percent Moisture	*Extracted:*						
	Analyzed:		May-05-08 15:35	May-05-08 15:35			May-05-08 15:35
	Units/RL:		% RL	% RL			% RL
Percent Moisture			11.1 1.00	10.2 1.00			12.0 1.00
TPH by SW8015 Mod	*Extracted:*		May-05-08 16:55	May-05-08 16:55			May-05-08 16:55
	Analyzed:		May-06-08 05:55	May-06-08 06:21			May-06-08 06:46
	Units/RL:		mg/kg RL	mg/kg RL			mg/kg RL
C6-C12 Gasoline Range Hydrocarbons			ND 16.9	ND 16.7			ND 17.0
C12-C28 Diesel Range Hydrocarbons			ND 16.9	ND 16.7			ND 17.0
C28-C35 Oil Range Hydrocarbons			ND 16.9	ND 16.7			ND 17.0
Total TPH			ND	ND			ND

Brent Barron
Odessa Laboratory Director

Certificate of Analysis Summary 303107

Basin Enivronmental Services, Lovington, NM

Project Name: Fairway Resources - Midnight Matador A #4

Project Id: Midnight Matador A#4
Contact: Curt Stanley
Project Location: East of Artesia, NM

Date Received in Lab: Fri May-02-08 04:23 pm
Report Date: 07-MAY-08
Project Manager: Brent Barron, II

Analysis Requested							
	Lab Id:	303107-015	303107-016	303107-018	303107-019	303107-020	303107-021
	Field Id:	SB4-10'	SB4-15'	SB4-25'	SB5-5'	SB5-10'	SB6-5'
	Depth:						
	Matrix:	SOIL	SOIL	SOIL	SOIL	SOIL	SOIL
	Sampled:	Apr-30-08 13:17	Apr-30-08 13.20	Apr-30-08 13·30	Apr-30-08 14:05	Apr-30-08 14·15	Apr-30-08 14·20
BTEX by EPA 8021B	*Extracted:*	May-05-08 16:35			May-05-08 16:35		
	Analyzed:	May-05-08 22:30			May-05-08 22:54		
	Units/RL:	mg/kg RL			mg/kg RL		
Benzene		ND 0.0010			ND 0.0010		
Toluene		ND 0 0020			ND 0.0020		
Ethylbenzene		ND 0 0010			ND 0.0010		
m,p-Xylenes		ND 0 0020			ND 0.0020		
o-Xylene		ND 0.0010			ND 0 0010		
Xylenes, Total		ND			ND		
Total BTEX		ND			ND		
Chloride by SM4500-CI- B	*Extracted:*						
	Analyzed:	May-06-08 00.00	May-06-08 00·00	May-06-08 00:00	May-06-08 00:00	May-06-08 00:00	May-06-08 00.00
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL
Chloride		63.81 5.000	148.9 5.000	42.54 5.000	95.72 5.000	63.81 5.000	265 9 5.000
Percent Moisture	*Extracted:*						
	Analyzed:	May-05-08 15:35			May-05-08 15:35		
	Units/RL:	% RL			% RL		
Percent Moisture		10.7 1.00			11.9 1.00		
TPH by SW8015 Mod	*Extracted:*	May-05-08 16:55			May-05-08 16:55		
	Analyzed:	May-06-08 07:11			May-06-08 07:37		
	Units/RL:	mg/kg RL			mg/kg RL		
C6-C12 Gasoline Range Hydrocarbons		ND 16 8			ND 17.0		
C12-C28 Diesel Range Hydrocarbons		ND 16.8			ND 17.0		
C28-C35 Oil Range Hydrocarbons		ND 16.8			ND 17 0		
Total TPH		ND			ND		

Since 1990 Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America - Atlanta - Corpus Christi

Brent Barron
Odessa Laboratory Director

Certificate of Analysis Summary 303107

Basin Enivronmental Services, Lovington, NM

Project Name: Fairway Resources - Midnight Matador A #4

Project Id: Midnight Matador A#4
Contact: Curt Stanley
Project Location: East of Artesia, NM

Date Received in Lab: Fri May-02-08 04:23 pm
Report Date: 07-MAY-08
Project Manager: Brent Barron, II

Analysis Requested	*Lab Id:*	303107-022					
	Field Id:	SB6-10'					
	Depth:						
	Matrix:	SOIL					
	Sampled:	Apr-30-08 14:25					
Chloride by SM4500-Cl- B	*Extracted:*						
	Analyzed:	May-06-08 00:00					
	Units/RL:	mg/kg RL					
Chloride		340.3 5.000					

Brent Barron
Odessa Laboratory Director

XENCO Laboratories

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 effect the recovery of the spike concentration. This condition could also effect 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 MQL(PQL) and above the SQL(MDL).

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.

* Outside XENCO'S scope of NELAC Accreditation

Form 2 - Surrogate Recoveries

Project Name: Fairway Resources - Midnight Matador A #4

Work Order #: 303107 **Project ID:** Midnight Matador A#4

Lab Batch #: 721748 **Sample:** 303107-005 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0338	0.0300	113	80-120	
4-Bromofluorobenzene	0.0283	0.0300	94	80-120	

Lab Batch #: 721748 **Sample:** 303107-010 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0325	0.0300	108	80-120	
4-Bromofluorobenzene	0.0274	0.0300	91	80-120	

Lab Batch #: 721748 **Sample:** 303107-015 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0330	0.0300	110	80-120	
4-Bromofluorobenzene	0.0284	0.0300	95	80-120	

Lab Batch #: 721748 **Sample:** 303107-019 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0324	0.0300	108	80-120	
4-Bromofluorobenzene	0.0285	0.0300	95	80-120	

Lab Batch #: 721748 **Sample:** 508533-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0282	0.0300	94	80-120	
4-Bromofluorobenzene	0.0290	0.0300	97	80-120	

** 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: Fairway Resources - Midnight Matador A #4

Work Order #: 303107 **Project ID:** Midnight Matador A#4

Lab Batch #: 721748 **Sample:** 508533-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0333	0.0300	111	80-120	
4-Bromofluorobenzene	0.0273	0.0300	91	80-120	

Lab Batch #: 721748 **Sample:** 508533-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0286	0.0300	95	80-120	
4-Bromofluorobenzene	0.0296	0.0300	99	80-120	

Lab Batch #: 721818 **Sample:** 303082-018 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	103	100	103	70-135	
o-Terphenyl	53.4	50.0	107	70-135	

Lab Batch #: 721818 **Sample:** 303082-018 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	98.9	100	99	70-135	
o-Terphenyl	50.9	50.0	102	70-135	

Lab Batch #: 721818 **Sample:** 303107-004 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	90.1	100	90	70-135	
o-Terphenyl	50.3	50.0	101	70-135	

** 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: Fairway Resources - Midnight Matador A #4

Work Order #: 303107 **Project ID:** Midnight Matador A#4

Lab Batch #: 721818 **Sample:** 303107-005 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	87.4	100	87	70-135	
o-Terphenyl	46.6	50.0	93	70-135	

Lab Batch #: 721818 **Sample:** 303107-009 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	83.5	100	84	70-135	
o-Terphenyl	44.6	50.0	89	70-135	

Lab Batch #: 721818 **Sample:** 303107-010 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	94.9	100	95	70-135	
o-Terphenyl	52.6	50.0	105	70-135	

Lab Batch #: 721818 **Sample:** 303107-014 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	92.6	100	93	70-135	
o-Terphenyl	50.1	50.0	100	70-135	

Lab Batch #: 721818 **Sample:** 303107-015 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	92.0	100	92	70-135	
o-Terphenyl	49.3	50.0	99	70-135	

** 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: Fairway Resources - Midnight Matador A #4

Work Order #: 303107 **Project ID:** Midnight Matador A#4

Lab Batch #: 721818 **Sample:** 303107-019 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	93.0	100	93	70-135	
o-Terphenyl	50.5	50.0	101	70-135	

Lab Batch #: 721818 **Sample:** 508575-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	106	100	106	70-135	
o-Terphenyl	53.5	50.0	107	70-135	

Lab Batch #: 721818 **Sample:** 508575-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	100	100	100	70-135	
o-Terphenyl	56.7	50.0	113	70-135	

Lab Batch #: 721818 **Sample:** 508575-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	101	100	101	70-135	
o-Terphenyl	50.7	50.0	101	70-135	

** 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.

Blank Spike Recovery

Project Name: Fairway Resources - Midnight Matador A #4

Work Order #: 303107 **Project ID:** Midnight Matador A#4

Lab Batch #: 721891 **Sample:** 721891-1-BKS **Matrix:** Solid

Date Analyzed: 05/06/2008 **Date Prepared:** 05/06/2008 **Analyst:** LATCOR

Reporting Units: mg/kg **Batch #:** 1

Chloride by SM4500-CI- B Analytes	Blank Result [A]	BLANK /BLANK SPIKE RECOVERY STUDY Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	ND	100.0	93.59	94	70-125	

Lab Batch #: 721892 **Sample:** 721892-1-BKS **Matrix:** Solid

Date Analyzed: 05/06/2008 **Date Prepared:** 05/06/2008 **Analyst:** LATCOR

Reporting Units: mg/kg **Batch #:** 1

Chloride by SM4500-CI- B Analytes	Blank Result [A]	BLANK /BLANK SPIKE RECOVERY STUDY Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	ND	100.0	95.72	96	70-125	

Blank Spike Recovery [D] = 100*[C]/[B]
All results are based on MDL and validated for QC purposes.

BS / BSD Recoveries

Project Name: Fairway Resources - Midnight Matador A #4

Work Order #: 303107 **Project ID:** Midnight Matador A#4

Analyst: SHE **Date Prepared:** 05/05/2008 **Date Analyzed:** 05/05/2008

Lab Batch ID: 721748 **Sample:** 508533-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B	BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY										
Analytes	**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**
Benzene	ND	0.1000	0.0903	90	0.1	0.0803	80	12	70-130	35	
Toluene	ND	0.1000	0.0920	92	0.1	0.0819	82	12	70-130	35	
Ethylbenzene	ND	0.1000	0.1061	106	0.1	0.0944	94	12	71-129	35	
m,p-Xylenes	ND	0.2000	0.2180	109	0.2	0.1945	97	11	70-135	35	
o-Xylene	ND	0.1000	0.1039	104	0.1	0.0933	93	11	71-133	35	

Analyst: ASA **Date Prepared:** 05/05/2008 **Date Analyzed:** 05/05/2008

Lab Batch ID: 721818 **Sample:** 508575-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod	BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY										
Analytes	**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**
C6-C12 Gasoline Range Hydrocarbons	ND	1000	1140	114	1000	1070	107	6	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1000	1000	100	1000	934	93	7	70-135	35	

Relative Percent Difference RPD = 200*|(D-F)/(D+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 / MSD Recoveries

Project Name: Fairway Resources - Midnight Matador A #4

Work Order # : 303107 **Project ID:** Midnight Matador A#4

Lab Batch ID: 721891 **QC- Sample ID:** 303082-005 S **Batch #:** 1 **Matrix:** Soil
Date Analyzed: 05/06/2008 **Date Prepared:** 05/06/2008 **Analyst:** LATCOR
Reporting Units: mg/kg

Chloride by SM4500-CI- B	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
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	138.3	1000	1191	105	1000	1170	103	2	70-125	25	

Lab Batch ID: 721892 **QC- Sample ID:** 303107-009 S **Batch #:** 1 **Matrix:** Soil
Date Analyzed: 05/06/2008 **Date Prepared:** 05/06/2008 **Analyst:** LATCOR
Reporting Units: mg/kg

Chloride by SM4500-CI- B	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
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	63.81	1000	1117	105	1000	1106	104	1	70-125	25	

Lab Batch ID: 721818 **QC- Sample ID:** 303082-018 S **Batch #:** 1 **Matrix:** Soil
Date Analyzed: 05/06/2008 **Date Prepared:** 05/05/2008 **Analyst:** ASA
Reporting Units: mg/kg

TPH by SW8015 Mod	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
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
C6-C12 Gasoline Range Hydrocarbons	ND	1170	1220	104	1170	1190	102	2	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1170	1170	100	1170	1030	88	13	70-135	35	

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

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 ApplicableN = See Narrative, EQL = Estimated Quantitation Limit

Sample Duplicate Recovery

Project Name: Fairway Resources - Midnight Matador A #4

Work Order #: 303107

Lab Batch #: 721909 **Project ID:** Midnight Matador A#4

Date Analyzed: 05/05/2008 **Date Prepared:** 05/05/2008 **Analyst:** WRU

QC- Sample ID: 303082-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: %

Percent Moisture Analyte	SAMPLE / SAMPLE DUPLICATE RECOVERY				
	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	12.9	12.8	1	20	

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

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

1 of 3

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Curt Stanley
Company Name: Basin Environmental
Company Address: P.O. Box 301
City/State/Zip: Lovington, New Mexico 88260
Telephone No: 575-441-2244 Fax No: 575-396-1429
Sampler Signature:

Project Name: Fairway Resources - Midnight Matador A #4
Project #: SAME
Project Loc: East of Artesia, NM
PO #:
Report Format: [X] Standard [ ] TRRP [ ] NPDES
e-mail:

(lab use only)
ORDER #: 303107

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO3	HCl	H2SO4	NaOH	Na2S2O3	Hexane	Other (Specify)	Matrix: GW=Groundwater S=Soil/Solid NP=Non-Potable Specify Other	Analyze For: TPH 418.1 (8015M)	TPH TX 1005	TPH TX 1005	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX (8021B/5030) or BTEX (8260)	RCI	N O R M	Chlorides 4500	HOLD	RUSH TAT (Pre-scheduled 24, 48, 72 hrs)	Standard TAT
001	SB1 - 5'			4/30/2008	1020		1	X								S													X			X
002	SB1 - 10'			4/30/2008	1025		1	X								S													X			X
003	SB1 - 15'			4/30/2008	1030		1	X								S													X			X
004	SB2 - 5'			4/30/2008	1100		1	X								S	X												X			X
005	SB2 - 10'			4/30/2008	1105		1	X								S	X										X		X			X
006	SB2 - 15'			4/30/2008	1110		1	X								S													X			X
007	SB2 - 20'			4/30/2008	1115		1	X								S														X		X
008	SB2 - 25'			4/30/2008	1120		1	X								S													X			X
009	SB3 - 5'			4/30/2008	1235		1	X								S	X												X			X
010	SB3 - 10'			4/30/2008	1240		1	X								S	X										X		X			X

Special Instructions:

