

GW-125

**Administrative
Compliance Order**

**Order Hearing
WQCC #009-10**

2009-2011



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



October 7, 2009

Mr. Matthew Joy, Esq.
Jordan Biscoff & Hiser P.L.C
7272 E. Indian School Road
Suite 360
Scottsdale, AZ 85251

Attorneys for Yates Petroleum Corporation and Agave Energy Company

Certified Mail No. 7009 0960 0001 0919 5778

**Re: Administrative Compliance Order—Yates Petroleum Corporation and
Agave Energy Company
Discharge Permit Renewal GW 125
Penasco Compressor Station**

Dear Mr. Joy:

The Oil Conservation Commission has issued the enclosed Administrative Compliance Order to Yates Petroleum Corporation (Yates) and Agave Energy Company (Agave) for violations of Discharge Permit Renewal GW 125 dated September 4, 2002.

As explained in the Order, Yates and Agave have the right to request an order hearing on the Order. If Yates or Agave does not file a Request for an Order Hearing within 30 days of the Order's receipt, the Order will become final. Yates and Agave may also confer with the Oil Conservation Division concerning settlement, regardless of whether Yates or Agave files a Request for an Order Hearing. To explore the possibility of settlement, contact Glenn von Gonten, Environmental Bureau, New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe NM 87505 or (505) 476-3488 or glenn.vongonten@state.nm.us.

During the Division's inspection of the Penasco Compressor Station on April 23, 2009, the inspector observed a sump being used as a below-grade tank. Sumps are intended to catch releases and must be predominantly dry and clean. Sumps must be cleaned out frequently so that no fluids are being stored in them.

Several areas of ground contamination were also observed. Yates and Agave must ensure that spills and releases do not reach the ground. Yates and Agave must quickly and properly clean up any spills or releases to the ground when they occur.

Matthew Joy, Esq.
Yates Petroleum Corporation
Agave Energy Company
Administrative Compliance Order
GW 125
Penasco Compressor Station
October 7, 2009
Page 2

If you have any questions please feel free to contact me at sonny.swazo@state.nm.us
or (505) 476-3463.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sonny Swazo', with a stylized flourish at the end.

Sonny Swazo
Assistant General Counsel, OCD

Ec: Mark Fesmire, Chairman, Oil Conservation Commission
Daniel Sanchez, OCD Enforcement & Compliance Manager
Gail MacQuesten, OCD Legal Counsel
Glenn von Gonten, Acting OCD Environmental Bureau Chief
Leonard Lowe, OCD Environmental Engineer

STATE OF NEW MEXICO
NEW MEXICO OIL CONSERVATION DIVISION

IN THE MATTER OF
YATES PETROLEUM CORPORATION, and
AGAVE ENERGY COMPANY,

Respondents.

ADMINISTRATIVE COMPLIANCE ORDER

Pursuant to the New Mexico Water Quality Act ("WQA"), Chapter 74, Article 6 NMSA 1978, the Oil Conservation Division ("OCD") issues this Administrative Compliance Order ("Order") to Respondents Yates Petroleum Corporation ("Yates") and Agave Energy Company ("Agave") for the Penasco Compressor Station.

I. FINDINGS OF FACT

1. The OCD is a division of the New Mexico Energy, Minerals and Natural Resources Department charged with enforcing the Oil and Gas Act ("OGA"), Chapter 70, Article 2 NMSA 1978. See NMSA 1978, § 70-2-6(A). In addition to its duties under the OGA, the OCD is authorized to make rules, regulations and orders with respect to the WQA. See NMSA 1978, § 70-2-12(B)(22).

2. The Oil Conservation Commission ("OCC") is an entity created by NMSA 1978, Section 70-2-4 to enforce the OGA, and has concurrent jurisdiction and authority with the OCD. See NMSA 1978, § 70-2-6(B). In addition to its duties under the OGA, the OCC is a "constituent agency" under the WQA. See NMSA 1978, § 74-6-2(J)(4).

3. Yates is an active domestic corporation doing business in New Mexico under SCC No. 0425736. Yates explores for and produces oil and gas.

4. Agave is an active domestic corporation doing business in New Mexico under SCC No. 1720713. Agave markets and transports petroleum products.

5. Agave is a wholly owned subsidiary of Yates.

6. On September 4, 2002, the OCD issued Discharge Plan Renewal GW 125 ("GW 125") to Yates for the Penasco Compressor Station pursuant to the WQA and the Water Quality Control Commission ("WQCC") rules.

7. Yates owns the Penasco Compressor Station. The Penasco Compressor Station is a natural gas compressor station. The Penasco Compressor Station is located in the SE/4 SE/4 of Section 26, Township 18 South, Range 25 East, Eddy County, New Mexico.

8. Agave operates the Penasco Compressor Station.

9. Condition 5 of GW 125 states:

All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.

10. During an inspection of the Penasco Compressor Station on April 23, 2009, OCD inspector Leonard Lowe observed several areas where releases had reached the ground surface. Some locations had catch pans but releases were reaching the ground surface because the catch pans were not being properly managed.

11. Condition 9 of GW 125 states in relevant part:

All below grade tanks, . . . must incorporate secondary containment and leak-detection into the design.

12. During the April 23, 2009 inspection, OCD inspector Leonard Lowe observed two below-grade tanks being operated as a single wall vessel with no secondary containment and leak detection system.

13. The OCD identified the violations to Respondents in the initial discharge permit renewal that the OCD sent Respondents on May 29, 2009.

II. APPLICABLE STATUTES AND RULES

1. The WQA provides that the WQCC may require persons to obtain discharge permits from a constituent agency. See NMSA 1978, § 74-6-5.

2. For purposes of the WQA, "person" is defined to include corporations. See NMSA 1978, § 74-6-2(I).

3. When a constituent agency determines that a person violated or is violating a requirement, regulation or water quality standard adopted pursuant to the WQA or a condition of a permit issued pursuant to that act, the constituent agency may issue a compliance order requiring compliance immediately or within a specific time period or issue a compliance order assessing a civil penalty or both. See NMSA 1978, § 74-6-10(A)(1).

4. If a person fails to take corrective actions within the time specified in a compliance order, the constituent agency may assess a civil penalty of not more than twenty-five thousand dollars (\$25,000) for each day of continued noncompliance with the compliance order, and suspend or terminate the permit violated by the person. See NMSA 1978, § 74-6-10(F)(1).

III. CONCLUSIONS OF LAW

1. The OCD has jurisdiction over Respondents and the subject matter of this Order pursuant to NMSA 1978, Section 70-2-12(B)(22) and NMSA 1978, Section 74-6-10(A)(1).

2. Respondents are a "person" for purposes of the WQA.

3. Respondents are subject to GW-125.

4. Respondents violated Condition 5 of GW-125 by allowing leaks and spills to reach the ground surface.

5. Respondents violated Condition 9 of GW-125 by using two below-grade tanks as a single wall vessel with no secondary containment and leak detection system.

IV. COMPLIANCE ORDER

Based upon the foregoing findings and conclusions, Respondents are hereby ordered to comply with the following order:

1. Respondents shall immediately pave, curb or utilize some type of spill collection device to prevent leaks and spills from reaching the ground surface. Respondents shall clean up all discharges as specified in its Contingency Plan attached to its Discharge Plan Application dated April 5, 2002 and shall dispose of the contaminated soil in accordance with OCD Rule 19.15.35.8 NMAC or at an OCD permitted surface waste management facility. **Respondents shall complete this by November 16, 2009.**

2. Respondents shall immediately close the below-grade tanks in accordance with OCD Rule 19.15.17.13.E NMAC. In lieu of closure, Respondents may submit a workplan to retrofit the below-grade tanks to meet the standards specified at OCD Rule 19.15.17.11 NMAC. **Respondents shall complete this by November 16, 2009.**

V. CIVIL PENALTY

1. Section 74-6-10(F)(1) NMSA 1978 provides that if a person fails to take corrective actions within the time specified in a compliance order, the constituent agency may assess a civil penalty of not more than twenty-five thousand dollars (\$25,000) for each day of continued noncompliance with the compliance order, and suspend or terminate the permit violated by the person.

2. If Respondents fail to timely comply with the foregoing Compliance Order requirements, the OCC may seek to assess a civil penalty of not more than twenty-five thousand

dollars (\$25,000) for each day of continued noncompliance with the compliance order, and suspend or terminate the permit violated by the person.

VI. RIGHT TO ANSWER AND REQUEST A HEARING

1. Pursuant to NMSA 1978, Section 74-6-10(G), Respondents have the right to request a hearing to contest the Order.

2. An Order hearing shall be initiated by the filing of a Request for Order Hearing within thirty days after the Compliance Order is served. The Respondent filing a Request for Order Hearing shall file the original Request for Order Hearing with the WQCC, and serve a copy on the OCD. See WQCC Rule 20.1.3.400(A)(1) NMAC.

3. The Request for Order Hearing shall also serve as an Answer to the Compliance Order and shall:

- a. clearly and directly admit or deny each of the factual assertions contained in the Compliance Order; but where the Respondent has no knowledge of a particular factual assertion and so states, the assertion may be denied on that basis. Any allegation of the Compliance Order not specifically denied shall be deemed admitted;
- b. indicate any affirmative defenses upon which the Respondent intends to rely. Affirmative defenses not asserted in the Request for Order Hearing, except a defense asserting lack of subject matter jurisdiction, shall be deemed waived;
- c. be signed under oath or affirmation that the information contained therein is, to the best of the signer's knowledge, believed to be true and correct; and
- d. attach a copy of the compliance order.

See WQCC Rule 20.1.3.400(A)(2) NMAC.

VII. FINALITY OF ORDER

1. This Order shall become final unless any Respondent files a Request for Order Hearing with the WQCC within thirty days of receipt of this Order. Failure to file a Request for Order Hearing constitutes an admission of all facts alleged in the Order and a waiver of the right to a hearing under NMSA 1978, Section 74-6-10(G) concerning this Order. Unless any Respondent files a Request for Order Hearing the Order shall become final.

VIII. SETTLEMENT CONFERENCE

1. The Respondents may confer with the OCD concerning settlement, regardless of whether the Respondents file a Request for Order Hearing. The WQCC encourages settlement consistent with the provisions and objectives of the WQA and applicable rules. Settlement discussions do not extend the thirty day deadline for filing the Respondents' Request for Order Hearing, or alter the deadlines for compliance with this order. See WQCC Rule 20.1.3.700(B) NMAC. Settlement discussions may be pursued as an alternative to and simultaneously with the hearing proceedings. Respondents may appear at the settlement conference itself and/or be represented by legal counsel.

2. Any settlement reached by the parties shall be finalized by a written, stipulated final order, which must resolve all issues raised in the Order, shall be final and binding on all parties to the Order, and shall not be appealable. If reached more than thirty days following the issuance of this Compliance Order, the WQCC must approve a stipulated final order.

3. To explore the possibility of settlement in this matter, contact Glenn von Gonten, Environmental Bureau, New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505 or (505) 476-3488.

IX. COMPLIANCE WITH OTHER LAWS AND WAIVER

1. Compliance with the requirements of this Order does not relieve the Respondents of the obligation to comply with all other applicable laws and rules.

X. TERMINATION

1. This Order shall terminate when Respondents certify that all requirements of this Order have been met and the OCD has approved such certification, or when the parties have entered into a stipulated final order, which has been, if applicable, approved by the WQCC.



Mark Fesmire, Chairman
Oil Conservation Commission

59

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Matthew Joy, Esq.
 Jordan Biscoff & Hiser, P.L.C
 7272 E. Indian School Road
 Suite 360
 Scottsdale, AZ 85251

2. Article Number
 (Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
Jolene Maiden

B. Received by (Printed Name) C. Date of Delivery
Jolene Maiden 10-13-09

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
- Certified Mail Express Mail
 - Registered Return Receipt for Merchandise
 - Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

7009 0960 0001 0919 5778

AGAVE ENERGY COMPANY

105 South Fourth Street

Artesia, New Mexico 88210

(575) 748-4555

Fax (575) 748-4275

Via U.S. Mail Return Receipt Requested 7006 2150 0000 3855 3814

November 2, 2009

Mr. Glenn von Gonten
Environmental Bureau
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico

RECEIVED OGD
NOV - 4 - 2009
P 2:18

Re: Administrative Compliance Orders
Bitter Lakes Compressor Station, GW-050-1
Red Bluff #1 Compressor Station, GW-050-5
Red Bluff #2 Compressor Station, GW-050-7
Penasco Compressor Station, GW-125

Dear Mr. von Gonten

Agave Energy Company (Agave) would like to take this opportunity to respond to the allegations set forth in four Administrative Compliance Orders (ACOs) and request that the Oil Conservation Division (OCD) meet with Agave to discuss and resolve certain issues raised by the ACOs. Agave's concerns arise from the issuance of ACOs issued to Agave for alleged violations at the Bitter Lakes Compressor Station (Permit No. GW-050-1), the Red Bluff #1 Compressor Station (Permit No. GW-050-5), the Red Bluff #2 Compressor Station (Permit No. GW-050-7) and the Penasco Compressor Station (Permit No. GW-125).

Agave's primary concerns revolve around the provisions requiring that Agave install secondary containment for methanol containers at the Bitter Lakes Compressor Station and the Red Bluff #1 Compressor Station. In addition, Agave is concerned that the ACOs for the Red Bluff #2 Compressor Station and the Penasco Compressor Station impose an overly burdensome response when spills of de-minimis amounts of material occur.

Agave would also like to take this opportunity to provide a status report concerning steps it has undertaken to resolve issues that arose during the inspections of April 23 and 24, 2009. Finally, Agave would like to request an extension of time for completing the closure of below-grade tanks and sumps at the Penasco Compressor Station.

Methanol Containers

The ACOs for the Bitter Lakes Compressor Station and the Red Bluff #1 Compressor Station provide:

Condition 9 of GW-050-1 [issued May 8, 2006] states:

The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.

ACOs, ¶ 6. The ACO then states that, during an inspection on April 23, 2009, the inspector “observed an unbermed above ground storage tank filled with liquid methanol.” ACOs, ¶ 7. Essentially, the Division alleges that the methanol “tank” violates the secondary containment provision of Condition 9. Agave respectfully disagrees for the following reasons.

First, the methanol container is not a tank, as that term is defined under the regulations; it is a container. The only regulatory definition under the Environmental Improvement Act of a “tank” provides that a tank is “a *stationary device* designed to contain an accumulation of regulated substances which is constructed of non-earthen materials...” 20.5.1.7(FA) NMAC (*italics added*) (*see also*, 20.5.1.7(B) NMAC defining aboveground storage tanks as “permanently installed”). In other words, in order for a container to be a tank, it must be stationary or permanently installed.¹ That is not the case here. The methanol containers at issue are not stationary or permanently installed. The containers are transported around each facility to areas where the methanol is needed. Agave uses methanol as a hydrator inhibitor in the wintertime. Methanol is injected into the pipeline to prevent the formation of hydrates or “ice”. The hydrates can plug a pipeline causing numerous problems. The containers are usually transported by fork lift or truck to areas where they are needed on a frequent basis. Imposing secondary containment requirements equal to the tank capacity plus one-third would eliminate the ability of the facility to move the container to areas where it is needed. In fact, the likely result of requiring secondary containment for such a container would be that additional, smaller containers, such as mobile totes would have to be used, replacing one large container and, potentially, increasing the likelihood of unintentional mishaps.

Second, the methanol container is exempt from permitting requirements under the Water Quality Control Commission regulations. An effluent stream or leachate is exempt if the effluent or leachate “conforms to all listed numerical standards of section 20.6.2.3103 and has a total nitrogen concentration of 10 mg/l or less, and does not contain any toxic pollutant.” 20.6.2.3105(A) NMAC. Methanol is not a contaminant listed under 20.6.2.3103 NMAC, it is not

¹ Agave’s interpretation of the definition of “tank” versus the definition of “container” is supported by the federal definitions of both. Under EPA regulation, a “tank” is a “stationary device.” 40 C.F.R. § 260.10. A “container,” according to federal regulation, is “any portable device.” *Id.*

a toxic pollutant listed under 20.6.2.7(WW) NMAC and it does not contain 10 mg/l or more total nitrogen. Therefore, methanol containers are not subject to the discharge permitting requirements of 20.6.2.3104 NMAC.

Finally, the methanol from the tank is not intended to be "discharged." Even if some methanol in the container is spilled during use, it is unlikely that it would directly or indirectly reach any groundwater. See 20.6.2.3104 NMAC. Given that the methanol is a product which is being used (or is stored in a portable container between uses), and the methanol is exempt from permitting as there are no applicable groundwater quality or human health groundwater standards, Agave respectfully requests that the secondary containment provision in the ACOs be removed with respect to the methanol containers.

Agave respectfully requests that the secondary containment requirements in Administrative Compliance Order, GW-050-5, Section IV, ¶ 1 and Administrative Compliance Order, GW-050-1 be deleted from the order.

Below-Grade Tanks – Penasco

The ACO for the Penasco Compressor Station (GW-125) requires that Agave close several below-grade tanks by November 16, 2009. Administrative Compliance Order, GW-125, Section IV, ¶ 2. Agave is in the process of closing the below-grade tanks at issue. Agave submitted a Work Plan for the removal of three below-grade tanks to the OCD on September 30, 2009, and has engaged a contractor to perform the work. The work commenced on October 19, 2009. Agave is concerned that all three tanks may not be closed by the November 16, 2009 deadline and respectfully requests an extension for completion of the work until January 16, 2009.

Due to the engineering necessary to remove the tanks, the actual time it will take to conduct the work and the fact that it will take several weeks to obtain lab analyses of the soil samples (and potentially an additional round of confirmation sampling), it is extremely unlikely that the work can be completed by the deadline set forth in the Compliance Order.

Completed Actions

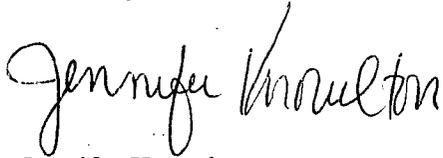
Administrative Compliance Order, GW-050-7, ¶ 1 requires Agave to "place bungs in all drums and properly store drums in accordance with Condition 7." Agave has completed this action.

Although Agave disagrees with the Division's characterization of the vast majority of the "spills" identified at the Red Bluff #2 Compressor Station (GW-050-7) and the Penasco Compressor Station (GW-125), it has cleaned up the majority of spills identified during the inspections and managed all cleanup materials appropriately.

Mr. Glenn von Gonten
New Mexico Oil Conservation Division
Administrative Orders
Agave Energy Company
November 2, 2009
Page 4 of 4

As always, Agave appreciates this opportunity to comment on the Administrative Compliance Orders for GW-050-1, GW-050-5, GW-050-7 and GW-125. Agave looks forward to resolving the outstanding issues expeditiously. Please give me a call at (575) 748-4471 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer Knowlton". The signature is written in black ink and is positioned above the printed name and title.

Jennifer Knowlton
Environmental Engineer

LAW OFFICES

JORDEN BISCHOFF
& HISER, P.L.C.

7272 E. INDIAN SCHOOL ROAD, SUITE 360
SCOTTSDALE, ARIZONA 85251
TELEPHONE: 480-505-3900
FACSIMILE: 480-505-3901

MATTHEW JOY

DIRECT LINE: 480-505-3928
e-mail: mjoy@jordenbischoff.com

October 30, 2009

Via overnight delivery

Ms. Joyce Medina
WQCC Administrator
Water Quality Control Commission
New Mexico Environment Department
1190 St. Francis Drive
Santa Fe, New Mexico 87502

2009 NOV -2 A 11: 11
RECEIVED OCD

**Re: Request for Order Hearing and Request for Stay of Deadlines Set Forth in
Administrative Compliance Order Pertaining to Permit Renewal GW-125**

Dear Ms. Medina:

Please find enclosed an original and sixteen copies of the above-referenced Request for Order Hearing and Request for Stay of Deadlines. The Request concerns the issuance of an Administrative Compliance Orders issued to Agave Energy Company. We have also included an additional copy to be conformed and returned to us.

Thank you and please contact Matthew Joy if you have any questions at (480) 505-3928.

Sincerely,



Matthew Joy
Eric L. Hiser

Cc: New Mexico Oil Conservation Division
New Mexico Attorney General's Office

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
BEFORE THE WATER QUALITY CONTROL COMMISSION

IN THE MATTER OF REQUEST FOR)
HEARING ON ADMINISTRATIVE)
COMPLIANCE ORDERS FOR DISCHARGE)
PERMIT RENEWALS GW-125)

Case No. _____

Agave Energy Company)
)
)

**REQUEST FOR ORDER HEARING AND REQUEST
FOR STAY OF DEADLINES SET FORTH IN
ADMINISTRATIVE COMPLIANCE ORDER
PERTAINING TO PERMIT RENEWAL
GW-125**

RECEIVED OGD
2009 NOV -2 A 11: 11

Comes now the Petitioner, Agave Energy Company (Agave), pursuant to Water Quality Control Commission (WGCC) regulation 20.1.3.400 NMAC and Section VI of the Administrative Compliance Order (ACO), and hereby files this Request for Order Hearing and Request for Stay of Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 (the Request). Agave States to the Water Quality Control Commission (WQCC) the following:

I. Information About the Petitioner

1. The Petitioner filing this Request is Agave Energy Company, located at 105 South 4th Street, Artesia, NM, 88210 and is qualified to do business in New Mexico.
2. Petitioner in this matter is represented by Eric L. Hiser (New Mexico Bar Number 21786) and Matthew Joy, of Jordan Bischoff & Hiser, P.L.C., 7272 East Indian School Road, Suite 360, Scottsdale, Arizona, 85251. Correspondence and information related to this appeal should be served on Agave attorneys and on the company, c/o Jennifer Knowlton, at the address above.

II. Admissions and Denials of Factual Assertions

1. Agave admits the allegations set forth in Section I, paragraph 1 of the Administrative Compliance Order.
2. Agave admits the allegations set forth in Section I, paragraph 2 of the Administrative Compliance Order.

Request for Order Hearing and Request for Stay of Deadlines

GW-125

Agave Energy Company

October 30, 2009

Page 2 of 4

3. Agave admits the allegations set forth in Section I, paragraph 3 of the Administrative Compliance Order.
4. Agave admits the allegations set forth in Section I, paragraph 4 of the Administrative Compliance Order.
5. Agave admits the allegations set forth in Section I, paragraph 5 of the Administrative Compliance Order.
6. Agave admits the allegations set forth in Section I, paragraph 6 of the Administrative Compliance Order.
7. Agave admits the allegations set forth in Section I, paragraph 7 of the Administrative Compliance Order.
8. Agave admits the allegations set forth in Section I, paragraph 8 of the Administrative Compliance Order.
9. Agave admits the allegations set forth in Section I, paragraph 9 of the Administrative Compliance Order.
10. For purposes of this Request for Order Hearing only, Agave admits the allegations set forth in Section I, paragraph 10 of the Administrative Compliance Order.
11. Agave admits the allegations set forth in Section I, paragraph 11 of the Administrative Compliance Order.
12. For purposes of this Request for Order Hearing only, Agave admits the allegations set forth in Section I, paragraph 12 of the Administrative Compliance Order. The Administrative Compliance Order requires Agave to remove the below-grade tanks or submit a work plan to retrofit the below-grade tanks by November 16, 2009 (Attached as Exhibit "A"). Agave submitted a work plan to the Oil Conservation Division on September 30, 2009. In the plan, Agave committed to removing the sumps (identified as below-grade tanks in the Order). Agave has engaged a contractor to remove the sumps and conduct other work identified in the work plan. Agave's contractor initiated removal under its work plan on or about October 19, 2009. Due to the engineering necessary to remove the tanks (most of which has been completed), the actual time it will take to conduct the work and the fact that it will take several weeks to obtain lab analyses of the soil samples (and potentially an additional round of confirmation sampling), it is extremely unlikely that the work can be completed by the deadline set forth in the Compliance Order.

Request for Order Hearing and Request for Stay of Deadlines

GW-125

Agave Energy Company

October 30, 2009

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13. Agave admits the allegations set forth in Section I, paragraph 13 of the Administrative Compliance Order.
14. To the extent that Sections II (Applicable Statutes and Rules) and III (Conclusions of Law) of the Administrative Compliance Order contain "factual assertions," Agave denies those assertions.

III. Administrative Compliance Order is Attached

1. A copy of the Administrative Compliance Order for Discharge Permit Renewal GW-125 is attached as Exhibit "B".

IV. Settlement Discussions

1. Contemporaneously with this Request for Order Hearing, Agave has submitted a letter to the Oil Conservation Division outlining its concerns regarding the Compliance Order deadline.
2. In that letter, Agave also asked the Division to meet to discuss its position in furtherance of reaching settlement.

V. Request for Stay of Permit Conditions

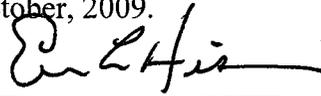
1. The Administrative Compliance Order requires Agave to remove the below-grade tanks by November 16, 2009.
2. The Administrative Compliance Order was received by Agave after October 7, 2009 giving Agave only thirty-nine days to secure a contractor and complete the work.
3. The engineering, scope of work and sampling required under Agave's work plan cannot be completed within the short time-frame given by the Division.
4. If Agave cannot complete the corrective action on the below-grade tanks by November 16, 2009, it could be subject to penalties up to \$25,000 per day.
5. Agave would suffer irreparable harm if the Compliance Order deadline is enforced as written in the Administrative Compliance Order.
6. Agave requests an extension of sixty (60) days in order to complete the removal of the below-grade tanks.

WHEREFORE, Agave respectfully requests the WQCC grant the following relief:

Request for Order Hearing and Request for Stay of Deadlines
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Agave Energy Company
October 30, 2009
Page 4 of 4

1. Grant Agave an Order Hearing pursuant to the Water Quality Act, and the New Mexico Administrative Code;
2. Stay the effective deadline of November 16, 2009 until settlement discussions have concluded and the matter is resolved or a hearing is set; and
3. Provide such other relief as the WQCC determines just and reasonable under the circumstances.

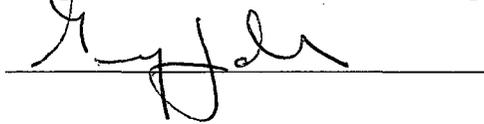
Respectfully submitted this 20th day of October, 2009.



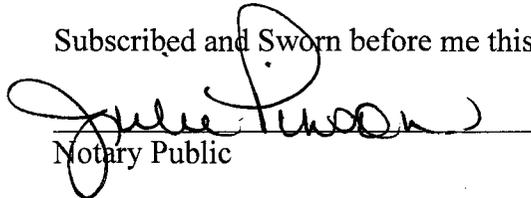
Eric L. Hiser (N.M. Bar No. 21786)
Matthew Joy
Jordan Bischoff & Hiser, P.L.C.
7272 E. Indian School Road
Suite 360
Scottsdale, AZ 85251
Tel: (480) 505-3900
Fax: (480) 505-3901
Attorneys for Agave Energy Company

STATE OF NEW MEXICO)
County of Eddy) ss.

