

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

RECEIVED
DEC 03 2009
HOBBSOCD

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

OPERATOR Initial Report Final Report

Name of Company <i>Jack Huff</i>	Contact <i>Chip Myers</i>
Address	Telephone No. <i>575-631-2501</i>
Facility Name <i>Bern A #2</i>	Facility Type <i>Battery</i>

Surface Owner <i>Jimmy Cooper</i>	Mineral Owner <i>Cooper</i>	Lease No. <i>A#2</i>
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LOCATION OF RELEASE

API# *30-025-33581-00-00*

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>A</i>	<i>14</i>	<i>195</i>	<i>36E</i>					<i>Lea</i>

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release <i>Hole in Tank</i>	Volume of Release <i>6 Barrels</i>	Volume Recovered <i>0</i>
Source of Release <i>Tank</i>	Date and Hour of Occurrence	Date and Hour of Discovery <i>9.8.09</i>
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	<i>1:00pm</i>
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

** No impact of water*

WATER @ 52'

Describe Cause of Problem and Remedial Action Taken.*

South Tank had a leak that went east of Battery dug out contamination hauled to CNC Land Farm grabbed samples until clean took samples to lab got verbal approval from Jeff to Back fill

Describe Area Affected and Cleanup Action Taken.*

Pasture East of TB. - Dug out contaminated soil hauled off to CNC Land Farm Brought in 48 yds of top soil and Back filled.

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.

OIL CONSERVATION DIVISION

Signature: <i>Jacob Melancon</i>	Approved by ENV. ENGINEER: District Supervisor: <i>Jeffrey Leamy</i>	
Printed Name: <i>Jacob Melancon</i>	Approval Date: <i>03/11/10</i>	Expiration Date: _____
Title: <i>Environmental Supervisor</i>	Conditions of Approval:	
E-mail Address: <i>Jacob @ 3Koilengas.com</i>	Attached <input type="checkbox"/>	
Date: <i>9.16.2009</i> Phone: <i>575-631-8037</i>	<i>IRP-10-3-2450</i>	

* Attach Additional Sheets If Necessary

FCIRW1007055951

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DEC 03 2009

HOBBSOCD

Jack Huff

Bern "A" # 2

November 11 2009

Final Closure Report

Initial Release: South tank in battery had a hole and leaked east of battery in pasture

Began work on September 16th by excavating one foot of soil in contaminated areas, went to location and sampled excavations and took to lab for analysis. After results were given had to go back to location and excavate in two areas where results came back hot, S2 and S4. Excavated S2 another foot and took sample to lab, excavated S4 to six feet grabbed sample and took to lab. Both samples still came back dirty, had to go back excavate S4 to four feet and S2 to eight feet, grabbed samples and took to lab for analysis. Both samples came back clean called Jeff Leckey with OCD and was given verbal to go head and back fill excavations. Hauled contaminated soil to Jimmy Coopers land farm approximately 48 yards, hauled in backfill from Jimmy Cooper approximately 48 yards and backfilled excavations and took closure photos.

Jacob Melancon



3K Oil and Gas Services

*Judith Huff
Bern A #2*

116.A. NOTIFICATION

(1) The Division shall be notified of any unauthorized release occurring during the drilling, producing, storing, disposing, injecting, transporting, servicing or processing of crude oil, natural gases, produced water, condensate or oil field waste including Regulated NORM, or other oil field related chemicals, contaminants or mixture thereof, in the State of New Mexico in accordance with the requirements of this Rule. [1-1-50...2-1-96; A, 3-15-97]

(2) The Division shall be notified in accordance with this Rule with respect to any release from any facility of oil or other water contaminant, in such quantity as may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3-15-97]

116.B. REPORTING REQUIREMENTS: Notification of the above releases shall be made by the person operating or controlling either the release or the location of the release in accordance with the following requirements: [5-22-73...2-1-96; A, 3-15-97]

(1) A **Major Release** shall be reported by giving **both** immediate verbal notice and timely written notice pursuant to Paragraphs C(1) and C(2) of this Rule. A Major Release is:

- (a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
- (b) an unauthorized release of any volume which:
 - (i) results in a fire;
 - (ii) will reach a water course;
 - (iii) may with reasonable probability endanger public health; or
 - (iv) results in substantial damage to property or the environment;
- (c) an unauthorized release of natural gases in excess of 500 mcf; or
- (d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3/15/97]

(2) A **Minor Release** shall be reported by giving timely written notice pursuant to Paragraph C(2) of this Rule. A Minor Release is an unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gases. [3-15-97]

116.C. CONTENTS OF NOTIFICATION

(1) **Immediate verbal notification** required pursuant to Paragraph B shall be reported within twenty-four (24) hours of discovery to the Division District Office for the area within which the release takes place. In addition, immediate verbal notification pursuant to Subparagraph B.(1).(d). shall be reported to the Division's Environmental Bureau Chief. This notification shall provide the information required on Division Form C-141. [5-22-73 . 2-1-96; A, 3-15-97]