Relinquished by	Date	Time	Received by	Date	Time
	5/2/08	1623			
Relinquished by	Date	Time	Received by	Date	Time
Relinquished by	Date	Time	Received by ELOT	Date	Time
				5/2/08	16:23

Laboratory Comments:

Sample Containers Intact?	Y	N
VOCs Free of Headspace?	Y	N
Labels on container(s)	Y	N
Custody seals on container(s)	Y	N
Custody seals on cooler(s)	Y	N
Sample Hand Delivered	Y	N
by Sampler/Client Rep. ?	Y	N

by Courier? UPS DHL FedEx Lone Star

Temperature Upon Receipt 4.5 °C

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

2-of-3

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax. 432-563-1713

Project Manager: Curt Stanley
Company Name: Basin Environmental
Company Address: P.O. Box 301
City/State/Zip: Lovington, New Mexico 88260
Telephone No: 575-441-2244 Fax No: 575-396-1429
Sampler Signature:

Project Name: Fairway Resources - Midnight Matador A #4
Project #: SAME
Project Loc.: East of Artesia NM
PO #:
Report Format: [X] Standard [ ] TRRP [ ] NPDES
e-mail:

(lab use only)
ORDER #: 303107

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO3	HCl	H2SO4	NaOH	Na2S2O3	None	Other (Specify)	Matrix: DW-Drinking Water SL-Sludge	GW - Groundwater S-Soil/Solid	NP-Non Potable Specify Other	Analyze For: TCLP / TOTAL: TPH 418.1 (8015B)	TPH TX 1005	TPH TX 1005	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N O R M	Chlorides 4500	HOLD	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
011	SB3 - 15'			4/30/2008	1245		1	X									S														X			X
012	SB3 - 20'			4/30/2008	1250		1	X									S														X		X	X
013	SB3 - 25'			4/30/2008	1255		1	X									S														X			X
014	SB4 - 5'			4/30/2008	1315		1	X									S		X												X			X
015	SB4 - 10'			4/30/2008	1317		1	X									S		X										X		X			X
016	SB4 - 15'			4/30/2008	1320		1	X									S														X			X
017	SB4 - 20'			4/30/2008	1325		1	X									S																X	X
018	SB-4 - 25'			4/30/2008	1330		1	X									S														X			X
019	SB5 - 5'			4/30/2008	1405		1	X									S		X										X		X			X
020	SB5 - 10'			4/30/2008	1415		1	X									S														X			X

Special Instructions:

Relinquished by	Date	Time	Received by	Date	Time
	5/2/08	1623			
Relinquished by	Date	Time	Received by	Date	Time
Relinquished by	Date	Time	Received by ELOT	Date	Time
			Cain Ices	5/2/08	16:23

Laboratory Comments:

Sample Containers Intact?	Y	N
VOCs Free of Headspace?	Y	N
Labels on container(s)	Y	N
Custody seals on container(s)	Y	N
Custody seals on cooler(s)	Y	N
Sample Hand Delivered	Y	N
by Sampler/Client Rep ?	Y	N
by Courier? UPS DHL FedEx Lone Star		

Temperature Upon Receipt °C

3 of 3

Environmental Lab of Texas

A Xenco Laboratories Company

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

Project Manager: Curt Stanley

Company Name: Basin Environmental

Company Address: P O Box 301

City/State/Zip: Lovington, New Mexico 88260

Telephone No.: 575-441-2244

Fax No: 575-396-1429

Sampler Signature: [signature]

e-mail:

Project Name: Fairway Resources - Midnight Matador A #4

Project #: SAME

Project Loc.: East of Artesia, NM

PO #:

Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only)

ORDER #: 303157

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Ice	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix (DW=Drinking Water SL=Sludge GW=Groundwater S=Soil/Solid NP=Non Potable Specify Other)	TPH 418.1 8015M 8015B	TPH TX 1005 TX 1006	Cations (Ca Mg Na K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	Chlorides 4500		HOLD	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
021	SB6 - 5'			4/30/2008	1420		1	X								S												X				X
022	SB6 - 10'			4/30/2008	1425		1	X								S												X				X

Analyze For: TCLP / TOTAL

Special Instructions:

Relinquished by	Date	Time	Received by	Date	Time
[signature]	5/2/08	1623			
			Received by ELOT: [signature]	5/2/08	16:23

Laboratory Comments:

Sample Containers Intact?	Y	N
VOCs Free of Headspace?	Y	N
Labels on container(s)	Y	N
Custody seals on container(s)	Y	N
Custody seals on cooler(s)	Y	N
Sample Hand Delivered	Y	N
by Sampler/Client Rep ?	Y	N
by Courier? UPS DHL FedEx Lone Star		

Temperature Upon Receipt: °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Basin Env.

Date/ Time: 5.2.08 16:23

Lab ID #: 305167

Initials: GL

Sample Receipt Checklist

				Client Initials
#1 Temperature of container/ cooler?	(Yes)	No	4.5 °C	
#2 Shipping container in good condition?	(Yes)	No		
#3 Custody Seals intact on shipping container/ cooler?	(Yes)	No	Not Present	
#4 Custody Seals intact on sample bottles/ container?	(Yes)	No	Not Present	
#5 Chain of Custody present?	(Yes)	No		
#6 Sample instructions complete of Chain of Custody?	(Yes)	No		
#7 Chain of Custody signed when relinquished/ received?	(Yes)	No		
#8 Chain of Custody agrees with sample label(s)?	(Yes)	No	ID written on Cont / Lid	
#9 Container label(s) legible and intact?	(Yes)	No	Not Applicable	
#10 Sample matrix/ properties agree with Chain of Custody?	(Yes)	No		
#11 Containers supplied by ELOT?	(Yes)	No		
#12 Samples in proper container/ bottle?	(Yes)	No	See Below	
#13 Samples properly preserved?	(Yes)	No	See Below	
#14 Sample bottles intact?	(Yes)	No		
#15 Preservations documented on Chain of Custody?	(Yes)	No		
#16 Containers documented on Chain of Custody?	(Yes)	No		
#17 Sufficient sample amount for indicated test(s)?	(Yes)	No	See Below	
#18 All samples received within sufficient hold time?	(Yes)	No	See Below	
#19 Subcontract of sample(s)?	Yes	No	(Not Applicable)	
#20 VOC samples have zero headspace?	(Yes)	No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken:

Check all that Apply:

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

Analytical Report 306373

for

Basin Enivronmental Services

Project Manager: Curt Stanley

Midnight Matador A # 4

08-JUL-08

12600 West I-20 East Odessa, Texas 79765

Texas certification numbers:
Houston, TX T104704215

Florida certification numbers:
Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675
Norcross(Atlanta), GA E87429

South Carolina certification numbers:
Norcross(Atlanta), GA 98015

North Carolina certification numbers:
Norcross(Atlanta), GA 483

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America
Midland - Corpus Christi - Atlanta

XENCO Laboratories

08-JUL-08

Project Manager: **Curt Stanley**
Basin Enivronmental Services
P.O. Box 301
Lovington, NM 88260

Reference: XENCO Report No: **306373**
Midnight Matador A # 4
Project Address: Artesia, NM

Curt Stanley:

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 306373. 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. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. 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. 306373 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,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 306373

Basin Enivronmental Services, Lovington, NM

Midnight Matador A # 4

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
10' From Wellhead	S	Jun-19-08 09:00		306373-001
20' From Wellhead	S	Jun-19-08 09:05		306373-002
50' From Wellhead	S	Jun-19-08 09:10		306373-003

ENVIRONMENTAL LAB OF

Certificate of Analysis Summary 306373

Basin Enivronmental Services, Lovington, NM

Project Name: Midnight Matador A # 4

Project Id:
Contact: Curt Stanley
Project Location: Artesia, NM

Date Received in Lab: Jun-23-08 08:30 am
Report Date: 08-JUL-08
Project Manager: Brent Barron, II

Analysis Requested	*Lab Id:*	306373-001		306373-002		306373-003		
	Field Id:	10' From Wellhead		20' From Wellhead		50' From Wellhead		
	Depth:							
	Matrix:	SOIL		SOIL		SOIL		
	Sampled:	Jun-19-08 09:00		Jun-19-08 09:05		Jun-19-08 09:10		
BTEX by EPA 8021B	*Extracted:*	Jun-23-08 15:00		Jun-23-08 15:00		Jun-23-08 15:00		
	Analyzed:	Jun-24-08 02:07		Jun-24-08 02:31		Jun-24-08 02:55		
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	
Benzene		ND	0.0011	ND	0.0012	ND	0.0012	
Toluene		ND	0.0023	ND	0.0024	ND	0.0023	
Ethylbenzene		ND	0.0011	ND	0.0012	ND	0.0012	
m,p-Xylenes		ND	0.0023	ND	0.0024	ND	0.0023	
o-Xylene		ND	0.0011	ND	0.0012	ND	0.0012	
Total Xylenes		ND		ND		ND		
Total BTEX		ND		ND		ND		
Inorganic Anions by EPA 300	*Extracted:*							
	Analyzed:	Jun-24-08 10:52		Jun-24-08 10:52		Jun-24-08 10:52		
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	
Chloride		7650	230	1860	58.8	258	58 3	
Percent Moisture	*Extracted:*							
	Analyzed:	Jun-23-08 17:00		Jun-23-08 17:00		Jun-23-08 17:00		
	Units/RL:	%	RL	%	RL	%	RL	
Percent Moisture		13		15		14.2		
TPH by SW8015 Mod	*Extracted:*	Jun-23-08 17:14		Jun-23-08 17:14		Jun-23-08 17:14		
	Analyzed:	Jun-24-08 09:06		Jun-24-08 09:34		Jun-24-08 11:16		
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	
C6-C12 Gasoline Range Hydrocarbons		ND	17.2	ND	17.6	20.1	17.5	
C12-C28 Diesel Range Hydrocarbons		357	17.2	754	17.6	546	17.5	
C28-C35 Oil Range Hydrocarbons		99.5	17.2	282	17.6	231	17.5	
Total TPH		456.5		1036		797.1		

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Version. 1 006

Brent Barron
Odessa Laboratory Director

XENCO Laboratories

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 effect the recovery of the spike concentration. This condition could also effect 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 MQL(PQL) and above the SQL(MDL).

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.

* Outside XENCO'S scope of NELAC Accreditation

Form 2 - Surrogate Recoveries

Project Name: Midnight Matador A # 4

Work Order #: 306373 **Project ID:**

Lab Batch #: 726318 **Sample:** 306373-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0343	0.0300	114	80-120	
4-Bromofluorobenzene	0.0327	0.0300	109	80-120	

Lab Batch #: 726318 **Sample:** 306373-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0333	0.0300	111	80-120	
4-Bromofluorobenzene	0.0305	0.0300	102	80-120	

Lab Batch #: 726318 **Sample:** 306373-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0354	0.0300	118	80-120	
4-Bromofluorobenzene	0.0313	0.0300	104	80-120	

Lab Batch #: 726318 **Sample:** 511084-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0306	0.0300	102	80-120	
4-Bromofluorobenzene	0.0355	0.0300	118	80-120	

Lab Batch #: 726318 **Sample:** 511084-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0343	0.0300	114	80-120	
4-Bromofluorobenzene	0.0316	0.0300	105	80-120	

** 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.

Version: 1.006

Form 2 - Surrogate Recoveries

Project Name: Midnight Matador A # 4

Work Order #: 306373 **Project ID:**

Lab Batch #: 726318 **Sample:** 511084-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0269	0.0300	90	80-120	
4-Bromofluorobenzene	0.0320	0.0300	107	80-120	

Lab Batch #: 726255 **Sample:** 306373-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	97.8	100	98	70-135	
o-Terphenyl	55.6	50.0	111	70-135	

Lab Batch #: 726255 **Sample:** 306373-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	95.4	100	95	70-135	
o-Terphenyl	51.4	50.0	103	70-135	

Lab Batch #: 726255 **Sample:** 306373-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	90.6	100	91	70-135	
o-Terphenyl	52.5	50 0	105	70-135	

Lab Batch #: 726255 **Sample:** 306373-003 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	94.4	100	94	70-135	
o-Terphenyl	48.9	50.0	98	70-135	

** 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.

Version 1.006

Form 2 - Surrogate Recoveries

Project Name: Midnight Matador A # 4

Work Order #: 306373 **Project ID:**

Lab Batch #: 726255 **Sample:** 306373-003 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	101	100	101	70-135	
o-Terphenyl	52.4	50.0	105	70-135	

Lab Batch #: 726255 **Sample:** 511077-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	110	100	110	70-135	
o-Terphenyl	60 8	50.0	122	70-135	

Lab Batch #: 726255 **Sample:** 511077-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	104	100	104	70-135	
o-Terphenyl	57.9	50.0	116	70-135	

Lab Batch #: 726255 **Sample:** 511077-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	106	100	106	70-135	
o-Terphenyl	58.4	50.0	117	70-135	

** 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.

Version 1.006

Blank Spike Recovery

Project Name: Midnight Matador A # 4

Work Order #: 306373 **Project ID:**

Lab Batch #: 726343 **Sample:** 726343-1-BKS **Matrix:** Solid

Date Analyzed: 06/24/2008 **Date Prepared:** 06/24/2008 **Analyst:** LATCOR

Reporting Units: mg/kg **Batch #:** 1

BLANK /BLANK SPIKE RECOVERY STUDY

Inorganic Anions by EPA 300 Analytes	Blank Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	ND	10 0	11 4	114	75-125	

Blank Spike Recovery [D] = 100*[C]/[B]
All results are based on MDL and validated for QC purposes.