I swear under oath, that I have read this Request for Order Hearing and Request for Stay of Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 and all the information contained therein is true and correct and complete to the best of my knowledge and belief.

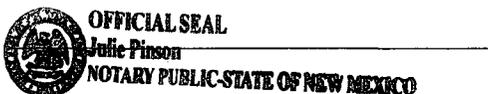


Subscribed and Sworn before me this 29th day of October, 2009.



Notary Public

My Commission Expires:



My commission expires: October 21, 2012

CERTIFICATE OF SERVICE

I certify that on this 30th day of October, 2009, service of the original and sixteen true and complete copies of the foregoing **Request for Order Hearing and Request for Stay of Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125** were mailed via overnight delivery, signature required, to the following parties:

Ms. Joyce Medina
WQCC Administrator
Water Quality Control Commission
New Mexico Environment Department
1190 St. Francis Drive
Santa Fe, New Mexico 87502

With a copy of the same via overnight delivery, signature required, to:

New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

New Mexico Attorney General's Office
408 Galisteo Street
Villagra Building
Santa Fe, New Mexico 87501

Joyce Medina

EXHIBIT

A

September 30, 2009

Mr. Leonard Lowe
NMOCD
1220 St. Francis Drive
Santa Fe, New Mexico 87505

Re: Penasco Compressor Station
GW-125
Eddy County, New Mexico

Dear Mr. Lowe:

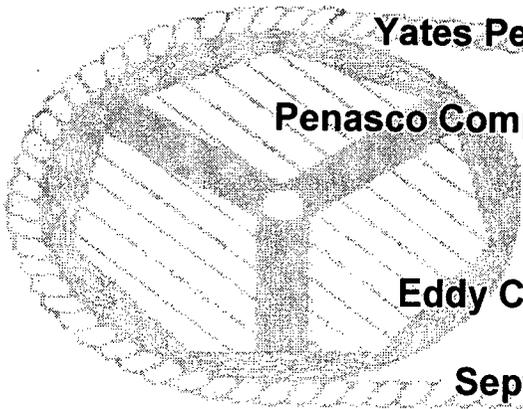
Yates Petroleum Corporation and Agave Energy Company would like to submit for your consideration the enclosed work plan for the above mentioned Compressor Station. The plan is being submitted in response to a facility inspection conducted on April 23, 2009. Scope of work described in the plan will be conducted as soon as a contractor can be scheduled. We hope to start the work before the end of October 2009.

If you have any questions call me at (575) 748-4471

Thank you.

Jennifer Knowlton
Environmental Engineer

Enclosure(s)



Yates Petroleum Corporation

Penasco Compressor Station Work Plan

GW-125

Eddy County, New Mexico

September 30, 2009

I. Location

The facility is located approximately 9.2 miles south of Artesia, New Mexico on Kincaid Road. The Penasco Compressor Station is just west of the Agave Dagger Draw Gas Plant.

II. Background

Agave Energy Company (Agave) is the operator of the Penasco Compressor Station. After conducting a site inspection on April 23, 2009, Mr. Leonard Lowe informed Agave that all below grade tanks (BGT) located at a compressor station could be removed without modifying the existing discharge permit.

Agave is proposing to remove three BGT located at the Penasco Compressor Station. This work plan will apply to all three below grade tanks. These BGT have functioned as a sump for containment cleanup. New, above ground blowcases will be installed as part of this project for Units 23, 002, and 005.

In addition, there is a low profile water tank and steel condensate tank located on the south side of the facility along with one BGT that is currently out of service. These tanks are currently in a substandard containment. These tanks will be taken out of service and removed from location. Re-routing some of the piping to other tanks currently located on site in proper secondary containments is part of this project as well.

III. Surface and Ground Water

The nearest groundwater of record is taken from the drilling reports of the two freshwater wells located on site. The depth to groundwater is approximately 200 feet.

Any watercourses in the area are dry except for infrequent flows in response to major precipitation events.

All three BGT at the Penasco Compressor Station are within 200 feet of one of the two water wells on site.

The ranking for this site is zero (20) based on the as following:

Depth to ground water >200' (per NM Office of the State Engineer)	0
Not is a wellhead protection area	20
Distance to surface body water <1000'	0
TOTAL RANKING SCORE =	20

For sites with a Total Ranking Score of 20, the Recommended Remedial Action Levels (RRAL) are:

Benzene	10 ppm
BTEX	50 ppm
TPH	100 ppm

IV. Scope of Work

Agave will remove all sumps and some of the sump lines. Some of the sump lines can be reused either as is or in a new location. Representative soil samples will be taken from each excavation at the site. At least one sample will be taken below each sump and below any mid-run joints or junctions of any extended sump line runs.

The above ground tanks will be removed from the location. Soil samples will be taken from below each of the above ground tanks.

If the soil samples are below the RRAL levels, the excavations will be backfilled.

If the soil samples are not below the RRAL Agave will excavate additional soil and resample the area until the RRAL are met. If excavation to a depth of 5 feet below the bottom of the BGT, sump line, or ABT has not achieved a sample meeting the RRAL, Agave will contact the OCD Office, and if needed submit a revised remedial action plan.

Contaminated soils exceeding RRAL will be disposed of at an OCD approved land farm or landfill facility.

EXHIBIT

B



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



October 7, 2009

Mr. Matthew Joy, Esq.
Jordan Biscoff & Hiser P.L.C
7272 E. Indian School Road
Suite 360
Scottsdale, AZ 85251

Attorneys for Yates Petroleum Corporation and Agave Energy Company

Certified Mail No. 7009 0960 0001 0919 5778

**Re: Administrative Compliance Order—Yates Petroleum Corporation and
Agave Energy Company
Discharge Permit Renewal GW 125
Penasco Compressor Station**

Dear Mr. Joy:

The Oil Conservation Commission has issued the enclosed Administrative Compliance Order to Yates Petroleum Corporation (Yates) and Agave Energy Company (Agave) for violations of Discharge Permit Renewal GW 125 dated September 4, 2002.

As explained in the Order, Yates and Agave have the right to request an order hearing on the Order. If Yates or Agave does not file a Request for an Order Hearing within 30 days of the Order's receipt, the Order will become final. Yates and Agave may also confer with the Oil Conservation Division concerning settlement, regardless of whether Yates or Agave files a Request for an Order Hearing. To explore the possibility of settlement, contact Glenn von Gonten, Environmental Bureau, New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe NM 87505 or (505) 476-3488 or glenn.vongonten@state.nm.us.

During the Division's inspection of the Penasco Compressor Station on April 23, 2009, the inspector observed a sump being used as a below-grade tank. Sumps are intended to catch releases and must be predominantly dry and clean. Sumps must be cleaned out frequently so that no fluids are being stored in them.

Several areas of ground contamination were also observed. Yates and Agave must ensure that spills and releases do not reach the ground. Yates and Agave must quickly and properly clean up any spills or releases to the ground when they occur.

STATE OF NEW MEXICO
NEW MEXICO OIL CONSERVATION DIVISION

IN THE MATTER OF
YATES PETROLEUM CORPORATION, and
AGAVE ENERGY COMPANY,

Respondents.

ADMINISTRATIVE COMPLIANCE ORDER

Pursuant to the New Mexico Water Quality Act ("WQA"), Chapter 74, Article 6 NMSA 1978, the Oil Conservation Division ("OCD") issues this Administrative Compliance Order ("Order") to Respondents Yates Petroleum Corporation ("Yates") and Agave Energy Company ("Agave") for the Penasco Compressor Station.

I. FINDINGS OF FACT

1. The OCD is a division of the New Mexico Energy, Minerals and Natural Resources Department charged with enforcing the Oil and Gas Act ("OGA"), Chapter 70, Article 2 NMSA 1978. See NMSA 1978, § 70-2-6(A). In addition to its duties under the OGA, the OCD is authorized to make rules, regulations and orders with respect to the WQA. See NMSA 1978, § 70-2-12(B)(22).

2. The Oil Conservation Commission ("OCC") is an entity created by NMSA 1978, Section 70-2-4 to enforce the OGA, and has concurrent jurisdiction and authority with the OCD. See NMSA 1978, § 70-2-6(B). In addition to its duties under the OGA, the OCC is a "constituent agency" under the WQA. See NMSA 1978, § 74-6-2(J)(4).

3. Yates is an active domestic corporation doing business in New Mexico under SCC No. 0425736. Yates explores for and produces oil and gas.

4. Agave is an active domestic corporation doing business in New Mexico under SCC No. 1720713. Agave markets and transports petroleum products.

5. Agave is a wholly owned subsidiary of Yates.

6. On September 4, 2002, the OCD issued Discharge Plan Renewal GW 125 ("GW 125") to Yates for the Penasco Compressor Station pursuant to the WQA and the Water Quality Control Commission ("WQCC") rules.

7. Yates owns the Penasco Compressor Station. The Penasco Compressor Station is a natural gas compressor station. The Penasco Compressor Station is located in the SE/4 SE/4 of Section 26, Township 18 South, Range 25 East, Eddy County, New Mexico.

8. Agave operates the Penasco Compressor Station.

9. Condition 5 of GW 125 states:

All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.

10. During an inspection of the Penasco Compressor Station on April 23, 2009, OCD inspector Leonard Lowe observed several areas where releases had reached the ground surface. Some locations had catch pans but releases were reaching the ground surface because the catch pans were not being properly managed.

11. Condition 9 of GW 125 states in relevant part:

All below grade tanks, . . . must incorporate secondary containment and leak-detection into the design.

12. During the April 23, 2009 inspection, OCD inspector Leonard Lowe observed two below-grade tanks being operated as a single wall vessel with no secondary containment and leak detection system.

13. The OCD identified the violations to Respondents in the initial discharge permit renewal that the OCD sent Respondents on May 29, 2009.

II. APPLICABLE STATUTES AND RULES

1. The WQA provides that the WQCC may require persons to obtain discharge permits from a constituent agency. See NMSA 1978, § 74-6-5.

2. For purposes of the WQA, "person" is defined to include corporations. See NMSA 1978, § 74-6-2(I).

3. When a constituent agency determines that a person violated or is violating a requirement, regulation or water quality standard adopted pursuant to the WQA or a condition of a permit issued pursuant to that act, the constituent agency may issue a compliance order requiring compliance immediately or within a specific time period or issue a compliance order assessing a civil penalty or both. See NMSA 1978, § 74-6-10(A)(1).

4. If a person fails to take corrective actions within the time specified in a compliance order, the constituent agency may assess a civil penalty of not more than twenty-five thousand dollars (\$25,000) for each day of continued noncompliance with the compliance order, and suspend or terminate the permit violated by the person. See NMSA 1978, § 74-6-10(F)(1).

III. CONCLUSIONS OF LAW

1. The OCD has jurisdiction over Respondents and the subject matter of this Order pursuant to NMSA 1978, Section 70-2-12(B)(22) and NMSA 1978, Section 74-6-10(A)(1).

2. Respondents are a "person" for purposes of the WQA.

3. Respondents are subject to GW-125.

4. Respondents violated Condition 5 of GW-125 by allowing leaks and spills to reach the ground surface.

5. Respondents violated Condition 9 of GW-125 by using two below-grade tanks as a single wall vessel with no secondary containment and leak detection system.

IV. COMPLIANCE ORDER

Based upon the foregoing findings and conclusions, Respondents are hereby ordered to comply with the following order:

1. Respondents shall immediately pave, curb or utilize some type of spill collection device to prevent leaks and spills from reaching the ground surface. Respondents shall clean up all discharges as specified in its Contingency Plan attached to its Discharge Plan Application dated April 5, 2002 and shall dispose of the contaminated soil in accordance with OCD Rule 19.15.35.8 NMAC or at an OCD permitted surface waste management facility. **Respondents shall complete this by November 16, 2009.**

2. Respondents shall immediately close the below-grade tanks in accordance with OCD Rule 19.15.17.13.E NMAC. In lieu of closure, Respondents may submit a workplan to retrofit the below-grade tanks to meet the standards specified at OCD Rule 19.15.17.11 NMAC. **Respondents shall complete this by November 16, 2009.**

V. CIVIL PENALTY

1. Section 74-6-10(F)(1) NMSA 1978 provides that if a person fails to take corrective actions within the time specified in a compliance order, the constituent agency may assess a civil penalty of not more than twenty-five thousand dollars (\$25,000) for each day of continued noncompliance with the compliance order, and suspend or terminate the permit violated by the person.

2. If Respondents fail to timely comply with the foregoing Compliance Order requirements, the OCC may seek to assess a civil penalty of not more than twenty-five thousand

dollars (\$25,000) for each day of continued noncompliance with the compliance order, and suspend or terminate the permit violated by the person.

VI. RIGHT TO ANSWER AND REQUEST A HEARING

1. Pursuant to NMSA 1978, Section 74-6-10(G), Respondents have the right to request a hearing to contest the Order.

2. An Order hearing shall be initiated by the filing of a Request for Order Hearing within thirty days after the Compliance Order is served. The Respondent filing a Request for Order Hearing shall file the original Request for Order Hearing with the WQCC, and serve a copy on the OCD. See WQCC Rule 20.1.3.400(A)(1) NMAC.

3. The Request for Order Hearing shall also serve as an Answer to the Compliance Order and shall:

- a. clearly and directly admit or deny each of the factual assertions contained in the Compliance Order; but where the Respondent has no knowledge of a particular factual assertion and so states, the assertion may be denied on that basis. Any allegation of the Compliance Order not specifically denied shall be deemed admitted;
- b. indicate any affirmative defenses upon which the Respondent intends to rely. Affirmative defenses not asserted in the Request for Order Hearing, except a defense asserting lack of subject matter jurisdiction, shall be deemed waived;
- c. be signed under oath or affirmation that the information contained therein is, to the best of the signer's knowledge, believed to be true and correct; and
- d. attach a copy of the compliance order.

See WQCC Rule 20.1.3.400(A)(2) NMAC.

VII. FINALITY OF ORDER

1. This Order shall become final unless any Respondent files a Request for Order Hearing with the WQCC within thirty days of receipt of this Order. Failure to file a Request for Order Hearing constitutes an admission of all facts alleged in the Order and a waiver of the right to a hearing under NMSA 1978, Section 74-6-10(G) concerning this Order. Unless any Respondent files a Request for Order Hearing the Order shall become final.

VIII. SETTLEMENT CONFERENCE

1. The Respondents may confer with the OCD concerning settlement, regardless of whether the Respondents file a Request for Order Hearing. The WQCC encourages settlement consistent with the provisions and objectives of the WQA and applicable rules. Settlement discussions do not extend the thirty day deadline for filing the Respondents' Request for Order Hearing, or alter the deadlines for compliance with this order. See WQCC Rule 20.1.3.700(B) NMAC. Settlement discussions may be pursued as an alternative to and simultaneously with the hearing proceedings. Respondents may appear at the settlement conference itself and/or be represented by legal counsel.

2. Any settlement reached by the parties shall be finalized by a written, stipulated final order, which must resolve all issues raised in the Order, shall be final and binding on all parties to the Order, and shall not be appealable. If reached more than thirty days following the issuance of this Compliance Order, the WQCC must approve a stipulated final order.

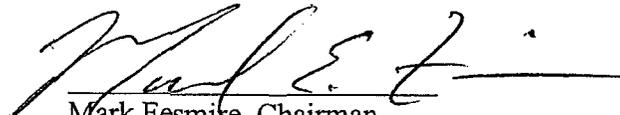
3. To explore the possibility of settlement in this matter, contact Glenn von Gonten, Environmental Bureau, New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505 or (505) 476-3488.

IX. COMPLIANCE WITH OTHER LAWS AND WAIVER

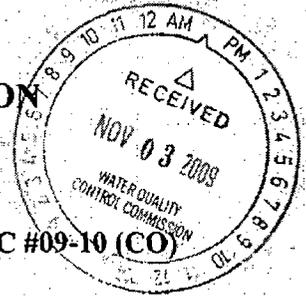
1. Compliance with the requirements of this Order does not relieve the Respondents of the obligation to comply with all other applicable laws and rules.

X. TERMINATION

1. This Order shall terminate when Respondents certify that all requirements of this Order have been met and the OCD has approved such certification, or when the parties have entered into a stipulated final order, which has been, if applicable, approved by the WQCC.


Mark Fesmire, Chairman
Oil Conservation Commission

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION



**Request for Hearing and Request for Stay
of Deadlines Set Forth in Administrative
Compliance Order Pertaining to Permit
Renewal GW-125, Agave Energy Company**

NOTICE OF DOCKETING

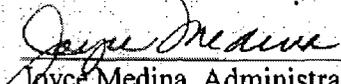
The above-captioned case is hereby docketed pursuant to the New Mexico Water Quality Control Act, NMSA 1978, §§74-6-1 through 74-6-17, and the Adjudicatory Procedures for the Water Quality Control Commission, §20.1.3.200 NMAC. The Administrator received the Request for Order Hearing and Request for Stay of Deadlines in Administrative Compliance Order relating to Permit Renewal GW-125, November 2, 2009.



Joyce Medina, Administrator
Water Quality Control Commission
P. O. Box 5469
Santa Fe, New Mexico 87502
(505) 827-2425 (P)
(505) 827-0310 (F)

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Notice of Docketing was sent electronically to Sonny Swazo, Office of General Counsel, Oil Conservation Division, New Mexico Energy, Minerals and Natural Resources Department, at sonny.swazo@state.nm.us and was sent by first class mail to Zachary Shandler, Board Counsel, NM Attorney General's Office, P. O. Drawer 1508, Santa Fe, NM 87504-1508, and to Matt Joy, Esq., Jordan Bischoff Law Firm, 7272 E. Indian School Road, Suite 360, Scottsdale, Arizona 85251, this 3rd day of November, 2009.



Joyce Medina, Administrator

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STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION



NEW MEXICO OIL CONSERVATION DIVISION,
Complainant

v.

WQCC #09-10 (CO)

AGAVE ENERGY COMPANY,
Respondent

ENTRY OF APPEARANCE

COMES NOW, Sonny Swazo, Assistant General Counsel for the Oil Conservation Division, and hereby enters his appearance in the above-entitled matter on behalf of the Oil Conservation Division.

Respectfully submitted,

Sonny Swazo
Attorney for Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
(505) 476-3463
Fax: (505) 476-3462
Email: sonny.swazo@state.nm.us

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Entry of Appearance was mailed first class to the following parties on November 4, 2009.

Matthew Joy
Jordan Biscoff & Hiser, P.L.C
7272 E. Indian School Road, Suite 360
Scottsdale, AZ 85251

Attorneys for Agave Energy Company

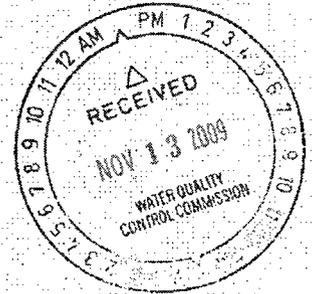
Zachary Shandler
New Mexico Attorney General's Office
P.O. Drawer 1508
Santa Fe, NM 87504-1508

Attorney for Water Quality Control Commission



Sonny Swazo

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION



NEW MEXICO OIL CONSERVATION DIVISION,)
Complainant)
)
v.)
)
AGAVE ENERGY COMPANY,)
Respondent)
)

Case No. 09-10 (CO)

Order Granting Unopposed Motion to Stay Deadlines Set forth in Administrative Compliance Order and Granting Request to Waive the 90-Day Hearing Deadline

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed an Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 and Request for Waiver of 90-Day Hearing Deadline (the Unopposed Motion) on or about November 13, 2009, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until January 16, 2010 in order to facilitate settlement discussions. In addition, the Motion requested that the Commission waive the ninety day hearing deadline and schedule any hearing, if necessary, in this matter after the Parties file their joint Status Report. WQCC regulation 20.1.3.400(B)(1) allows the ninety day deadline to be waived by stipulation or unopposed motion. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 and Request for Waiver of 90-Day Hearing Deadline is granted, and not later than January 16, 2010, the Parties shall file a Status Report with the WQCC.

DATED this 13 day of November, 2009.

MARTIN YATES, III
1912-1985
FRANK W. YATES
1936-1988
S. P. YATES
1914-2008



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (575) 748-1471

JOHN A. YATES
CHAIRMAN OF THE BOARD
PRESIDENT
JOHN A. YATES JR.
ASSISTANT TO THE PRESIDENT
JAMES S. BROWN
CHIEF OPERATING OFFICER
JOHN D. PERINI
CHIEF FINANCIAL OFFICER

6 10
January 4, 2009

Mr. Leonard Lowe
NMOCD
1220 St. Francis Drive
Santa Fe, New Mexico 87505

Re: Penasco Compressor Station
GW-125
Eddy County, New Mexico
Supplemental Work Plan

Mr. Lowe,

Agave Energy Company and Yates Petroleum Corporation are submitting this information to update you as to the status of the below-grade tank/sump removal at the Penasco Compressor Station.

Agave Energy Company is the operator of the Penasco Compressor Station and Yates Petroleum Corporation is the owner. Agave has been the operator since 1997. Agave personnel did not install any of the below-grade sumps referenced in this project.

Agave acknowledges that there were five below-grade containers acting as sumps at the Penasco Compressor Station. By sump, Agave means a collection device incorporated within a secondary containment system, which remains predominantly empty and serves as a receptacle for de minimis releases on an intermittent basis and is not used to store, treat, dispose of or evaporate products or wastes. However, these devices were over 500 gallons.

Approximately three years ago, Agave inquired with OCD as to the feasibility of removing those tanks. OCD personnel told us that we would have to submit a modification to the discharge permit in order to remove the sumps. During an inspection of the facility in April 2009, the inspector informed Agave that OCD's policy had changed and that the discharge plan would not have to be modified in order to proceed with removing the sumps.

During the April 2009 inspection, OCD advised Agave personnel to remove the below-grade sumps. In November 2009, Agave personnel proceeded with a major remediation project to remove all five below grade sumps and the removal of the south tank battery due to potential concerns regarding the secondary containment. Rather than rebuilding the containment, Agave decided to remove the tank battery and to re-route the liquids to the northeast tank battery all ready on site. The northern tank battery has adequate concrete secondary containment.

In its Work Plan, submitted in November, 2009, Agave committed to excavating to five feet below the sumps and equipment. If soil levels for chlorides, BTEX and TPH could not be met after further excavation, Agave agreed to contact the OCD. Agave has excavated below the former equipment and has even excavated an additional 3 to 5 feet. The excavations resulted in the results below. (For convenience, Agave has identified the below-grade sumps with the Unit numbers that they served. The fifth sump is included in the removal of the south tank battery.)

BGT 005 and BGT 025 were removed first. The soil sample results were as follows (all units in ppm):

Unit	RRAL	Unit 025		Unit 005	
		Sample 1	Sample 2	Sample 1	Sample 2
Chlorides	50	33.3	12.4	15.5	20.4
BTEX	10	ND	ND	ND	ND
TPH	100	ND	ND	ND	ND

As can be seen from the above samples, the soil meets the RRALs for the appropriate constituents. These sample results were conveyed to you via email on November 12 and again on November 18. With no objections presented to Agave, these pits were backfilled. (Agave was uncomfortable having large holes on-site with the long holiday weekend forthcoming.)

Agave proceeded removing BGT 002 and BGT 023. The final results are summarized below:

Unit	RRAL	Unit 002		Unit 023		
		Sample 1	Sample 2	Sample 1	Sample 2	Sample 3
Chlorides	50	76.8	103	BRL	22.4	11.2
BTEX	10	0.008	BRL	23.35	0.0184	9.891
TPH	100	194	21	1482	51.2	2233

The samples indicate that chlorides and TPH may be above the recommended levels in certain areas at Unit 002 and BTEX and TPH may be above the recommended levels in certain areas at Unit 023.

The tanks and piping were also removed from the south tank battery. Samples were taken at 1 foot and 4 foot depths. The composite samples represented one of four quadrants from the resulting area.

Unit	RRAL	Sample 1	Sample 2	Sample 3	Sample 4	Sample 5	Sample 6	Sample 7	Sample 8
Chlorides	50	119	97.3	103	103	118	53.4	87.3	85.5
BTEX	10	1.41	5.84	0.10	0.46	5.59	5.11	0.62	2.14
TPH	100	605	881	791	771	762	593	701	405

Leonard Lowe
Penasco Compressor Station GW-125
Supplemental Work Plan
January 6, 2010
Page 3 of 3

Agave has excavated these areas twice in an attempt to ensure that the soil meets the RRALs. However, Agave cannot continue to enlarge these excavations for several reasons.

- The location of the excavations is potentially compromising existing equipment, especially the former BGT 023 location. There is a meter housing on one side of the excavation and ambient and lube oil storage tanks on the other.
- Any further downward excavation of any of the three would subject the excavation to confined space entry requirements. (Due to their locations, they cannot reasonably be widened at this time.) This will make forthcoming work more difficult if not impossible to complete.
- The excavations for Unit 002 and the former tank battery are at the edge of our lease. We cannot evacuate soil off of our lease without permission.

In light of the above, Agave does not believe that further excavation is possible. Hence, Agave proposes to backfill the excavations. We acknowledge that there may potentially be contamination on site. Agave proposes to continue excavation and removal, if necessary, when the facility under goes final closure. At that time, all of the surface equipment will be removed and any necessary further remedial activity can proceed.

Agave has removed the potential sources of the contamination and, hence, the nature and extent of any contamination has been contained. The sumps were replaced with above ground blowcases. The south tank battery was removed and all liquids re-routed to the north tank battery.

Agave has made a good faith effort to remediate impacts at Units 002 and 023 as well as the former tank battery. In this vein, Agave has spent over \$200,000 and a large number of man hours on this project to date and additional work must be completed (i.e., backfill and surface leveling still need to occur).

As the open excavations present a potential unnecessary safety hazard, despite steps we have taken to ensure the safety of our workers, we request that the OCD respond within 10 business days of receipt of this letter. Please contact me at your earliest convenience to discuss this revised closure plan.

Sincerely,



Jennifer Knowlton
Environmental Engineer

LAW OFFICES
JORDEN BISCHOFF
& HISER, P.L.C.