(2) **Timely written notification** is required to be reported pursuant to Paragraph B within fifteen (15) days to the Division District Office for the area within which the release takes place by completing and filing Division Form C-141. In addition, timely written notification required pursuant to Subparagraph B.(1).(d). shall also be reported to the Division's Environmental Bureau Chief within fifteen (15) days after the release is discovered. The written notification shall verify the prior verbal notification and provide any appropriate additions or corrections to the information contained in the prior verbal notification. [5-22-73...2-1-96; A, 3-15-97]

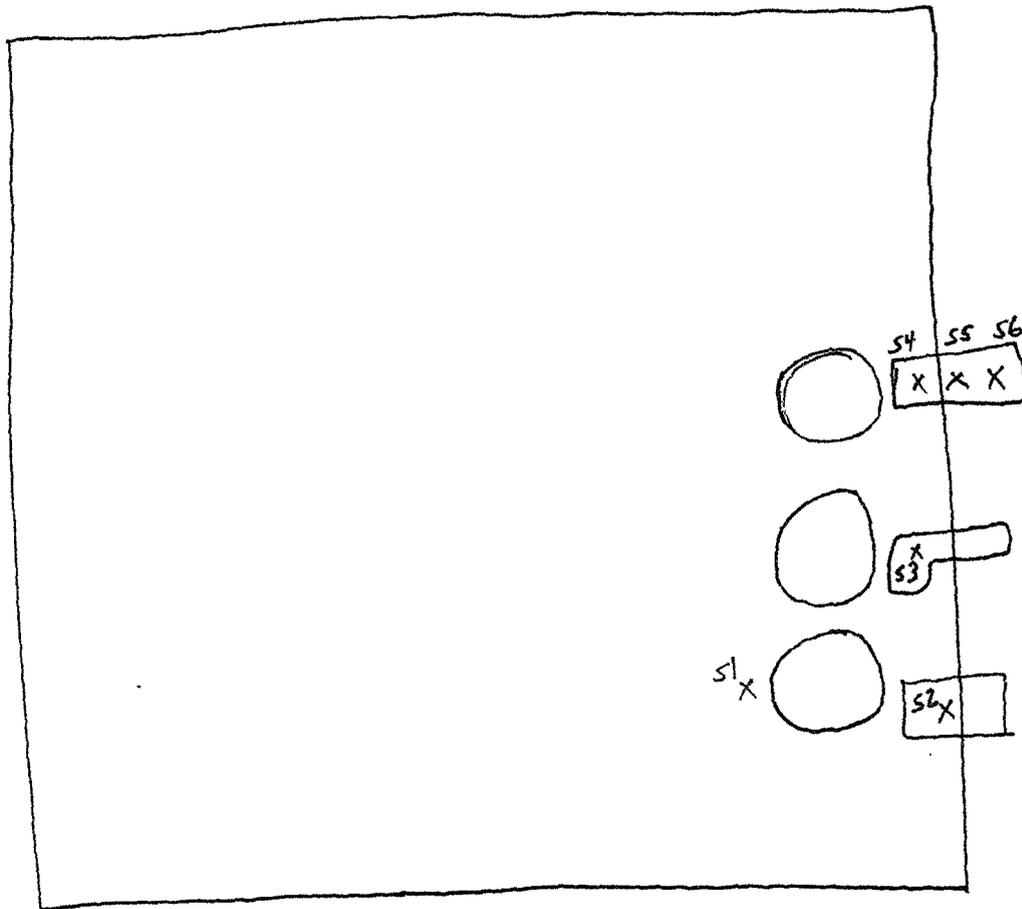
116.D. CORRECTIVE ACTION: The responsible person must complete Division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the Division or with an abatement plan submitted in accordance with Rule 19 (19 NMAC 15.A. 19). [3-15-97]

Sept. 16 2009

Jack Huff

Bern A#2

Sec. 14 T-19S R-36E



* Took samples from where QP recommended
ran samples to lab for a full analysis.



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(575) 393-2326 Fax (575) 393-2476

Page ____ of ____

Company Name: <u>31K Oil and Gas</u>		BILL TO		ANALYSIS REQUEST					
Project Manager: <u>Jacobs Melancon</u>		P.O. #: <u>1332</u>							
Address: <u>101 E. Panther</u>		Company: <u>31K Oil and Gas</u>							
City: <u>Jal</u> State: <u>N.M.</u> Zip: <u>88252</u>		Attn: <u>Jacobs Melancon</u>							
Phone #: <u>575-631-8037</u> Fax #: <u>575-395-2162</u>		Address: <u>101 E. Panther</u>							
Project #: <u>103</u> Project Owner: <u>Jack Huff</u>		City: <u>Jal</u>							
Project Name: <u>Bern A #2</u>		State: <u>N.M.</u> Zip: <u>88252</u>							
Project Location: <u>Bern A #2</u>		Phone #: <u>575-631-8037</u>							
Sampler Name: <u>Jacobs Melancon</u>		Fax #: <u>575-395-2162</u>							

Lab I.D.	Sample I.D.	(G/RAB OR C/COMP)	# CONTAINERS	MATRIX					PRESERV.			SAMPLING		DATE	TIME	REMARKS
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER				
18381-1	S1 4'	S	1			X							10-01-09	1:31	CI- 805	
-2	S2 5-6'	S	1			X							10-01-09	1:55	XX	
-3	S4 3 1/2 ft.	S	1			X							10-01-09	11:25	XX	
-4	S5 3 1/2 ft.	S	1			X							12-01-09	12:00	XX	

DISCLAIMER 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.