Version 1 006

XENCO Laboratories

BS / BSD Recoveries

Project Name: Midnight Matador A # 4

Work Order #: 306373 **Project ID:**

Analyst: BRB **Date Prepared:** 06/23/2008 **Date Analyzed:** 06/23/2008

Lab Batch ID: 726318 **Sample:** 511084-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B	BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY										
Analytes	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
Benzene	ND	0.1000	0.1165	117	0.1	0.0984	98	17	70-130	35	
Toluene	ND	0.1000	0.1152	115	0.1	0.0961	96	18	70-130	35	
Ethylbenzene	ND	0.1000	0.1269	127	0.1	0.1060	106	18	71-129	35	
m,p-Xylenes	ND	0.2000	0.2584	129	0.2	0.2165	108	18	70-135	35	
o-Xylene	ND	0.1000	0.1255	126	0.1	0.1044	104	18	71-133	35	

Analyst: ASA **Date Prepared:** 06/23/2008 **Date Analyzed:** 06/23/2008

Lab Batch ID: 726255 **Sample:** 511077-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod	BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY										
Analytes	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
C6-C12 Gasoline Range Hydrocarbons	ND	1000	908	91	1000	886	89	2	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1000	914	91	1000	886	89	3	70-135	35	

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

Version: 1.006

Form 3 - MS Recoveries

Project Name: Midnight Matador A # 4

Work Order #: 306373
Lab Batch #: 726343
Project ID:
Date Analyzed: 06/24/2008
Date Prepared: 06/24/2008
Analyst: LATCOR
QC- Sample ID: 306370-001 S
Batch #: 1
Matrix: Soil
Reporting Units: mg/kg

Inorganic Anions by EPA 300	MATRIX / MATRIX SPIKE RECOVERY STUDY					
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	2140	2040	5140	147	75-125	X

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

Version 1.006

ENVIRONMENTAL LAB OF

Form 3 - MS / MSD Recoveries

ACCREDITED IN ACCORDANCE WITH nelac

Project Name: Midnight Matador A # 4

Work Order # : 306373 **Project ID:**

Lab Batch ID: 726255 **QC- Sample ID:** 306373-003 S **Batch #:** 1 **Matrix:** Soil

Date Analyzed: 06/24/2008 **Date Prepared:** 06/23/2008 **Analyst:** ASA

Reporting Units: mg/kg

TPH by SW8015 Mod Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	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
C6-C12 Gasoline Range Hydrocarbons	20.1	1170	955	80	1170	991	83	4	70-135	35	
C12-C28 Diesel Range Hydrocarbons	546	1170	1380	71	1170	1410	74	4	70-135	35	

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

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 ApplicableN = See Narrative, EQL = Estimated Quantitation Limit

Version: 1.006

Sample Duplicate Recovery

Project Name: Midnight Matador A # 4

Work Order #: 306373

Lab Batch #: 726343 **Project ID:**

Date Analyzed: 06/24/2008 **Date Prepared:** 06/24/2008 **Analyst:** LATCOR

QC- Sample ID: 306370-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: mg/kg

Inorganic Anions by EPA 300	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Chloride	2140	2300	7	20	

Lab Batch #: 726229

Date Analyzed: 06/23/2008 **Date Prepared:** 06/23/2008 **Analyst:** JLG

QC- Sample ID: 306371-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	15.9	16.2	2	20	

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

Version 1.006

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone 432-563-1800
Fax 432-563-1713

Project Manager: Curt Stanley

Company Name: Basin Environmental

Company Address: P O Box 301

City/State/Zip: Lovington, NM 88260

Telephone No: 575-441-2244

Fax No:

Sampler Signature: [signature]

e-mail: cdstanley@basinenv.com

Project Name: Midnight Matador A#4

Project #: Same

Project Loc: Artesia, NM

PO #:

Report Format: ☒ Standard ☐ TRRP ☐ NPDES

(lab use only)
ORDER #: 306373

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Ice	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix (DW=Drinking Water SL=Sludge GW=Groundwater S=Soil/Solid NP=Non-Potable Specify Other)	TPH: 418.1 8015M 8015B	TPH: TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	CHLORIDES E300	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	10' From Wellhead			6/19/08	900		1	X								S	X								X			X		X
02	20' From Wellhead			6/19/08	905		↓	X								S	X								X			X		X
03	50' From Wellhead			6/19/08	910		↓	X								S	X								X			X		X

Analyze For: TCLP / TOTAL

Special Instructions: Bill To Basin

Relinquished by	Date	Time	Received by	Date	Time
[signature]	6/23/08	830			
			Received by ELOT: Bill Kleeman	6/23/08	8:30

Laboratory Comments:

Sample Containers Intact? Ⓨ N
VOCs Free of Headspace? Ⓨ N
Labels on container(s) Ⓨ N
Custody seals on container(s) Ⓨ N
Custody seals on cooler(s) Ⓨ N
Sample Hand Delivered Ⓨ N
by Sampler/Client Rep.? Ⓨ N
by Courier? UPS DHL FedEx Lone Star
Temperature Upon Receipt 6.0 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Basin Env.

Date/ Time: 6.23.08 @ 8:36

Lab ID #: 316373

Initials: AL

Sample Receipt Checklist

				Client Initials
#1	Temperature of container/ cooler?	(Yes)	No	6.0 °C	
#2	Shipping container in good condition?	(Yes)	No		
#3	Custody Seals intact on shipping container/ cooler?	Yes	No	(Not Present)	
#4	Custody Seals intact on sample bottles/ container?	(Yes)	No	Not Present	
#5	Chain of Custody present?	(Yes)	No		
#6	Sample instructions complete of Chain of Custody?	(Yes)	No		
#7	Chain of Custody signed when relinquished/ received?	(Yes)	No		
#8	Chain of Custody agrees with sample label(s)?	(Yes)	No	ID written on Cont / Lid	
#9	Container label(s) legible and intact?	(Yes)	No	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	(Yes)	No		
#11	Containers supplied by ELOT?	(Yes)	No		
#12	Samples in proper container/ bottle?	(Yes)	No	See Below	
#13	Samples properly preserved?	(Yes)	No	See Below	
#14	Sample bottles intact?	(Yes)	No		
#15	Preservations documented on Chain of Custody?	(Yes)	No		
#16	Containers documented on Chain of Custody?	(Yes)	No		
#17	Sufficient sample amount for indicated test(s)?	(Yes)	No	See Below	
#18	All samples received within sufficient hold time?	(Yes)	No	See Below	
#19	Subcontract of sample(s)?	Yes	No	(Not Applicable)	
#20	VOC samples have zero headspace?	(Yes)	No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken: _____

Check all that Apply:

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

Analytical Report 309361

for

Basin Enivronmental Services

Project Manager: Curt Stanley

Midnight Matador A #4

Fairway Resources

11-AUG-08

12600 West I-20 East Odessa, Texas 79765

Texas certification numbers:
Houston, TX T104704215

Florida certification numbers:
Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675
Norcross(Atlanta), GA E87429

South Carolina certification numbers:
Norcross(Atlanta), GA 98015

North Carolina certification numbers:
Norcross(Atlanta), GA 483

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America
Midland - Corpus Christi - Atlanta

XENCO Laboratories

11-AUG-08

Project Manager: **Curt Stanley**
Basin Enivronmental Services
P.O. Box 301
Lovington, NM 88260

Reference: XENCO Report No: **309361**
Midnight Matador A #4
Project Address: East of Artesia, NM

Curt Stanley:

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 309361. 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. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. 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. 309361 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,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 309361

Basin Enivronmental Services, Lovington, NM

Midnight Matador A #4

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
ESW @ 2'	S	Aug-04-08 10:00		309361-001
Floor-1 @ 4'	S	Aug-04-08 10:30		309361-002
SSW @ 5'	S	Aug-04-08 11:00		309361-003
Floor-2 @ 5'	S	Aug-04-08 11:15		309361-004
WSW @ 4'	S	Aug-04-08 12:00		309361-005

Certificate of Analysis Summary 309361

Basin Enivronmental Services, Lovington, NM

Project Name: Midnight Matador A #4

Project Id: Fairway Resources
Contact: Curt Stanley
Project Location: East of Artesia, NM

Date Received in Lab: Tue Aug-05-08 11:32 am
Report Date: 11-AUG-08
Project Manager: Brent Barron, II

Analysis Requested											
	Lab Id:	309361-001		309361-002		309361-003		309361-004		309361-005	
	Field Id:	ESW @ 2'		Floor-1 @ 4'		SSW @ 5'		Floor-2 @ 5'		WSW @ 4'	
	Depth:										
	Matrix:	SOIL		SOIL		SOIL		SOIL		SOIL	
	Sampled:	Aug-04-08 10:00		Aug-04-08 10:30		Aug-04-08 11.00		Aug-04-08 11.15		Aug-04-08 12.00	
Inorganic Anions by EPA 300	*Extracted:*										
	Analyzed:	Aug-06-08 12:25		Aug-06-08 12:25		Aug-06-08 12:25		Aug-06-08 12:25		Aug-06-08 12:25	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
Chloride		618	63.6	2790	60.4	3320	60.9	902	58.8	995	62.2
Percent Moisture	*Extracted:*										
	Analyzed:	Aug-06-08 08:30		Aug-06-08 08:30		Aug-06-08 08:30		Aug-06-08 08.30		Aug-06-08 08:30	
	Units/RL:	%	RL	%	RL	%	RL	%	RL	%	RL
Percent Moisture		21.4		17.1		17.9		15		19 6	
TPH by SW8015 Mod	*Extracted:*	Aug-07-08 10:30		Aug-07-08 10:30		Aug-07-08 10:30		Aug-07-08 10:30		Aug-07-08 10:30	
	Analyzed:	Aug-07-08 19:23		Aug-07-08 19:49		Aug-07-08 20:15		Aug-07-08 20:43		Aug-07-08 21:10	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
C6-C12 Gasoline Range Hydrocarbons		ND	19.1	ND	18.1	ND	18.3	ND	17.6	188	18.6
C12-C28 Diesel Range Hydrocarbons		ND	19.1	ND	18 1	ND	18.3	ND	17 6	3050	18.6
C28-C35 Oil Range Hydrocarbons		ND	19.1	ND	18.1	ND	18.3	ND	17 6	565	18 6
Total TPH		ND		ND		ND		ND		3803	

Since 1990 Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America - Atlanta - Corpus Christi

Brent Barron
Odessa Laboratory Director

XENCO Laboratories

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 effect the recovery of the spike concentration. This condition could also effect 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 MQL(PQL) and above the SQL(MDL).

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.

* Outside XENCO'S scope of NELAC Accreditation

Form 2 - Surrogate Recoveries

Project Name: Midnight Matador A #4

Work Order #: 309361 **Project ID:** Fairway Resources

Lab Batch #: 730465 **Sample:** 309358-001 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	70.9	100	71	70-135	
o-Terphenyl	43.4	50.0	87	70-135	

Lab Batch #: 730465 **Sample:** 309358-001 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	73.9	100	74	70-135	
o-Terphenyl	45.1	50.0	90	70-135	

Lab Batch #: 730465 **Sample:** 309361-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	78.2	100	78	70-135	
o-Terphenyl	44.5	50.0	89	70-135	

Lab Batch #: 730465 **Sample:** 309361-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	78.3	100	78	70-135	
o-Terphenyl	44.4	50.0	89	70-135	

Lab Batch #: 730465 **Sample:** 309361-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	80.9	100	81	70-135	
o-Terphenyl	45.5	50.0	91	70-135	

** 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: Midnight Matador A #4

Work Order #: 309361 **Project ID:** Fairway Resources

Lab Batch #: 730465 **Sample:** 309361-004 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	78.8	100	79	70-135	
o-Terphenyl	44.6	50.0	89	70-135	

Lab Batch #: 730465 **Sample:** 309361-005 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	78.3	100	78	70-135	
o-Terphenyl	45.2	50.0	90	70-135	

Lab Batch #: 730465 **Sample:** 513538-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	77.6	100	78	70-135	
o-Terphenyl	44.9	50.0	90	70-135	

Lab Batch #: 730465 **Sample:** 513538-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	76.3	100	76	70-135	
o-Terphenyl	44.5	50.0	89	70-135	

Lab Batch #: 730465 **Sample:** 513538-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH by SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	76.1	100	76	70-135	
o-Terphenyl	46.0	50.0	92	70-135	

** 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.

Blank Spike Recovery

Project Name: Midnight Matador A #4

Work Order #: 309361 **Project ID:** Fairway Resources

Lab Batch #: 730176 **Sample:** 730176-1-BKS **Matrix:** Solid

Date Analyzed: 08/06/2008 **Date Prepared:** 08/06/2008 **Analyst:** LATCOR

Reporting Units: mg/kg **Batch #:** 1

	BLANK /BLANK SPIKE RECOVERY STUDY					
Inorganic Anions by EPA 300 **Analytes**	**Blank Result [A]**	**Spike Added [B]**	**Blank Spike Result [C]**	**Blank Spike %R [D]**	**Control Limits %R**	**Flags**
Chloride	ND	12.4	14.5	117	75-125	

Blank Spike Recovery [D] = 100*[C]/[B]
All results are based on MDL and validated for QC purposes.

XENCO Laboratories

BS / BSD Recoveries

Project Name: Midnight Matador A #4

Work Order #: 309361
Analyst: IRO
Lab Batch ID: 730465
Sample: 513538-1-BKS
Units: mg/kg

Date Prepared: 08/07/2008
Batch #: 1

Project ID: Fairway Resources
Date Analyzed: 08/07/2008
Matrix: Solid

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

TPH by SW8015 Mod Analytes	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
C6-C12 Gasoline Range Hydrocarbons	ND	1000	838	84	1000	826	83	1	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1000	840	84	1000	822	82	2	70-135	35	

Relative Percent Difference RPD = 200*|(D-F)/(D+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: Midnight Matador A #4

Work Order #: 309361
Lab Batch #: 730176
Date Analyzed: 08/06/2008
QC- Sample ID: 309361-005 S
Reporting Units: mg/kg

Date Prepared: 08/06/2008
Batch #: 1

Project ID: Fairway Resources
Analyst: LATCOR
Matrix: Soil

Inorganic Anions by EPA 300	MATRIX / MATRIX SPIKE RECOVERY STUDY					
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	995	1240	2410	114	75-125	

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

ENVIRONMENTAL LAB OF

Form 3 - MS / MSD Recoveries

Project Name: Midnight Matador A #4

Work Order # : 309361 **Project ID:** Fairway Resources

Lab Batch ID: 730465 **QC- Sample ID:** 309358-001 S **Batch #:** 1 **Matrix:** Soil

Date Analyzed: 08/08/2008 **Date Prepared:** 08/07/2008 **Analyst:** IRO

Reporting Units: mg/kg

TPH by SW8015 Mod Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	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
C6-C12 Gasoline Range Hydrocarbons	ND	1110	838	75	1110	871	78	4	70-135	35	
C12-C28 Diesel Range Hydrocarbons	38.1	1110	838	72	1110	874	75	4	70-135	35	

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

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 ApplicableN = See Narrative, EQL = Estimated Quantitation Limit

Sample Duplicate Recovery

Project Name: Midnight Matador A #4

Work Order #: 309361

Lab Batch #: 730176 **Project ID:** Fairway Resources

Date Analyzed: 08/06/2008 **Date Prepared:** 08/06/2008 **Analyst:** LATCOR

QC- Sample ID: 309361-005 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: mg/kg

Inorganic Anions by EPA 300	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Chloride	995	1060	6	20	