7272 E. INDIAN SCHOOL ROAD, SUITE 360
SCOTTSDALE, ARIZONA 85251
TELEPHONE: 480-505-3900
FACSIMILE: 480-505-3901

MATTHEW JOY

DIRECT LINE: 480-505-3928
e-mail: mjoy@jordanbischoff.com

January 7, 2010

Via E-Mail & U.S. Mail

Mr. Sonny Swazo
Attorney for Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Re: Appeal of Administrative Compliance Orders
Discharge Permit Renewal GW-050-1 – Bitter Lakes Compressor Station
Discharge Permit Renewal GW-050-5 – Red Bluff #1 Compressor Station
Discharge Permit Renewal GW-125 – Penasco Compressor Station
Rule 11-408 Settlement Document

Dear Sonny:

The purpose of this letter is to provide you with the status and/or proposed resolutions to issues raised in the three Requests for Hearing filed by Agave Energy Company (Agave) concerning the above-captioned Administrative Compliance Orders. Essentially, Agave is proposing solutions to resolve the secondary containment issues raised in the Administrative Consent Orders for the Bitter Lakes and Red Bluff #1 Compressor Stations. The Division should be extremely pleased with the proposed resolutions. In addition, a status report on the Administrative Compliance Order for the Penasco Compressor station is below.

Administrative Compliance Order - Permit Renewal GW-050-1 (Bitter Lakes Compressor Station)

The Administrative Compliance Order for permit renewal GW-050-1 provides that:

Agave shall properly contain the above ground tank filled with liquid methanol with an impermeable secondary containment which will contain a volume of at least one-third greater than the total volume of the tank. Agave shall complete this requirement by November 16, 2009.

Agave has identified one 2500 to 3000 gallon tote at the Bitter Lakes facility. Although Agave disagrees that secondary containment requirements are applicable to totes and other containers, in order to resolve this issue as expeditiously as possible, Agave will design and

Mr. Sonny Swazo, Esq.
Appeal of Administrative Compliance Orders
Discharge Permit Renewal GW-050-1 – Bitter Lakes Compressor Station
Discharge Permit Renewal GW-050-5 – Red Bluff #1 Compressor Station
Discharge Permit Renewal GW-125 – Penasco Compressor Station

January 7, 2010
Page 2 of 3

install secondary containment for the tote. The secondary containment will be large enough to contain the volume of the tote plus one-third. Because of possible delays due to weather and other factors, **Agave requests an extension of ninety (90) days (from the January 16, 2010 deadline) to install the secondary containment.**

If this is agreeable to the Division, I suggest we file a status report with the Water Quality Control Commission stating that a resolution has been reached, pending installation of the containment, and that the compliance deadline has been extended an additional ninety (90) days to allow for installation of the containment.

Administrative Compliance Order - Permit Renewal GW-050-5 (Red Bluff #1 Compressor Station)

The Administrative Compliance Order for permit renewal GW-050-5 provides that:

Agave shall properly contain the above ground tank filled with liquid methanol with an impermeable secondary containment which will contain a volume of at least one-third greater than the total volume of the tank. Agave shall complete this requirement by November 16, 2009.

Based on our review of the inspection report, it appears the tank in question is the large yellow tote pictured in the inspection report. Although Agave disagrees that secondary containment requirements are applicable to totes and other containers, Agave will remove the large yellow tote from service. Hence, no secondary containment is necessary. **Agave requests that it be given an additional thirty (30) days (from the January 16, 2010 deadline) to remove the tote from service.**

If this is acceptable, I propose that we submit a status report with the Water Quality Control Commission stating that the matter is resolved, pending removal from service of the tote, and that the compliance deadline has been extended to February 16, 2010

Administrative Compliance Order - Permit Renewal GW-125 (Penasco Compressor Station)

The Administrative Compliance Order for permit renewal GW-125 provides that:

Respondents shall immediately close the below-grade tanks in accordance with OCD Rule 19.15.17.13.E NMAC. In lieu of closure, Respondents may submit a

Mr. Sonny Swazo, Esq.
Appeal of Administrative Compliance Orders
Discharge Permit Renewal GW-050-1 – Bitter Lakes Compressor Station
Discharge Permit Renewal GW-050-5 – Red Bluff #1 Compressor Station
Discharge Permit Renewal GW-125 – Penasco Compressor Station

January 7, 2010
Page 3 of 3

workplan to retrofit the below-grade tanks to meet the standards specified at OCD Rule 19.15.17.11 NMAC. Respondents shall complete this by November 16, 2009.

As you know, Agave submitted an initial workplan to the Division for removal of the “tanks” in November, 2009. Agave removed two tanks and back-filled the excavation. Agave sought confirmation of the final closure of these two tanks twice in November, 2009. No response was received and, for safety reasons, Agave back-filled the excavation areas.

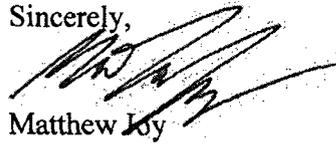
On or around January 5, 2010, Agave submitted a Supplemental Work Plan to the Division setting forth the final closure plan for the remaining tanks (that Work Plan is attached). Agave is awaiting approval of the Supplemental Work Plan. Agave is concerned that approval may be delayed past the January 16, 2010 deadline. Hence, **Agave requests an additional extension to the compliance deadline of thirty (30) days (from the January 16, 2010 deadline).**

In light of the above, I suggest we submit a status report to the Water Quality Control Commission providing a status of the closure plan and requesting an additional thirty day extension to the compliance deadline. If the Division does not comment on the Supplemental Work Plan within the 30 day deadline, the Supplemental Work Plan will be approved. If the Supplemental Plan is not approved, an additional status report will be submitted.

Finally, Agave received *draft* renewal discharge plans for the Penasco, Red Bluff #1 and Bitter Lakes Compressor Stations (in addition to draft discharge plans for the Red Bluff #2 and Red Bluff #3 Compressor stations) on or about September 15, 2009. Agave timely provided comments on those draft discharge plans and asked for revisions to several conditions. To date, no response has been received from the Division. Agave respectfully requests that the Division respond to those comments prior to issuing the final permits.

Agave trusts that the proposed resolutions to the Administrative Compliance Orders are satisfactory as they resolve the primary concerns raised by the Division (i.e., minimizing the possibility of “discharges” to the ground). Please give me a call at your earliest convenience to discuss this proposal or if you have any questions. I can be reached at 480-505-3928.

Sincerely,



Matthew Joy
Attorney for Agave Energy Company

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

RECEIVED OCD

2010 JAN 14 P 12: 20

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

**JOINT STATUS REPORT AND SECOND
UNOPPOSED MOTION TO STAY DEADLINES
SET FORTH IN ADMINISTRATIVE COMPLIANCE
ORDER PERTAINING TO PERMIT RENEWAL GW-125**

Come now the Respondent, Agave Energy Company (Agave) and the Oil Conservation Division (OCD), pursuant to the Order Granting Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order and Granting Request to Waive the 90-Day Hearing Deadline, dated November 13, 2009 and Water Quality Control Commission (WQCC) regulation 20.1.3.113(B) NMAC, and hereby file this Joint Status Report and Second Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 (the Administrative Compliance Order). Agave states to the WQCC the following:

1. The Respondent timely filed a Request for Order Hearing and Request for Stay of Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about November 2, 2009.
2. By letter dated November 2, 2009, Respondent asked the Oil Conservation Division to meet with it to discuss and possibly resolve the issues raised by the Administrative Compliance Order.
3. Respondent and the Oil Conservation Division are engaged in ongoing settlement negotiations and an extension of the compliance deadline would facilitate those negotiations.
4. Attorneys for Respondent and the Oil Conservation Division have conferred and agree that an extension of the November 16, 2009 and the January 16, 2010 extension of the deadline set forth in the Administrative Compliance Order is warranted and both concur that the deadline should be extended to April 16, 2010.

Joint Status Report and Second Unopposed Motion to Stay Deadlines Set Forth in
Administrative Compliance Order

January 13, 2010

Page 2 of 2

5. Respondent and the Oil Conservation Division shall file a joint Status Report on or before April 16, 2010.
6. Respondent and the OCD are the only parties to this hearing.

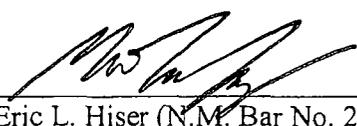
WHEREFORE, Respondent and the Oil Conservation Division respectfully request that the WQCC grant the following:

1. Grant Respondent an extension to the November 16, 2009 deadline set forth in the Administrative Compliance Order and the January 16, 2010 extension of the deadline to April 16, 2010.

Respectfully submitted this 13TH day of January, 2010.



Sonny Swazo
Attorney for Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
Tel: (505) 476- 3463
Fax: (505) 476-3462

 FOR

Eric L. Hiser (N.M. Bar No. 21786)
Matthew Joy
Jorden Bischoff & Hiser, P.L.C.
7272 E. Indian School Road
Suite 360
Scottsdale, AZ 85251
Tel: (480) 505-3900
Fax: (480) 505-3901
Attorneys for Agave Energy Company

CERTIFICATE OF SERVICE

I certify that on this th13th day of January, 2010, service of the foregoing Second Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 was made as follows:

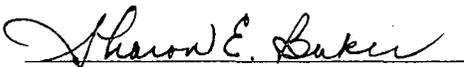
Via electronic mail to the following parties:

Ms. Joyce Medina
WQCC Administrator
Water Quality Control Commission
New Mexico Environment Department
1190 St. Francis Drive
Santa Fe, New Mexico 87502

With a copy of the same via overnight delivery, signature required, to:

New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

New Mexico Attorney General's Office
408 Galisteo Street
Villagra Building
Santa Fe, New Mexico 87501


Sharon E. Baker

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

**Order Granting Second Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed a Second Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about January 14, 2009, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until April 16, 2010 in order to facilitate settlement discussions. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Second Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than April 16, 2010, the Parties shall file a Status Report with the WQCC.

DATED this ____ day of January, 2010.

Swazo, Sonny, EMNRD

From: Matt Joy [MJoy@jordenbischoff.com]
Sent: Thursday, April 01, 2010 4:36 PM
To: Swazo, Sonny, EMNRD
Subject: Penasco Status
Attachments: 010410 Supplemental Work Plan.pdf

Sonny:

Attached is the Supplemental Work Plan we submitted to OCD back in January. After this plan was submitted, OCD and Agave discussed concerns (i.e., submission of a C-141, the test methods for TPH in the soils, manifests for soil disposition, etc.) with the plan. As a result, Agave revised the plan and resubmitted it along with additional materials (manifests and maps, for example). My understanding is that Agave also re-sampled and submitted a C-141 sometime in February. As soon as I obtain a copy of what was provided to OCD, I will send it on to you.

Thanks.

Matt

Matthew Joy
Jordan Bischoff & Hiser, P.L.C.
7272 E. Indian School, Suite 360
Scottsdale, Arizona 85251
Phone: (480) 505-3900
Fax: (480) 505-3901

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From: Matt Joy
Sent: 2010-01-07 3:17 PM
To: Swazo, Sonny, EMNRD
Subject: RE: Agave

Sonny:

Attached is a copy of the Supplemental Work Plan for Penasco. This was supposed to accompany the letter.

Matt

Matthew Joy
Jordan Bischoff & Hiser, P.L.C.
7272 E. Indian School, Suite 360
Scottsdale, Arizona 85251
Phone: (480) 505-3900

Fax: (480) 505-3901

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From: Swazo, Sonny, EMNRD [mailto:Sonny.Swazo@state.nm.us]
Sent: 2010-01-07 2:47 PM
To: Matt Joy
Subject: RE: Agave

Matt:

I need to review this with my people. I will call you as soon as I can, understanding that we have the status report deadline next week.

From: Matt Joy [mailto:MJoy@jordenbischoff.com]
Sent: Thursday, January 07, 2010 2:04 PM
To: Swazo, Sonny, EMNRD
Subject: RE: Agave

Sonny:

Please see the attached letter and give me a call to discuss. A hard copy is in the mail.

I am in the office all day today and tomorrow.

Matt

Matthew Joy
Jordan Bischoff & Hiser, P.L.C.
7272 E. Indian School, Suite 360
Scottsdale, Arizona 85251
Phone: (480) 505-3900
Fax: (480) 505-3901

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From: Swazo, Sonny, EMNRD [mailto:Sonny.Swazo@state.nm.us]
Sent: 2010-01-07 9:09 AM

To: Matt Joy
Subject: Agave

Hi Matt:

I was wondering if the Agave folks had contacted you yet.

The joint status report is due January 16th (next Saturday). Our offices will be closed Friday January 15 (state employee furlough).

Sonny

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MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986

S. P. YATES
1914-2008



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (575) 748-1471

JOHN A. YATES
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PRESIDENT

JOHN A. YATES JR.
ASSISTANT TO THE PRESIDENT

JAMES S. BROWN
CHIEF OPERATING OFFICER

JOHN D. PERINI
CHIEF FINANCIAL OFFICER

January 4, 2009

Mr. Leonard Lowe
NMOCD
1220 St. Francis Drive
Santa Fe, New Mexico 87505

Re: Penasco Compressor Station
GW-125
Eddy County, New Mexico
Supplemental Work Plan

Mr. Lowe,

Agave Energy Company and Yates Petroleum Corporation are submitting this information to update you as to the status of the below-grade tank/sump removal at the Penasco Compressor Station.

Agave Energy Company is the operator of the Penasco Compressor Station and Yates Petroleum Corporation is the owner. Agave has been the operator since 1997. Agave personnel did not install any of the below-grade sumps referenced in this project.

Agave acknowledges that there were five below-grade containers acting as sumps at the Penasco Compressor Station. By sump, Agave means a collection device incorporated within a secondary containment system, which remains predominantly empty and serves as a receptacle for de minimis releases on an intermittent basis and is not used to store, treat, dispose of or evaporate products or wastes. However, these devices were over 500 gallons.

Approximately three years ago, Agave inquired with OCD as to the feasibility of removing those tanks. OCD personnel told us that we would have to submit a modification to the discharge permit in order to remove the sumps. During an inspection of the facility in April 2009, the inspector informed Agave that OCD's policy had changed and that the discharge plan would not have to be modified in order to proceed with removing the sumps.

During the April 2009 inspection, OCD advised Agave personnel to remove the below-grade sumps. In November 2009, Agave personnel proceeded with a major remediation project to remove all five below grade sumps and the removal of the south tank battery due to potential concerns regarding the secondary containment. Rather than rebuilding the containment, Agave decided to remove the tank battery and to re-route the liquids to the northeast tank battery all ready on site. The northern tank battery has adequate concrete secondary containment.

In its Work Plan, submitted in November, 2009, Agave committed to excavating to five feet below the sumps and equipment. If soil levels for chlorides, BTEX and TPH could not be met after further excavation, Agave agreed to contact the OCD. Agave has excavated below the former equipment and has even excavated an additional 3 to 5 feet. The excavations resulted in the results below. (For convenience, Agave has identified the below-grade sumps with the Unit numbers that they served. The fifth sump is included in the removal of the south tank battery.)

BGT 005 and BGT 025 were removed first. The soil sample results were as follows (all units in ppm):

Unit	RRAL	Unit 025		Unit 005	
		Sample 1	Sample 2	Sample 1	Sample 2
Chlorides	50	33.3	12.4	15.5	20.4
BTEX	10	ND	ND	ND	ND
TPH	100	ND	ND	ND	ND

As can be seen from the above samples, the soil meets the RRALs for the appropriate constituents. These sample results were conveyed to you via email on November 12 and again on November 18. With no objections presented to Agave, these pits were backfilled. (Agave was uncomfortable having large holes on-site with the long holiday weekend forthcoming.)

Agave proceeded removing BGT 002 and BGT 023. The final results are summarized below:

Unit	RRAL	Unit 002		Unit 023		
		Sample 1	Sample 2	Sample 1	Sample 2	Sample 3
Chlorides	50	76.8	103	BRL	22.4	11.2
BTEX	10	0.008	BRL	23.35	0.0184	9.891
TPH	100	194	21	1482	51.2	2233

The samples indicate that chlorides and TPH may be above the recommended levels in certain areas at Unit 002 and BTEX and TPH may be above the recommended levels in certain areas at Unit 023.

The tanks and piping were also removed from the south tank battery. Samples were taken at 1 foot and 4 foot depths. The composite samples represented one of four quadrants from the resulting area.

Unit	RRAL	Sample 1	Sample 2	Sample 3	Sample 4	Sample 5	Sample 6	Sample 7	Sample 8
Chlorides	50	119	97.3	103	103	118	53.4	87.3	85.5
BTEX	10	1.41	5.84	0.10	0.46	5.59	5.11	0.62	2.14
TPH	100	605	881	791	771	762	593	701	405

Leonard Lowe
Penasco Compressor Station GW-125
Supplemental Work Plan
January 6, 2010
Page 3 of 3

Agave has excavated these areas twice in an attempt to ensure that the soil meets the RRALs. However, Agave cannot continue to enlarge these excavations for several reasons.

- The location of the excavations is potentially compromising existing equipment, especially the former BGT 023 location. There is a meter housing on one side of the excavation and ambient and lube oil storage tanks on the other.
- Any further downward excavation of any of the three would subject the excavation to confined space entry requirements. (Due to their locations, they cannot reasonably be widened at this time.) This will make forthcoming work more difficult if not impossible to complete.
- The excavations for Unit 002 and the former tank battery are at the edge of our lease. We cannot evacuate soil off of our lease without permission.

In light of the above, Agave does not believe that further excavation is possible. Hence, Agave proposes to backfill the excavations. We acknowledge that there may potentially be contamination on site. Agave proposes to continue excavation and removal, if necessary, when the facility under goes final closure. At that time, all of the surface equipment will be removed and any necessary further remedial activity can proceed.

Agave has removed the potential sources of the contamination and, hence, the nature and extent of any contamination has been contained. The sumps were replaced with above ground blowcases. The south tank battery was removed and all liquids re-routed to the north tank battery.

Agave has made a good faith effort to remediate impacts at Units 002 and 023 as well as the former tank battery. In this vein, Agave has spent over \$200,000 and a large number of man hours on this project to date and additional work must be completed (i.e., backfill and surface leveling still need to occur).

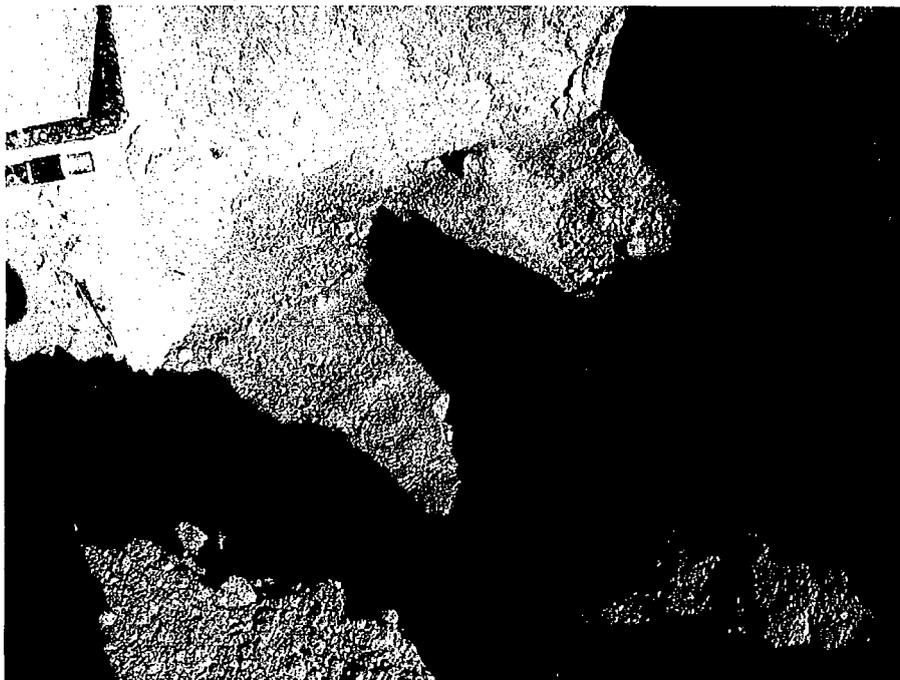
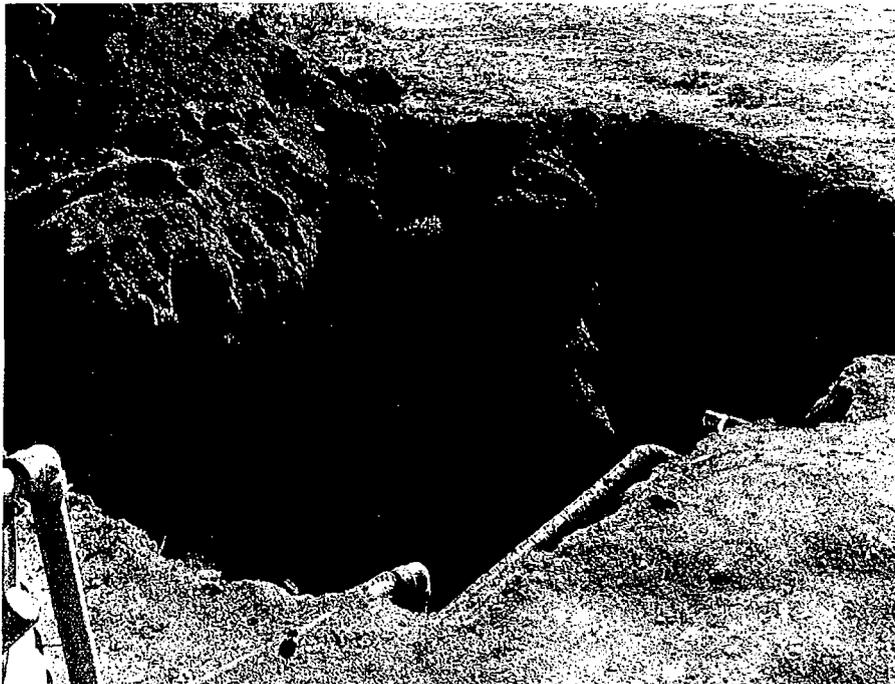
As the open excavations present a potential unnecessary safety hazard, despite steps we have taken to ensure the safety of our workers, we request that the OCD respond within 10 business days of receipt of this letter. Please contact me at your earliest convenience to discuss this revised closure plan.

Sincerely,



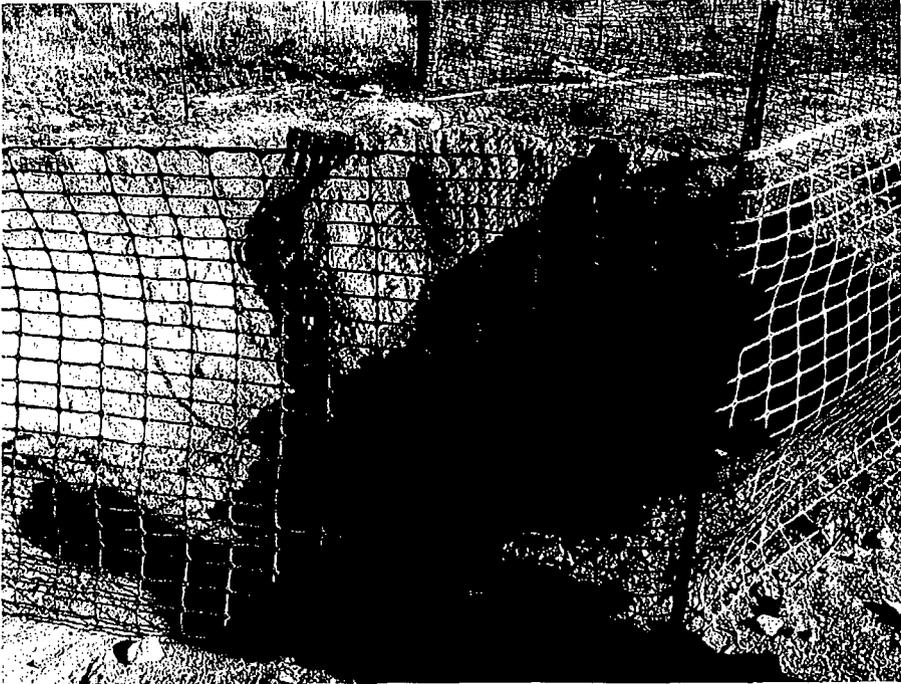
Jennifer Knowlton
Environmental Engineer

Penasco Compressor Station
December 30, 2009
Unit 005
Unit 025



Unit 025

Penasco Compressor Station
December 30, 2009
Unit 005
Unit 025



Unit 005

Analytical Report 351048

for

Agave Energy

Project Manager: Jennifer Knowlton

Penasco Compressor Station

11-NOV-09



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-08-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00308), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87428), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)

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

Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-08-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-08-TX)

Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370-08-TX)

Xenco-Boca Raton (EPA Lab Code: FL00449): Florida(E86240),

South Carolina(96031001), Louisiana(04154), Georgia(917)



11-NOV-09

Project Manager: **Jennifer Knowlton**
Agave Energy
105 S. Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **351048**
Penasco Compressor Station
Project Address: Eddy County

Jennifer Knowlton:

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 351048. 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. 351048 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

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Sample Cross Reference 351048



Agave Energy, Artesia, NM
Penasco Compressor Station

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-001	S	Nov-02-09 11:04	6 - 6 ft	351048-001
GS/Comp-002	S	Nov-02-09 11:28	7 - 7 ft	351048-002
GS/Comp-003	S	Nov-02-09 12:02	7 - 7 ft	351048-003
GS/Comp-004	S	Nov-02-09 12:02	8 - 8 ft	351048-004

CASE NARRATIVE



Client Name: Agave Energy

Project Name: Penasco Compressor Station

Project ID:
Work Order Number: 351048

Report Date: 11-NOV-09
Date Received: 11/05/2009

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-780678 Percent Moisture

None

Batch: LBA-780716 Anions in Soil By EPA 300.0

None

Batch: LBA-781088 TPH by SW 8015B

None

Batch: LBA-781159 BTEX by EPA 8021

SW8021BM

Batch 781159, Benzene, Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 351048-002, -003, -001, -004.