Sampler Relinquished:	Date: _____	Received By: _____	Phone Result: <input type="checkbox"/> No	Add'l Phone #: _____
	Time: _____		Fax Result: <input type="checkbox"/> No	Add'l Fax #: _____
Relinquished By: <u>Jacobs Melancon</u>	Date: <u>10-1-09</u>	Received By: <u>Justin LeBent</u>	REMARKS: <u>Please Email Results to jacobs@3Koilandgas.com</u>	
Delivered By: (Circle One) <u>UPS</u>	Temp. _____	Sample Condition: <u>Cool Intact</u>	CHECKED BY: <u>UCAB</u>	
Sampler - UPS - Bus - Other: _____		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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

CARDINAL LABORATORIES

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

Company Name: 31K oil and gas	BILL TO	ANALYSIS REQUEST											
Project Manager: Jacobs Melancon	P.O. #: 1332												
Address: 101 E. Panther	Company: 31K oil and gas												
City: Jal State: N.M. Zip: 88240	Attn: Jacobs Melancon												
Phone #: 575-631-8037 Fax #: 575-395-2162	Address: 101 E. Panther												
Project #: 103 Project Owner: Jack Huff	City: Jal												
Project Name: Bern A #2	State: N.M. Zip: 88252												
Project Location:	Phone #: 575-631-8037												
Sampler Name: Jacobs Melancon	Fax #: 575-395-2162												

Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX					PRESERV.		SAMPLING		DATE	TIME
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE/COOL	OTHER		
18260-1	S1 8"	A				X						9-16-09	11:45	
-2	S2 2'	A				X						9-16-09	1:56	
-3	S3 2'	A				X						9-16-09	2:15	
-4	S4 2'	A				X						9-16-09	2:29	
-5	S5 2'	A				X						9-16-09	2:39	
-6	S6 2'	A				X						9-16-09	2:45	

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 services. 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, agents 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.

Sampler Relinquished: <i>Jacobs Melancon</i>	Date: <u>9/16</u>	Received By: <i>Misty Lubert</i>	Phone Result: <input type="checkbox"/>	No	Add'l Phone #:
Delivered By:	Date:	Received By:	Fax Result: <input type="checkbox"/>	No	Add'l Fax #:
Delivered By: (Circle One) Sampler - UPS - Bus - Other:	Temp.	Sample Condition Cool Intact <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	REMARKS: <i>Please Email Results to Jacob @ 3K oil and gas . com</i>		
CHECKED BY: <i>[Signature]</i>					

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

#26
 *samples on ice cooling process had begun

Jack Huff

BERN A #2

October 22, 2009

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OCT 22 2009

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All soil samples from this excavation have been taken to lab for analysis. Analyticals show that everything cleaned up less than 5ft except for S2 which cleaned up at 8ft. We propose to use topsoil to backfill excavations since surrounding seems to be all rock.

Thank you,

Jacob Melancon

A handwritten signature in black ink, appearing to read "Jacob Melancon", written in a cursive style.

575-631-8037

3K Oil and Gas Services



October 16, 2009

Jacob Melancon
3/K Oil and Gas
101 East Panther
Jal, NM 88252

RECEIVED

OCT 22 2009
HOBBSOCD

Re: Bern A #2

Enclosed are the results of analyses for sample number H18476, received by the laboratory on 10/12/09 at 2:55 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

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

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

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 4 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director

ANALYTICAL RESULTS FOR
3-K OIL & GAS
ATTN: JACOB MELANCON
101 EAST PANTHER
JAL, NM 88252
FAX TO: (575) 395-2162

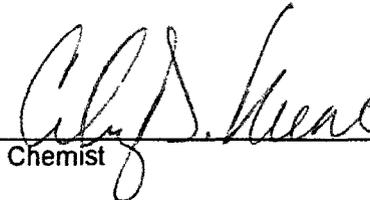
Receiving Date: 10/12/09
Reporting Date: 10/12/09
Project Number: #103 (JACK HUFF)
Project Name: BERN A #2
Project Location: NOT GIVEN

Analysis Date: 10/12/09
Sampling Date: 10/12/09
Sample Type: SOIL
Sample Condition: COOL & INTACT @ 6°C
Sample Received By: ML
Analyzed By: HM

LAB NO.	SAMPLE ID	Cl ⁻ (mg/kg)
H18476-1	S2 8'	256
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

METHOD: Standard Methods	4500-Cl ⁻ B
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Note: Analysis performed on a 1:4 w:v aqueous extract.