Lab Batch #: 730076

Date Analyzed: 08/06/2008 **Date Prepared:** 08/06/2008 **Analyst:** MOV

QC- Sample ID: 309344-003 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	15.3	18.3	18	20	

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

Environmental Lab of Texas

A Xenco Laboratories Company

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

Project Manager: Curt Stanley

Company Name: Basin Environmental

Company Address: P O Box 301

City/State/Zip: Lovington, New Mexico 88260

Telephone No: 575-441-2244

Fax No: 575-396-1429

Sampler Signature: [signature]

e-mail: cstanley@basinenv com

Project Name: Midnight Matador A #4

Project #: Fairway Resources

Project Loc: East of Artesia, NM

PO #:

Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only)
ORDER #: 309361

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Ice (4°C)	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix (DW=Drinking Water SL=Sludge, GW=Groundwater S=Soil/Solid, NP=Non-Potable Specify Other)	TPH 418.1 (8015M) 8015B	TPH TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	(Chlorides EPA 300)		HOLD	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
1	ESW @ 2'			8/4/2008	1000		1	X								Soil	X											X				X
2	Floor -1 @ 4'			8/4/2008	1030		1	X								Soil	X											X				X
3	SSW @ 5'			8/4/2008	1100		1	X								Soil	X											X				X
4	Floor - 2 @ 5'			8/4/2008	1115		1	X								Soil	X											X				X
5	WSW @ 4'			8/4/2008	1200		1	X								Soil	X											X				X

TCLP:
TOTAL:

Special Instructions: BILL TO BASIN

Relinquished by	Date	Time	Received by	Date	Time
[signature]	8/5/08	1132			
			Received by ELOT: [signature] Sulto Garcia	8/5/08	11:32

Laboratory Comments:

Sample Containers Intact? (Y) N
VOCs Free of Headspace? (Y) N
Labels on container(s) (Y) N
Custody seals on container(s) (Y) N
Custody seals on cooler(s) Y (N)
Sample Hand Delivered (Y) N
by (Sampler)/Client Rep ? (Y) N
by Courier? UPS DHL FedEx Lone Star

Temperature Upon Receipt: 2.5 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Basin Environmental

Date/ Time: 8/5/08 11:32

Lab ID #: 309361

Initials: JG

Sample Receipt Checklist

				Client Initials
#1 Temperature of container/ cooler?	(Yes)	No	2.5 °C	
#2 Shipping container in good condition?	(Yes)	No		
#3 Custody Seals intact on shipping container/ cooler?	Yes	No	Not Present	
#4 Custody Seals intact on sample bottles/ container?	(Yes)	No	Not Present	
#5 Chain of Custody present?	(Yes)	No		
#6 Sample instructions complete of Chain of Custody?	(Yes)	No		
#7 Chain of Custody signed when relinquished/ received?	(Yes)	No		
#8 Chain of Custody agrees with sample label(s)?	(Yes)	No	ID written on Cont / Lid	
#9 Container label(s) legible and intact?	(Yes)	No	Not Applicable	
#10 Sample matrix/ properties agree with Chain of Custody?	(Yes)	No		
#11 Containers supplied by ELOT?	(Yes)	No		
#12 Samples in proper container/ bottle?	(Yes)	No	See Below	
#13 Samples properly preserved?	(Yes)	No	See Below	
#14 Sample bottles intact?	(Yes)	No		
#15 Preservations documented on Chain of Custody?	(Yes)	No		
#16 Containers documented on Chain of Custody?	(Yes)	No		
#17 Sufficient sample amount for indicated test(s)?	(Yes)	No	See Below	
#18 All samples received within sufficient hold time?	(Yes)	No	See Below	
#19 Subcontract of sample(s)?	Yes	No	(Not Applicable)	
#20 VOC samples have zero headspace?	(Yes)	No	Not Applicable	

Variance Documentation

Contact. _____ Contacted by. _____ Date/ Time. _____

Regarding _____

Corrective Action Taken. _____

Check all that Apply:

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

Analytical Report 310700

for

Basin Enivronmental Services

Project Manager: Curt Stanley

Midnight Matador A # 4

Fairway Resources

25-AUG-08

E84880

12600 West I-20 East Odessa, Texas 79765

Texas certification numbers:
Houston, TX T104704215 - Odessa/Midland, TX T104704215-08-TX

Florida certification numbers:
Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675
Norcross(Atlanta), GA E87429

South Carolina certification numbers:
Norcross(Atlanta), GA 98015

North Carolina certification numbers:
Norcross(Atlanta), GA 483

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America
Midland - Corpus Christi - Atlanta

XENCO Laboratories

25-AUG-08

Project Manager: **Curt Stanley**
Basin Enivronmental Services
P.O. Box 301
Lovington, NM 88260

Reference: XENCO Report No: **310700**
Midnight Matador A # 4
Project Address: East of Artesia, NM

Curt Stanley:

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 310700. 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. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. 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. 310700 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,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 310700

Basin Enivronmental Services, Lovington, NM

Midnight Matador A # 4

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
NSW-1	S	Aug-18-08 14:00		310700-001
NSW-2	S	Aug-18-08 14:05		310700-002
WSW-1	S	Aug-18-08 14:10		310700-003
SSW-1	S	Aug-18-08 14:15		310700-004
Floor-1A	S	Aug-18-08 14:30		310700-005
Floor-2A	S	Aug-18-08 14:40		310700-006

Certificate of Analysis Summary 310700

Basin Enivronmental Services, Lovington, NM

Project Name: Midnight Matador A # 4

Project Id: Fairway Resources
Contact: Curt Stanley
Project Location: East of Artesia, NM

Date Received in Lab: Wed Aug-20-08 05:24 pm
Report Date: 25-AUG-08
Project Manager: Brent Barron, II

Analysis Requested													
	Lab Id:	310700-001		310700-002		310700-003		310700-004		310700-005		310700-006	
	Field Id:	NSW-1		NSW-2		WSW-1		SSW-1		Floor-1A		Floor-2A	
	Depth:												
	Matrix:	SOIL		SOIL		SOIL		SOIL		SOIL		SOIL	
	Sampled:	Aug-18-08 14:00		Aug-18-08 14:05		Aug-18-08 14:10		Aug-18-08 14:15		Aug-18-08 14:30		Aug-18-08 14:40	
Anions by EPA 300/300.1	*Extracted:*												
	Analyzed:	Aug-21-08 15:45		Aug-21-08 15:45		Aug-21-08 15:45		Aug-21-08 15:45		Aug-21-08 15:45		Aug-21-08 15:45	
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL
Chloride		19100	286	15300	300	6760	301	797	296	ND	125	ND	125
BTEX by EPA 8021B	*Extracted:*	Aug-22-08 16:30		Aug-22-08 16:30		Aug-22-08 16:30		Aug-22-08 16:30					
	Analyzed:	Aug-23-08 08:47		Aug-23-08 09.10		Aug-23-08 09 38		Aug-23-08 12:42					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL				
Benzene		ND	0.0011	ND	0.0012	ND	0 0012	ND	0 0012				
Toluene		ND	0 0023	ND	0.0024	ND	0 0024	ND	0 0024				
Ethylbenzene		0.0015	0 0011	ND	0.0012	ND	0 0012	ND	0 0012				
m,p-Xylenes		0.0041	0 0023	ND	0 0024	ND	0.0024	ND	0 0024				
o-Xylene		0.0037	0 0011	ND	0 0012	ND	0.0012	ND	0 0012				
Total Xylenes		0.0078		ND		ND		ND					
Total BTEX		0.0093		ND		ND		ND					
Percent Moisture	*Extracted:*												
	Analyzed:	Aug-22-08 09:00		Aug-22-08 09:00		Aug-22-08 09:00		Aug-22-08 09:00					
	Units/RL:	%	RL	%	RL	%	RL	%	RL				
Percent Moisture		12.5		16.7		17		15.6					
TPH By SW8015 Mod	*Extracted:*	Aug-22-08 10:30		Aug-22-08 10:30		Aug-22-08 10:30		Aug-22-08 10:30					
	Analyzed:	Aug-22-08 14:07		Aug-22-08 14:33		Aug-22-08 14:58		Aug-22-08 15:24					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL				
C6-C12 Gasoline Range Hydrocarbons		ND	17.1	ND	18 0	ND	18.1	ND	17 8				
C12-C28 Diesel Range Hydrocarbons		515	17.1	19.5	18 0	ND	18.1	46.4	17 8				
C28-C35 Oil Range Hydrocarbons		110	17.1	21.4	18 0	ND	18.1	23.2	17 8				
Total TPH		625		40.9		ND		69.6					

Brent Barron
Odessa Laboratory Director

XENCO Laboratories

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 effect the recovery of the spike concentration. This condition could also effect 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 MQL(PQL) and above the SQL(MDL).

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.

* Outside XENCO'S scope of NELAC Accreditation

Form 2 - Surrogate Recoveries

Project Name: Midnight Matador A # 4

Work Order #: 310700 **Project ID:** Fairway Resources

Lab Batch #: 731986 **Sample:** 310700-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0346	0.0300	115	80-120	
4-Bromofluorobenzene	0.0323	0.0300	108	80-120	

Lab Batch #: 731986 **Sample:** 310700-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0355	0.0300	118	80-120	
4-Bromofluorobenzene	0.0292	0.0300	97	80-120	

Lab Batch #: 731986 **Sample:** 310700-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0342	0.0300	114	80-120	
4-Bromofluorobenzene	0.0306	0.0300	102	80-120	

Lab Batch #: 731986 **Sample:** 310700-004 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0345	0.0300	115	80-120	
4-Bromofluorobenzene	0.0299	0.0300	100	80-120	

Lab Batch #: 731986 **Sample:** 310758-001 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0295	0.0300	98	80-120	
4-Bromofluorobenzene	0.0341	0.0300	114	80-120	

** 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: Midnight Matador A # 4

Work Order #: 310700 **Project ID:** Fairway Resources

Lab Batch #: 731986 **Sample:** 310758-001 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0292	0.0300	97	80-120	
4-Bromofluorobenzene	0.0312	0.0300	104	80-120	

Lab Batch #: 731986 **Sample:** 514410-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0288	0.0300	96	80-120	
4-Bromofluorobenzene	0.0327	0.0300	109	80-120	

Lab Batch #: 731986 **Sample:** 514410-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0344	0.0300	115	80-120	
4-Bromofluorobenzene	0.0288	0.0300	96	80-120	

Lab Batch #: 731986 **Sample:** 514410-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0289	0.0300	96	80-120	
4-Bromofluorobenzene	0.0313	0.0300	104	80-120	

Lab Batch #: 732039 **Sample:** 310700-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	91.5	100	92	70-135	
o-Terphenyl	49.7	50.0	99	70-135	

** 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: Midnight Matador A # 4

Work Order #: 310700 **Project ID:** Fairway Resources

Lab Batch #: 732039 **Sample:** 310700-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	90.8	100	91	70-135	
o-Terphenyl	48.8	50.0	98	70-135	

Lab Batch #: 732039 **Sample:** 310700-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	89.9	100	90	70-135	
o-Terphenyl	48.7	50.0	97	70-135	

Lab Batch #: 732039 **Sample:** 310700-004 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	89.1	100	89	70-135	
o-Terphenyl	47.9	50.0	96	70-135	

Lab Batch #: 732039 **Sample:** 310752-002 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	91.6	100	92	70-135	
o-Terphenyl	51.0	50.0	102	70-135	

Lab Batch #: 732039 **Sample:** 310752-002 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	86.1	100	86	70-135	
o-Terphenyl	48.4	50.0	97	70-135	

** 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: Midnight Matador A # 4

Work Order #: 310700 **Project ID:** Fairway Resources

Lab Batch #: 732039 **Sample:** 514434-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	86.4	100	86	70-135	
o-Terphenyl	47.7	50.0	95	70-135	

Lab Batch #: 732039 **Sample:** 514434-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	85.9	100	86	70-135	
o-Terphenyl	46.8	50.0	94	70-135	

Lab Batch #: 732039 **Sample:** 514434-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	87.8	100	88	70-135	
o-Terphenyl	48.4	50.0	97	70-135	

** 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.

Blank Spike Recovery

Project Name: Midnight Matador A # 4

Work Order #: 310700 **Project ID:** Fairway Resources

Lab Batch #: 731928 **Sample:** 731928-1-BKS **Matrix:** Solid

Date Analyzed: 08/21/2008 **Date Prepared:** 08/21/2008 **Analyst:** LATCOR

Reporting Units: mg/kg **Batch #:** 1

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
			BLANK /BLANK SPIKE RECOVERY STUDY			
Chloride	ND	100	94.3	94	75-125	

Blank Spike Recovery [D] = 100*[C]/[B]
All results are based on MDL and validated for QC purposes.