The Laboratory Control Sample for Toluene, m,p-Xylenes, Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits



Certificate of Analysis Summary 351048

Agave Energy, Artesia, NM



Project Name: Penasco Compressor Station

Project Id:
Contact: Jennifer Knowlton
Project Location: Eddy County

Date Received in Lab: Thu Nov-05-09 09:45 am

Report Date: 11-NOV-09

Project Manager: Brent Barron, II

Lab Id:	351048-001	351048-002	351048-003	351048-004
Field Id:	GS/Comp-001	GS/Comp-002	GS/Comp-003	GS/Comp-004
Depth:	6-6 ft	7-7 ft	7-7 ft	8-8 ft
Matrix:	SOIL	SOIL	SOIL	SOIL
Sampled:	Nov-02-09 11:04	Nov-02-09 11:23	Nov-02-09 12:02	Nov-02-09 12:02
Extracted:				
Analyzed:	Nov-06-09 17:24	Nov-06-09 17:24	Nov-06-09 17:24	Nov-06-09 17:24
Units/RL:	mg/kg RL 33.3 4.20	mg/kg RL 12.4 4.20	mg/kg RL 15.5 4.20	mg/kg RL 20.4 4.20
Chloride				
Extracted:	Nov-10-09 15:30	Nov-10-09 15:30	Nov-10-09 15:30	Nov-10-09 15:30
Analyzed:	Nov-10-09 17:30	Nov-10-09 17:51	Nov-10-09 18:12	Nov-10-09 18:34
Units/RL:	mg/kg RL ND 0.0011	mg/kg RL ND 0.0011	mg/kg RL ND 0.0011	mg/kg RL ND 0.0011
Benzene				
Toluene				
Ethylbenzene				
m,p-Xylenes				
o-Xylene				
Xylenes, Total				
Total BTEX				
Percent Moisture				
Extracted:				
Analyzed:	Nov-05-09 17:00	Nov-05-09 17:00	Nov-05-09 17:00	Nov-05-09 17:00
Units/RL:	% RL 9.66 1.00	% RL 6.68 1.00	% RL 6.03 1.00	% RL 12.0 1.00
TPH by SW 8015B				
Extracted:	Nov-09-09 12:00	Nov-09-09 12:00	Nov-09-09 12:00	Nov-09-09 12:00
Analyzed:	Nov-10-09 02:28	Nov-10-09 02:55	Nov-10-09 03:21	Nov-10-09 03:47
Units/RL:	mg/kg RL ND 16.6	mg/kg RL ND 16.1	mg/kg RL ND 16.0	mg/kg RL ND 17.0
C6-C10 Gasoline Range Hydrocarbons				
C10-C28 Diesel Range Hydrocarbons				
Total TPH 8015B				

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Since 1990 Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America - Atlanta - Corpus Christi
Version: 1.008

Brent Barron, II
Odessa Laboratory Manager



Flagging Criteria



- X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to 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 and above the SQL.
 - U Analyte was not detected.
 - L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
 - H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
 - K Sample analyzed outside of recommended hold time.
 - JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.
- BRL** Below Reporting Limit.
- RL** Reporting Limit
- * Outside XENCO's scope of NELAC Accreditation.

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Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 351048,

Project ID:

Lab Batch #: 781159

Sample: 542848-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 11/10/09 16:06

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0301	0.0300	100	80-120	
4-Bromofluorobenzene	0.0295	0.0300	98	80-120	

Lab Batch #: 781159

Sample: 542848-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 11/10/09 16:27

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0300	0.0300	100	80-120	
4-Bromofluorobenzene	0.0303	0.0300	101	80-120	

Lab Batch #: 781159

Sample: 542848-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 11/10/09 17:09

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0267	0.0300	89	80-120	
4-Bromofluorobenzene	0.0292	0.0300	97	80-120	

Lab Batch #: 781159

Sample: 351048-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/10/09 17:30

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0272	0.0300	91	80-120	
4-Bromofluorobenzene	0.0300	0.0300	100	80-120	

Lab Batch #: 781159

Sample: 351048-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/10/09 17:51

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 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	0.0305	0.0300	102	80-120	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 351048,

Project ID:

Lab Batch #: 781159

Sample: 351048-003 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/10/09 18:12

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0271	0.0300	90	80-120	
4-Bromofluorobenzene	0.0307	0.0300	102	80-120	

Lab Batch #: 781159

Sample: 351048-004 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/10/09 18:34

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0273	0.0300	91	80-120	
4-Bromofluorobenzene	0.0319	0.0300	106	80-120	

Lab Batch #: 781159

Sample: 351048-001 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/11/09 00:34

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0290	0.0300	97	80-120	
4-Bromofluorobenzene	0.0322	0.0300	107	80-120	

Lab Batch #: 781159

Sample: 351048-001 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/11/09 00:55

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	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	0.0330	0.0300	110	80-120	

Lab Batch #: 781088

Sample: 542708-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 11/10/09 01:11

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	109	100	109	70-135	
o-Terphenyl	51.0	50.0	102	70-135	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: **Penasco Compressor Station**

Work Orders : 351048,

Project ID:

Lab Batch #: 781088

Sample: 542708-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 11/10/09 01:37

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	112	100	112	70-135	
o-Terphenyl	52.0	50.0	104	70-135	

Lab Batch #: 781088

Sample: 542708-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 11/10/09 02:03

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	87.8	100	88	70-135	
o-Terphenyl	54.2	50.0	108	70-135	

Lab Batch #: 781088

Sample: 351048-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/10/09 02:28

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	91.0	100	91	70-135	
o-Terphenyl	57.9	50.0	116	70-135	

Lab Batch #: 781088

Sample: 351048-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/10/09 02:55

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	87.7	100	88	70-135	
o-Terphenyl	55.4	50.0	111	70-135	

Lab Batch #: 781088

Sample: 351048-003 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/10/09 03:21

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	88.4	100	88	70-135	
o-Terphenyl	55.2	50.0	110	70-135	

* Surrogate outside of Laboratory QC limits
 ** Surrogates outside limits; data and surrogates confirmed by reanalysis
 *** Poor recoveries due to dilution
 Surrogate Recovery [D] = 100 * A / B
 All results are based on MDL and validated for QC purposes.



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 351048,

Project ID:

Lab Batch #: 781088

Sample: 351048-004 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/10/09 03:47

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	86.9	100	87	70-135	
o-Terphenyl	54.0	50.0	108	70-135	

Lab Batch #: 781088

Sample: 351048-001 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/10/09 05:30

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	111	100	111	70-135	
o-Terphenyl	52.2	50.0	104	70-135	

Lab Batch #: 781088

Sample: 351048-001 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 11/10/09 05:56

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	115	100	115	70-135	
o-Terphenyl	53.8	50.0	108	70-135	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Blank Spike Recovery



Project Name: Penasco Compressor Station

Work Order #: 351048

Project ID:

Lab Batch #: 780716

Sample: 780716-1-BKS

Matrix: Solid

Date Analyzed: 11/06/2009

Date Prepared: 11/06/2009

Analyst: LATCOR

Reporting Units: mg/kg

Batch #: 1

BLANK /BLANK SPIKE RECOVERY STUDY

Anions in Soil By EPA 300.0 Analytes	Blank Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	ND	10.0	11.0	110	75-125	

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

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

BRL - Below Reporting Limit



BS / BSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 351048

Analyst: ASA

Lab Batch ID: 781159

Sample: 542848-1-BKS

Units: mg/kg

Date Prepared: 11/10/2009

Batch #: 1

Project ID:
Date Analyzed: 11/10/2009

Matrix: Solid

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
BTEX by EPA 8021	ND	0.1000	0.0969	97	0.1	0.0989	99	2	70-130	35	
Benzene	ND	0.1000	0.0971	97	0.1	0.0989	99	2	70-130	35	
Toluene	ND	0.1000	0.0962	96	0.1	0.0991	99	3	71-129	35	
Ethylbenzene	ND	0.2000	0.2098	105	0.2	0.2164	108	3	70-135	35	
m,p-Xylenes	ND	0.1000	0.1015	102	0.1	0.1049	105	3	71-133	35	
o-Xylene	ND	0.1000	0.1015	102	0.1	0.1049	105	3	71-133	35	

Analyst: ASA

Lab Batch ID: 781088

Sample: 542708-1-BKS

Units: mg/kg

Date Prepared: 11/09/2009

Batch #: 1

Date Analyzed: 11/10/2009

Matrix: Solid

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
TPH by SW 8015B	ND	1000	949	95	1000	940	94	1	70-135	35	
C6-C10 Gasoline Range Hydrocarbons	ND	1000	729	73	1000	951	95	26	70-135	35	
C10-C28 Diesel Range Hydrocarbons	ND	1000	729	73	1000	951	95	26	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: Penasco Compressor Station



Work Order #: 351048

Lab Batch #: 780716

Date Analyzed: 11/06/2009

Project ID:

Analyst: LATCOR

QC- Sample ID: 351048-003 S

Date Prepared: 11/06/2009

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg

MATRIX / MATRIX SPIKE RECOVERY STUDY

Inorganic Anions by EPA 300	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Analytes						
Chloride	15.5	122	148	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

BRL - Below Reporting Limit

Version: 1.008



Form 3 - MS / MSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 351048

Lab Batch ID: 781159

Date Analyzed: 11/11/2009

Reporting Units: mg/kg

Project ID:

QC-Sample ID: 351048-001 S Batch #: 1 Matrix: Soil

Date Prepared: 11/10/2009 Analyst: ASA

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
BTEX by EPA 8021											
Benzene	ND	0.1107	0.0517	47	0.1107	0.0586	53	12	70-130	35	X
Toluene	ND	0.1107	0.0544	49	0.1107	0.0619	56	13	70-130	35	X
Ethylbenzene	ND	0.1107	0.0540	49	0.1107	0.0619	56	13	71-129	35	X
m,p-Xylenes	ND	0.2214	0.1161	52	0.2214	0.1340	61	16	70-135	35	X
o-Xylene	ND	0.1107	0.0562	51	0.1107	0.0647	58	13	71-133	35	X

Lab Batch ID: 781088

Date Analyzed: 11/10/2009

Reporting Units: mg/kg

QC-Sample ID: 351048-001 S

Date Prepared: 11/09/2009

Batch #: 1 Matrix: Soil

Analyst: ASA

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
TPH by SW 8015B											
C6-C10 Gasoline Range Hydrocarbons	ND	1110	1070	96	1110	1090	98	2	70-135	35	
C10-C28 Diesel Range Hydrocarbons	ND	1110	999	90	1110	913	82	9	70-135	35	

Matrix Spike Percent Recovery [D] = 100*(C-A)/B
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 Applicable, N = See Narrative, EQL = Estimated Quantitation Limit

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



Sample Duplicate Recovery



Project Name: Penasco Compressor Station

Work Order #: 351048

Lab Batch #: 780716
Date Analyzed: 11/06/2009
QC- Sample ID: 351048-003 D
Reporting Units: mg/kg

Date Prepared: 11/06/2009
Batch #: 1

Project ID:
Analyst: LATCOR
Matrix: Soil

SAMPLE / SAMPLE DUPLICATE RECOVERY					
Anions in Soil By EPA 300.0	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Chloride	15.5	16.4	6	20	

Lab Batch #: 780678
Date Analyzed: 11/05/2009
QC- Sample ID: 350993-001 D
Reporting Units: %

Date Prepared: 11/05/2009
Batch #: 1

Analyst: WRU
Matrix: Soil

SAMPLE / SAMPLE DUPLICATE RECOVERY					
Percent Moisture	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Percent Moisture	5.40	5.24	3	20	

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

Environmental Lab of Texas
 Variance/ Corrective Action Report- Sample Log-In

Client: Agave Energy
 Date/ Time: 11.5.09 9.45
 Lab ID #: 351048
 Initials: AL

Sample Receipt Checklist

				Client Initials
#1	Temperature of container/ cooler?	<input checked="" type="radio"/> Yes	No	5.6 °C
#2	Shipping container in good condition?	<input checked="" type="radio"/> Yes	No	
#3	Custody Seals intact on shipping container/ cooler?	<input checked="" type="radio"/> Yes	No	Not Present
#4	Custody Seals intact on sample bottles/ container?	<input checked="" type="radio"/> Yes	No	Not Present
#5	Chain of Custody present?	<input checked="" type="radio"/> Yes	No	
#6	Sample instructions complete of Chain of Custody?	<input checked="" type="radio"/> Yes	No	
#7	Chain of Custody signed when relinquished/ received?	<input checked="" type="radio"/> Yes	No	
#8	Chain of Custody agrees with sample label(s)?	<input checked="" type="radio"/> Yes	No	ID written on Cont./ Lid
#9	Container label(s) legible and intact?	<input checked="" type="radio"/> Yes	No	Not Applicable
#10	Sample matrix/ properties agree with Chain of Custody?	<input checked="" type="radio"/> Yes	No	
#11	Containers supplied by ELOT?	<input checked="" type="radio"/> Yes	No	
#12	Samples in proper container/ bottle?	<input checked="" type="radio"/> Yes	No	See Below
#13	Samples properly preserved?	<input checked="" type="radio"/> Yes	No	See Below
#14	Sample bottles intact?	<input checked="" type="radio"/> Yes	No	
#15	Preservations documented on Chain of Custody?	<input checked="" type="radio"/> Yes	No	
#16	Containers documented on Chain of Custody?	<input checked="" type="radio"/> Yes	No	
#17	Sufficient sample amount for indicated test(s)?	<input checked="" type="radio"/> Yes	No	See Below
#18	All samples received within sufficient hold time?	<input checked="" type="radio"/> Yes	No	See Below
#19	Subcontract of sample(s)?	<input checked="" type="radio"/> Yes	No	Not Applicable
#20	VOC samples have zero headspace?	<input checked="" type="radio"/> Yes	No	Not Applicable

Variance Documentation

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

Regarding: _____

Corrective Action Taken: _____

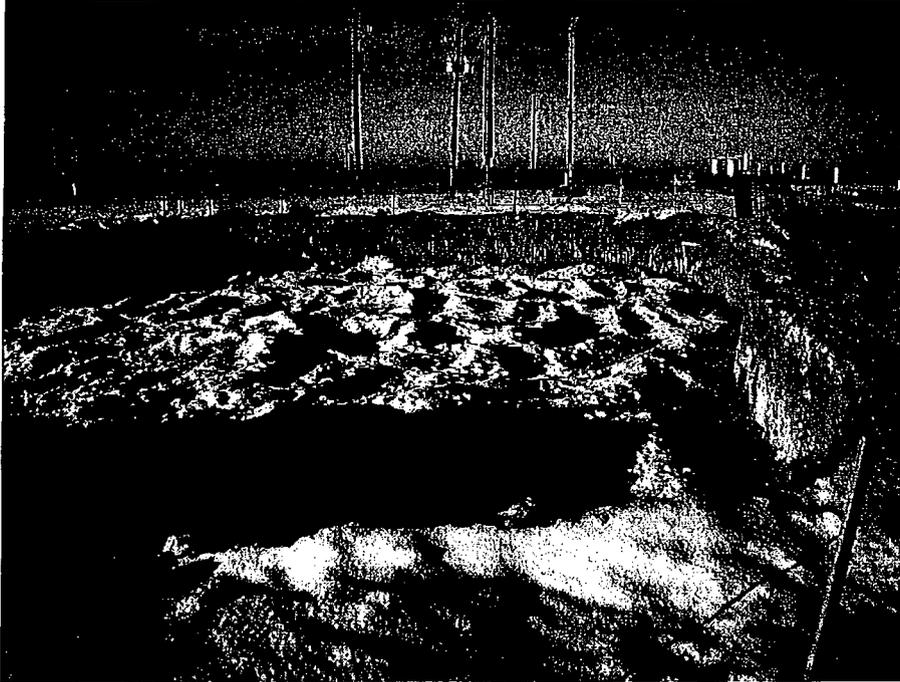
- Check all that Apply:
- See attached e-mail/ fax
 - Client understands and would like to proceed with analysis
 - Cooling process had begun shortly after sampling event

PROJECT NAME: Pennaco Compressor Station			
FIELD CODE	GS/Comp-001	GS/Comp-002	GS/Comp-003
DATE	11/21/2009		
TIME	1:40 PM	1:55 PM	2:12 PM
SOIL TYPE			
SOIL COLOR			
SOIL ODOR			
SAMPLE TYPE	Gravel Auger		
SAMPLE DEPTH	6'	6-7'	12'
LATITUDE			
LONGITUDE			
TEST TYPE			
COMMENTS	Excavation #1		Excavation #2
	West Side of		East Side of
	Station		Station
	Sidewalk	Bottom	Sidewalk
	Unit 25		Unit 008
FIELD CODE	GS/Comp-004		
DATE	11/21/2009		
TIME	2:17 PM		
SOIL TYPE			
SOIL COLOR			
SOIL ODOR			
SAMPLE TYPE	Gravel Shovel		
SAMPLE DEPTH	13-14'		
LATITUDE			
LONGITUDE			
TEST TYPE			
COMMENTS	Excavation #2		
	East Side of		
	Station		
	Bottom		

Penasco Compressor Station
December 30, 2009
South Tank Battery



Penasco Compressor Station
December 30, 2009
South Tank Battery



Analytical Report 355624

for

Agave Energy

Project Manager: Jennifer Knowlton

Penasco Compressor Station

21-DEC-09



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-08-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00308), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)

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

Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-08-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-08-TX)

Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370-08-TX)

Xenco-Boca Raton (EPA Lab Code: FL00449): Florida(E86240),

South Carolina(96031001), Louisiana(04154), Georgia(917)



21-DEC-09

Project Manager: **Jennifer Knowlton**
Agave Energy
105 S. Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **355624**
Penasco Compressor Station
Project Address: Eddy County

Jennifer Knowlton:

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 355624. 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.

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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

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Sample Cross Reference 355624



Agave Energy, Artesia, NM

Penasco Compressor Station

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-Surface NW	S	Dec-10-09 13:35	4 - 4 In	355624-001
GS/Comp-001 NW	S	Dec-10-09 13:45	1 - 1 ft	355624-002
GS/Comp-Surface NE	S	Dec-10-09 14:03	4 - 4 In	355624-003
GS/Comp-001 NE	S	Dec-10-09 14:11	1 - 1 ft	355624-004
GS/Comp-Surface SW	S	Dec-10-09 14:28	4 - 4 In	355624-005
GS/Comp-001 SW	S	Dec-10-09 14:34	1 - 1 ft	355624-006
GS/Comp-Surface SE	S	Dec-10-09 14:51	4 - 4 In	355624-007
GS/Comp-001 SE	S	Dec-10-09 14:57	1 - 1 ft	355624-008



CASE NARRATIVE

Client Name: Agave Energy

Project Name: Penasco Compressor Station

Project ID:

Work Order Number: 355624

Report Date: 21-DEC-09

Date Received: 12/15/2009

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-785886 Percent Moisture

None

Batch: LBA-785951 Inorganic Anions by EPA 300

None

Batch: LBA-786289 TPH by SW 8015B

SW8015B_NM

Batch 786289, C10-C28 Diesel Range Hydrocarbons recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 355624-007, -004, -003, -005, -008, -002, -001, -006.

The Laboratory Control Sample for C10-C28 Diesel Range Hydrocarbons is within laboratory Control Limits



CASE NARRATIVE

Client Name: Agave Energy

Project Name: Penasco Compressor Station

*Project ID:
Work Order Number: 355624*

*Report Date: 21-DEC-09
Date Received: 12/15/2009*

*Batch: LBA-786459 BTEX by EPA 8021
SW8021BM*

Batch 786459, m,p-Xylenes recovered below QC limits in the Matrix Spike. Benzene, Ethylbenzene, Toluene, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 355624-004, -003, -005, -002, -001, -006.

The Laboratory Control Sample for Toluene, m,p-Xylenes, Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits

SW8021BM

Batch 786459, 1,4-Difluorobenzene recovered below QC limits. Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 355624-005, 355624-006, 355624-002.

4-Bromofluorobenzene recovered above QC limits. Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 355624-003, 355624-004, 355624-001, 355624-006, 355624-002, 355624-005.

1,4-Difluorobenzene recovered above QC limits. Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 355624-001.



CASE NARRATIVE

Client Name: Agave Energy

Project Name: Penasco Compressor Station

Project ID:
Work Order Number: 355624

Report Date: 21-DEC-09
Date Received: 12/15/2009

*Batch: LBA-786535 BTEX by EPA 8021
SW8021BM*

Batch 786535, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike. Benzene, Ethylbenzene, Toluene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 355624-007, -008.

The Laboratory Control Sample for Toluene, m,p-Xylenes, Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits

SW8021BM

Batch 786535, Benzene, Ethylbenzene, m,p-Xylenes RPD was outside QC limits.

Samples affected are: 355624-007, -008

SW8021BM

Batch 786535, 1,4-Difluorobenzene recovered below QC limits. Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 355624-008.

4-Bromofluorobenzene recovered above QC limits. Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 355624-008,355624-007.

4-Bromofluorobenzene recovered above QC limits. Matrix interferences is suspected; data not confirmed by re-analysis

Samples affected are: 355920-001 SD



Certificate of Analysis Summary 355624

Agave Energy, Artesia, NM

Project Name: Penasco Compressor Station

Project Id: Jennifer Knowlton
 Contact: Jennifer Knowlton
 Project Location: Eddy County

Date Received in Lab: Tue Dec-15-09 10:30 am

Report Date: 21-DEC-09

Project Manager: Brent Barron, II

Analysis Requested	Lab Id:	355624-001	355624-002	355624-003	355624-004	355624-005	355624-006
	Field Id:	GS/Comp-Surface NW	GS/Comp-001 NW	GS/Comp-Surface NE	GS/Comp-001 NE	GS/Comp-Surface SW	GS/Comp-001 SW
Depth:	4-4 In	1-1 ft	4-4 In	1-1 ft	4-4 In	1-1 ft	1-1 ft
Matrix:	SOIL	SOIL	SOIL	SOIL	SOIL	SOIL	SOIL
Sampled:	Dec-10-09 13:35	Dec-10-09 13:45	Dec-10-09 14:03	Dec-10-09 14:11	Dec-10-09 14:28	Dec-10-09 14:34	Dec-10-09 14:34
Anions in Soil By EPA 300.0	Extracted:	Dec-16-09 08:38	Dec-16-09 08:38	Dec-16-09 08:38	Dec-16-09 08:38	Dec-16-09 08:38	Dec-16-09 08:38
	Analyzed:	Dec-16-09 08:38	Dec-16-09 08:38	Dec-16-09 08:38	Dec-16-09 08:38	Dec-16-09 08:38	Dec-16-09 08:38
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL
Chloride		119 8.40	97.3 8.40	103 8.40	103 8.40	118 8.40	53.4 4.20
BTEX by EPA 8021	Extracted:	Dec-19-09 12:00	Dec-19-09 12:00	Dec-19-09 12:00	Dec-19-09 12:00	Dec-19-09 12:00	Dec-19-09 12:00
	Analyzed:	Dec-19-09 21:27	Dec-19-09 21:50	Dec-19-09 17:55	Dec-19-09 19:06	Dec-19-09 22:14	Dec-19-09 22:38
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL
Benzene		0.0075 0.0057	BRL 0.0058	BRL 0.0011	BRL 0.0011	BRL 0.0058	BRL 0.0114
Toluene		0.2035 0.0114	0.1979 0.0115	BRL 0.0023	0.0124 0.0023	0.3387 0.0117	0.1405 0.0228
Ethylbenzene		0.1651 0.0057	0.4970 0.0058	0.0085 0.0011	0.0394 0.0011	0.6881 0.0058	0.3408 0.0114
m,p-Xylenes		0.7673 0.0114	2.962 0.0115	0.0453 0.0023	0.2084 0.0023	2.539 0.0117	2.064 0.0228
o-Xylene		0.2700 0.0057	2.181 0.0058	0.0470 0.0011	0.1984 0.0011	2.020 0.0058	2.568 0.0114
Xylenes Total		1.0373 0.0057	5.143 0.0058	0.0923 0.0011	0.4068 0.0011	4.559 0.0058	4.632 0.0114
Total BTEX		1.4134 0.0057	5.838 0.0058	0.1008 0.0011	0.4586 0.0011	5.386 0.0058	5.113 0.0114
Percent Moisture	Extracted:	Dec-15-09 17:00	Dec-15-09 17:00	Dec-15-09 17:00	Dec-15-09 17:00	Dec-15-09 17:00	Dec-15-09 17:00
	Analyzed:	Dec-15-09 17:00	Dec-15-09 17:00	Dec-15-09 17:00	Dec-15-09 17:00	Dec-15-09 17:00	Dec-15-09 17:00
	Units/RL:	% RL	% RL	% RL	% RL	% RL	% RL
Percent Moisture		12.2 1.00	13.1 1.00	11.2 1.00	12.8 1.00	14.4 1.00	12.4 1.00
TPH by SW 8015B	Extracted:	Dec-15-09 14:00	Dec-15-09 14:00	Dec-15-09 14:00	Dec-15-09 14:00	Dec-15-09 14:00	Dec-15-09 14:00
	Analyzed:	Dec-18-09 07:09	Dec-18-09 07:36	Dec-18-09 08:02	Dec-18-09 08:29	Dec-18-09 08:56	Dec-18-09 09:23
	Units/RL:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL
C6-C10 Gasoline Range Hydrocarbons		280 17.1	374 17.3	219 16.9	360 17.1	331 17.5	336 17.1
C10-C28 Diesel Range Hydrocarbons		325 17.1	507 17.3	572 16.9	411 17.1	431 17.5	257 17.1
Total TPH		605 17.1	881 17.3	791 16.9	771 17.1	762 17.5	593 17.1

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Brent Barron, II
 Odessa Laboratory Manager



Certificate of Analysis Summary 355624

Agave Energy, Artesia, NM

Project Name: Penasco Compressor Station

Project Id: Jennifer Knowlton
 Contact: Jennifer Knowlton
 Project Location: Eddy County

Date Received in Lab: Tue Dec-15-09 10:30 am
 Report Date: 21-DEC-09
 Project Manager: Brent Barron, II

Analysis Requested	Lab Id:	355624-007		355624-008	
		Field Id:	GS/Comp-Surface SE	Field Id:	GS/Comp-001 SE
	Depth:	4-4 in		1-1 ft	
	Matrix:	SOIL		SOIL	
	Sampled:	Dec-10-09 14:51		Dec-10-09 14:57	
Anions in Soil By EPA 300.0	Extracted:	Dec-16-09 08:38		Dec-16-09 08:38	
	Analyzed:	Dec-16-09 08:38		Dec-16-09 08:38	
	Units/RL:	mg/kg RL		mg/kg RL	
		87.3 8.40		85.5 8.40	
BTEX by EPA 8021	Extracted:	Dec-19-09 12:30		Dec-19-09 12:30	
	Analyzed:	Dec-20-09 04:54		Dec-20-09 05:17	
	Units/RL:	mg/kg RL		mg/kg RL	
		BRL 0.0117		BRL 0.0058	
Benzene		0.0528 0.0234		0.0377 0.0117	
Toluene		0.2712 0.0234		0.1643 0.0058	
Ethylbenzene		0.2630 0.0117		0.9237 0.0117	
m,p-Xylenes		0.5342 0.0117		1.015 0.0058	
o-Xylene		0.6213 0.0117		1.939 0.0058	
Xylenes, Total				2.141 0.0058	
Total BTEX					
Percent Moisture	Extracted:	Dec-15-09 17:00		Dec-15-09 17:00	
	Analyzed:	Dec-15-09 17:00		Dec-15-09 17:00	
	Units/RL:	% RL		% RL	
		14.5 1.00		14.2 1.00	
TPH by SW 8015B	Extracted:	Dec-15-09 14:00		Dec-15-09 14:00	
	Analyzed:	Dec-18-09 09:50		Dec-18-09 10:18	
	Units/RL:	mg/kg RL		mg/kg RL	
		316 17.5		310 17.5	
C6-C10 Gasoline Range Hydrocarbons		385 17.5		95.0 17.5	
C10-C28 Diesel Range Hydrocarbons		701 17.5		405 17.5	
Total TPH					

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 Brent Barron, II
 Odessa Laboratory Manager



Flagging Criteria

- X** In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to 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 and above the SQL.
 - U** Analyte was not detected.
 - L** The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
 - H** The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
 - K** Sample analyzed outside of recommended hold time.
 - JN** A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.
- BRL** Below Reporting Limit.
- RL** Reporting Limit
- * Outside XENCO's scope of NELAC Accreditation.