Chemist



Date

H18476 3-K OIL & GAS



CARDINAL LABORATORIES

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

Company Name: <u>3/K oil and Gas</u>		BILL TO		ANALYSIS REQUEST											
Project Manager: <u>Jacob Melancon</u>		P.O. #: <u>1332</u>													
Address: <u>101 E. Panther</u>		Company: <u>3 Panther</u>													
City: <u>Jal</u> State: <u>N.M.</u> Zip: <u>88252</u>		Attn: <u>Jacob Melancon</u>													
Phone #: <u>575-631-8037</u> Fax #: <u>575-395-2162</u>		Address: <u>101 E. Panther</u>													
Project #: <u>#103</u> Project Owner: <u>Jack Huff</u>		City: <u>Jal</u>													
Project Name: <u>Bern A #2</u>		State: <u>N.M.</u> Zip: <u>88252</u>													
Project Location:		Phone #: <u>575-631-8037</u>													
Sampler Name: <u>Jacob Melancon</u>		Fax #: <u>575-395-2162</u>													

FOR LAB USE ONLY		Lab I.D.	Sample I.D.	(GRAB OR C)OMP	# CONTAINERS	MATRIX					PRESERV.			SAMPLING		DATE	TIME	X	8015
GROUNDWATER	WASTEWATER					SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE/COOL	OTHER							
		H18476-1	S2 8'	5	1			X						10-12	11:35	X			
		-2	S5 4-4.5'	5	1			X						10-12	12:45	X			

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Sampler Relinquished:		Date: <u>10-12-09</u>	Received By: <u>[Signature]</u>	Phone Result: <input type="checkbox"/>	No	Add'l Phone #:
Relinquished By: <u>[Signature]</u>		Time: <u>2:55p</u>	Received By: <u>[Signature]</u>	Fax Result: <input type="checkbox"/>	No	Add'l Fax #:
Delivered By: (Circle One)		Temp.:	Sample Condition:	CHECKED BY: <u>[Signature]</u>		
Sampler - UPS - Bus - Other:		<u>100 #26</u>	Cool Intact: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

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



October 7, 2009

Jacob Melancon
3/K Oil and Gas
101 East Panther
Jal, NM 88252

RECEIVED

OCT 22 2009
HOBBSOCD

Re: Bern A #2

Enclosed are the results of analyses for sample number H18384, received by the laboratory on 10/01/09 at 2:30 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

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

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

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 4 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director



ANALYTICAL RESULTS FOR
 3-K OIL & GAS
 ATTN: JACOB MELANCON
 P.O. BOX 1332
 JAL, NM 88252
 FAX TO: (575) 395-2162

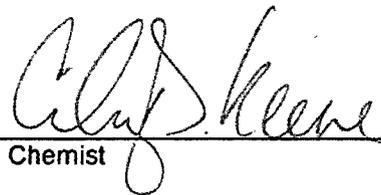
Receiving Date: 10/01/09
 Reporting Date: 10/02/09
 Project Number: 103 (JACK HUFF)
 Project Name: BERN A #2
 Project Location: BERN A #2

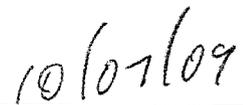
Analysis Date: 10/02/09
 Sampling Date: 10/01/09
 Sample Type: SOIL
 Sample Condition: COOL & INTACT @ 5.5°C
 Sample Received By: ML
 Analyzed By: HM

LAB NO.	SAMPLE ID	Cl ⁻ (mg/kg)
H18384-1	S1 4'	464
H18384-2	S2 5-6'	1,920
H18384-3	S4 3 1/2 FT.	112
Quality Control		490
True Value QC		500
% Recovery		98.0
Relative Percent Difference		2.0

METHOD: Standard Methods 4500-Cl⁻B

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


 Chemist


 Date

H18384 3-K OIL & GAS

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analysis. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



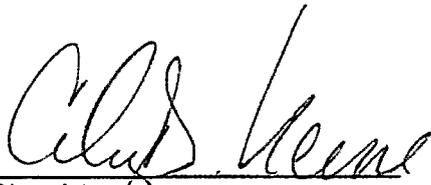
ANALYTICAL RESULTS FOR
 3/K OIL & GAS
 ATTN: JACOB MELANCON
 101 E. PANTHER
 JAL, NM 88252
 FAX TO (575) 395-2162

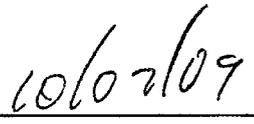
Receiving Date: 10/01/09
 Reporting Date: 10/05/09
 Project Owner: JACK HUFF (103)
 Project Name: BERN A #2
 Project Location: BERN A #2

Sampling Date: 10/01/09
 Sample Type: SOIL
 Sample Condition: COOL & INTACT @ 5.5°C
 Sample Received By: ML
 Analyzed By: AB

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (>C ₁₀ -C ₂₈) (mg/kg)
ANALYSIS DATE:		10/03/09	10/03/09
H18384-3	S4 3 1/2 FT.	<10.0	368
H18384-4	S5 3 1/2 FT.	<10.0	2,520
Quality Control		567	595
True Value QC		500	500
% Recovery		113	119
Relative Percent Difference		1.8	0.1

METHOD: SW-846 8015 M. Reported on wet weight.