BS / BSD Recoveries

Project Name: Midnight Matador A # 4

Work Order #: 310700 **Project ID:** Fairway Resources

Analyst: ASA **Date Prepared:** 08/22/2008 **Date Analyzed:** 08/23/2008

Lab Batch ID: 731986 **Sample:** 514410-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

BTEX by EPA 8021B Analytes	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
Benzene	ND	0.1000	0.0832	83	0.1	0.0922	92	10	70-130	35	
Toluene	ND	0.1000	0.0864	86	0.1	0.0956	96	10	70-130	35	
Ethylbenzene	ND	0.1000	0.0979	98	0.1	0.1089	109	11	71-129	35	
m,p-Xylenes	ND	0.2000	0.1986	99	0.2	0.2208	110	11	70-135	35	
o-Xylene	ND	0.1000	0.0962	96	0.1	0.1065	107	10	71-133	35	

Analyst: IRO **Date Prepared:** 08/22/2008 **Date Analyzed:** 08/22/2008

Lab Batch ID: 732039 **Sample:** 514434-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

TPH By SW8015 Mod Analytes	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
C6-C12 Gasoline Range Hydrocarbons	ND	1000	839	84	1000	847	85	1	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1000	861	86	1000	869	87	1	70-135	35	

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: Midnight Matador A # 4

Work Order #: 310700
Lab Batch #: 731928
Date Analyzed: 08/21/2008
QC- Sample ID: 310673-001 S
Reporting Units: mg/kg

Date Prepared: 08/21/2008
Batch #: 1

Project ID: Fairway Resources
Analyst: LATCOR
Matrix: Soil

Inorganic Anions by EPA 300	MATRIX / MATRIX SPIKE RECOVERY STUDY					
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	ND	500	545	109	75-125	

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

Form 3 - MS / MSD Recoveries

Project Name: Midnight Matador A # 4

Work Order # : 310700 **Project ID:** Fairway Resources

Lab Batch ID: 731986 **QC- Sample ID:** 310758-001 S **Batch #:** 1 **Matrix:** Soil

Date Analyzed: 08/23/2008 **Date Prepared:** 08/22/2008 **Analyst:** ASA

Reporting Units: mg/kg

BTEX by EPA 8021B Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	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
Benzene	ND	0.1000	0.0648	65	0.1000	0.0626	63	3	70-130	35	X
Toluene	ND	0.1000	0.0631	63	0.1000	0.0603	60	5	70-130	35	X
Ethylbenzene	ND	0.1000	0.0693	69	0.1000	0.0649	65	6	71-129	35	X
m,p-Xylenes	ND	0.2000	0.1380	69	0.2000	0.1289	64	8	70-135	35	X
o-Xylene	ND	0.1000	0.0676	68	0.1000	0.0630	63	8	71-133	35	X

Lab Batch ID: 732039 **QC- Sample ID:** 310752-002 S **Batch #:** 1 **Matrix:** Soil

Date Analyzed: 08/22/2008 **Date Prepared:** 08/22/2008 **Analyst:** IRO

Reporting Units: mg/kg

TPH By SW8015 Mod Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	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
C6-C12 Gasoline Range Hydrocarbons	ND	1040	897	86	1040	852	82	5	70-135	35	
C12-C28 Diesel Range Hydrocarbons	52.1	1040	966	88	1040	908	82	7	70-135	35	

Matrix Spike Percent Recovery [D] = 100*(C-A)/B

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

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

ND = Not Detected, J = Present Below Reporting Limit, B = Present in Blank, NR = Not Requested, I = Interference, NA = Not ApplicableN = See Narrative, EQL = Estimated Quantitation Limit

Sample Duplicate Recovery

Project Name: Midnight Matador A # 4

Work Order #: 310700

Lab Batch #: 731928 **Project ID:** Fairway Resources

Date Analyzed: 08/21/2008 **Date Prepared:** 08/21/2008 **Analyst:** LATCOR

QC- Sample ID: 310673-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: mg/kg

Anions by EPA 300/300.1	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Chloride	ND	ND	NC	20	

Lab Batch #: 731837

Date Analyzed: 08/22/2008 **Date Prepared:** 08/22/2008 **Analyst:** MOV

QC- Sample ID: 310679-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	3.64	2.83	25	20	F

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

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765
Phone 432-563-1800
Fax: 432-563-1713

Project Manager: Curt Stanley
Company Name: Basin Environmental
Company Address: P.O. Box 301
City/State/Zip: Lovington, New Mexico 88260
Telephone No: 575-441-2244 Fax No: 575-396-1429
Sampler Signature:
e-mail: cstanley@basinenv.com

Project Name: Midnight Matador A #4
Project #: Fairway Resources
Project Loc: East of Artesia, NM
PO #:
Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only)
ORDER #: 310700

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of containers: Ice	HNO3	HCl	H2SO4	NaOH	Na2S2O3	None	Other (Specify)	Matrix: DW - Drinking Water SL - Sludge; GW - Groundwater S - Soil/Sol; NP - Non-Potable Specify Other	Analyze For: TCLP 8015M	TCLP TPH TX 1005	TCLP TX 1006	TCLP Cations (Ca Mg Na K)	TCLP Anions (Cl SO4 Alkalinity)	TCLP SAR / ESP / CEC	TCLP Metals As Ag Ba Cd Cr Pb Hg Se	TCLP Volatiles	TCLP Semivolatiles	TOTAL BTEX 8021B/5030 or BTEX 8260	RCI	NORM	Chlorides EPA 300	HOLD	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	NSW-1			8/18/2008	1400		1	X									X									X			X			X
02	NSW-2			8/18/2008	1405		1	X									X									X			X			X
03	WSW-1A			8/18/2008	1410		1	X									X									X			X			X
04	SSW-2			8/18/2008	1415		1	X									X									X			X			X
05	Floor - 1A			8/18/2008	1430		1							X															X			X
06	Floor - 2A			8/18/2008	1440		1							X															X			X

Special Instructions:
BILL TO BASIN

Relinquished by	Date	Time	Received by	Date	Time
	8/20/08	1724			
Relinquished by	Date	Time	Received by	Date	Time
Relinquished by	Date	Time	Received by ELOT	Date	Time
				08-20-08	1724

Laboratory Comments:
Sample Containers Intact? Y N
VOCs Free of Headspace? Y N
Labels on container(s) Y N
Custody seals on container(s) / label Y N
Custody seals on cooler(s) Y N (N/A)
Sample Hand Delivered by Sampler/Client Rep.? Y N
by Courier? UPS DHL FedEx Lone Star
Temperature Upon Receipt 4.0 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Basin Env. Comptel

Date/ Time: 08 20 08 @ 1724

Lab ID #: 310700

Initials: JMF

Sample Receipt Checklist

					Client Initials
#1	Temperature of container/ cooler?	(Yes)	No	4.0 °C	
#2	Shipping container in good condition?	Yes	No	(N/A)	
#3	Custody Seals intact on shipping container/ cooler?	Yes	No	Not Present (N/A)	
#4	Custody Seals intact on sample bottles/ container? (labs)	(Yes)	No	Not Present	
#5	Chain of Custody present?	(Yes)	No		
#6	Sample instructions complete of Chain of Custody?	(Yes)	No		
#7	Chain of Custody signed when relinquished/ received?	(Yes)	No		
#8	Chain of Custody agrees with sample label(s)?	(Yes)	No	ID written on Cont / Lid	
#9	Container label(s) legible and intact?	(Yes)	No	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	(Yes)	No		
#11	Containers supplied by ELOT?	(Yes)	No		
#12	Samples in proper container/ bottle?	(Yes)	No	See Below	
#13	Samples properly preserved?	(Yes)	No	See Below	
#14	Sample bottles intact?	(Yes)	No		
#15	Preservations documented on Chain of Custody?	(Yes)	No		
#16	Containers documented on Chain of Custody?	(Yes)	No		
#17	Sufficient sample amount for indicated test(s)?	(Yes)	No	See Below	
#18	All samples received within sufficient hold time?	(Yes)	No	See Below	
#19	Subcontract of sample(s)?	Yes	No	(Not Applicable)	
#20	VOC samples have zero headspace?	(Yes)	No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken: _____

Check all that Apply:

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

Analytical Report 311621

for

Basin Enivronmental Services

Project Manager: Curt Stanley

Midnight Matador A # 4

Fairway Resources

08-SEP-08

12600 West I-20 East Odessa, Texas 79765

Texas certification numbers:
Houston, TX T104704215 - Odessa/Midland, TX T104704215-08-TX

Florida certification numbers:
Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675
Norcross(Atlanta), GA E87429

South Carolina certification numbers:
Norcross(Atlanta), GA 98015

North Carolina certification numbers:
Norcross(Atlanta), GA 483

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America
Midland - Corpus Christi - Atlanta

XENCO Laboratories

08-SEP-08

Project Manager: **Curt Stanley**
Basin Enivronmental Services
P.O. Box 301
Lovington, NM 88260

Reference: XENCO Report No: **311621**
Midnight Matador A # 4
Project Address: East of Artesia, NM

Curt Stanley:

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 311621. 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. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. 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. 311621 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,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 311621

Basin Enivronmental Services, Lovington, NM

Midnight Matador A # 4

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
T-5A @ 3'	S	Sep-02-08 14:00		311621-001
T-5B @ 3'	S	Sep-02-08 14:05		311621-002
T-6A @ 3'	S	Sep-02-08 14:10		311621-003
T-6B @ 3'	S	Sep-02-08 14:15		311621-004

Certificate of Analysis Summary 311621

Basin Enivronmental Services, Lovington, NM

Project Name: Midnight Matador A # 4

Project Id: Fairway Resources
Contact: Curt Stanley
Project Location: East of Artesia, NM

Date Received in Lab: Wed Sep-03-08 11:47 am
Report Date: 08-SEP-08
Project Manager: Brent Barron, II

Analysis Requested													
	Lab Id:	311621-001		311621-002		311621-003		311621-004					
	Field Id:	T-5A @ 3'		T-5B @ 3'		T-6A @ 3'		T-6B @ 3'					
	Depth:												
	Matrix:	SOIL		SOIL		SOIL		SOIL					
	Sampled:	Sep-02-08 14:00		Sep-02-08 14:05		Sep-02-08 14 10		Sep-02-08 14:15					
Anions by EPA 300/300.1	*Extracted:*												
	Analyzed:	Sep-04-08 15:21		Sep-04-08 15:21		Sep-04-08 15:21		Sep-04-08 15:21					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL				
Chloride		237	50 0	206	50 0	894	50.0	238	25.0				
Percent Moisture	*Extracted:*												
	Analyzed:	Sep-04-08 13:45		Sep-04-08 13:45		Sep-04-08 13:45		Sep-04-08 13:45					
	Units/RL:	%	RL	%	RL	%	RL	%	RL				
Percent Moisture		19.14	1.00	15.84	1.00	17.07	1.00	18 81	1.00				
TPH By SW8015 Mod	*Extracted:*	Sep-04-08 15.30		Sep-04-08 15:30		Sep-04-08 15:30		Sep-04-08 15:30					
	Analyzed:	Sep-05-08 19.38		Sep-05-08 20:03		Sep-05-08 20:29		Sep-05-08 20:55					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL	mg/kg	RL				
C6-C12 Gasoline Range Hydrocarbons		ND	18.6	ND	17.8	ND	18.1	ND	18 5				
C12-C28 Diesel Range Hydrocarbons		ND	18.6	ND	17.8	ND	18.1	ND	18.5				
C28-C35 Oil Range Hydrocarbons		ND	18.6	ND	17 8	ND	18.1	ND	18.5				
Total TPH		ND		ND		ND		ND					

Since 1990 Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America - Atlanta - Corpus Christi

Brent Barron
Odessa Laboratory Director

XENCO Laboratories

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 effect the recovery of the spike concentration. This condition could also effect 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 MQL(PQL) and above the SQL(MDL).

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.

* Outside XENCO'S scope of NELAC Accreditation

Form 2 - Surrogate Recoveries

Project Name: Midnight Matador A # 4

Work Orders : 311621, **Project ID:** Fairway Resources

Lab Batch #: 733391 **Sample:** 311621-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	97.0	100	97	70-135	
o-Terphenyl	53.8	50.0	108	70-135	

Lab Batch #: 733391 **Sample:** 311621-001 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	101	100	101	70-135	
o-Terphenyl	56.3	50.0	113	70-135	

Lab Batch #: 733391 **Sample:** 311621-001 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	97.7	100	98	70-135	
o-Terphenyl	55.0	50.0	110	70-135	

Lab Batch #: 733391 **Sample:** 311621-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	95.2	100	95	70-135	
o-Terphenyl	52.7	50.0	105	70-135	

Lab Batch #: 733391 **Sample:** 311621-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	91.9	100	92	70-135	
o-Terphenyl	50.9	50.0	102	70-135	

** 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: Midnight Matador A # 4

Work Orders : 311621,

Project ID: Fairway Resources

Lab Batch #: 733391 **Sample:** 311621-004 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	96 3	100	96	70-135	
o-Terphenyl	52.7	50.0	105	70-135	

Lab Batch #: 733391 **Sample:** 515237-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	97.8	100	98	70-135	
o-Terphenyl	54.6	50.0	109	70-135	

Lab Batch #: 733391 **Sample:** 515237-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	95.4	100	95	70-135	
o-Terphenyl	52.7	50.0	105	70-135	

Lab Batch #: 733391 **Sample:** 515237-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	96.4	100	96	70-135	
o-Terphenyl	53.4	50.0	107	70-135	

** 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.

XENCO Laboratories

Blank Spike Recovery

Project Name: Midnight Matador A # 4

Work Order #: 311621 **Project ID:** Fairway Resources

Lab Batch #: 733205 **Sample:** 733205-1-BKS **Matrix:** Solid

Date Analyzed: 09/04/2008 **Date Prepared:** 09/04/2008 **Analyst:** LATCOR

Reporting Units: mg/kg **Batch #:** 1

	BLANK /BLANK SPIKE RECOVERY STUDY					
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	ND	10.0	10.8	108	75-125	

Blank Spike Recovery [D] = 100*[C]/[B]
All results are based on MDL and validated for QC purposes.

XENCO Laboratories

BS / BSD Recoveries

Project Name: Midnight Matador A # 4

Work Order #: 311621
Analyst: IRO
Lab Batch ID: 733391
Sample: 515237-1-BKS
Units: mg/kg

Date Prepared: 09/04/2008
Batch #: 1

Project ID: Fairway Resources
Date Analyzed: 09/05/2008
Matrix: Solid

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

TPH By SW8015 Mod Analytes	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
C6-C12 Gasoline Range Hydrocarbons	ND	1000	835	84	1000	841	84	1	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1000	873	87	1000	876	88	0	70-135	35	

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: Midnight Matador A # 4

Work Order #: 311621
Lab Batch #: 733205
Date Analyzed: 09/04/2008
QC- Sample ID: 311736-001 S
Reporting Units: mg/kg

Date Prepared: 09/04/2008
Batch #: 1

Project ID: Fairway Resources
Analyst: LATCOR
Matrix: Soil

Inorganic Anions by EPA 300	MATRIX / MATRIX SPIKE RECOVERY STUDY					
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	ND	100	90.8	91	75-125	

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

XENCO Laboratories

Form 3 - MS / MSD Recoveries

Project Name: Midnight Matador A # 4

Work Order # : 311621 **Project ID:** Fairway Resources

Lab Batch ID: 733391 **QC- Sample ID:** 311621-001 S **Batch #:** 1 **Matrix:** Soil

Date Analyzed: 09/06/2008 **Date Prepared:** 09/04/2008 **Analyst:** IRO

Reporting Units: mg/kg

TPH By SW8015 Mod Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	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
C6-C12 Gasoline Range Hydrocarbons	ND	1240	1050	85	1240	1040	84	1	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1240	1060	85	1240	1090	88	3	70-135	35	

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 ApplicableN = See Narrative, EQL = Estimated Quantitation Limit

XENCO Laboratories

Sample Duplicate Recovery

Project Name: Midnight Matador A # 4

Work Order #: 311621

Lab Batch #: 733205 **Project ID:** Fairway Resources

Date Analyzed: 09/04/2008 **Date Prepared:** 09/04/2008 **Analyst:** LATCOR

QC- Sample ID: 311736-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: mg/kg

Anions by EPA 300/300.1	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Chloride	ND	ND	NC	20	

Lab Batch #: 733243

Date Analyzed: 09/04/2008 **Date Prepared:** 09/04/2008 **Analyst:** WRU

QC- Sample ID: 311621-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	19.1	19.2	0	20	

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

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79788

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Curt Stanley — Project Name: Midnight Matador A #4

Company Name: Basin Environmental — Project #: Fairway Resources

Company Address: P.O. Box 301 — Project Loc: East of Artesia, NM

City/State/Zip: Lovington, New Mexico 88260 — PO #:

Telephone No.: 575-441-2244 — Fax No: 575-396-1429 — Report Format: [X] Standard [ ] TRRP [ ] NPDES

Sampler Signature: — e-mail:

(lab use only)

ORDER #: 311021

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge	GW=Groundwater S=Soil/Solid	NP=Non-Potable Specify Other	Analyze For: TCLP 8015B	TOTAL 8015B	TPH 418.1	TPH TX 1005	TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N O R M	Chlorides EPA 300	HOLD	RUSH TAT (Pre-Scheduled) 24, 48, 72 hrs	Standard TAT
01	T-5A @ 3'			9/2/2008	1400		1	X									S				X											X			X
02	T-5B @ 3'			9/2/2008	1405		1	X									S				X											X			X
03	T-6A @ 3'			9/2/2008	1410		1	X									S				X											X			X
04	T-6B @ 3'			9/2/2008	1415		1	X									S				X											X			X

Special Instructions:

BILL TO BASIN

Relinquished by	Date	Time	Received by	Date	Time
	9/3/08	1147			
Relinquished by	Date	Time	Received by:	Date	Time
Relinquished by	Date	Time	Received by ELOT	Date	Time
			Andrea Lam	9/3/08	1147

Laboratory Comments:

Sample Containers Intact?	Y	N
VOCs Free of Headspace?	Y	N
Labels on container(s)	Y	N
Custody seals on container(s)	Y	N
Custody seals on cooler(s)	Y	N
Sample Hand Delivered	Y	N

by Sampler/Client Rep. ? by Courier? UPS DHL FedEx Lone Star

4029155

Temperature Upon Receipt: 4.0 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Brian Env.