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Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 355624,

Project ID:

Lab Batch #: 786459

Sample: 545940-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/19/09 12:15

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0328	0.0300	109	80-120	
4-Bromofluorobenzene	0.0296	0.0300	99	80-120	

Lab Batch #: 786459

Sample: 545940-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/19/09 12:47

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0302	0.0300	101	80-120	
4-Bromofluorobenzene	0.0276	0.0300	92	80-120	

Lab Batch #: 786459

Sample: 545940-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/19/09 13:58

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0283	0.0300	94	80-120	
4-Bromofluorobenzene	0.0279	0.0300	93	80-120	

Lab Batch #: 786459

Sample: 355624-003 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/19/09 17:55

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0258	0.0300	86	80-120	
4-Bromofluorobenzene	0.0735	0.0300	245	80-120	**

Lab Batch #: 786459

Sample: 355624-004 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/19/09 19:06

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0246	0.0300	82	80-120	
4-Bromofluorobenzene	0.1628	0.0300	543	80-120	**

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 355624,

Project ID:

Lab Batch #: 786459

Sample: 355624-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/19/09 21:27

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0619	0.0300	206	80-120	**
4-Bromofluorobenzene	0.0769	0.0300	256	80-120	**

Lab Batch #: 786459

Sample: 355624-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/19/09 21:50

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0160	0.0300	53	80-120	**
4-Bromofluorobenzene	0.4778	0.0300	1593	80-120	**

Lab Batch #: 786459

Sample: 355624-005 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/19/09 22:14

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0177	0.0300	59	80-120	**
4-Bromofluorobenzene	0.4304	0.0300	1435	80-120	**

Lab Batch #: 786459

Sample: 355624-006 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/19/09 22:38

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0192	0.0300	64	80-120	**
4-Bromofluorobenzene	0.1494	0.0300	498	80-120	**

Lab Batch #: 786459

Sample: 355585-014 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/19/09 23:01

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0302	0.0300	101	80-120	
4-Bromofluorobenzene	0.0283	0.0300	94	80-120	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 355624,

Project ID:

Lab Batch #: 786459

Sample: 355585-014 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/19/09 23:25

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0311	0.0300	104	80-120	
4-Bromofluorobenzene	0.0290	0.0300	97	80-120	

Lab Batch #: 786535

Sample: 545988-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/20/09 00:12

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	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	0.0267	0.0300	89	80-120	

Lab Batch #: 786535

Sample: 545988-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/20/09 00:35

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0307	0.0300	102	80-120	
4-Bromofluorobenzene	0.0292	0.0300	97	80-120	

Lab Batch #: 786535

Sample: 545988-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/20/09 01:46

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0281	0.0300	94	80-120	
4-Bromofluorobenzene	0.0282	0.0300	94	80-120	

Lab Batch #: 786535

Sample: 355624-007 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/20/09 04:54

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0243	0.0300	81	80-120	
4-Bromofluorobenzene	0.0588	0.0300	196	80-120	**

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: **Penasco Compressor Station**

Work Orders : 355624,

Project ID:

Lab Batch #: 786535

Sample: 355624-008 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/20/09 05:17

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0222	0.0300	74	80-120	**
4-Bromofluorobenzene	0.1981	0.0300	660	80-120	**

Lab Batch #: 786535

Sample: 355920-001 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/20/09 06:04

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 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	0.0332	0.0300	111	80-120	

Lab Batch #: 786535

Sample: 355920-001 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/20/09 06:28

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0331	0.0300	110	80-120	
4-Bromofluorobenzene	0.0382	0.0300	127	80-120	*

Lab Batch #: 786289

Sample: 545850-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/18/09 05:21

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	118	99.6	118	70-135	
o-Terphenyl	61.8	49.8	124	70-135	

Lab Batch #: 786289

Sample: 545850-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/18/09 05:48

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	120	99.5	121	70-135	
o-Terphenyl	57.7	49.8	116	70-135	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 355624,

Project ID:

Lab Batch #: 786289

Sample: 545850-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/18/09 06:15

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	130	99.6	131	70-135	
o-Terphenyl	56.7	49.8	114	70-135	

Lab Batch #: 786289

Sample: 355624-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/18/09 07:09

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	109	100	109	70-135	
o-Terphenyl	55.8	50.0	112	70-135	

Lab Batch #: 786289

Sample: 355624-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/18/09 07:36

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	118	100	118	70-135	
o-Terphenyl	57.1	50.0	114	70-135	

Lab Batch #: 786289

Sample: 355624-003 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/18/09 08:02

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	110	100	110	70-135	
o-Terphenyl	55.5	50.0	111	70-135	

Lab Batch #: 786289

Sample: 355624-004 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/18/09 08:29

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	114	99.5	115	70-135	
o-Terphenyl	56.7	49.8	114	70-135	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 355624,

Project ID:

Lab Batch #: 786289

Sample: 355624-005 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/18/09 08:56

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	108	100	108	70-135	
o-Terphenyl	53.6	50.0	107	70-135	

Lab Batch #: 786289

Sample: 355624-006 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/18/09 09:23

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	116	99.9	116	70-135	
o-Terphenyl	57.2	50.0	114	70-135	

Lab Batch #: 786289

Sample: 355624-007 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/18/09 09:50

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	115	99.8	115	70-135	
o-Terphenyl	57.8	49.9	116	70-135	

Lab Batch #: 786289

Sample: 355624-008 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/18/09 10:18

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	112	100	112	70-135	
o-Terphenyl	56.4	50.0	113	70-135	

Lab Batch #: 786289

Sample: 355624-007 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/18/09 10:45

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	127	99.8	127	70-135	
o-Terphenyl	55.3	49.9	111	70-135	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 355624,

Project ID:

Lab Batch #: 786289

Sample: 355624-007 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/18/09 11:12

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	129	99.7	129	70-135	
o-Terphenyl	55.4	49.9	111	70-135	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

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

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



Blank Spike Recovery



Project Name: Penasco Compressor Station

Work Order #: 355624

Project ID:

Lab Batch #: 785951

Sample: 785951-1-BKS

Matrix: Solid

Date Analyzed: 12/16/2009

Date Prepared: 12/16/2009

Analyst: LATCOR

Reporting Units: mg/kg

Batch #: 1

BLANK/BLANK SPIKE RECOVERY STUDY

Anions in Soil By EPA 300.0 Analytes	Blank Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	<0.420	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.

BRL - Below Reporting Limit

BS / BSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 355624

Analyst: ASA

Lab Batch ID: 786459

Sample: 545940-1-BKS

Batch #: 1

Matrix: Solid

Date Prepared: 12/19/2009

Date Analyzed: 12/19/2009

Units: mg/kg

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	<0.0010	0.1000	0.1063	106	0.1	0.1014	101	5	70-130	35	
Toluene	<0.0020	0.1000	0.1084	108	0.1	0.1041	104	4	70-130	35	
Ethylbenzene	<0.0010	0.1000	0.1050	105	0.1	0.1022	102	3	71-129	35	
m,p-Xylenes	<0.0020	0.2000	0.2366	118	0.2	0.2283	114	4	70-135	35	
o-Xylene	<0.0010	0.1000	0.1164	116	0.1	0.1128	113	3	71-133	35	

Analyst: ASA

Date Prepared: 12/19/2009

Date Analyzed: 12/20/2009

Lab Batch ID: 786535

Sample: 545988-1-BKS

Batch #: 1

Matrix: Solid

Units: mg/kg

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	<0.0010	0.1000	0.1068	107	0.1	0.1146	115	7	70-130	35	
Toluene	<0.0020	0.1000	0.1101	110	0.1	0.1180	118	7	70-130	35	
Ethylbenzene	<0.0010	0.1000	0.1083	108	0.1	0.1168	117	8	71-129	35	
m,p-Xylenes	<0.0020	0.2000	0.2405	120	0.2	0.2596	130	8	70-135	35	
o-Xylene	<0.0010	0.1000	0.1173	117	0.1	0.1282	128	9	71-133	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



BS / BSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 355624

Analyte: BEV

Lab Batch ID: 786289

Sample: 545850-1-BKS

Date Prepared: 12/15/2009

Batch #: 1

Project ID:

Date Analyzed: 12/18/2009

Matrix: Solid

Units: mg/kg

BLANK/BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

Analytes	TPH by SW 8015B		BLANK/BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY									
	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-C10 Gasoline Range Hydrocarbons	<14.9	995	950	95	996	999	100	5	70-135	35		
C10-C28 Diesel Range Hydrocarbons	<14.9	995	710	71	996	875	88	21	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

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Agave Energy
 Date/ Time: 12-15-09 10:30
 Lab ID #: 355624
 Initials: AL

Sample Receipt Checklist

Client Initials

#	Question	Yes	No	Notes	Client Initials
#1	Temperature of container/ cooler?	<input checked="" type="radio"/>	<input type="radio"/>	2.6 °C	
#2	Shipping container in good condition?	<input checked="" type="radio"/>	<input type="radio"/>		
#3	Custody Seals intact on shipping container/ cooler?	<input checked="" type="radio"/>	<input type="radio"/>	Not Present	
#4	Custody Seals intact on sample bottles/ container?	<input checked="" type="radio"/>	<input type="radio"/>	Not Present	
#5	Chain of Custody present?	<input checked="" type="radio"/>	<input type="radio"/>		
#6	Sample instructions complete of Chain of Custody?	<input checked="" type="radio"/>	<input type="radio"/>		
#7	Chain of Custody signed when relinquished/ received?	<input checked="" type="radio"/>	<input type="radio"/>		
#8	Chain of Custody agrees with sample label(s)?	<input checked="" type="radio"/>	<input type="radio"/>	ID written on Cont./ Lid	
#9	Container label(s) legible and intact?	<input checked="" type="radio"/>	<input type="radio"/>	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	<input checked="" type="radio"/>	<input type="radio"/>		
#11	Containers supplied by ELOT?	<input checked="" type="radio"/>	<input type="radio"/>		
#12	Samples in proper container/ bottle?	<input checked="" type="radio"/>	<input type="radio"/>	See Below	
#13	Samples properly preserved?	<input checked="" type="radio"/>	<input type="radio"/>	See Below	
#14	Sample bottles intact?	<input checked="" type="radio"/>	<input type="radio"/>		
#15	Preservations documented on Chain of Custody?	<input checked="" type="radio"/>	<input type="radio"/>		
#16	Containers documented on Chain of Custody?	<input checked="" type="radio"/>	<input type="radio"/>		
#17	Sufficient sample amount for Indicated test(s)?	<input checked="" type="radio"/>	<input type="radio"/>	See Below	
#18	All samples received within sufficient hold time?	<input checked="" type="radio"/>	<input type="radio"/>	See Below	
#19	Subcontract of sample(s)?	<input checked="" type="radio"/>	<input type="radio"/>	Not Applicable	
#20	VOC samples have zero headspace?	<input checked="" type="radio"/>	<input type="radio"/>	Not Applicable	

Variance Documentation

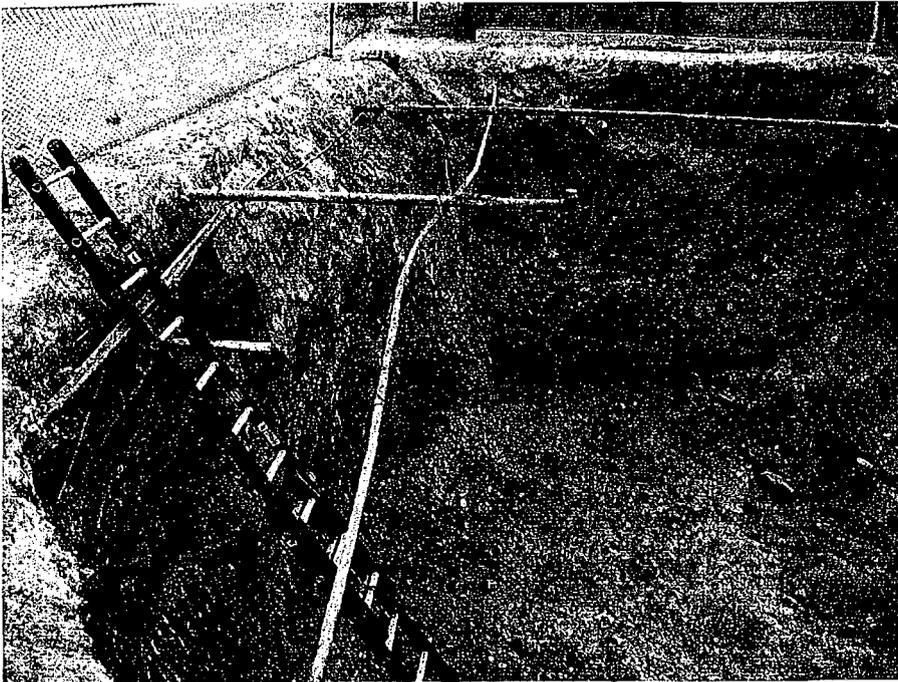
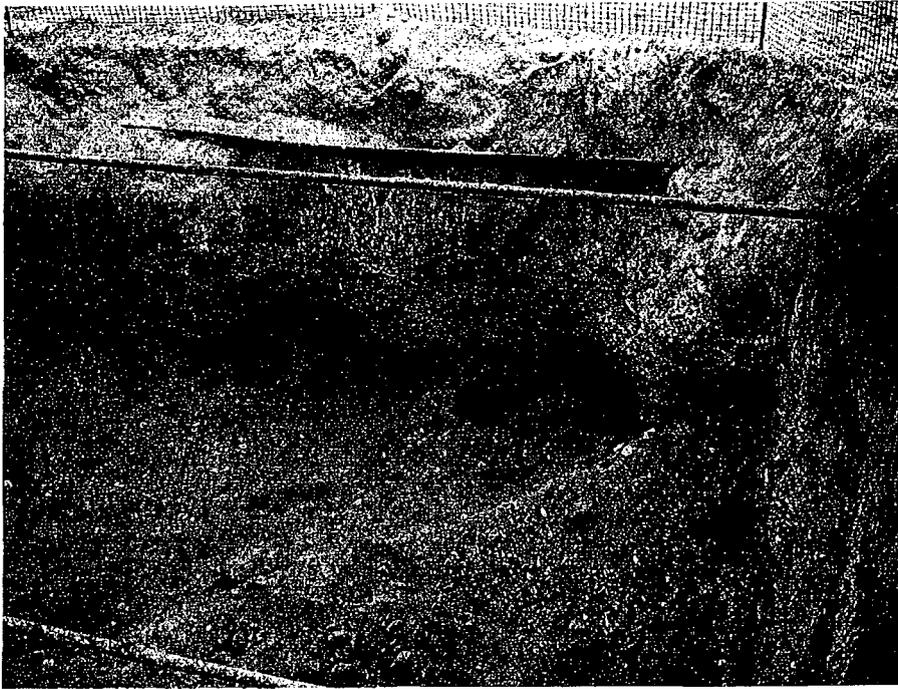
Contact: _____ Contacted by: _____ Date/ Time: _____

Regarding: _____

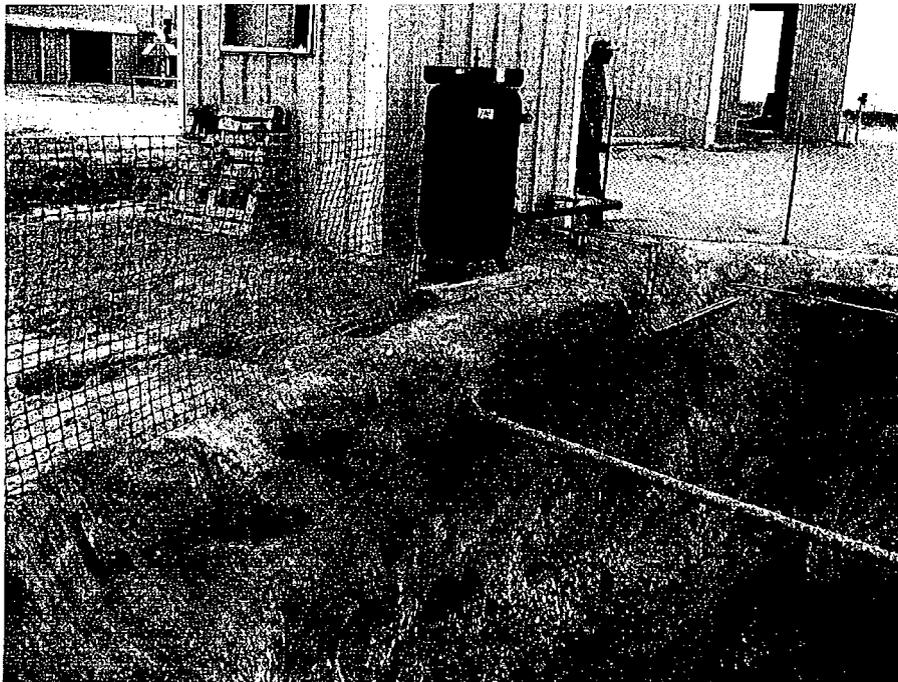
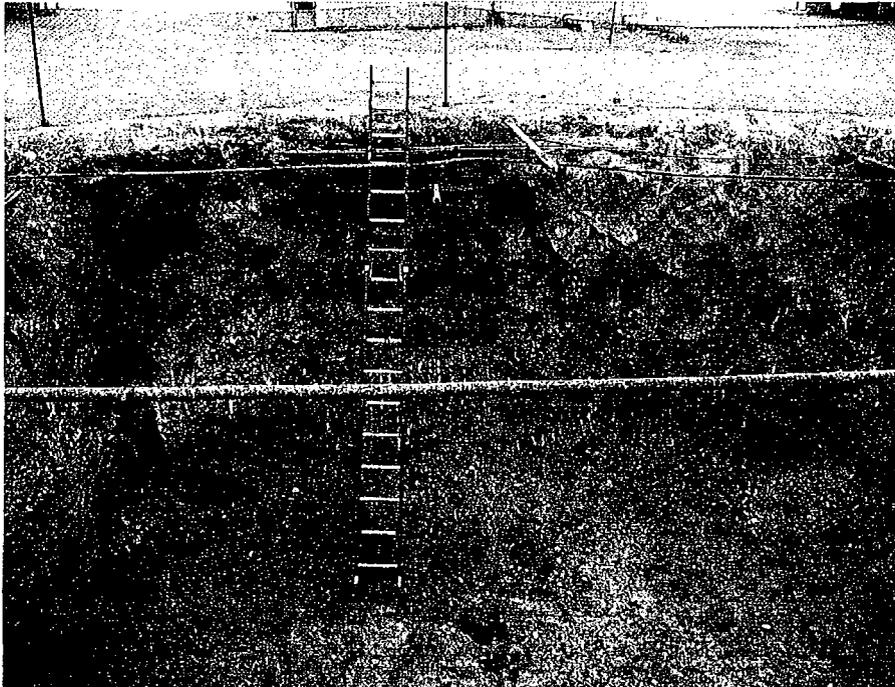
Corrective Action Taken: _____

- 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

Penasco Compressor Station
December 30, 2009
Unit 023



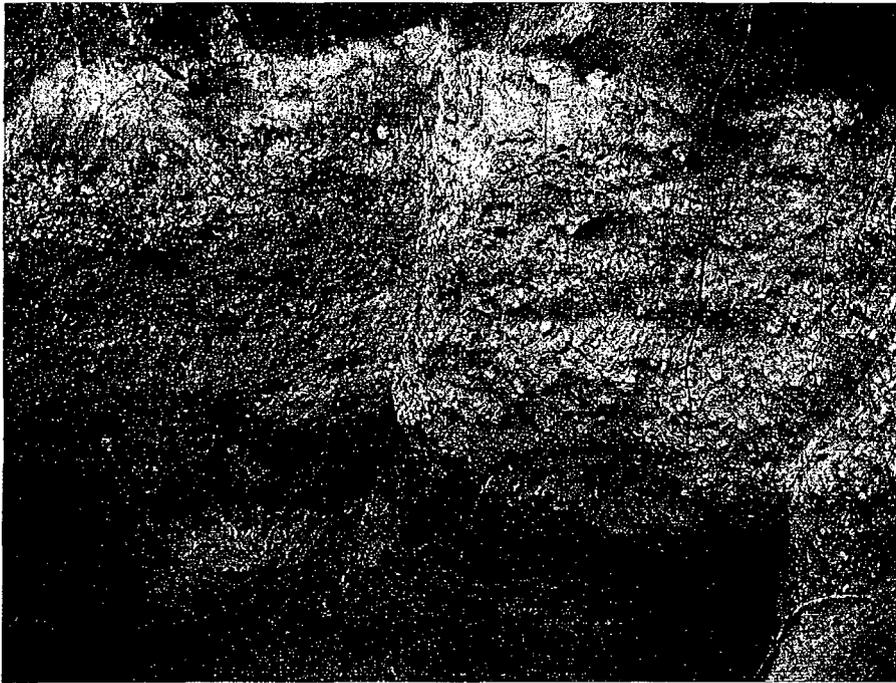
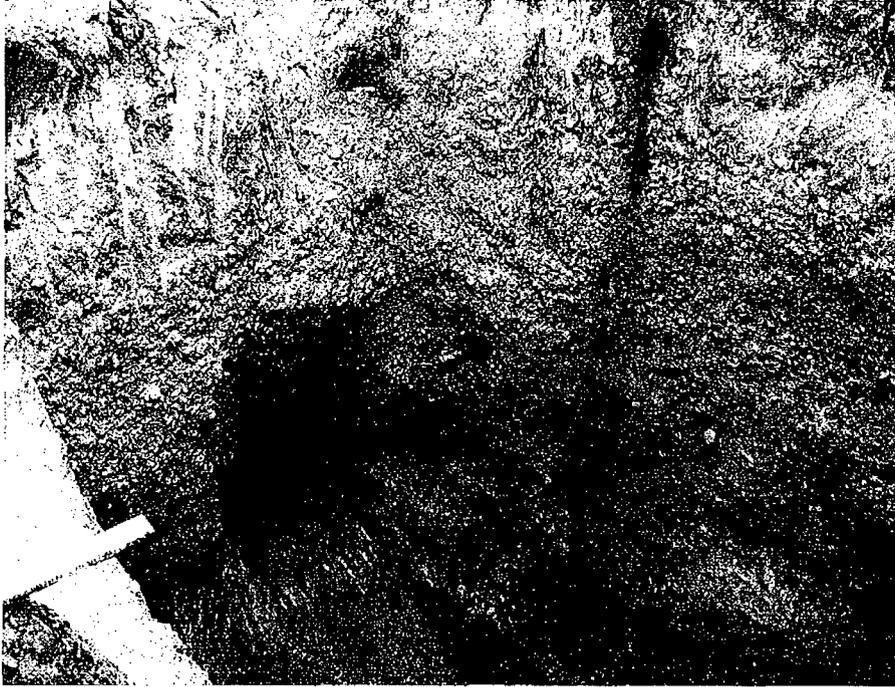
Penasco Compressor Station
December 30, 2009
Unit 023



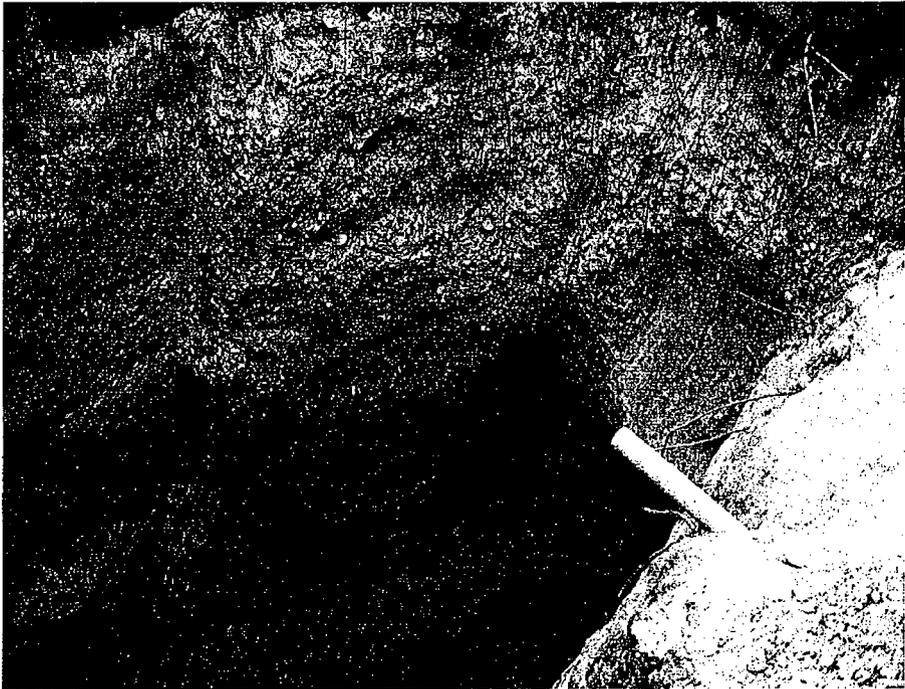
Penasco Compressor Station
December 30, 2009
Unit 023



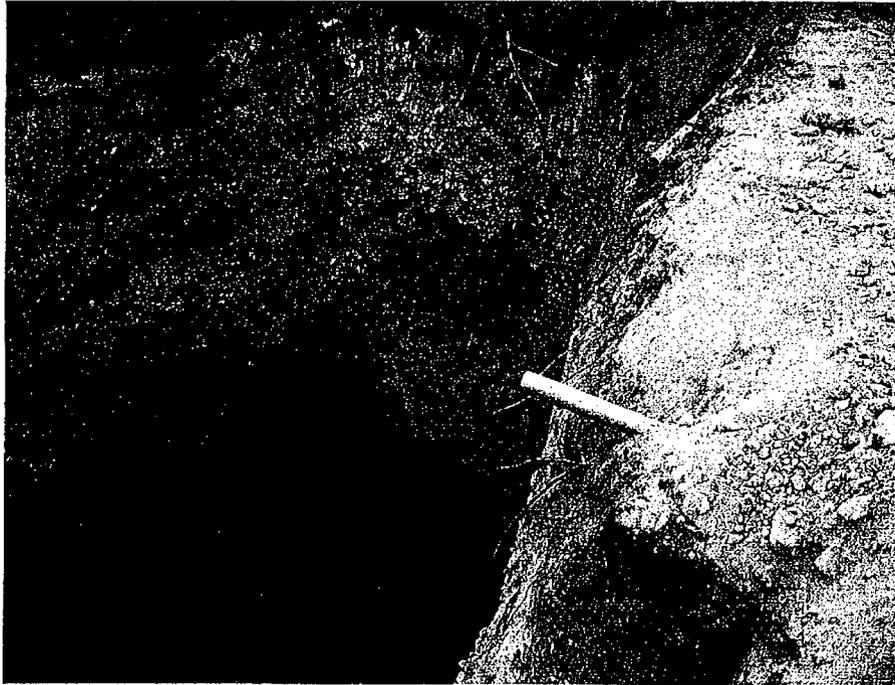
Penasco Compressor Station
December 30, 2009
Unit 002



Penasco Compressor Station
December 30, 2009
Unit 002



Penasco Compressor Station
December 30, 2009
Unit 002



Analytical Report 356167

for

Agave Energy

Project Manager: Jennifer Knowlton

Penasco Compressor Station

29-DEC-09



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-08-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00308), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)

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

Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-08-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-08-TX)

Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370-08-TX)

Xenco-Boca Raton (EPA Lab Code: FL00449): Florida (E86240),

South Carolina (96031001), Louisiana (04154), Georgia (917)



29-DEC-09

Project Manager: **Jennifer Knowlton**
Agave Energy
105 S. Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **356167**
Penasco Compressor Station
Project Address: Eddy County

Jennifer Knowlton:

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 356167. 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. 356167 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

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

Certified and approved by numerous States and Agencies.