 Chemist


 Date

H18384 T 3K

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



**ARDINAL
LABORATORIES**

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

September 22, 2009

Jacob Melancon
3/K Oil and Gas
101 East Panther
Jal, NM 88252

RECEIVED
OCT 22 2009
HOBBSOCD

Re: Bern A #2

Enclosed are the results of analyses for sample number H18260, received by the laboratory on 09/16/09 at 3:46 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

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Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.2	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director



ANALYTICAL RESULTS FOR
 3/K OIL & GAS
 ATTN: JACOB MELANCON
 101 E. PANTHER
 JAL, NM 88252
 FAX TO (575) 395-2162

Receiving Date: 09/16/09
 Reporting Date: 09/22/09
 Project Owner: JACK HUFT (#103)
 Project Name: BERN A #2
 Project Location: NOT GIVEN

Sampling Date: 09/16/09
 Sample Type: SOIL
 Sample Condition: INTACT @16.5 °C
 Sample Received By: ML
 Analyzed By: AB/ZL/HM

LAB NO.	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (>C ₁₀ -C ₂₈) (mg/kg)	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)	Cl*
ANALYSIS DATE:		09/18/09	09/18/09	09/18/09	09/18/09	09/18/09	09/18/09	09/17/09
H18260-1**	S1 8"	<10.0	211	0.079	0.105	0.104	0.341	1,880
H18260-2**	S2 2'	<10.0	45.0	<0.050	<0.050	<0.050	<0.300	1,340
H18260-3	S3 2'	<10.0	21.9	<0.050	<0.050	<0.050	<0.300	80
H18260-4	S4 2'	1,320	15,600	<0.050	<0.050	0.138	6.16	512
H18260-5	S5 2'	128	9,130	<0.050	<0.050	0.062	0.571	144
H18260-6	S6 2'	<10.0	725	<0.050	<0.050	<0.050	<0.300	128
Quality Control		504	486	0.049	0.054	0.054	0.155	490
True Value QC		500	500	0.050	0.050	0.050	0.150	500
% Recovery		101	97.2	98.0	108.0	108	103	98.0
Relative Percent Difference		0.3	2.9	<1.0	<1.0	<1.0	<1.0	2.0

METHODS: TPH GRO & DRO - EPA SW-846 8015 M; BTEX - SW-846 8021B; Cl-: Std. Methods 4500-Cl-B

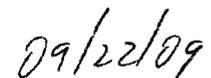
*Analyses performed on 1:4 w:v aqueous extracts. Reported on wet weight.

**TPH Second surrogate out of historical limits due to matrix interference.

TEXAS NELAP ACCREDITATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE, AND TOTAL XYLENES. Not accredited for GRO/DRO and Chloride.



 Lab Director



 Date

H18260 TBCL 3K

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(575) 393-2326 Fax (575) 393-2476

Company Name: 31K oil and gas		BILL TO		ANALYSIS REQUEST									
Project Manager: Jacob Melancon		P.O. #: 1332											
Address: 101 E. Panther		Company: 31K oil and gas											
City: Jal	State: N.M.	Zip: 88240	Attn: Jacob Melancon										
Phone #: 575-631-8037	Fax #: 575-395-2162	Address: 101 E. Panther											
Project #: 103	Project Owner: Jack Huff		City: Jal										
Project Name: Bern A #2		State: N.M.										Zip: 88252	
Project Location:		Phone #: 575-631-8037										Fax #: 575-395-2162	
Sampler Name: Jacob Melancon													

Lab I.D.	Sample I.D.	GRAB OR (COMP # CONTAINERS	MATRIX					PRESERV.		SAMPLING			
			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE	ICE/COOL	OTHER:	DATE	TIME
H18260-1	S1 8"	5			X						9-16-09	11:45	BTX 8015 CF
-2	S2 2'	5			X						9-16-09	11:56	
-3	S3 2'	5			X						9-16-09	2:15	
-4	S4 2'	5			X						9-16-09	2:29	
-5	S5 2'	5			X						9-16-09	2:39	
-6	S6 2'	5			X						9-16-09	2:45	

RELEASE 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.