Date/ Time: 9 3 03 11 47

Lab ID #: 311621

Initials: GL

Sample Receipt Checklist

				Client Initials
#1 Temperature of container/ cooler?	(Yes)	No	4.0 °C	
#2 Shipping container in good condition?	(Yes)	No		
#3 Custody Seals intact on shipping container/ cooler?	Yes	No	(Not Present)	
#4 Custody Seals intact on sample bottles/ container?	(Yes)	No	Not Present	
#5 Chain of Custody present?	(Yes)	No		
#6 Sample instructions complete of Chain of Custody?	(Yes)	No		
#7 Chain of Custody signed when relinquished/ received?	(Yes)	No		
#8 Chain of Custody agrees with sample label(s)?	(Yes)	No	ID written on Cont / Lid	
#9 Container label(s) legible and intact?	(Yes)	No	Not Applicable	
#10 Sample matrix/ properties agree with Chain of Custody?	(Yes)	No		
#11 Containers supplied by ELOT?	(Yes)	No		
#12 Samples in proper container/ bottle?	(Yes)	No	See Below	
#13 Samples properly preserved?	(Yes)	No	See Below	
#14 Sample bottles intact?	(Yes)	No		
#15 Preservations documented on Chain of Custody?	(Yes)	No		
#16 Containers documented on Chain of Custody?	(Yes)	No		
#17 Sufficient sample amount for indicated test(s)?	(Yes)	No	See Below	
#18 All samples received within sufficient hold time?	(Yes)	No	See Below	
#19 Subcontract of sample(s)?	Yes	No	(Not Applicable)	
#20 VOC samples have zero headspace?	(Yes)	No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken

_____

_____

_____

Check all that Apply

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

Analytical Report 313349

for

Basin Enivronmental Services

Project Manager: Curt Stanley

Midnight Matador A # 4

Fairway Resources

30-SEP-08

XENCO Laboratories

ACCREDITED IN ACCORDANCE WITH nelac

E84880

12600 West I-20 East Odessa, Texas 79765

Texas certification numbers:
Houston, TX T104704215 - Odessa/Midland, TX T104704215-08-TX

Florida certification numbers:
Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675
Norcross(Atlanta), GA E87429

South Carolina certification numbers:
Norcross(Atlanta), GA 98015

North Carolina certification numbers:
Norcross(Atlanta), GA 483

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America
Midland - Corpus Christi - Atlanta

30-SEP-08

Project Manager: **Curt Stanley**
Basin Enivronmental Services
P.O. Box 301
Lovington, NM 88260

Reference: XENCO Report No: **313349**
Midnight Matador A # 4
Project Address: East of Artesia, NM

Curt Stanley:

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 313349. 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. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. 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. 313349 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,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 313349

Basin Enivronmental Services, Lovington, NM

Midnight Matador A # 4

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
WSW-1A	S	Sep-24-08 09:45		313349-001
NSW-2A	S	Sep-24-08 09:50		313349-002
NSW-1A	S	Sep-24-08 09:55		313349-003

Certificate of Analysis Summary 313349

Basin Enivronmental Services, Lovington, NM

Project Name: Midnight Matador A # 4

Project Id: Fairway Resources
Contact: Curt Stanley
Project Location: East of Artesia, NM

Date Received in Lab: Fri Sep-26-08 02:00 pm
Report Date: 30-SEP-08
Project Manager: Brent Barron, II

Analysis Requested	*Lab Id:*	313349-001		313349-002		313349-003				
	Field Id:	WSW-1A		NSW-2A		NSW-1A				
	Depth:									
	Matrix:	SOIL		SOIL		SOIL				
	Sampled:	Sep-24-08 09:45		Sep-24-08 09:50		Sep-24-08 09.55				
Anions by EPA 300/300.1	*Extracted:*									
	Analyzed:	Sep-29-08 08:50		Sep-29-08 15:01		Sep-29-08 15:01				
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL			
Chloride		390	55 5	1860	55 9	124	5.65			
TPH By SW8015 Mod	*Extracted:*	Sep-29-08 13:45		Sep-29-08 13:45		Sep-29-08 13 45				
	Analyzed:	Sep-30-08 06:34		Sep-30-08 07 02		Sep-30-08 07:31				
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL			
C6-C12 Gasoline Range Hydrocarbons		ND	16 7	ND	16.8	ND	16.9			
C12-C28 Diesel Range Hydrocarbons		20.8	16.7	51.0	16.8	341	16.9			
C28-C35 Oil Range Hydrocarbons		ND	16.7	ND	16.8	151	16.9			
Total TPH		20.8		51		492				

Brent Barron
Odessa Laboratory Director

Certificate of Analysis Summary 313349

Basin Enivronmental Services, Lovington, NM

Project Name: Midnight Matador A # 4

Project Id: Fairway Resources
Contact: Curt Stanley
Project Location: East of Artesia, NM

Date Received in Lab: Fri Sep-26-08 02:00 pm
Report Date: 30-SEP-08
Project Manager: Brent Barron, II

Analysis Requested											
	Lab Id:	313349-001		313349-002		313349-003					
	Field Id:	WSW-1A		NSW-2A		NSW-1A					
	Depth:										
	Matrix:	SOIL		SOIL		SOIL					
	Sampled:	Sep-24-08 09:45		Sep-24-08 09.50		Sep-24-08 09:55					
BTEX by EPA 8021B	*Extracted:*	Sep-26-08 16:05		Sep-26-08 16:05		Sep-26-08 16:05					
	Analyzed:	Sep-26-08 16:19		Sep-26-08 16:42		Sep-26-08 17.05					
	Units/RL:	mg/kg	RL	mg/kg	RL	mg/kg	RL				
Benzene		ND	0.0011	ND	0.0011	ND	0.0011				
Toluene		0.0044	0.0022	ND	0.0022	ND	0.0023				
Ethylbenzene		0.0018	0.0011	ND	0.0011	ND	0.0011				
m,p-Xylenes		0.0046	0.0022	0.0025	0 0022	ND	0.0023				
o-Xylene		0.0028	0.0011	ND	0 0011	ND	0.0011				
Total Xylenes		0.0074		0 0025		ND					
Total BTEX		0.0136		0 0025		ND					
Percent Moisture	*Extracted:*										
	Analyzed:	Sep-29-08 15:13		Sep-29-08 15:28		Sep-29-08 15:28					
	Units/RL:	%	RL	%	RL	%	RL				
Percent Moisture		9.97		10 6		11.5					

Brent Barron
Odessa Laboratory Director

XENCO Laboratories

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 effect the recovery of the spike concentration. This condition could also effect 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 MQL(PQL) and above the SQL(MDL).

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.

* Outside XENCO'S scope of NELAC Accreditation

XENCO Laboratories

Form 2 - Surrogate Recoveries

Project Name: Midnight Matador A # 4

Work Orders : 313349,

Project ID: Fairway Resources

Lab Batch #: 735513 **Sample:** 313348-003 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0319	0.0300	106	80-120	
4-Bromofluorobenzene	0.0274	0.0300	91	80-120	

Lab Batch #: 735513 **Sample:** 313348-003 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0305	0.0300	102	80-120	
4-Bromofluorobenzene	0.0254	0.0300	85	80-120	

Lab Batch #: 735513 **Sample:** 313349-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0426	0.0300	142	80-120	**
4-Bromofluorobenzene	0.0275	0.0300	92	80-120	

Lab Batch #: 735513 **Sample:** 313349-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0394	0.0300	131	80-120	**
4-Bromofluorobenzene	0.0258	0.0300	86	80-120	

Lab Batch #: 735513 **Sample:** 313349-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B	SURROGATE RECOVERY STUDY				
Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0384	0.0300	128	80-120	**
4-Bromofluorobenzene	0.0268	0.0300	89	80-120	

** 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.

XENCO Laboratories

Form 2 - Surrogate Recoveries

Project Name: Midnight Matador A # 4

Work Orders : 313349,

Project ID: Fairway Resources

Lab Batch #: 735513 **Sample:** 516468-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0299	0.0300	100	80-120	
4-Bromofluorobenzene	0.0280	0.0300	93	80-120	

Lab Batch #: 735513 **Sample:** 516468-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0369	0.0300	123	80-120	**
4-Bromofluorobenzene	0.0259	0.0300	86	80-120	

Lab Batch #: 735513 **Sample:** 516468-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0299	0.0300	100	80-120	
4-Bromofluorobenzene	0.0263	0.0300	88	80-120	

Lab Batch #: 735598 **Sample:** 313349-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	93.9	100	94	70-135	
o-Terphenyl	45.8	50.0	92	70-135	

Lab Batch #: 735598 **Sample:** 313349-002 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	98.8	100	99	70-135	
o-Terphenyl	49.6	50.0	99	70-135	

** 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: Midnight Matador A # 4

Work Orders : 313349,

Project ID: Fairway Resources

Lab Batch #: 735598 **Sample:** 313349-003 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	97.4	100	97	70-135	
o-Terphenyl	48.9	50.0	98	70-135	

Lab Batch #: 735598 **Sample:** 313349-003 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	99.7	100	100	70-135	
o-Terphenyl	50.2	50.0	100	70-135	

Lab Batch #: 735598 **Sample:** 313349-003 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	100	100	100	70-135	
o-Terphenyl	50.3	50.0	101	70-135	

Lab Batch #: 735598 **Sample:** 516521-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	125	100	125	70-135	
o-Terphenyl	60.6	50.0	121	70-135	

Lab Batch #: 735598 **Sample:** 516521-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	115	100	115	70-135	
o-Terphenyl	58.0	50.0	116	70-135	

** 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.

XENCO Laboratories

Form 2 - Surrogate Recoveries

Project Name: Midnight Matador A # 4

Work Orders : 313349,

Project ID: Fairway Resources

Lab Batch #: 735598 **Sample:** 516521-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	128	100	128	70-135	
o-Terphenyl	60.5	50.0	121	70-135	

** 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.

Blank Spike Recovery

Project Name: Midnight Matador A # 4

Work Order #: 313349 **Project ID:** Fairway Resources

Lab Batch #: 735562 **Sample:** 735562-1-BKS **Matrix:** Solid
Date Analyzed: 09/29/2008 **Date Prepared:** 09/29/2008 **Analyst:** LATCOR
Reporting Units: mg/kg **Batch #:** 1

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
	BLANK /BLANK SPIKE RECOVERY STUDY					
Chloride	ND	10.0	8.94	89	75-125	

Lab Batch #: 735564 **Sample:** 735564-1-BKS **Matrix:** Solid
Date Analyzed: 09/29/2008 **Date Prepared:** 09/29/2008 **Analyst:** LATCOR
Reporting Units: mg/kg **Batch #:** 1

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
	BLANK /BLANK SPIKE RECOVERY STUDY					
Chloride	ND	10.0	8.96	90	75-125	

Blank Spike Recovery [D] = 100*[C]/[B]
All results are based on MDL and validated for QC purposes.