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

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



Sample Cross Reference 356167



Agave Energy, Artesia, NM
Penasco Compressor Station

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/ Unit # 2 - Bottom	S	Dec-17-09 10:05	20 - 20 ft	356167-001
GS/ Unit # 2 - Sidewall	S	Dec-17-09 10:10	15 - 15 ft	356167-002
GS/ Unit # 23 - Bottom	S	Dec-17-09 10:15	15 - 15 ft	356167-003
GS/ Unit # 23 -010 Sidewall	S	Dec-17-09 10:20	10 - 10 ft	356167-004
GS/ Unit # 23 - 012 Sidewall	S	Dec-17-09 10:25	12 - 12 ft	356167-005



CASE NARRATIVE

Client Name: Agave Energy

Project Name: Penasco Compressor Station

Project ID:
Work Order Number: 356167

Report Date: 29-DEC-09
Date Received: 12/18/2009

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-786482 Percent Moisture

None

*Batch: LBA-786535 BTEX by EPA 8021
SW8021BM*

*Batch 786535, Benzene, Ethylbenzene, m,p-Xylenes RPD was outside QC limits.
Samples affected are: 356167-002, -004, -001*

SW8021BM

*Batch 786535, 4-Bromofluorobenzene recovered above QC limits . Matrix interferences is
suspected; data not confirmed by re-analysis
Samples affected are: 355920-001 SD.*

SW8021BM

*Batch 786535, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike. Benzene,
Ethylbenzene, Toluene recovered below QC limits in the Matrix Spike and Matrix Spike
Duplicate.*

Samples affected are: 356167-002, -004, -001.

*The Laboratory Control Sample for Toluene, m,p-Xylenes , Benzene, Ethylbenzene, o-Xylene is
within laboratory Control Limits*

*Batch: LBA-786560 Inorganic Anions by EPA 300
None*



CASE NARRATIVE

Client Name: Agave Energy

Project Name: Penasco Compressor Station

Project ID:
Work Order Number: 356167

Report Date: 29-DEC-09
Date Received: 12/18/2009

*Batch: LBA-786873 BTEX by EPA 8021
SW8021BM*

Batch 786873, Benzene, Ethylbenzene, Toluene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 356167-005, -003.

The Laboratory Control Sample for Toluene, Benzene, Ethylbenzene is within laboratory Control Limits

SW8021BM

Batch 786873, 1,4-Difluorobenzene recovered below QC limits . Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 356167-005,356167-003.

*Batch: LBA-787268 TPH by SW 8015B
SW8015B_NM*

Batch 787268, C10-C28 Diesel Range Hydrocarbons recovered below QC limits in the Matrix Spike.

Samples affected are: 356167-005, -002, -004, -001, -003.

The Laboratory Control Sample for C10-C28 Diesel Range Hydrocarbons is within laboratory Control Limits



Certificate of Analysis Summary 356167

Agave Energy, Artesia, NM

Project Name: Penasco Compressor Station

Project Id:
Contact: Jennifer Knowlton
Project Location: Eddy County

Date Received in Lab: Fri Dec-18-09 10:30 am

Report Date: 29-DEC-09

Project Manager: Brent Barron, II



Analysis Requested		Lab Id:	356167-001	356167-002	356167-003	356167-004	356167-005
Field Id:	Depth:	GS/ Unit # 2 - Bottom	GS/ Unit # 2 - Sidewall	GS/ Unit # 23 - Bottom	GS/ Unit # 23 - 010 Sidewall	GS/ Unit # 23 - 012 Sidewall	
Matrix:	Sampled:	20-20 ft SOIL	15-15 ft SOIL	15-15 ft SOIL	10-10 ft SOIL	12-12 ft SOIL	
Anions in Soil By EPA 300.0		Dec-17-09 10:05	Dec-17-09 10:10	Dec-17-09 10:15	Dec-17-09 10:20	Dec-17-09 10:25	
Extracted:	Dec-21-09 10:06	Dec-21-09 10:06	Dec-21-09 10:06	Dec-21-09 10:06	Dec-21-09 10:06	Dec-21-09 10:06	
Analyzed:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	
Units/RL:	76.8 8.40	103 4.20	BRL 16.8	22.4 4.20	11.2 4.20		
BTEX by EPA 8021		Dec-19-09 12:30	Dec-19-09 12:30	Dec-22-09 08:00	Dec-19-09 12:30	Dec-22-09 08:00	
Extracted:	Dec-20-09 02:56	Dec-20-09 03:20	Dec-22-09 14:52	Dec-20-09 03:43	Dec-22-09 21:33		
Analyzed:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL		
Units/RL:	BRL 0.0011	BRL 0.0011	0.1865 0.1166	BRL 0.0011	BRL 0.2765		
Benzene	BRL 0.0022	BRL 0.0022	5.368 0.2331	BRL 0.0022	0.6911 0.5529		
Toluene	BRL 0.0011	BRL 0.0011	2.397 0.1166	BRL 0.0011	0.4949 0.2765		
Ethylbenzene	0.0033 0.0022	BRL 0.0022	12.15 0.2331	0.0125 0.0022	6.781 0.5529		
m,p-Xylenes	0.0049 0.0011	BRL 0.0011	3.246 0.1166	0.0059 0.0011	1.924 0.2765		
o-Xylene	0.0082 0.0011	BRL 0.0011	15.40 0.1166	0.0184 0.0011	8.705 0.2765		
Xylenes, Total	0.0082 0.0011	BRL 0.0011	23.35 0.1166	0.0184 0.0011	9.891 0.2765		
Total BTEX							
Percent Moisture		Dec-19-09 09:15	Dec-19-09 09:15	Dec-19-09 09:15	Dec-19-09 09:15	Dec-19-09 09:15	
Extracted:	% RL	% RL	% RL	% RL	% RL	% RL	
Analyzed:	8.10 1.00	9.52 1.00	14.2 1.00	7.14 1.00	9.57 1.00		
Units/RL:							
TPH by SW 8015B		Dec-21-09 16:00	Dec-21-09 16:00	Dec-21-09 16:00	Dec-21-09 16:00	Dec-21-09 16:00	
Extracted:	Dec-24-09 05:31	Dec-24-09 05:58	Dec-24-09 06:24	Dec-24-09 06:50	Dec-24-09 07:17		
Analyzed:	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL	mg/kg RL		
Units/RL:	31.0 16.3	BRL 16.6	422 87.4	BRL 16.2	703 166		
C6-C10 Gasoline Range Hydrocarbons	163 16.3	21.0 16.6	1060 87.4	51.2 16.2	1530 166		
C10-C28 Diesel Range Hydrocarbons	194 16.3	21.0 16.6	1482 87.4	51.2 16.2	2233 166		
Total TPH							

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

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Brent Barron, II
Odessa Laboratory Manager



Flagging Criteria



- X In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to 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 and above the SQL.
- U Analyte was not detected.
- L The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K Sample analyzed outside of recommended hold time.
- JN A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.
- BRL Below Reporting Limit.
- RL Reporting Limit
- * Outside XENCO's scope of NELAC Accreditation.

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Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 356167,

Project ID:

Lab Batch #: 786535

Sample: 545988-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/20/09 00:12

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	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	0.0267	0.0300	89	80-120	

Lab Batch #: 786535

Sample: 545988-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/20/09 00:35

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0307	0.0300	102	80-120	
4-Bromofluorobenzene	0.0292	0.0300	97	80-120	

Lab Batch #: 786535

Sample: 545988-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/20/09 01:46

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0281	0.0300	94	80-120	
4-Bromofluorobenzene	0.0282	0.0300	94	80-120	

Lab Batch #: 786535

Sample: 356167-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/20/09 02:56

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0267	0.0300	89	80-120	
4-Bromofluorobenzene	0.0345	0.0300	115	80-120	

Lab Batch #: 786535

Sample: 356167-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/20/09 03:20

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0275	0.0300	92	80-120	
4-Bromofluorobenzene	0.0277	0.0300	92	80-120	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 356167,

Project ID:

Lab Batch #: 786535

Sample: 356167-004 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/20/09 03:43

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0259	0.0300	86	80-120	
4-Bromofluorobenzene	0.0323	0.0300	108	80-120	

Lab Batch #: 786535

Sample: 355920-001 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/20/09 06:04

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 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	0.0332	0.0300	111	80-120	

Lab Batch #: 786535

Sample: 355920-001 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/20/09 06:28

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0331	0.0300	110	80-120	
4-Bromofluorobenzene	0.0382	0.0300	127	80-120	*

Lab Batch #: 786873

Sample: 546198-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/22/09 10:25

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0314	0.0300	105	80-120	
4-Bromofluorobenzene	0.0301	0.0300	100	80-120	

Lab Batch #: 786873

Sample: 546198-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/22/09 10:49

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0308	0.0300	103	80-120	
4-Bromofluorobenzene	0.0284	0.0300	95	80-120	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 356167,

Project ID:

Lab Batch #: 786873

Sample: 546198-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 12/22/09 12:00

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0263	0.0300	88	80-120	
4-Bromofluorobenzene	0.0283	0.0300	94	80-120	

Lab Batch #: 786873

Sample: 356167-003 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/22/09 14:52

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0167	0.0300	56	80-120	**
4-Bromofluorobenzene	0.0299	0.0300	100	80-120	

Lab Batch #: 786873

Sample: 356167-005 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/22/09 21:33

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0179	0.0300	60	80-120	**
4-Bromofluorobenzene	0.0275	0.0300	92	80-120	

Lab Batch #: 786873

Sample: 356372-001 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/22/09 21:56

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0293	0.0300	98	80-120	
4-Bromofluorobenzene	0.0303	0.0300	101	80-120	

Lab Batch #: 786873

Sample: 356372-001 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/22/09 22:20

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	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	0.0300	0.0300	100	80-120	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: **Penasco Compressor Station**

Work Orders : 356167,

Project ID:

Lab Batch #: 787268

Sample: 546403-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg	Date Analyzed: 12/24/09 03:45	SURROGATE RECOVERY STUDY			
TPH by SW 8015B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1-Chlorooctane	121	100	121	70-135	
o-Terphenyl	54.4	50.2	108	70-135	

Lab Batch #: 787268

Sample: 546403-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg	Date Analyzed: 12/24/09 04:12	SURROGATE RECOVERY STUDY			
TPH by SW 8015B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1-Chlorooctane	130	99.8	130	70-135	
o-Terphenyl	58.9	49.9	118	70-135	

Lab Batch #: 787268

Sample: 546403-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg	Date Analyzed: 12/24/09 04:38	SURROGATE RECOVERY STUDY			
TPH by SW 8015B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1-Chlorooctane	120	101	119	70-135	
o-Terphenyl	67.3	50.3	134	70-135	

Lab Batch #: 787268

Sample: 356167-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg	Date Analyzed: 12/24/09 05:31	SURROGATE RECOVERY STUDY			
TPH by SW 8015B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1-Chlorooctane	101	99.7	101	70-135	
o-Terphenyl	56.7	49.9	114	70-135	

Lab Batch #: 787268

Sample: 356167-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg	Date Analyzed: 12/24/09 05:58	SURROGATE RECOVERY STUDY			
TPH by SW 8015B	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1-Chlorooctane	106	100	106	70-135	
o-Terphenyl	59.9	50.0	120	70-135	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 356167,

Project ID:

Lab Batch #: 787268

Sample: 356167-003 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/24/09 06:24

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	105	100	105	70-135	
o-Terphenyl	60.8	50.0	122	70-135	

Lab Batch #: 787268

Sample: 356167-004 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/24/09 06:50

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	117	100	117	70-135	
o-Terphenyl	65.1	50.0	130	70-135	

Lab Batch #: 787268

Sample: 356167-005 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/24/09 07:17

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	114	100	114	70-135	
o-Terphenyl	63.8	50.0	128	70-135	

Lab Batch #: 787268

Sample: 356167-001 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/24/09 09:29

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	110	99.7	110	70-135	
o-Terphenyl	49.8	49.9	100	70-135	

Lab Batch #: 787268

Sample: 356167-001 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/24/09 09:55

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	105	100	105	70-135	
o-Terphenyl	47.9	50.0	96	70-135	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

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



BS / BSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 356167

Analyst: ASA

Lab Batch ID: 786535

Sample: 545988-1-BKS

Date Prepared: 12/19/2009

Batch #: 1

Project ID:

Date Analyzed: 12/20/2009

Matrix: Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

Analytes	BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY										Flag	
	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		
BTEX by EPA 8021												
Benzene	<0.0010	0.1000	0.1068	107	0.1	0.1146	115	7	70-130	35		
Toluene	<0.0020	0.1000	0.1101	110	0.1	0.1180	118	7	70-130	35		
Ethylbenzene	<0.0010	0.1000	0.1083	108	0.1	0.1168	117	8	71-129	35		
m,p-Xylenes	<0.0020	0.2000	0.2405	120	0.2	0.2596	130	8	70-135	35		
o-Xylene	<0.0010	0.1000	0.1173	117	0.1	0.1282	128	9	71-133	35		

Analyst: ASA

Date Prepared: 12/22/2009

Date Analyzed: 12/22/2009

Lab Batch ID: 786873

Sample: 546198-1-BKS

Batch #: 1

Matrix: Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

Analytes	BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY										Flag	
	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		
BTEX by EPA 8021												
Benzene	<0.0010	0.1000	0.1090	109	0.1	0.1002	100	8	70-130	35		
Toluene	<0.0020	0.1000	0.1123	112	0.1	0.1035	104	8	70-130	35		
Ethylbenzene	<0.0010	0.1000	0.1121	112	0.1	0.1029	103	9	71-129	35		
m,p-Xylenes	<0.0020	0.2000	0.2442	122	0.2	0.2240	112	9	70-135	35		
o-Xylene	<0.0010	0.1000	0.1220	122	0.1	0.1116	112	9	71-133	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 / MSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 356167

Lab Batch ID: 786535

Date Analyzed: 12/20/2009

Reporting Units: mg/kg

Project ID:

QC-Sample ID: 35920-001 S

Date Prepared: 12/19/2009

Batch #: 1

Analyst: ASA

Matrix: Soil

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										Flag	
	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		
BTEX by EPA 8021												
Benzene	<0.0011	0.1082	0.0242	22	0.1082	0.0565	52	80	70-130	35	XF	
Toluene	<0.0011	0.1082	0.0337	31	0.1082	0.0298	28	12	70-130	35	X	
Ethylbenzene	<0.0011	0.1082	0.0066	6	0.1082	<0.0011	0	200	71-129	35	XF	
m,p-Xylenes	<0.0022	0.2164	0.1049	48	0.2164	0.1614	75	42	70-135	35	XF	
o-Xylene	<0.0011	0.1082	0.0593	55	0.1082	0.0812	75	31	71-133	35	X	

Lab Batch ID: 786873

Date Analyzed: 12/22/2009

Reporting Units: mg/kg

QC-Sample ID: 356372-001 S

Date Prepared: 12/22/2009

Batch #: 1

Analyst: ASA

Matrix: Soil

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										Flag	
	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		
BTEX by EPA 8021												
Benzene	<0.0011	0.1057	0.0664	63	0.1057	0.0689	65	4	70-130	35	X	
Toluene	<0.0021	0.1057	0.0693	66	0.1057	0.0721	68	4	70-130	35	X	
Ethylbenzene	<0.0011	0.1057	0.0684	65	0.1057	0.0724	68	6	71-129	35	X	
m,p-Xylenes	<0.0021	0.2115	0.1500	71	0.2115	0.1575	74	5	70-135	35		
o-Xylene	<0.0011	0.1057	0.0746	71	0.1057	0.0772	73	3	71-133	35		

Matrix Spike Percent Recovery [D] = 100*(C-A)/B
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 Applicable, N = See Narrative, EQ1 = Estimated Quantitation Limit

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



Form 3 - MS / MSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 356167

Lab Batch ID: 787268

Date Analyzed: 12/24/2009

Reporting Units: mg/kg

Project ID:

QC-Sample ID: 356167-001 S

Batch #: 1 Matrix: Soil

Date Prepared: 12/21/2009 Analyst: BEV

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-C10 Gasoline Range Hydrocarbons	31.0	1080	1050	94	1090	1020	91	3	70-135	35	
C10-C28 Diesel Range Hydrocarbons	163	1080	777	57	1090	983	75	23	70-135	35	X

Matrix Spike Percent Recovery [D] = 100*(C-A)/B
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 Applicable, N = See Narrative, EQL = Estimated Quantitation Limit

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

Environmental Lab of Texas
 Variance/ Corrective Action Report- Sample Log-In

Client: Agave Energy
 Date/ Time: 12-18-09 10:30
 Lab ID #: 356167
 Initials: AL

Sample Receipt Checklist

				Client Initials
#1	Temperature of container/ cooler?	<input checked="" type="radio"/> Yes	No	4.6 °C
#2	Shipping container in good condition?	<input checked="" type="radio"/> Yes	No	
#3	Custody Seals intact on shipping container/ cooler?	<input checked="" type="radio"/> Yes	No	Not Present
#4	Custody Seals intact on sample bottles/ container?	<input checked="" type="radio"/> Yes	No	Not Present
#5	Chain of Custody present?	<input checked="" type="radio"/> Yes	No	
#6	Sample instructions complete of Chain of Custody?	<input checked="" type="radio"/> Yes	No	
#7	Chain of Custody signed when relinquished/ received?	<input checked="" type="radio"/> Yes	No	
#8	Chain of Custody agrees with sample label(s)?	<input checked="" type="radio"/> Yes	No	ID written on Cont./ Lid
#9	Container label(s) legible and intact?	<input checked="" type="radio"/> Yes	No	Not Applicable
#10	Sample matrix/ properties agree with Chain of Custody?	<input checked="" type="radio"/> Yes	No	
#11	Containers supplied by ELOT?	<input checked="" type="radio"/> Yes	No	
#12	Samples in proper container/ bottle?	<input checked="" type="radio"/> Yes	No	See Below
#13	Samples properly preserved?	<input checked="" type="radio"/> Yes	No	See Below
#14	Sample bottles intact?	<input checked="" type="radio"/> Yes	No	
#15	Preservations documented on Chain of Custody?	<input checked="" type="radio"/> Yes	No	
#16	Containers documented on Chain of Custody?	<input checked="" type="radio"/> Yes	No	
#17	Sufficient sample amount for indicated test(s)?	<input checked="" type="radio"/> Yes	No	See Below
#18	All samples received within sufficient hold time?	<input checked="" type="radio"/> Yes	No	See Below
#19	Subcontract of sample(s)?	<input checked="" type="radio"/> Yes	No	Not Applicable
#20	VOC samples have zero headspace?	<input checked="" type="radio"/> 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

Swazo, Sonny, EMNRD

From: Matt Joy [MJoy@jordenbischoff.com]
Sent: Thursday, April 01, 2010 5:37 PM
To: Swazo, Sonny, EMNRD
Subject: Agave Penasco C-141
Attachments: C141 Penasco.pdf

Sonny:

Attached is the C-141 with revised plan. A binder was sent to Mr. Lowe around February 25, 2010 with this information and all the other documentation, as well. As I said in another email, if you would like copies of the manifests, etc, just let me know.

Thanks.

Matt

Matthew Joy
Jordan Bischoff & Hiser, P.L.C.
7272 E. Indian School, Suite 360
Scottsdale, Arizona 85251
Phone: (480) 505-3900
Fax: (480) 505-3901

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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
1226 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-141
Revised October 10, 2003

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

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

Release Notification and Corrective Action

OPERATOR

X Initial Report X Final Report

Name of Company: Yates Petroleum Corporation	Contact: Jennifer Knowlton
Address: 105 South Fourth Street, Artesia, NM	Telephone No: 575-748-4471
Facility Name: Penasco Compressor Station	Facility Type: Compressor Station

Surface Owner: Yates Petroleum Corporation	Mineral Owner: NA	Lease No: NA
--	-------------------	--------------

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
P	26	18S	25E					Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release: leaking	Volume of Release: unknown	Volume Recovered: none
Source of Release: sumps	Date and Hour of Occurrence: unknown	Date and Hour of Discovery: unknown
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mike Bratcher, OCD District II	
By Whom? Jennifer Knowlton	Date and Hour 2/22/2010 at 14:15pm	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If watercourse was impacted, Describe Fully.*NA

Describe Cause of Problem and Remedial Action Taken.*
Sumps were of an undetermined age and had leaked over time. See attached.

Describe Area Affected and Cleanup Action Taken.*
The sumps were removed along with a significant amount of surrounding soil. See attached.

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: <i>Jennifer Knowlton</i>	OIL CONSERVATION DIVISION	
Printed Name: Jennifer Knowlton	Approved by District Supervisor:	
Title: Environmental Engineer	Approval Date:	Expiration Date:
Address: jknowlton@yatespetroleum.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 2/25/2010 Phone: 575-748-4471		

* Attach Additional Sheets If Necessary

HISTORY

Agave Energy Company and Yates Petroleum Corporation are submitting this information to update you as to the status of the below-grade tank/sump removal at the Penasco Compressor Station. This update is a supplement to the report submitted on January 4, 2010.

Agave Energy Company is the operator of the Penasco Compressor Station and Yates Petroleum Corporation is the owner. Agave has been the operator since 1997. Agave personnel did not install any of the below-grade sumps referenced in this project.

Agave acknowledges that there were five below-grade containers acting as sumps at the Penasco Compressor Station. By sump, Agave means a collection device incorporated within a secondary containment system, which remains predominantly empty and serves as a receptacle for de minimis releases on an intermittent basis and is not used to store, treat, dispose of or evaporate products or wastes. However, these devices were over 500 gallons.

Approximately three years ago, Agave inquired with OCD as to the feasibility of removing those tanks. OCD personnel told us that we would have to submit a modification to the discharge permit in order to remove the sumps. During an inspection of the facility in April 2009, the inspector informed Agave that OCD's policy had changed and that the discharge plan would not have to be modified in order to proceed with removing the sumps.

During the April 2009 inspection, OCD advised Agave personnel to remove the below-grade sumps. In November 2009, Agave personnel proceeded with a major remediation project to remove all five below grade sumps and the removal of the south tank battery due to potential concerns regarding the secondary containment. Rather than rebuilding the containment, Agave decided to remove the tank battery and to re-route the liquids to the northeast tank battery all ready on site. The northern tank battery has adequate concrete secondary containment.

SAMPLING METHODOLOGY

In its Work Plan, submitted in November 2009, Agave committed to excavating to five feet below the sumps and equipment. If soil levels for chlorides, BTEX and TPH could not be met after further excavation, Agave agreed to contact the OCD. Agave has excavated below the former equipment and has even excavated an additional 3 to 5 feet. (For convenience, Agave has identified the below-grade sumps with the Unit numbers that they served. The additional sump is included in the removal of the south tank battery.)

At OCD's direction, Agave re-sampled the three open excavations at the Penasco Compressor Station. As required by 19.15.17.13.E.4, the samples analyzed were composed of a minimum of five samples that were combined for the composite sample.

Benzene concentrations were determined by EPA SW-846 method 8021; the total BTEX concentration was determined by EPA SW-846 method 8021; the TPH concentration was determined by EPA method 418.1; and the chloride concentration was determined by EPA

method 300.0. Agave would like to remind the OCD that Method 418.1 procedure is no longer part of the EPA method series because it specifies that an ozone-depleting solvent (banned in the US) be used to extract the hydrocarbons.

The most recent sampling results are summarized below:

Unit	Action Level			South Tank Battery		Unit 023	
		Bottom	Sidewall	Bottom	Sidewall	Bottom	Sidewall
Chlorides	250	13.3	45.3	ND	ND	21.3	25.9
BTEX	50	0.22	ND	6.73	176	ND	ND
TPH	100	1460	711	1960	628	7000	12,600

Soil samples from Units 005 and 025 were below action levels set forth at 19.15.17.13.E.4.

ABATEMENT PLAN

Agave has excavated these areas twice in an attempt to ensure that the soil meets the concentrations specified in 19.15.17.13.E.4. However, Agave cannot continue to enlarge these excavations for several reasons.

- The location of the excavations is potentially compromising existing equipment, especially the former BGT 023 location. There is a meter housing on one side of the excavation and ambientrol and lube oil storage tanks on the other.
- Any further downward excavation of any of the three would subject the excavation to confined space entry requirements. (Due to their locations, they cannot reasonably be widened at this time.) This will make forthcoming work more difficult if not impossible to complete.
- The excavations for Unit 002 and the former tank battery are at the edge of our lease. We cannot evacuate soil off of our lease without permission.

Agave has removed the potential sources of the contamination and, hence, the nature and extent of any contamination has been contained. The sumps were replaced with above ground blowcases. The south tank battery was removed and all liquids re-routed to the north tank battery.

Agave has made a good faith effort to remediate impacts at Units 002 and 023 as well as the former tank battery. In this vein, Agave has spent over \$200,000 and a large number of man hours on this project to date and additional work must be completed (i.e., backfill and surface leveling still need to occur).