Sampler Relinquished By: <i>[Signature]</i>	Date: 9/16/09	Received By: <i>[Signature]</i>	Phone Result: <input type="checkbox"/> No	Add'l Phone #: _____
Relinquished By: _____	Time: 3:46	Received By: _____	Fax Result: <input type="checkbox"/> No	Add'l Fax #: _____
Delivered By: (Circle One) <input checked="" type="checkbox"/> UPS	Temp. 16.5C	Sample Condition: Cool Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	REMARKS: Please Email Results to jacob @ 3K oil and gas . com	
Sampler - UPS - Bus - Other:		Checked By: <i>[Signature]</i>		

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

#26
*samples on ice cooling process had begun

*Jack Huff
Bern A #2*

116.A. NOTIFICATION

(1) The Division shall be notified of any unauthorized release occurring during the drilling, producing, storing, disposing, injecting, transporting, servicing or processing of crude oil, natural gases, produced water, condensate or oil field waste including Regulated NORM, or other oil field related chemicals, contaminants or mixture thereof, in the State of New Mexico in accordance with the requirements of this Rule. [1-1-50...2-1-96; A, 3-15-97]

(2) The Division shall be notified in accordance with this Rule with respect to any release from any facility of oil or other water contaminant, in such quantity as may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3-15-97]

116.B. REPORTING REQUIREMENTS: Notification of the above releases shall be made by the person operating or controlling either the release or the location of the release in accordance with the following requirements: [5-22-73...2-1-96; A, 3-15-97]

(1) A **Major Release** shall be reported by giving **both** immediate verbal notice and timely written notice pursuant to Paragraphs C(1) and C(2) of this Rule. A Major Release is:

- (a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
- (b) an unauthorized release of any volume which:
 - (i) results in a fire;
 - (ii) will reach a water course;
 - (iii) may with reasonable probability endanger public health; or
 - (iv) results in substantial damage to property or the environment;
- (c) an unauthorized release of natural gases in excess of 500 mcf; or
- (d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3/15/97]

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SEP 23 2009
HOBBSOCD

(2) A **Minor Release** shall be reported by giving timely written notice pursuant to Paragraph C(2) of this Rule. A Minor Release is an unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gases. [3-15-97]

116.C. CONTENTS OF NOTIFICATION

(1) **Immediate verbal notification** required pursuant to Paragraph B shall be reported within twenty-four (24) hours of discovery to the Division District Office for the area within which the release takes place. In addition, immediate verbal notification pursuant to Subparagraph B.(1).(d). shall be reported to the Division's Environmental Bureau Chief. This notification shall provide the information required on Division Form C-141. [5-22-73 . 2-1-96; A, 3-15-97]

(2) **Timely written notification** is required to be reported pursuant to Paragraph B within fifteen (15) days to the Division District Office for the area within which the release takes place by completing and filing Division Form C-141. In addition, timely written notification required pursuant to Subparagraph B.(1).(d). shall also be reported to the Division's Environmental Bureau Chief within fifteen (15) days after the release is discovered. The written notification shall verify the prior verbal notification and provide any appropriate additions or corrections to the information contained in the prior verbal notification. [5-22-73...2-1-96; A, 3-15-97]

116.D. CORRECTIVE ACTION: The responsible person must complete Division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the Division or with an abatement plan submitted in accordance with Rule 19 (19 NMAC 15.A. 19). [3-15-97]



September 22, 2009

Jacob Melancon
3/K Oil and Gas
101 East Panther
Jal, NM 88252

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SEP 23 2009
HOBBSOCD

Re: Bern A #2

Enclosed are the results of analyses for sample number H18260, received by the laboratory on 09/16/09 at 3:46 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021.	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

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

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

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene
Laboratory Director



ANALYTICAL RESULTS FOR
 3/K OIL & GAS
 ATTN: JACOB MELANCON
 101 E. PANTHER
 JAL, NM 88252
 FAX TO (575) 395-2162

Receiving Date: 09/16/09
 Reporting Date: 09/22/09
 Project Owner: JACK HUFT (#103)
 Project Name: BERN A #2
 Project Location: NOT GIVEN

Sampling Date: 09/16/09
 Sample Type: SOIL
 Sample Condition: INTACT @16.5 °C
 Sample Received By: ML
 Analyzed By: AB/ZL/HM

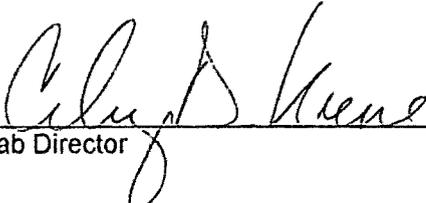
LAB NO.	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/kg)	DRO (>C ₁₀ -C ₂₈) (mg/kg)	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)	Cl* (mg/kg)
ANALYSIS DATE:		09/18/09	09/18/09	09/18/09	09/18/09	09/18/09	09/18/09	09/17/09
H18260-1**	S1 8"	<10.0	211	0.079	0.105	0.104	0.341	1,880
H18260-2**	S2 2'	<10.0	45.0	<0.050	<0.050	<0.050	<0.300	1,340
H18260-3	S3 2'	<10.0	21.9	<0.050	<0.050	<0.050	<0.300	80
H18260-4	S4 2'	1,320	15,600	<0.050	<0.050	0.138	6.16	512
H18260-5	S5 2'	128	9,130	<0.050	<0.050	0.062	0.571	144
H18260-6	S6 2'	<10.0	725	<0.050	<0.050	<0.050	<0.300	128
Quality Control		504	486	0.049	0.054	0.054	0.155	490
True Value QC		500	500	0.050	0.050	0.050	0.150	500
% Recovery		101	97.2	98.0	108.0	108	103	98.0
Relative Percent Difference		0.3	2.9	<1.0	<1.0	<1.0	<1.0	2.0

METHODS: TPH GRO & DRO - EPA SW-846 8015 M; BTEX - SW-846 8021B; Cl-: Std. Methods 4500-Cl-B

*Analyses performed on 1:4 w:v aqueous extracts. Reported on wet weight.