XENCO Laboratories

BS / BSD Recoveries

nelac

Project Name: Midnight Matador A # 4

Work Order #: 313349 **Project ID:** Fairway Resources

Analyst: BRB **Date Prepared:** 09/26/2008 **Date Analyzed:** 09/26/2008

Lab Batch ID: 735513 **Sample:** 516468-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

BTEX by EPA 8021B Analytes	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
Benzene	ND	0.1000	0.1101	110	0.1	0.1101	110	0	70-130	35	
Toluene	ND	0.1000	0.1079	108	0.1	0.1075	108	0	70-130	35	
Ethylbenzene	ND	0.1000	0.1124	112	0.1	0.1117	112	1	71-129	35	
m,p-Xylenes	ND	0.2000	0.2326	116	0.2	0.2305	115	1	70-135	35	
o-Xylene	ND	0.1000	0.1055	106	0.1	0.1037	104	2	71-133	35	

Analyst: ASA **Date Prepared:** 09/29/2008 **Date Analyzed:** 09/29/2008

Lab Batch ID: 735598 **Sample:** 516521-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

TPH By SW8015 Mod Analytes	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
C6-C12 Gasoline Range Hydrocarbons	ND	1000	917	92	1000	925	93	1	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1000	1010	101	1000	1030	103	2	70-135	35	

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: Midnight Matador A # 4

Work Order #: 313349

Lab Batch #: 735562 **Project ID:** Fairway Resources

Date Analyzed: 09/29/2008 **Date Prepared:** 09/29/2008 **Analyst:** LATCOR

QC- Sample ID: 313348-001 S **Batch #:** 1 **Matrix:** Soil

Reporting Units: mg/kg

Inorganic Anions by EPA 300	MATRIX / MATRIX SPIKE RECOVERY STUDY					
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	ND	231	234	101	75-125	

Lab Batch #: 735564

Date Analyzed: 09/29/2008 **Date Prepared:** 09/29/2008 **Analyst:** LATCOR

QC- Sample ID: 313349-002 S **Batch #:** 1 **Matrix:** Soil

Reporting Units: mg/kg

Inorganic Anions by EPA 300	MATRIX / MATRIX SPIKE RECOVERY STUDY					
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	1860	1120	3270	126	75-125	X

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

Form 3 - MS / MSD Recoveries

Project Name: Midnight Matador A # 4

Work Order # : 313349 **Project ID:** Fairway Resources

Lab Batch ID: 735513 **QC- Sample ID:** 313348-003 S **Batch #:** 1 **Matrix:** Soil

Date Analyzed: 09/26/2008 **Date Prepared:** 09/26/2008 **Analyst:** BRB

Reporting Units: mg/kg

BTEX by EPA 8021B Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	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
Benzene	ND	0.1158	0.0821	71	0.1158	0.0887	77	8	70-130	35	
Toluene	ND	0.1158	0.0582	50	0.1158	0.0654	56	11	70-130	35	X
Ethylbenzene	ND	0.1158	0.0377	33	0.1158	0.0448	39	17	71-129	35	X
m,p-Xylenes	ND	0.2317	0.0739	32	0.2317	0.0877	38	17	70-135	35	X
o-Xylene	ND	0.1158	0.0354	31	0.1158	0.0417	36	15	71-133	35	X

Lab Batch ID: 735598 **QC- Sample ID:** 313349-003 S **Batch #:** 1 **Matrix:** Soil

Date Analyzed: 09/30/2008 **Date Prepared:** 09/29/2008 **Analyst:** ASA

Reporting Units: mg/kg

TPH By SW8015 Mod Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	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
C6-C12 Gasoline Range Hydrocarbons	ND	1130	6.03	1	1130	6.21	1	0	70-135	35	X
C12-C28 Diesel Range Hydrocarbons	341	1130	344	0	1130	319	0	NC	70-135	35	X

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 ApplicableN = See Narrative, EQL = Estimated Quantitation Limit

Sample Duplicate Recovery

Project Name: Midnight Matador A # 4

Work Order #: 313349

Lab Batch #: 735562 **Project ID:** Fairway Resources
Date Analyzed: 09/29/2008 **Date Prepared:** 09/29/2008 **Analyst:** LATCOR
QC- Sample ID: 313348-001 D **Batch #:** 1 **Matrix:** Soil
Reporting Units: mg/kg

Anions by EPA 300/300.1	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Chloride	ND	ND	NC	20	

Lab Batch #: 735564
Date Analyzed: 09/29/2008 **Date Prepared:** 09/29/2008 **Analyst:** LATCOR
QC- Sample ID: 313349-002 D **Batch #:** 1 **Matrix:** Soil
Reporting Units: mg/kg

Anions by EPA 300/300.1	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Chloride	1860	1810	3	20	

Lab Batch #: 735506
Date Analyzed: 09/29/2008 **Date Prepared:** 09/29/2008 **Analyst:** WRU
QC- Sample ID: 313348-001 D **Batch #:** 1 **Matrix:** Soil
Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	13.3	13.2	1	20	

Lab Batch #: 735508
Date Analyzed: 09/29/2008 **Date Prepared:** 09/29/2008 **Analyst:** WRU
QC- Sample ID: 313349-002 D **Batch #:** 1 **Matrix:** Soil
Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	10.6	10.4	2	20	

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

Environmental Lab of Texas

A Xenco Laboratories Company

12600 West I-20 East
Odessa, Texas 79765

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Curt Stanley

Company Name: Basin Environmental

Company Address: P O Box 301

City/State/Zip: Lovington, New Mexico 88260

Telephone No: 575-441-2244

Fax No: 575-396-1429

Sampler Signature: [signature] for Joy Hawkins

e-mail:

Project Name: Midnight Matador A #4

Project #: Fairway Resources

Project Loc: East of Artesia, NM

PO #:

Report Format: [X] Standard [ ] TRRP [ ] NPDES

(lab use only)

ORDER #: 313349

Preservation & # of Containers: Ice, HNO_3, HCl, H_2SO_4, NaOH, $Na_2S_2O_3$, None, Other (Specify)

Matrix: DW=Drinking Water, SL=Sludge, GW = Groundwater, S=Soil/Solid, NP=Non Potable, Specify Other

Analyze For: TCLP / TOTAL

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Ice	HNO_3	HCl	H_2SO_4	NaOH	$Na_2S_2O_3$	None	Other (Specify)	Matrix	TPH 418.1 8015M 8015B	TPH TX 1005 TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030 or BTEX 8260	RCI	N.O.R.M.	Chlorides E 300		HOLD	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	WSW-1A			9/24/2008	945		1	X								Soil	X								X			X				X
02	NSW-2A			9/24/2008	950		1	X								Soil	X								X			X				X
03	NSW-1A			9/24/2008	955		1	X								Soil	X								X			X				X

Special Instructions: BILL TO BASIN

Relinquished by:	Date	Time	Received by:	Date	Time
[signature]	9/26/08	1400			
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by:	Date	Time	Received by ELOT:	Date	Time
			Andrea Lam	9 26 08	1400

Laboratory Comments:

Sample Containers Intact?	(Y)	N
VOCs Free of Headspace?	Y	(N/A)
Labels on container(s)	(Y)	N
Custody seals on container(s)	(Y)	N
Custody seals on cooler(s)	Y	(N)
Sample Hand Delivered	(Y)	N
by Sampler/Client Rep ?	(Y)	N
by Courier? UPS DHL FedEx Lone Star		

4 oz glass

Temperature Upon Receipt: 4.0 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Basin Env.

Date/ Time: 9.26.08 14 00

Lab ID #: 313349

Initials: AL

Sample Receipt Checklist

				Client Initials
#1	Temperature of container/ cooler?	(Yes)	No	4.0 °C	
#2	Shipping container in good condition?	(Yes)	No		
#3	Custody Seals intact on shipping container/ cooler?	Yes	No	(Not Present)	
#4	Custody Seals intact on sample bottles/ container?	(Yes)	No	Not Present	
#5	Chain of Custody present?	(Yes)	No		
#6	Sample instructions complete of Chain of Custody?	(Yes)	No		
#7	Chain of Custody signed when relinquished/ received?	(Yes)	No		
#8	Chain of Custody agrees with sample label(s)?	(Yes)	No	ID written on Cont / Lid	
#9	Container label(s) legible and intact?	(Yes)	No	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	(Yes)	No		
#11	Containers supplied by ELOT?	(Yes)	No		
#12	Samples in proper container/ bottle?	(Yes)	No	See Below	
#13	Samples properly preserved?	(Yes)	No	See Below	
#14	Sample bottles intact?	(Yes)	No		
#15	Preservations documented on Chain of Custody?	(Yes)	No		
#16	Containers documented on Chain of Custody?	(Yes)	No		
#17	Sufficient sample amount for indicated test(s)?	(Yes)	No	See Below	
#18	All samples received within sufficient hold time?	(Yes)	No	See Below	
#19	Subcontract of sample(s)?	Yes	No	(Not Applicable)	
#20	VOC samples have zero headspace?	(Yes)	No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken: _____

Check all that Apply:

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

Analytical Report 314392

for

Basin Enivronmental Services

Project Manager: Curt Stanley

Midnight Matador A # 4

Fairway Resources

14-OCT-08

E84880

12600 West I-20 East Odessa, Texas 79765

Texas certification numbers:
Houston, TX T104704215 - Odessa/Midland, TX T104704215-08-TX

Florida certification numbers:
Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675
Norcross(Atlanta), GA E87429

South Carolina certification numbers:
Norcross(Atlanta), GA 98015

North Carolina certification numbers:
Norcross(Atlanta), GA 483

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America
Midland - Corpus Christi - Atlanta

XENCO Laboratories

14-OCT-08

Project Manager: **Curt Stanley**
Basin Enivronmental Services
P.O. Box 301
Lovington, NM 88260

Reference: XENCO Report No: **314392**
Midnight Matador A # 4
Project Address: East of Artesia, NM

Curt Stanley:

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 314392. 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. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. 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. 314392 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,

Brent Barron, II
Odessa Laboratory Manager

Sample Cross Reference 314392

Basin Enivronmental Services, Lovington, NM

Midnight Matador A # 4

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
NSW-2A	S	Oct-08-08 13:05		314392-001

Certificate of Analysis Summary 314392

Basin Enivronmental Services, Lovington, NM

Project Name: Midnight Matador A # 4

Project Id: Fairway Resources
Contact: Curt Stanley
Project Location: East of Artesia, NM

Date Received in Lab: Thu Oct-09-08 05:14 pm
Report Date: 14-OCT-08
Project Manager: Brent Barron, II

Analysis Requested							
	Lab Id:	314392-001					
	Field Id:	NSW-2A					
	Depth:						
	Matrix:	SOIL					
	Sampled:	Oct-08-08 13:05					
Anions by EPA 300/300.1	*Extracted:*						
	Analyzed:	Oct-14-08 11:34					
	Units/RL:	mg/kg RL					
Chloride		900 25.0					
BTEX by EPA 8021B	*Extracted:*	Oct-11-08 09:00					
	Analyzed:	Oct-11-08 12:13					
	Units/RL:	mg/kg RL					
Benzene		ND 0.0012					
Toluene		ND 0.0024					
Ethylbenzene		ND 0.0012					
m,p-Xylenes		ND 0.0024					
o-Xylene		ND 0.0012					
Total Xylenes		ND					
Total BTEX		ND					
Percent Moisture	*Extracted:*						
	Analyzed:	Oct-13-08 17:00					
	Units/RL:	% RL					
Percent Moisture		15.1					
TPH By SW8015 Mod	*Extracted:*	Oct-10-08 17:10					
	Analyzed:	Oct-10-08 21:46					
	Units/RL:	mg/kg RL					
C6-C12 Gasoline Range Hydrocarbons		ND 17.7					
C12-C28 Diesel Range Hydrocarbons		ND 17.7					
C28-C35 Oil Range Hydrocarbons		ND 17.7					
Total TPH		ND					

Brent Barron
Odessa Laboratory Director

XENCO Laboratories

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 effect the recovery of the spike concentration. This condition could also effect 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 MQL(PQL) and above the SQL(MDL).

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.

* Outside XENCO'S scope of NELAC Accreditation

Form 2 - Surrogate Recoveries

Project Name: Midnight Matador A # 4

Work Orders : 314392, **Project ID:** Fairway Resources

Lab Batch #: 736894 **Sample:** 314392-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY				
	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0359	0.0300	120	80-120	
4-Bromofluorobenzene	0.0257	0.0300	86	80-120	

Lab Batch #: 736894 **Sample:** 314392-001 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY				
	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0303	0.0300	101	80-120	
4-Bromofluorobenzene	0.0278	0.0300	93	80-120	

Lab Batch #: 736894 **Sample:** 314392-001 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY				
	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0315	0.0300	105	80-120	
4-Bromofluorobenzene	0.0321	0.0300	107	80-120	

Lab Batch #: 736894 **Sample:** 517286-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY				
	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0285	0.0300	95	80-120	
4-Bromofluorobenzene	0 0263	0.0300	88	80-120	

Lab Batch #: 736894 **Sample:** 517286-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY				
	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0357	0.0300	119	80-120	
4-Bromofluorobenzene	0.0252	0.0300	84	80-120	

** 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: Midnight Matador A # 4

Work Orders : 314392,

Project ID: Fairway Resources

Lab Batch #: 736894 **Sample:** 517286-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

BTEX by EPA 8021B Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0288	0.0300	96	80-120	
4-Bromofluorobenzene	0.0280	0.0300	93	80-120	

Lab Batch #: 736942 **Sample:** 314392-001 / SMP **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	90.6	100	91	70-135	
o-Terphenyl	49.7	50.0	99	70-135	

Lab Batch #: 736942 **Sample:** 314392-001 S / MS **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	120	100	120	70-135	
o-Terphenyl	44.0	50.0	88	70-135	

Lab Batch #: 736942 **Sample:** 314392-001 SD / MSD **Batch:** 1 **Matrix:** Soil

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	123	100	123	70-135	
o-Terphenyl	46.8	50.0	94	70-135	

Lab Batch #: 736942 **Sample:** 517310-1-BKS / BKS **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	127	100	127	70-135	
o-Terphenyl	49.2	50.0	98	70-135	

** 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: Midnight Matador A # 4

Work Orders : 314392,

Project ID: Fairway Resources

Lab Batch #: 736942 **Sample:** 517310-1-BLK / BLK **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	95.8	100	96	70-135	
o-Terphenyl	53.6	50.0	107	70-135	

Lab Batch #: 736942 **Sample:** 517310-1-BSD / BSD **Batch:** 1 **Matrix:** Solid

Units: mg/kg

TPH By SW8015 Mod Analytes	SURROGATE RECOVERY STUDY Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	124	100	124	70-135	
o-Terphenyl	48.1	50.0	96	70-135	

** 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.

Blank Spike Recovery

Project Name: Midnight Matador A # 4

Work Order #: 314392 **Project ID:** Fairway Resources

Lab Batch #: 737019 **Sample:** 737019-1-BKS **Matrix:** Solid

Date Analyzed: 10/14/2008 **Date Prepared:** 10/14/2008 **Analyst:** LATCOR

Reporting Units: mg/kg **Batch #:** 1

	BLANK /BLANK SPIKE RECOVERY STUDY					
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	ND	10.0	10.6	106	75-125	

Blank Spike Recovery [D] = 100*[C]/[B]
All results are based on MDL and validated for QC purposes.