Agave excavated approximately 464 cubic yards from Sump 023; 340 cubic yards from Sump 002 and 1245 cubic yards from the South Tank Battery. The contaminated soil was removed with a backhoe. It was either placed directly into a belly-dump truck or it was placed into the "stockpile". The "stockpile" was a temporary storage (1-2 day) created by placing a tarp on the ground and surrounding the tarp with haybales. The soil was removed from the stock pile with a front loader and placed into the belly-dump truck. All of the contaminated soil was taken to either Lea Land, LLC or to CRI. Manifests for the deposition of the soils are attached.

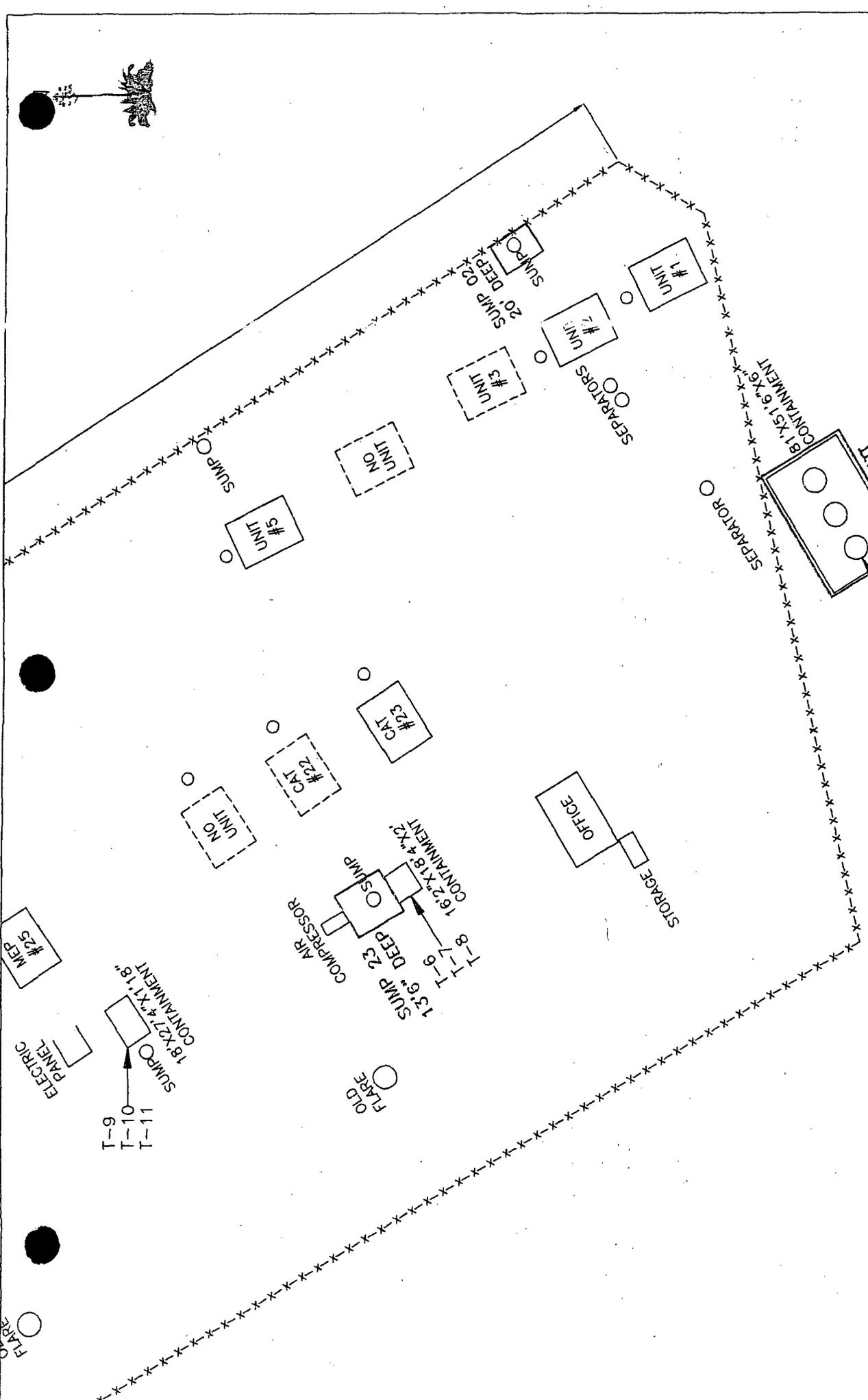
Please be advised that these open excavations present a potential unnecessary safety hazard, despite steps we have taken to ensure the safety of our workers. We would like to complete this project as soon as possible.

In light of the above, Agave does not believe that further excavation is possible. Hence, Agave proposes to backfill the excavations. We acknowledge that there may potentially be contamination on site. Agave proposes to continue excavation and removal, if necessary, when the facility under goes final closure. At that time, all of the surface equipment will be removed and any necessary further remedial activity can proceed.

BLOWCASES

Sump 023 and Sump 002 were replaced with above ground blowcases. There are two inlets: one 2" and one 1" at the top of the case. There is one outlet: one 2" at the very bottom of the case. Under day to day conditions, all ports except the top 2" is closed. The 2" inlet is open to the skid drains allowing low pressure dumps and skid waste into the case. When the case is full, the top port is closed and the bottom outlet port is open. Fuel pressure is introduced into the case via the 1" port, pushing the liquid out to the dump system.

This system is completely above ground and is monitored as the valves are manually opened and closed. Any leaks that occur are noticed immediately.

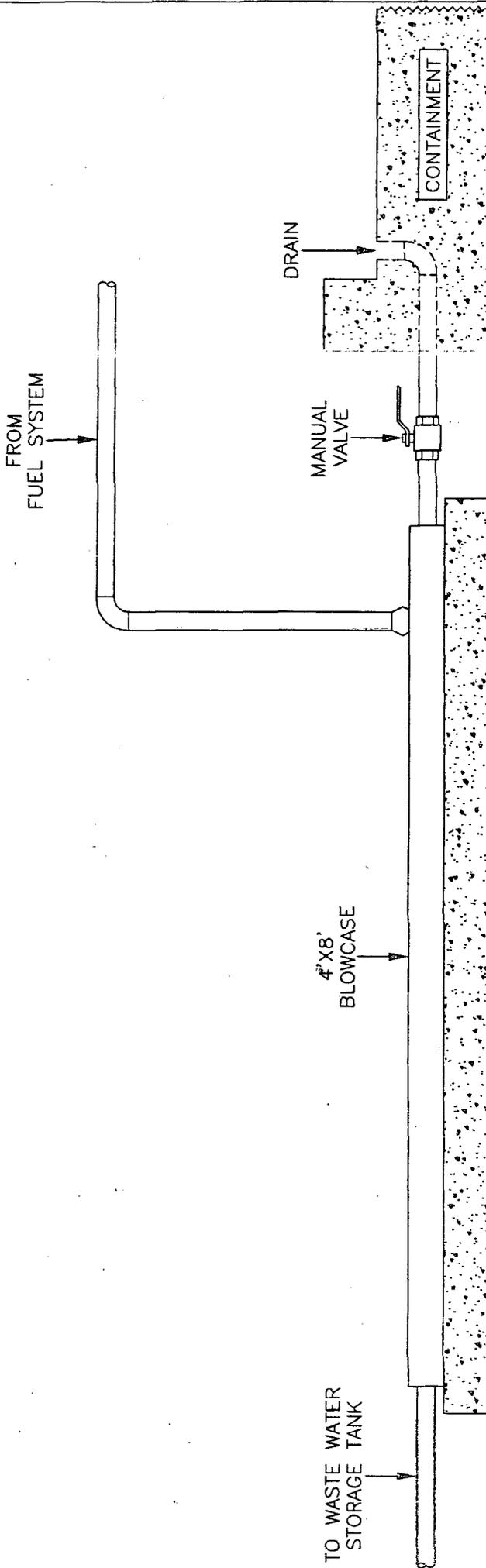


AGAVE ENERGY COMPANY
 135 South Fourth Street, Artesia, New Mexico 88210

PENASCO
 YARD

STATE: NEW MEXICO	DATE: 2/01/10	REV: 0
COUNTRY: EDDY	DATE: 2/01/10	0
SECTION: 28	DATE: 2/01/10	
TOWNSHIP: T&S	SCALE: NA	
PLANK: 28E	PRINTED: 2/10/10	SHEET 1 OF 1

FROM
FUEL SYSTEM



DRAIN

MANUAL
VALVE

4' X 8'
BLOWCASE

TO WASTE WATER
STORAGE TANK

CONTAINMENT

AGAVE ENERGY COMPANY
105 South Fourth Street, Artesia New Mexico 88210

BLOWCASE REPLACEMENT

DRAFTING: TMH

CHECK: JMH

SIZE: ANSI A

REV: 1

PRINTED: 6/16/08

SECTION:

TOWNSHIP:

RANGE:

1 of 1

SHEET

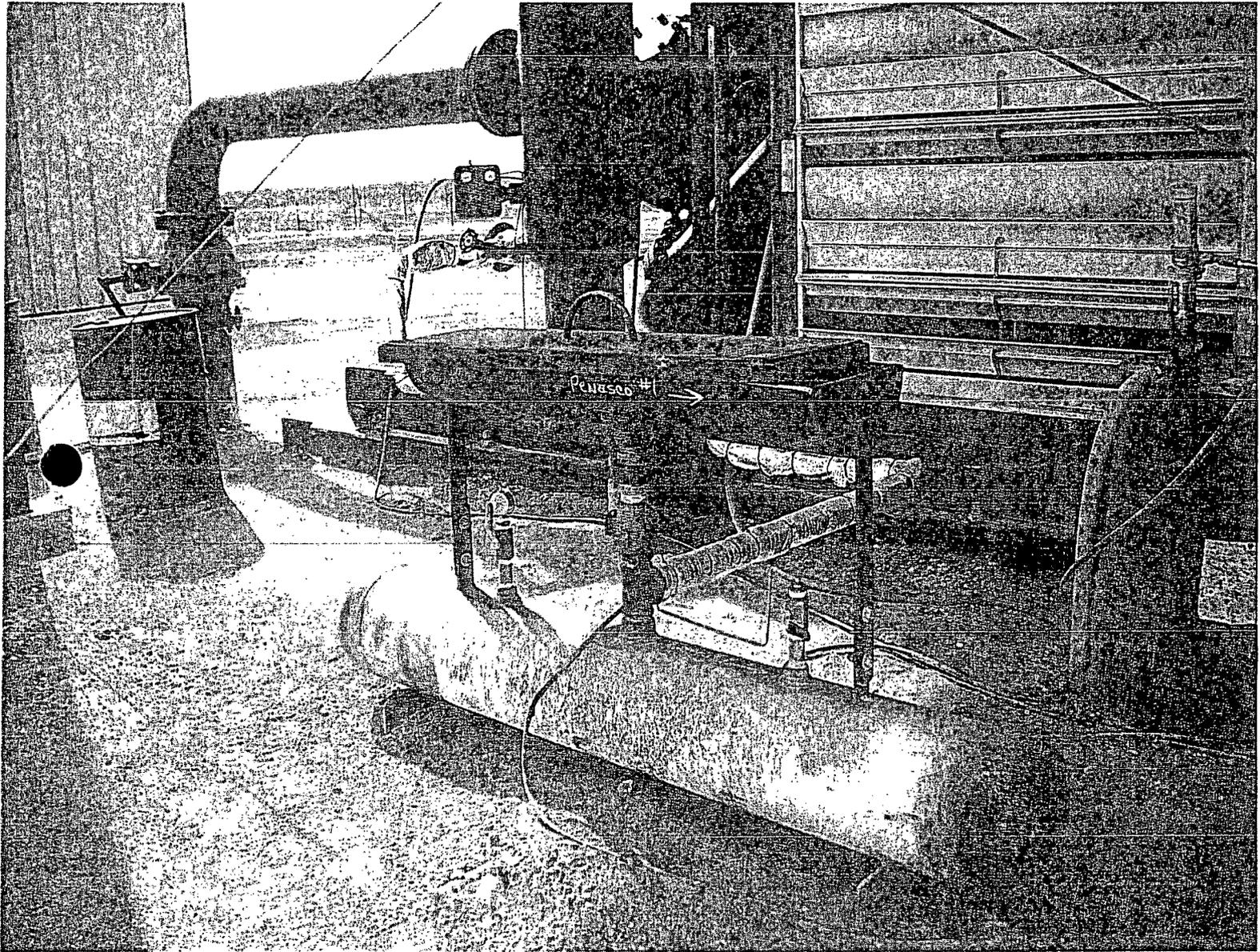
COUNTY: EDDY

STATE: NEW MEXICO

SCALE: 1/4"

DATE: 1/11/08

PROJECT: 08-001



EXCAVATION SAMPLING RESULTS

Analytical Report 362274

for

Agave Energy

Project Manager: Jennifer Knowlton

Penasco Compressor Station

Unit # 23

18-FEB-10



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AAL11), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)

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

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

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

Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370)

Xenco-Boca Raton (EPA Lab Code: FL00449):

Florida(E86240),South Carolina(96031001), Louisiana(04154), Georgia(917)

North Carolina(444), Texas(T104704468-TX), Illinois(002295)



18-FEB-10

Project Manager: **Jennifer Knowlton**

Agave Energy
105 S. Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **362274**
Penasco Compressor Station
Project Address: Eddy County

Jennifer Knowlton:

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 362274. 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. 362274 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

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Sample Cross Reference 362274



Agave Energy, Artesia, NM
Penasco Compressor Station

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-Bottom	S	Feb-12-10 10:12	13 - 13 ft	362274-001
GS/Comp-Sidewall	S	Feb-12-10 10:31	12 - 12 ft	362274-002



CASE NARRATIVE

Client Name: Agave Energy

Project Name: Penasco Compressor Station

Project ID: Unit # 23
Work Order Number: 362274

Report Date: 18-FEB-10
Date Received: 02/13/2010

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-793823 Inorganic Anions by EPA 300
None

Batch: LBA-793913 Percent Moisture
None

Batch: LBA-794039 BTEX by EPA 8021
SW8021BM

Batch 794039, 1,4-Difluorobenzene recovered below QC limits Data not confirmed by re-analysis. Samples affected are: 550473-1-BLK,362277-002 S,362277-002 SD,362274-001. 4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data not confirmed by re-analysis
Samples affected are: 362277-002 S,362277-002 SD.

SW8021BM

Batch 794039, o-Xylene recovered below QC limits in the Matrix Spike. Benzene, Ethylbenzene, Toluene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.
Samples affected are: 362274-001.
The Laboratory Control Sample for Toluene, Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits

Batch: LBA-794201 TPH by EPA 418.1
None



CASE NARRATIVE

Client Name: Agave Energy

Project Name: Penasco Compressor Station

Project ID: Unit # 23
Work Order Number: 362274

Report Date: 18-FEB-10
Date Received: 02/13/2010

*Batch: LBA-794317 BTEX by EPA 8021
SW8021BM.*

Batch 794317, 1,4-Difluorobenzene recovered below QC limits . Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 362274-002 D,362274-002.

4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 362274-002 D,362274-002.



Certificate of Analysis Summary 362274

Agave Energy, Odessa, NM

Project Id: Unit # 23 Date Received in Lab: Sat Feb-13-10 10:28 am
 Contact: Jennifer Knowlton Report Date: 18-FEB-10
 Project Location: Eddy County Project Manager: Brent Barron, II

Project Name: Penasco Compressor Station

<i>Analysis Requested</i>		Lab Id:	362274-001	362274-002	
		<i>Field Id:</i>	GS/Comp-Bottom	GS/Comp-Sidewall	
		<i>Depth:</i>	13-13 ft	12-12 ft	
		<i>Matrix:</i>	SOIL	SOIL	
		<i>Sampled:</i>	Feb-12-10 10:12	Feb-12-10 10:31	
Anions in Soil By EPA 300.0		<i>Extracted:</i>			
		<i>Analyzed:</i>	Feb-15-10 08:40	Feb-15-10 08:40	
		<i>Units/RL:</i>	mg/kg RL 21.6 5.13	mg/kg RL 25.9 4.46	
BTEX by EPA 8021		<i>Extracted:</i>	Feb-15-10 16:56	Feb-17-10 11:00	
		<i>Analyzed:</i>	Feb-16-10 08:29	Feb-17-10 14:57	
		<i>Units/RL:</i>	mg/kg RL ND 0.0012	mg/kg RL ND 0.0011	
Benzene			0.0063 0.0024	0.0447 0.0021	
Toluene			0.0030 0.0012	0.0471 0.0011	
Ethylbenzene			0.0212 0.0024	0.2249 0.0021	
m,p-Xylenes			0.0080 0.0012	0.0792 0.0011	
o-Xylene			0.0292 0.0012	0.3041 0.0011	
Xylenes, Total			0.0385 0.0012	0.3959 0.0011	
Total BTEX					
Percent Moisture		<i>Extracted:</i>			
		<i>Analyzed:</i>	Feb-15-10 17:00	Feb-15-10 17:00	
		<i>Units/RL:</i>	% RL 18.1 1.00	% RL 5.83 1.00	
TPH by EPA 418.1		<i>Extracted:</i>			
		<i>Analyzed:</i>	Feb-17-10 12:52	Feb-17-10 12:52	
		<i>Units/RL:</i>	mg/kg RL 7000 24.4	mg/kg RL 12600 21.2	
Total Petroleum Hydrocarbons (TPH)					

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

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

Brent Barron, II
Odessa Laboratory Manager

Flagging Criteria

- X** In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to 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 and above the SQL.
- U** Analyte was not detected.
- L** The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H** The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K** Sample analyzed outside of recommended hold time.
- JN** A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.
- BRL** Below Reporting Limit.
- RL** Reporting Limit
- * Outside XENCO's scope of NELAC Accreditation.

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5332 Blackberry Drive, San Antonio TX 78238
2505 North Falkenburg Rd, Tampa, FL 33619
5757 NW 158th St, Miami Lakes, FL 33014
12600 West I-20 East, Odessa, TX 79765
842 Cantwell Lane, Corpus Christi, TX 78408

Phone	Fax
(281) 240-4200	(281) 240-4280
(214) 902 0300	(214) 351-9139
(210) 509-3334	(210) 509-3335
(813) 620-2000	(813) 620-2033
(305) 823-8500	(305) 823-8555
(432) 563-1800	(432) 563-1713
(361) 884-0371	(361) 884-9116



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 362274,

Project ID: Unit # 23

Lab Batch #: 794039

Sample: 550473-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 02/16/10 06:38

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0271	0.0300	90	80-120	
4-Bromofluorobenzene	0.0311	0.0300	104	80-120	

Lab Batch #: 794039

Sample: 550473-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 02/16/10 07:00

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0262	0.0300	87	80-120	
4-Bromofluorobenzene	0.0301	0.0300	100	80-120	

Lab Batch #: 794039

Sample: 550473-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 02/16/10 08:07

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0229	0.0300	76	80-120	*
4-Bromofluorobenzene	0.0305	0.0300	102	80-120	

Lab Batch #: 794039

Sample: 362274-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 02/16/10 08:29

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0140	0.0300	47	80-120	*
4-Bromofluorobenzene	0.0278	0.0300	93	80-120	

Lab Batch #: 794039

Sample: 362277-002 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 02/16/10 13:54

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0181	0.0300	60	80-120	*
4-Bromofluorobenzene	0.0726	0.0300	242	80-120	*

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

Results are based on MDL and validated for QC purposes.



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 362274,
Lab Batch #: 794039

Sample: 362277-002 SD / MSD

Project ID: Unit # 23
Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 02/16/10 14:17

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0185	0.0300	62	80-120	*
4-Bromofluorobenzene	0.0732	0.0300	244	80-120	*

Lab Batch #: 794317

Sample: 550636-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 02/17/10 12:59

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0310	0.0300	103	80-120	
4-Bromofluorobenzene	0.0313	0.0300	104	80-120	

Lab Batch #: 794317

Sample: 550636-1-bsd / BSD

Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 02/17/10 13:22

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0303	0.0300	101	80-120	
4-Bromofluorobenzene	0.0302	0.0300	101	80-120	

Lab Batch #: 794317

Sample: 550636-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 02/17/10 14:33

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0249	0.0300	83	80-120	
4-Bromofluorobenzene	0.0307	0.0300	102	80-120	

Lab Batch #: 794317

Sample: 362274-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 02/17/10 14:57

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0165	0.0300	55	80-120	**
4-Bromofluorobenzene	0.0544	0.0300	181	80-120	**

* Surrogate outside of Laboratory QC limits
 ** Surrogates outside limits; data and surrogates confirmed by reanalysis
 *** Poor recoveries due to dilution
 Surrogate Recovery [D] = 100 * A / B
 Results are based on MDL and validated for QC purposes.



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 362274,
Lab Batch #: 794317

Sample: 362274-002 D / MD

Project ID: Unit # 23
Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 02/17/10 16:08

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0162	0.0300	54	80-120	**
4-Bromofluorobenzene	0.0546	0.0300	182	80-120	**

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

Results are based on MDL and validated for QC purposes.



Blank Spike Recovery



Project Name: Penasco Compressor Station

Work Order #: 362274

Project ID:

Unit # 23

Lab Batch #: 793823

Sample: 793823-1-BKS

Matrix: Solid

Date Analyzed: 02/15/2010

Date Prepared: 02/15/2010

Analyst: LATCOR

Reporting Units: mg/kg

Batch #: 1

BLANK /BLANK SPIKE RECOVERY STUDY

Anions in Soil By EPA 300.0 Analytes	Blank Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	ND	10.0	9.60	96	75-125	

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

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

Below Reporting Limit



Project Name: Penasco Compressor Station

Work Order #: 362274

Analyst: ASA

Lab Batch ID: 794039

Sample: 550473-1-BKS

Units: mg/kg

Date Prepared: 02/15/2010

Batch #: 1

Project ID: Unit # 23

Date Analyzed: 02/16/2010

Matrix: Solid

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
BTEX by EPA 8021											
Benzene	ND	0.1000	0.0796	80	0.1	0.0727	73	9	70-130	35	
Toluene	ND	0.1000	0.0803	80	0.1	0.0733	73	9	70-130	35	
Ethylbenzene	ND	0.1000	0.0776	78	0.1	0.0708	71	9	71-129	35	
m,p-Xylenes	ND	0.2000	0.1589	79	0.2	0.1454	73	9	70-135	35	
o-Xylene	ND	0.1000	0.0829	83	0.1	0.0757	76	9	71-133	35	

Date Prepared: 02/17/2010

Batch #: 1

Date Analyzed: 02/17/2010

Matrix: Solid

Analyst: ASA

Lab Batch ID: 794317

Sample: 550636-1-BKS

Units: mg/kg

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
BTEX by EPA 8021											
Benzene	ND	0.1000	0.1004	100	0.1	0.0911	91	10	70-130	35	
Toluene	ND	0.1000	0.0969	97	0.1	0.0888	89	9	70-130	35	
Ethylbenzene	ND	0.1000	0.1013	101	0.1	0.0905	91	11	71-129	35	
m,p-Xylenes	ND	0.2000	0.2096	105	0.2	0.1793	90	16	70-135	35	
o-Xylene	ND	0.1000	0.1014	101	0.1	0.0906	91	11	71-133	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



Project Name: Penasco Compressor Station

Work Order #: 362274

Analyst: LATCOR

Lab Batch ID: 794201

Sample: 794201-1-BKS

Date Prepared: 02/17/2010

Batch #: 1

Project ID: Unit # 23

Date Analyzed: 02/17/2010

Matrix: Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY											
TPH by EPA 418.1	Blank Sample Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Spike Added [E]	Blank Spike Duplicate Result [F]	Blk. Spk Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
Total Petroleum Hydrocarbons (TPH)	ND	2500	2560	102	2500	2570	103	0	65-135	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: Penasco Compressor Station

Order #: 362274

Lab Batch #: 793823

Date Analyzed: 02/15/2010

Date Prepared: 02/15/2010

Project ID: Unit # 23

Analyst: LATCOR

QC- Sample ID: 362205-001 S

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg

MATRIX / MATRIX SPIKE RECOVERY STUDY

Inorganic Anions by EPA 300 Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
	Chloride	133	215	317	86	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

BR [redacted] Low Reporting Limit



Form 3 - MS / MSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 362274

Project ID: Unit # 23

Lab Batch ID: 794039

Batch #: 1 Matrix: Soil

Date Analyzed: 02/16/2010

QC- Sample ID: 362277-002 S Date Prepared: 02/15/2010 Analyst: ASA

Reporting Units: mg/kg

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spiked Sample Result [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
BTEX by EPA 8021											
Benzene	ND	0.1184	0.0319	27	0.1184	0.0397	34	22	70-130	35	X
Toluene	ND	0.1184	0.0673	57	0.1184	0.0737	62	9	70-130	35	X
Ethylbenzene	ND	0.1184	0.0499	42	0.1184	0.0552	47	10	71-129	35	X
m,p-Xylenes	ND	0.2368	0.2055	87	0.2368	0.2188	92	6	70-135	35	
o-Xylene	ND	0.1184	0.0774	65	0.1184	0.0841	71	8	71-133	35	X

Lab Batch ID: 794201

Batch #: 1 Matrix: Soil

Date Analyzed: 02/17/2010

QC- Sample ID: 362208-001 S Date Prepared: 02/17/2010 Analyst: LATCOR

Reporting Units: mg/kg

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spiked Sample Result [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
TPH by EPA 418.1											
Total Petroleum Hydrocarbons (TPH)	178	2820	3140	105	2820	3090	103	2	65-135	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 Applicable
N = See Narrative, EQL = Estimated Quantitation Limit



Sample Duplicate Recovery

Project Name: Penasco Compressor Station

Work Order #: 362274

Lab Batch #: 793823

Project ID: Unit # 23

Date Analyzed: 02/15/2010

Date Prepared: 02/15/2010

Analyst: LATCOR

QC- Sample ID: 362205-001 D

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg

SAMPLE / SAMPLE DUPLICATE RECOVERY					
Anions in Soil By EPA 300.0	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Chloride	133	126	5	20	

Lab Batch #: 794317

Date Analyzed: 02/17/2010

Date Prepared: 02/17/2010

Analyst: ASA

QC- Sample ID: 362274-002 D

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg

SAMPLE / SAMPLE DUPLICATE RECOVERY					
BTEX by EPA 8021	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Benzene	ND	ND	NC	35	
Toluene	0.0447	0.0446	0	35	
Ethylbenzene	0.0471	0.0463	2	35	
m,p-Xylenes	0.2249	0.2208	2	35	
o-Xylene	0.0792	0.0780	2	35	

Lab Batch #: 793913

Date Analyzed: 02/15/2010

Date Prepared: 02/15/2010

Analyst: LATCOR

QC- Sample ID: 362274-001 D

Batch #: 1

Matrix: Soil

Reporting Units: %

SAMPLE / SAMPLE DUPLICATE RECOVERY					
Percent Moisture	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Percent Moisture	18.1	17.9	1	20	

Spike Relative Difference RPD $200 * |(B-A)/(B+A)|$

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

BRL - Below Reporting Limit

Environmental Lab of Texas
Variance/ Corrective Action Report- Sample Log-In

Client: Agave Energy Company
 Date/ Time: 2/13/10 10:28
 Lab ID #: 302274
 Initials: JG

Sample Receipt Checklist

Client Initials

	Yes	No		
#1 Temperature of container/ cooler?	<input checked="" type="checkbox"/>	No	2.0	°C
#2 Shipping container in good condition?	<input checked="" type="checkbox"/>	No		
#3 Custody Seals intact on shipping container/ cooler?	<input checked="" type="checkbox"/>	No	Not Present	
#4 Custody Seals intact on sample bottles/ container?	<input checked="" type="checkbox"/>	No	Not Present	
#5 Chain of Custody present?	<input checked="" type="checkbox"/>	No		
#6 Sample instructions complete of Chain of Custody?	<input checked="" type="checkbox"/>	No		
#7 Chain of Custody signed when relinquished/ received?	<input checked="" type="checkbox"/>	No		
#8 Chain of Custody agrees with sample label(s)?	<input checked="" type="checkbox"/>	No	iD written on Cont./ Lid	
#9 Container label(s) legible and intact?	<input checked="" type="checkbox"/>	No	Not Applicable	
#10 Sample matrix/ properties agree with Chain of Custody?	<input checked="" type="checkbox"/>	No		
#11 Containers supplied by ELOT?	<input checked="" type="checkbox"/>	No		
#12 Samples in proper container/ bottle?	<input checked="" type="checkbox"/>	No	See Below	
#13 Samples properly preserved?	<input checked="" type="checkbox"/>	No	See Below	
#14 Sample bottles intact?	<input checked="" type="checkbox"/>	No		
#15 Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/>	No		
#16 Containers documented on Chain of Custody?	<input checked="" type="checkbox"/>	No		
#17 Sufficient sample amount for indicated test(s)?	<input checked="" type="checkbox"/>	No	See Below	
#18 All samples received within sufficient hold time?	<input checked="" type="checkbox"/>	No	See Below	
#19 Subcontract of sample(s)?	<input checked="" type="checkbox"/>	No	Not Applicable	
#20 VOC samples have zero headspace?	<input checked="" type="checkbox"/>	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 362277

for

Agave Energy

Project Manager: Jennifer Knowlton

Penasco Compressor Station

South Tank Battery

17-FEB-10



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)

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

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

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

Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370)

Xenco-Boca Raton (EPA Lab Code: FL00449):

Florida(E86240),South Carolina(96031001), Louisiana(04154), Georgia(917)

North Carolina(444), Texas(T104704468-TX), Illinois(002295)



17-FEB-10

Project Manager: **Jennifer Knowlton**
Agave Energy
105 S. Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **362277**
Penasco Compressor Station
Project Address: Eddy County

Jennifer Knowlton:

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 362277. 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. 362277 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

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Sample Cross Reference 362277



Agave Energy, Artesia, NM
Penasco Compressor Station

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-Bottom	S	Feb-12-10 09:21	6 - 6 ft	362277-001
GS/Comp-Sidewall	S	Feb-12-10 09:40	5 - 5 ft	362277-002



CASE NARRATIVE

Client Name: Agave Energy

Project Name: Penasco Compressor Station

Project ID: South Tank Battery
Work Order Number: 362277

Report Date: 17-FEB-10
Date Received: 02/13/2010

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-793823 Inorganic Anions by EPA 300
None

Batch: LBA-793913 Percent Moisture
None

Batch: LBA-794039 BTEX by EPA 8021
SW8021BM

Batch 794039, o-Xylene recovered below QC limits in the Matrix Spike. Benzene, Ethylbenzene, Toluene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 362277-001, -002.