**TPH Second surrogate out of historical limits due to matrix interference.

TEXAS NELAP ACCREDITATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE, AND TOTAL XYLENES. Not accredited for GRO/DRO and Chloride.


 Lab Director

09/22/09
 Date

H18260 TBCL 3K

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ARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(575) 393-2326 Fax (575) 393-2476

Company Name: <u>3/K oil and gas</u>		BILL TO		ANALYSIS REQUEST							
Project Manager: <u>Jacobs Melancon</u>		P.O. #: <u>1332</u>									
Address: <u>101 E. Panther</u>		Company: <u>3/K oil and gas</u>									
City: <u>JL</u> State: <u>N.M.</u> Zip: <u>88240</u>		Attn: <u>Jacobs Melancon</u>									
Phone #: <u>575-631-8037</u> Fax #: <u>575-395-2162</u>		Address: <u>101 E. Panther</u>									
Project #: <u>103</u> Project Owner: <u>Jack Huff</u>		City: <u>Jal</u>									
Project Name: <u>Bern A #2</u>		State: <u>N.M.</u> Zip: <u>88252</u>									
Project Location:		Phone #: <u>575-631-8037</u>									
Sampler Name: <u>Jacobs Melancon</u>		Fax #: <u>575-395-2162</u>									

FOR LAB USE ONLY		GRAB OR (C)OMP.	# CONTAINERS	MATRIX					PRESERV.		SAMPLING		DATE	TIME
Lab I.D.	Sample I.D.			GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE/COOL	OTHER		
H18260-1	S1 8"	S			X							9-16-09	1:45	BTEX 8015 CI
-2	S2 2'	S			X							9-16-09	1:56	
-3	S3 2'	S			X							9-16-09	2:15	
-4	S4 2'	S			X							9-16-09	2:29	
-5	S5 2'	S			X							9-16-09	2:39	
-6	S6 2'	S			X							9-16-09	2:45	

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Sampler Relinquished By: <u>[Signature]</u>		Date: <u>9/16/09</u>	Received By: <u>[Signature]</u>	Phone Result: <input type="checkbox"/> No <input type="checkbox"/> Add'l Phone #:
Relinquished By: <u>[Signature]</u>		Date: <u>3:46</u>	Received By: <u>[Signature]</u>	Fax Result: <input type="checkbox"/> No <input type="checkbox"/> Add'l Fax #:
Delivered By: (Circle One) <u>UPS</u>		Temp: <u>16.5°C</u>	Sample Condition: <input type="checkbox"/> Cool <input checked="" type="checkbox"/> Intact	REMARKS: <u>Please Email Results to jacob @ 3K oil and gas . com</u>
Sampler - UPS - Bus - Other:			CHECKED BY: <u>[Signature]</u>	

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

#26

*samples on ice cooling process had begun



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(575) 393-2326 Fax (575) 393-2476

Company Name: 31K oil and gas		BILL TO		ANALYSIS REQUEST											
Project Manager: Jacobs Melancon		P.O. #: 1332													
Address: 101 E. Panther		Company: 31K oil and gas													
City: Tul State: N.M. Zip: 88240		Attn: Jacobs Melancon													
Phone #: 575-631-8037 Fax #: 575-395-2162		Address: 101 E. Panther													
Project #: 103 Project Owner: Jack Huff		City: Tul													
Project Name: Bern A #2		State: N.M. Zip: 88252													
Project Location:		Phone #: 575-631-8037													
Sampler Name: Jacobs Melancon		Fax #: 575-395-2162													

Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP	# CONTAINERS	MATRIX						PRESERV.		SAMPLING													
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE / COOL	OTHER	DATE	TIME											
118260-1	S1 8"	S				X						9.16.09	1:45												
-2	S2 2'	S				X						9.16.09	1:56												
-3	S3 2'	S				X						9.16.09	2:15												
-4	S4 2'	S				X						9.16.09	2:29												
-5	S5 2'	S				X						9.16.09	2:39												
-6	S6 2'	S				X						9.16.09	2:45												