XENCO Laboratories

BS / BSD Recoveries

Project Name: Midnight Matador A # 4

Work Order #: 314392 **Project ID:** Fairway Resources

Analyst: BRB **Date Prepared:** 10/11/2008 **Date Analyzed:** 10/11/2008

Lab Batch ID: 736894 **Sample:** 517286-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

BTEX by EPA 8021B Analytes	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
Benzene	ND	0.1000	0.1123	112	0.1	0.1117	112	1	70-130	35	
Toluene	ND	0.1000	0.1079	108	0.1	0.1073	107	1	70-130	35	
Ethylbenzene	ND	0.1000	0.1092	109	0.1	0.1093	109	0	71-129	35	
m,p-Xylenes	ND	0.2000	0.2267	113	0.2	0.2279	114	1	70-135	35	
o-Xylene	ND	0.1000	0.1016	102	0.1	0.1034	103	2	71-133	35	

Analyst: ASA **Date Prepared:** 10/10/2008 **Date Analyzed:** 10/10/2008

Lab Batch ID: 736942 **Sample:** 517310-1-BKS **Batch #:** 1 **Matrix:** Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

TPH By SW8015 Mod Analytes	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
C6-C12 Gasoline Range Hydrocarbons	ND	1000	1030	103	1000	1000	100	3	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1000	1170	117	1000	1200	120	3	70-135	35	

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: Midnight Matador A # 4

Work Order #: 314392
Lab Batch #: 737019
Date Analyzed: 10/14/2008
QC- Sample ID: 314392-001 S
Reporting Units: mg/kg

Date Prepared: 10/14/2008
Batch #: 1

Project ID: Fairway Resources
Analyst: LATCOR
Matrix: Soil

Inorganic Anions by EPA 300	MATRIX / MATRIX SPIKE RECOVERY STUDY					
Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Chloride	90.0	500	667	115	75-125	

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

XENCO Laboratories

Form 3 - MS / MSD Recoveries

Project Name: Midnight Matador A # 4

Work Order # : 314392 **Project ID:** Fairway Resources

Lab Batch ID: 736894 **QC- Sample ID:** 314392-001 S **Batch #:** 1 **Matrix:** Soil

Date Analyzed: 10/11/2008 **Date Prepared:** 10/11/2008 **Analyst:** BRB

Reporting Units: mg/kg

BTEX by EPA 8021B Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	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
Benzene	ND	0.1178	0.1070	91	0.1178	0.1143	97	6	70-130	35	
Toluene	ND	0.1178	0.1006	85	0.1178	0.1095	93	9	70-130	35	
Ethylbenzene	ND	0.1178	0.0991	84	0.1178	0.1112	94	11	71-129	35	
m,p-Xylenes	ND	0.2356	0.2067	88	0.2356	0.2336	99	12	70-135	35	
o-Xylene	ND	0.1178	0.0943	80	0.1178	0.1064	90	12	71-133	35	

Lab Batch ID: 736942 **QC- Sample ID:** 314392-001 S **Batch #:** 1 **Matrix:** Soil

Date Analyzed: 10/11/2008 **Date Prepared:** 10/10/2008 **Analyst:** ASA

Reporting Units: mg/kg

TPH By SW8015 Mod Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	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
C6-C12 Gasoline Range Hydrocarbons	ND	1180	1130	96	1180	1130	96	0	70-135	35	
C12-C28 Diesel Range Hydrocarbons	ND	1180	1390	118	1180	1370	116	2	70-135	35	

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 ApplicableN = See Narrative, EQL = Estimated Quantitation Limit

Sample Duplicate Recovery

Project Name: Midnight Matador A # 4

Work Order #: 314392

Lab Batch #: 737019 **Project ID:** Fairway Resources

Date Analyzed: 10/14/2008 **Date Prepared:** 10/14/2008 **Analyst:** LATCOR

QC- Sample ID: 314392-001 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: mg/kg

Anions by EPA 300/300.1	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Chloride	90.0	74.8	18	20	

Lab Batch #: 737049

Date Analyzed: 10/13/2008 **Date Prepared:** 10/13/2008 **Analyst:** GAV

QC- Sample ID: 737049-1 D **Batch #:** 1 **Matrix:** Soil

Reporting Units: %

Percent Moisture	SAMPLE / SAMPLE DUPLICATE RECOVERY				
Analyte	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Percent Moisture	3.22	3.22	NC	20	

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

Environmental Lab of Texas

A Xenco Laboratories Company

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Curt Stanley
Project Name: Midnight Matador A #4
Company Name: Basin Environmental
Project #: Fairway Resources
Company Address: P.O. Box 301
Project Loc.: East of Artesia, NM
City/State/Zip: Lovington, New Mexico 88260
PO #:
Telephone No: 575-441-2244
Fax No: 575-396-1429
Report Format: [X] Standard [ ] TRRP [ ] NPDES
Sampler Signature:
e-mail:

(lab use only)
ORDER #: 314392

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO3	HCl	H2SO4	NaOH	Na2S2O3	None	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge GW=Groundwater S=Soil/Solid NP=Non-Potable Specify Other	Analyze For: TCLP 8015M	TPH 418.1	TPH TX 1005	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	TCLP Metals Ag As Ba Cd Cr Pb Hg Se	TCLP Volatiles	TCLP Semivolatiles	TOTAL BTEX 8021B/5030 or BTEX 8260	RCI	NORM	Chlorides EPA 300	HOLD	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	NSW -2A			10/8/2008	1305		1	X								S	X									X			X			X

Special Instructions:
BILL TO BASIN

Relinquished by	Date	Time	Received by	Date	Time
	10/9/08	5:14			
Relinquished by	Date	Time	Received by	Date	Time
Relinquished by	Date	Time	Received by ELOT	Date	Time
			Andrea Fam	10/9/08	5:14

Laboratory Comments:

Sample Containers Intact?	Y	N
VOCs Free of Headspace?	Y	N
Labels on container(s)	Y	N
Custody seals on container(s)	Y	N
Custody seals on cooler(s)	Y	N
Sample Hand Delivered	Y	N
by Sampler/Client Rep. ?	Y	N

by Courier? UPS DHL FedEx Lone Star

Temperature Upon Receipt: 3.5 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Basin Env

Date/ Time: 10.9.08 17 14

Lab ID #: 314392

Initials: AL

Sample Receipt Checklist

					Client Initials
#1	Temperature of container/ cooler?	Yes	No	3.5 °C	
#2	Shipping container in good condition?	Yes	No		
#3	Custody Seals intact on shipping container/ cooler?	Yes	No	Not Present	
#4	Custody Seals intact on sample bottles/ container?	Yes	No	Not Present	
#5	Chain of Custody present?	Yes	No		
#6	Sample instructions complete of Chain of Custody?	Yes	No		
#7	Chain of Custody signed when relinquished/ received?	Yes	No		
#8	Chain of Custody agrees with sample label(s)?	Yes	No	ID written on Cont./ Lid	
#9	Container label(s) legible and intact?	Yes	No	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	Yes	No		
#11	Containers supplied by ELOT?	Yes	No		
#12	Samples in proper container/ bottle?	Yes	No	See Below	
#13	Samples properly preserved?	Yes	No	See Below	
#14	Sample bottles intact?	Yes	No		
#15	Preservations documented on Chain of Custody?	Yes	No		
#16	Containers documented on Chain of Custody?	Yes	No		
#17	Sufficient sample amount for indicated test(s)?	Yes	No	See Below	
#18	All samples received within sufficient hold time?	Yes	No	See Below	
#19	Subcontract of sample(s)?	Yes	No	Not Applicable	
#20	VOC samples have zero headspace?	Yes	No	Not Applicable	

Variance Documentation

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

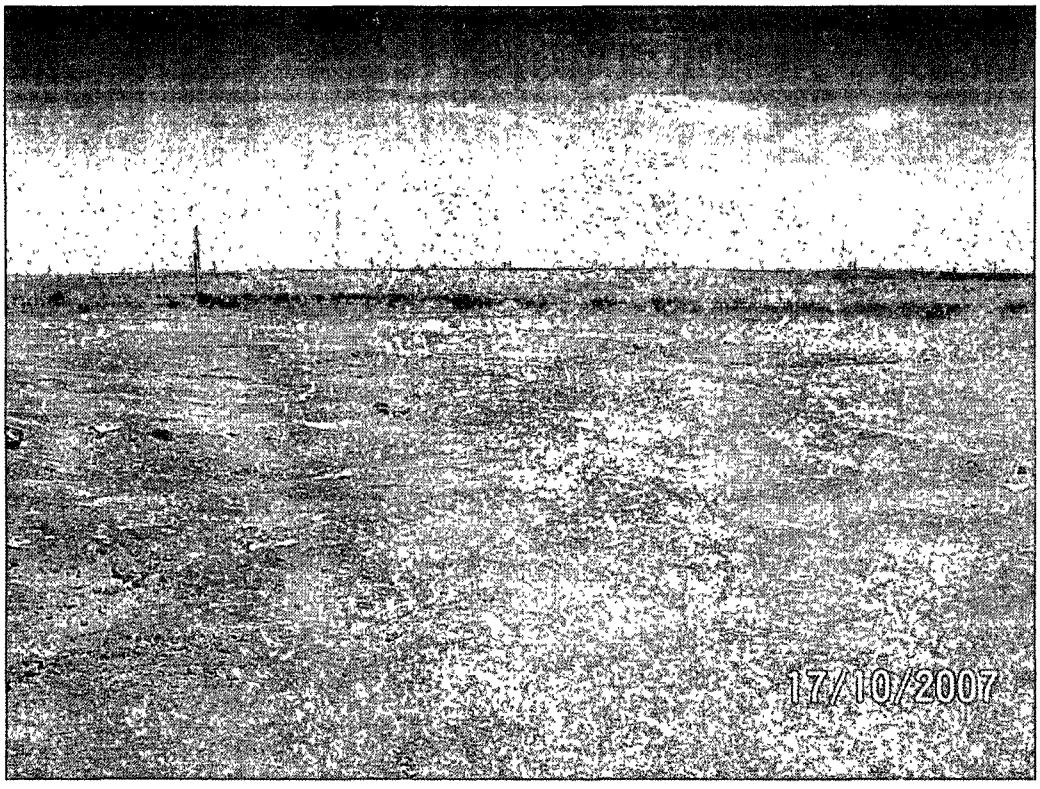
Regarding: _____

Corrective Action Taken:

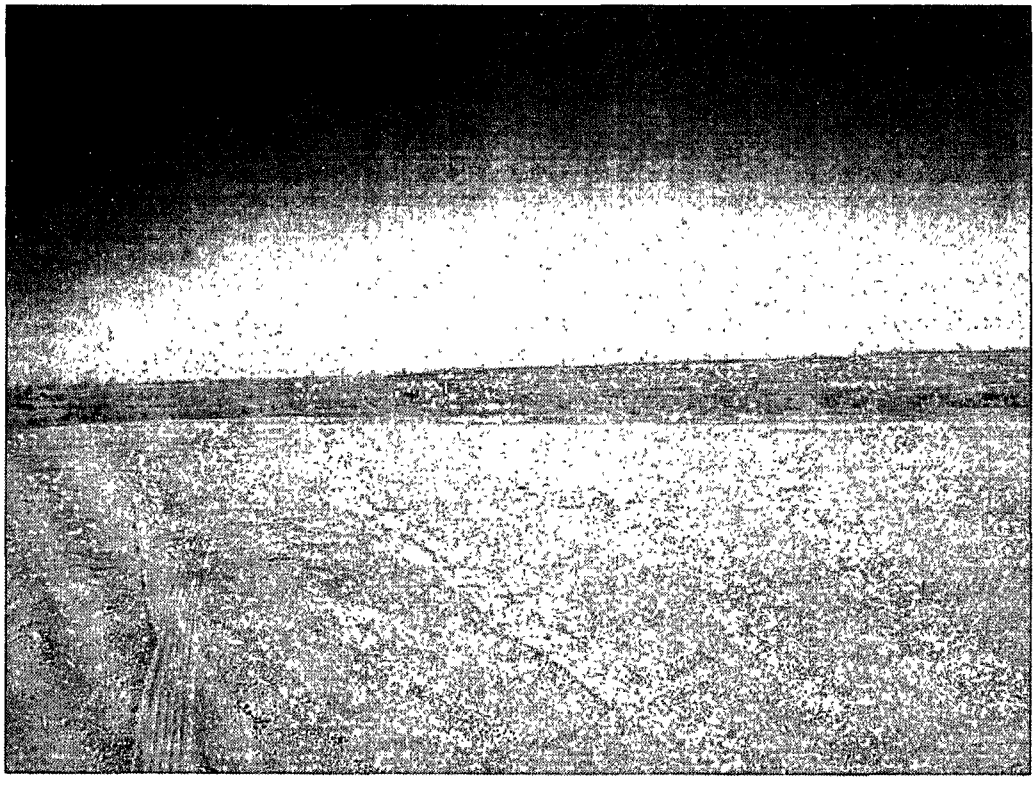
Check all that Apply

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

Appendix D
Photographs



Initial Release prior to Excavation Activities



Remediation Activities Completed and Excavation Backfilled

Appendix E
Release Notification and Corrective Action
(Form C-141)

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

FEB 22 2008
OCD-ARTESIA

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

241598
nSEB0803737626

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company Fairway Resources Operating, LLC	Contact Kenneth Pearce
Address 538 Silicon Drive, Ste. 101, Southlake, TX 76092	Telephone No. 817-416-1946
Facility Name Midnight Matador "A" #4 30-015-01231	Facility Type Oil well

Surface Owner US-BLM	Mineral Owner US-BLM	Lease No. NM LC-055561

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
B	35	17S	27E	990'	North	1,650	East	Eddy

Latitude 32 degrees 47' 42.4" **Longitude** 104 degrees 14' 44.9"

NATURE OF RELEASE

Type of Release Oil and produced water	Volume of Release Unknown	Volume Recovered 0
Source of Release wellhead	Date and Hour of Occurrence Unknown	Date and Hour of Discovery 1/16/08 8:00 a.m. MST
Was Immediate Notice Given? ☐ Yes ☐ No ☒ Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken *

This is a corrected initial report - A BLM inspection on 1-16-2008 found evidence of old leakage and soil contamination on the north side of the wellhead area and location. No free liquids were found, no current leakage was detected.

Describe Area Affected and Cleanup Action Taken.*

The affected area is on well pad and off of the north side. No free liquids were present so no liquids were recovered. Clean-up actions have not begun. A work plan proposal is being prepared for the clean-up of contaminates and will be submitted by March 6, 2008, as per email instructions from Sherry Bonham dated 2-6-2008

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: Kenneth Pearce

Printed Name: Kenneth Pearce

Title: Engineer

E-mail Address: kpearce@fairwayresources.com

Date: 2/18/08 Phone: 817-416-1946

OIL CONSERVATION DIVISION

Approved by District Supervisor: T Gum by SB

Approval Date: 2-27-08 Expiration Date:

Conditions of Approval: REMEDIATION Attached ☐

Plan Due ON or BEFORE 3-6-08

* Attach Additional Sheets If Necessary

nSEB0803739564

2RP-124