DISCLAIMER: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: <i>Jacob Melancon</i> Date: <u>9/16</u> Time: _____	Received By: <i>Misty Lubert</i> Date: _____ Time: _____	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #: _____ Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #: _____ REMARKS: <p style="font-size: 1.2em;">Please Email Results to jacob @ 3K oil and gas . com</p>
Delivered By: (Circle One) Sampler - UPS - Bus - Other: _____	Temp. _____ Sample Condition: Cool Intact <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	CHECKED BY: (Initials) <i>MLB</i>

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

#26
*samples on ice cooling process had begun

3-K Oil & Gas Services, L.L.C.
P.O. Box 1332
Jal, NM 88252
(575)395-2654

FIELD MEASUREMENT/OBSERVATION LOG

COMPANY: *Jack Huff*

PROJECT NAME: *Bern A #2*

PROJECT NUMBER: *#103*

PROJECT MANAGER: *Jacob Melancon*

FIELD TECHNICIAN: *Jacob Melancon*

DATE: *9.16.2009*

SAMPLE ID	SAMPLE DEPTH (FT)	COLLECTION TIME	PID ANALYSIS TIME	PID READING (PPM)	CHLORIDE ANALYSIS				SOIL DESCRIPTION
							Titration Tube Reading	mg/Kg	
<i>S1</i>	<i>8"</i>	<i>1:45</i>			<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	<i>white caliche</i>
<i>S2</i>	<i>2'</i>	<i>1:56</i>			<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	<i>Brown/white caliche</i>
<i>S3</i>	<i> </i>	<i>2:15</i>			<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
<i>S4</i>	<i> </i>	<i>2:29</i>			<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
<i>S5</i>	<i> </i>	<i>2:39</i>			<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
<i>S6</i>	<i> </i>	<i>2:45</i>			<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	
					<i>2 gms of soil</i>	<i>40 ml H2O</i>		<i>x 20 =</i>	

PID CALIBRATION

WEATHER

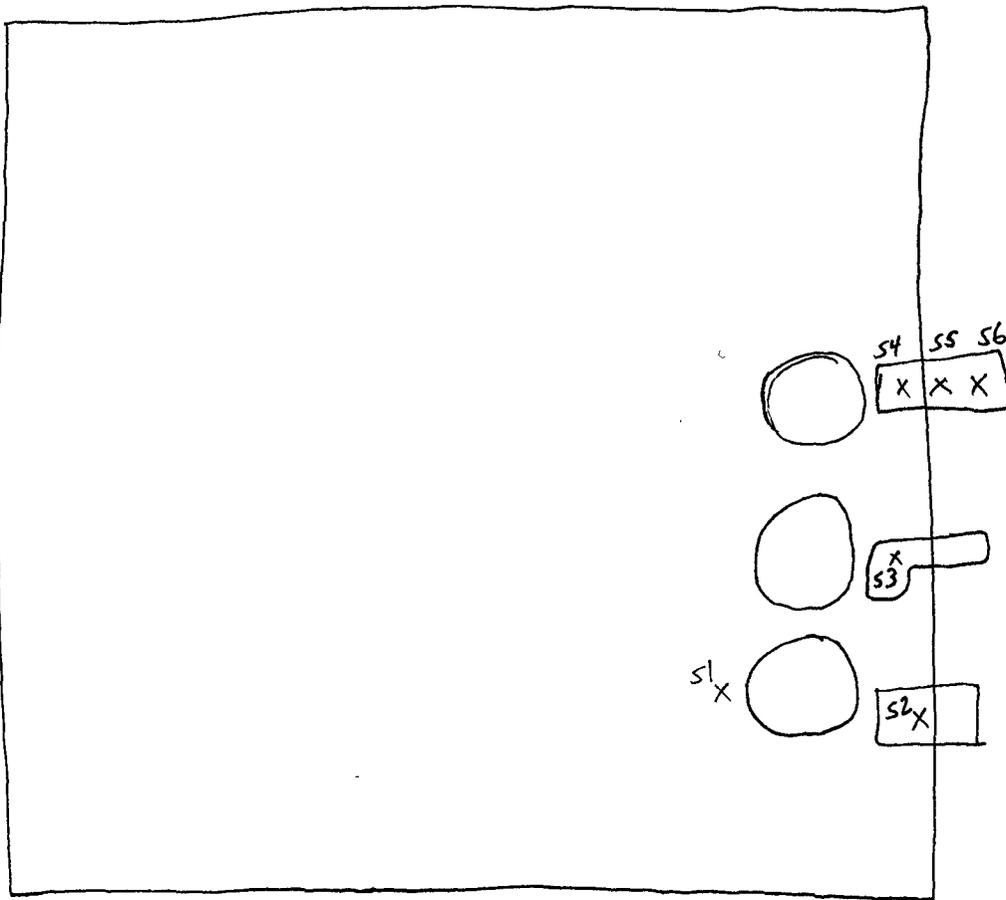
PID CALIBRATION			WEATHER		
Time	Fresh Air	Span Gas	Time	Temp.	Misc

Sept. 16 2009

Jack Huff

Bern A # 2

Sec. 14 T-19S R-36E



* Took samples from where AP recommended
ran samples to lab for a full analysis