The Laboratory Control Sample for Toluene, Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits

SW8021BM

Batch 794039, 1,4-Difluorobenzene recovered below QC limits Data not confirmed by re-analysis. Samples affected are: 550473-1-BLK,362277-002 S,362277-002 SD,362277-002,362277-001.

4-Bromofluorobenzene recovered above QC limits . Matrix interferences is suspected; data not confirmed by re-analysis

Samples affected are: 362277-002 S,362277-002 SD.

Batch: LBA-794201 Petroleum Hydrocarbons, Total Recoverable (Spectrophoto Ir)
None



Certificate of Analysis Summary 362277

Agave Energy, Odessa, NM

Project Id: South Tank Battery
Contact: Jennifer Knowlton
Project Location: Eddy County
Project Name: Penasco Compressor Station
Date Received in Lab: Sat Feb-13-10 10:28 am
Report Date: 17-FEB-10
Project Manager: Brent Barron, II

Analysis Requested	Lab Id:	362277-001	362277-002	
	Field Id:	GS/Comp-Bottom	GS/Comp-Sidewall	
	Depth:	6-6 ft	5-5 ft	
	Matrix:	SOIL	SOIL	
	Sampled:	Feb-12-10 09:21	Feb-12-10 09:40	
Anions in Soil By EPA 300.0	Extracted:			
	Analyzed:	Feb-15-10 08:40	Feb-15-10 08:40	
	Units/RL:	mg/kg RL 6.73 5.08	mg/kg RL 176 9.94	
Chloride	Extracted:			
	Analyzed:	Feb-15-10 16:56	Feb-15-10 16:56	
	Units/RL:	mg/kg RL ND 0.0012	mg/kg RL ND 0.0012	
BTEX by EPA 8021	Extracted:			
	Analyzed:	Feb-16-10 09:15	Feb-16-10 09:37	
	Units/RL:	mg/kg RL ND 0.0012	mg/kg RL ND 0.0012	
Benzene		ND 0.0024	ND 0.0024	
Toluene		0.0116 0.0012	ND 0.0012	
Ethylbenzene		ND 0.0024	ND 0.0024	
m,p-Xylenes		0.0042 0.0012	ND 0.0012	
o-Xylene		0.0042 0.0012	ND 0.0012	
Xylenes, Total		0.0158 0.0012	ND 0.0012	
Total BTEX				
Percent Moisture	Extracted:			
	Analyzed:	Feb-15-10 17:00	Feb-15-10 17:00	
	Units/RL:	% RL 17.4 1.00	% RL 15.5 1.00	
Petroleum Hydrocarbons, Total Recoverable (Spectrophot Ir)	Extracted:			
	Analyzed:	Feb-17-10 12:52	Feb-17-10 12:52	
	Units/RL:	mg/kg RL 1960 24.2	mg/kg RL 628 23.7	
Total Petroleum Hydrocarbons (TPH)				

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


 Brent Barron, II
 Odessa Laboratory Manager

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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 and above the SQL.
- U** Analyte was not detected.
- L** The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H** The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K** Sample analyzed outside of recommended hold time.
- JN** A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.
- BRL** Below Reporting Limit.
- RL** Reporting Limit
- * Outside XENCO's scope of NELAC Accreditation.

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9701 Harry Hines Blvd , Dallas, TX 75220	(214) 902 0300	(214) 351-9139
5332 Blackberry Drive, San Antonio TX 78238	(210) 509-3334	(210) 509-3335
2505 North Falkenburg Rd, Tampa, FL 33619	(813) 620-2000	(813) 620-2033
5757 NW 158th St, Miami Lakes, FL 33014	(305) 823-8500	(305) 823-8555
12600 West I-20 East, Odessa, TX 79765	(432) 563-1800	(432) 563-1713
842 Cantwell Lane, Corpus Christi, TX 78408	(361) 884-0371	(361) 884-9116



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Lab Orders : 362277,
Lab Batch #: 794039

Sample: 550473-1-BKS / BKS

Project ID: South Tank Battery
Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 02/16/10 06:38

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0271	0.0300	90	80-120	
4-Bromofluorobenzene	0.0311	0.0300	104	80-120	

Lab Batch #: 794039

Sample: 550473-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 02/16/10 07:00

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0262	0.0300	87	80-120	
4-Bromofluorobenzene	0.0301	0.0300	100	80-120	

Lab Batch #: 794039

Sample: 550473-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 02/16/10 08:07

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0229	0.0300	76	80-120	*
4-Bromofluorobenzene	0.0305	0.0300	102	80-120	

Lab Batch #: 794039

Sample: 362277-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 02/16/10 09:15

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0216	0.0300	72	80-120	*
4-Bromofluorobenzene	0.0261	0.0300	87	80-120	

Lab Batch #: 794039

Sample: 362277-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 02/16/10 09:37

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0226	0.0300	75	80-120	*
4-Bromofluorobenzene	0.0321	0.0300	107	80-120	

* Surrogate outside of Laboratory QC limits
 ** Surrogates outside limits; data and surrogates confirmed by reanalysis
 *** Poor recoveries due to dilution
 Surrogate Recovery [D] = 100 * A / B
 Results are based on MDL and validated for QC purposes.



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 362277,

Lab Batch #: 794039

Sample: 362277-002 S / MS

Project ID: South Tank Battery

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 02/16/10 13:54

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0181	0.0300	60	80-120	*
4-Bromofluorobenzene	0.0726	0.0300	242	80-120	*

Lab Batch #: 794039

Sample: 362277-002 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 02/16/10 14:17

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0185	0.0300	62	80-120	*
4-Bromofluorobenzene	0.0732	0.0300	244	80-120	*

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

Results are based on MDL and validated for QC purposes.



Blank Spike Recovery



Project Name: Penasco Compressor Station

Work Order #: 362277

Project ID: South Tank Battery

Lab Batch #: 793823

Sample: 793823-1-BKS

Matrix: Solid

Date Analyzed: 02/15/2010

Date Prepared: 02/15/2010

Analyst: LATCOR

Reporting Units: mg/kg

Batch #: 1

BLANK /BLANK SPIKE RECOVERY STUDY

Anions in Soil By EPA 300.0 Analytes	Blank Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	ND	10.0	9.60	96	75-125	

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

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

B Below Reporting Limit



BS / BSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 362277

Analyst: ASA

Lab Batch ID: 794039

Date Prepared: 02/15/2010

Sample: 550473-1-BKS

Project ID: South Tank Battery

Date Analyzed: 02/16/2010

Batch #: 1

Matrix: Solid

Units: mg/kg

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
	BTEX by EPA 8021	ND	0.1000	0.0796	80	0.1	0.0727	73	9	70-130	35
Benzene	ND	0.1000	0.0803	80	0.1	0.0733	73	9	70-130	35	
Toluene	ND	0.1000	0.0776	78	0.1	0.0708	71	9	71-129	35	
Ethylbenzene	ND	0.2000	0.1589	79	0.2	0.1454	73	9	70-135	35	
m,p-Xylenes	ND	0.1000	0.0829	83	0.1	0.0757	76	9	71-133	35	
o-Xylene	ND	0.1000	0.0829	83	0.1	0.0757	76	9	71-133	35	

Analyst: LATCOR

Lab Batch ID: 794201

Sample: 794201-1-BKS

Date Prepared: 02/17/2010

Batch #: 1

Date Analyzed: 02/17/2010

Matrix: Solid

Units: mg/kg

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
	Petroleum Hydrocarbons, Total Recoverable (Spectrophot Ir)	ND	2500	2560	102	2500	2570	103	0	65-135	35
Total Petroleum Hydrocarbons (TPH)	ND	2500	2560	102	2500	2570	103	0	65-135	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: Penasco Compressor Station

Order #: 362277

Lab Batch #: 793823

Date Analyzed: 02/15/2010

QC- Sample ID: 362205-001 S

Reporting Units: mg/kg

Date Prepared: 02/15/2010

Batch #: 1

Project ID: South Tank Battery

Analyst: LATCOR

Matrix: Soil

MATRIX / MATRIX SPIKE RECOVERY STUDY

Inorganic Anions by EPA 300	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
Analytes						
Chloride	133	215	317	86	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

BR [redacted] Reporting Limit



Form 3 - MS/MSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 362277

Project ID: South Tank Battery

Lab Batch ID: 794039

QC-Sample ID: 362277-002 S

Date Analyzed: 02/16/2010

Date Prepared: 02/15/2010

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg

Analyst: ASA

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
BTEX by EPA 8021											
Benzene	ND	0.1184	0.0319	27	0.1184	0.0397	34	22	70-130	35	X
Toluene	ND	0.1184	0.0673	57	0.1184	0.0737	62	9	70-130	35	X
Ethylbenzene	ND	0.1184	0.0499	42	0.1184	0.0552	47	10	71-129	35	X
m,p-Xylenes	ND	0.2368	0.2055	87	0.2368	0.2188	92	6	70-135	35	
o-Xylene	ND	0.1184	0.0774	65	0.1184	0.0841	71	8	71-133	35	X

Lab Batch ID: 794201

QC-Sample ID: 362208-001 S

Batch #: 1

Matrix: Soil

Date Analyzed: 02/17/2010

Date Prepared: 02/17/2010

Analyst: LATCOR

Reporting Units: mg/kg

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

Petroleum Hydrocarbons, Total Recoverable (Spectrophotometry)	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
Total Petroleum Hydrocarbons (TPH)	178	2820	3140	105	2820	3090	103	2	65-135	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, EQI = Estimated Quantitation Limit



Sample Duplicate Recovery

Project Name: Penasco Compressor Station

Work Order #: 362277

Lab Batch #: 793823

Project ID: South Tank Battery

Date Analyzed: 02/15/2010

Date Prepared: 02/15/2010

Analyst: LATCOR

QC- Sample ID: 362205-001 D

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg

SAMPLE / SAMPLE DUPLICATE RECOVERY

Anions in Soil By EPA 300.0	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Chloride	133	126	5	20	

Lab Batch #: 793913

Date Analyzed: 02/15/2010

Date Prepared: 02/15/2010

Analyst: LATCOR

QC- Sample ID: 362274-001 D

Batch #: 1

Matrix: Soil

Reporting Units: %

SAMPLE / SAMPLE DUPLICATE RECOVERY

Percent Moisture	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Percent Moisture	18.1	17.9	1	20	

Spike Relative Difference RPD $200 * |(B-A)/(B+A)|$

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

BRL - Below Reporting Limit

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Agave Energy Company
 Date/ Time: 2/13/10 10:28
 Lab ID #: 302277
 Initials: JG

Sample Receipt Checklist

Client Initials

#	Question	Yes	No	Response	Client Initials
#1	Temperature of container/ cooler?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2.0 °C	
#2	Shipping container in good condition?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
#3	Custody Seals intact on shipping container/ cooler?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not Present	
#4	Custody Seals intact on sample bottles/ container?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not Present	
#5	Chain of Custody present?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
#6	Sample instructions complete of Chain of Custody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
#7	Chain of Custody signed when relinquished/ received?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
#8	Chain of Custody agrees with sample label(s)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ID written on Cont./ Lid	
#9	Container label(s) legible and intact?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
#11	Containers supplied by ELOT?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
#12	Samples in proper container/ bottle?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	See Below	
#13	Samples properly preserved?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	See Below	
#14	Sample bottles intact?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
#15	Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
#16	Containers documented on Chain of Custody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
#17	Sufficient sample amount for indicated test(s)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	See Below	
#18	All samples received within sufficient hold time?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	See Below	
#19	Subcontract of sample(s)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not Applicable	
#20	VOC samples have zero headspace?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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 362844

for

Agave Energy

Project Manager: Jennifer Knowlton

Penasco Compressor Station

Below Grade Tank (Unit # 2)

24-FEB-10



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00312), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)

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

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Xenco-Boca Raton (EPA Lab Code: FL00449):

Florida(E86240),South Carolina(96031001), Louisiana(04154), Georgia(917)

North Carolina(444), Texas(T104704468-TX), Illinois(002295)



24-FEB-10

Project Manager: **Jennifer Knowlton**
Agave Energy
105 S. Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **362844**
Penasco Compressor Station
Project Address: Eddy County

Jennifer Knowlton:

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 362844. 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. 362844 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

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Sample Cross Reference 362844



Agave Energy, Artesia, NM
Penasco Compressor Station

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/Comp-Bottom	S	Feb-17-10 13:25	20 - 20 ft	362844-001
GS/Comp-Sidewall	S	Feb-17-10 13:32	15 - 15 ft	362844-002



CASE NARRATIVE

Client Name: Agave Energy
Project Name: Penasco Compressor Station



Project ID: Below Grade Tank (Unit #)
Work Order Number: 362844

Report Date: 24-FEB-10
Date Received: 02/19/2010

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-794783 Percent Moisture
None

Batch: LBA-794973 Inorganic Anions by EPA 300
None

Batch: LBA-794998 BTEX by EPA 8021
SW8021BM

Batch 794998, Benzene, Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 362844-002.

The Laboratory Control Sample for Toluene, m,p-Xylenes, Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits

Batch: LBA-795079 TPH by EPA 418.1
None



CASE NARRATIVE

Client Name: Agave Energy

Project Name: Penasco Compressor Station



Project ID: Below Grade Tank (Unit #
Work Order Number: 362844

Report Date: 24-FEB-10
Date Received: 02/19/2010

Batch: LBA-795184 BTEX by EPA 8021
SW8021BM

Batch 795184, Benzene, Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 362844-001.

The Laboratory Control Sample for Toluene, m,p-Xylenes, Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits

SW8021BM

Batch 795184, Benzene, Ethylbenzene, Toluene, m,p-Xylenes, o-Xylene RPD was outside QC limits.

Samples affected are: 362844-001

SW8021BM

Batch 795184, 1,4-Difluorobenzene recovered below QC limits. Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 362844-001.

4-Bromofluorobenzene recovered below QC limits. Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 363035-011 S, 363035-011 SD.



Certificate of Analysis Summary 362844

Agave Energy, Odessa, NM



Project Id: Below Grade Tank (Unit # 2)
 Contact: Jennifer Knowlton
 Project Location: Eddy County

Project Name: Penasco Compressor Station

Date Received in Lab: Fri Feb-19-10 09:35 am
 Report Date: 24-FEB-10
 Project Manager: Brent Barron, II

Analysis Requested	Lab Id: Field Id: Depth: Matrix: Sampled:	362844-001 GS/Comp-Bottom 20-20 ft SOIL Feb-17-10 13:25	362844-002 GS/Comp-Sidewall 15-15 ft SOIL Feb-17-10 13:32
Anions in Soil By EPA 300.0	Extracted: Analyzed: Units/RL:	Feb-22-10 19:16 mg/kg RL 13.3 4.67	Feb-22-10 19:16 mg/kg RL 45.3 4.59
BTEX by EPA 8021	Extracted: Analyzed: Units/RL:	Feb-23-10 08:45 Feb-23-10 16:30 mg/kg RL	Feb-22-10 17:05 Feb-23-10 03:29 mg/kg RL
Benzene		ND 0.0011	ND 0.0011
Toluene		ND 0.0022	ND 0.0022
Ethylbenzene		0.0128 0.0011	ND 0.0011
m,p-Xylenes		0.1319 0.0022	ND 0.0022
o-Xylene		0.0786 0.0011	ND 0.0011
Xylenes, Total		0.2105 0.0011	ND 0.0011
Total BTEX		0.2233 0.0011	ND 0.0011
Percent Moisture	Extracted: Analyzed: Units/RL:	Feb-19-10 17:00 % RL 10.0 1.00	Feb-19-10 17:00 % RL 8.50 1.00
TPH by EPA 418.1	Extracted: Analyzed: Units/RL:	Feb-23-10 13:49 mg/kg RL 1460 22.2	Feb-23-10 13:49 mg/kg RL 711 21.9
Total Petroleum Hydrocarbons (TPH)			

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

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Brent Barron, II
 Odessa Laboratory Manager



Flagging Criteria



- K** 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 and above the SQL.
- U** Analyte was not detected.
- L** The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H** The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K** Sample analyzed outside of recommended hold time.
- JN** A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

BRL Below Reporting Limit.

RL Reporting Limit

* Outside XENCO's scope of NELAC Accreditation.

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(305) 823-8500	(305) 823-8555
(432) 563-1800	(432) 563-1713
(361) 884-0371	(361) 884-9116



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Lab Orders : 362844,
Lab Batch #: 794998

Project ID: Below Grade Tank (Unit # 2)

Sample: 551117-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg		Date Analyzed: 02/22/10 21:13		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0293	0.0300	98	80-120	
4-Bromofluorobenzene		0.0306	0.0300	102	80-120	

Lab Batch #: 794998

Sample: 551117-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg		Date Analyzed: 02/22/10 21:35		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0294	0.0300	98	80-120	
4-Bromofluorobenzene		0.0317	0.0300	106	80-120	

Lab Batch #: 794998

Sample: 551117-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg		Date Analyzed: 02/22/10 22:42		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0248	0.0300	83	80-120	
4-Bromofluorobenzene		0.0315	0.0300	105	80-120	

Lab Batch #: 794998

Sample: 362844-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg		Date Analyzed: 02/23/10 03:29		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0243	0.0300	81	80-120	
4-Bromofluorobenzene		0.0303	0.0300	101	80-120	

Lab Batch #: 794998

Sample: 363035-010 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg		Date Analyzed: 02/23/10 06:46		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0287	0.0300	96	80-120	
4-Bromofluorobenzene		0.0344	0.0300	115	80-120	

* Surrogate outside of Laboratory QC limits
 ** Surrogates outside limits; data and surrogates confirmed by reanalysis
 *** Poor recoveries due to dilution
 Surrogate Recovery [D] = 100 * A / B
 Results are based on MDL and validated for QC purposes.



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 362844,
Lab Batch #: 794998

Sample: 363035-010 SD / MSD

Project ID: Below Grade Tank (Unit # 2)
Batch: 1 Matrix: Soil

Units: mg/kg		Date Analyzed: 02/23/10 07:07		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0291	0.0300	97	80-120	
4-Bromofluorobenzene		0.0346	0.0300	115	80-120	

Lab Batch #: 795184

Sample: 551238-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg		Date Analyzed: 02/23/10 14:37		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0288	0.0300	96	80-120	
4-Bromofluorobenzene		0.0291	0.0300	97	80-120	

Lab Batch #: 795184

Sample: 551238-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg		Date Analyzed: 02/23/10 14:59		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0290	0.0300	97	80-120	
4-Bromofluorobenzene		0.0304	0.0300	101	80-120	

Lab Batch #: 795184

Sample: 551238-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg		Date Analyzed: 02/23/10 16:08		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0241	0.0300	80	80-120	
4-Bromofluorobenzene		0.0307	0.0300	102	80-120	

Lab Batch #: 795184

Sample: 362844-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg		Date Analyzed: 02/23/10 16:30		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0230	0.0300	77	80-120	**
4-Bromofluorobenzene		0.0992	0.0300	331	80-120	**

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

Results are based on MDL and validated for QC purposes.



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Order #: 362844,

Project ID: Below Grade Tank (Unit # 2)

Lab Batch #: 795184

Sample: 363035-011 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 02/23/10 20:17

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0266	0.0300	89	80-120	
4-Bromofluorobenzene	0.0168	0.0300	56	80-120	**

Lab Batch #: 795184

Sample: 363035-011 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 02/23/10 20:40

SURROGATE RECOVERY STUDY

BTEX by EPA 8021 Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1,4-Difluorobenzene	0.0268	0.0300	89	80-120	
4-Bromofluorobenzene	0.0179	0.0300	60	80-120	**

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

Results are based on MDL and validated for QC purposes.



Blank Spike Recovery



Project Name: Penasco Compressor Station

Work Order #: 362844

Project ID: Below Grade Tank (Unit # 2)

Lab Batch #: 794973

Sample: 794973-1-BKS

Matrix: Solid

Date Analyzed: 02/22/2010

Date Prepared: 02/22/2010

Analyst: LATCOR

Reporting Units: mg/kg

Batch #: 1

BLANK /BLANK SPIKE RECOVERY STUDY

Anions in Soil By EPA 300.0 Analytes	Blank Result [A]	Spike Added [B]	Blank Spike Result [C]	Blank Spike %R [D]	Control Limits %R	Flags
Chloride	ND	8.00	8.34	104	75-125	

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

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

Below Reporting Limit



BS / BSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 362844

Analyst: ASA

Lab Batch ID: 794998

Sample: 551117-1-BKS

Date Prepared: 02/22/2010

Batch #: 1

Project ID: Below Grade Tank (Unit # 2)

Date Analyzed: 02/22/2010

Matrix: Solid

Units: mg/kg

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
BTEX by EPA 8021											
Benzene	ND	0.1000	0.1044	104	0.1	0.0927	93	12	70-130	35	
Toluene	ND	0.1000	0.1016	102	0.1	0.0897	90	12	70-130	35	
Ethylbenzene	ND	0.1000	0.1034	103	0.1	0.0907	91	13	71-129	35	
m,p-Xylenes	ND	0.2000	0.2050	103	0.2	0.1792	90	13	70-135	35	
o-Xylene	ND	0.1000	0.1031	103	0.1	0.0909	91	13	71-133	35	

Analyst: ASA

Lab Batch ID: 795184

Sample: 551238-1-BKS

Date Prepared: 02/23/2010

Batch #: 1

Date Analyzed: 02/23/2010

Matrix: Solid

Units: mg/kg

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
BTEX by EPA 8021											
Benzene	ND	0.1000	0.0973	97	0.1	0.0979	98	1	70-130	35	
Toluene	ND	0.1000	0.0959	96	0.1	0.0963	96	0	70-130	35	
Ethylbenzene	ND	0.1000	0.0981	98	0.1	0.0991	99	1	71-129	35	
m,p-Xylenes	ND	0.2000	0.1942	97	0.2	0.1966	98	1	70-135	35	
o-Xylene	ND	0.1000	0.0979	98	0.1	0.0997	100	2	71-133	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



Project Name: Penasco Compressor Station

Work Order #: 362844

Analyst: LATCOR

Lab Batch ID: 795079

Sample: 795079-1-BKS

Date Prepared: 02/23/2010

Batch #: 1

Project ID: Below Grade Tank (Unit # 2)

Date Analyzed: 02/23/2010

Matrix: Solid

Units: mg/kg

BLANK /BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

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
ND	2500	2470	99	2500	2500	100	1	65-135	35	

TPH by EPA 418.1

Analytes

Total Petroleum Hydrocarbons (TPH)

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: Penasco Compressor Station

Order #: 362844

Project ID: Below Grade Tank (Unit # 2)

Lab Batch #: 794973

Date Prepared: 02/22/2010

Analyst: LATCOR

Date Analyzed: 02/22/2010

Batch #: 1

Matrix: Soil

QC- Sample ID: 362836-001 S

Reporting Units: mg/kg

MATRIX / MATRIX SPIKE RECOVERY STUDY

Inorganic Anions by EPA 300 Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	%R [D]	Control Limits %R	Flag
	Chloride	1970	943	2880	97	75-125

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

Below Reporting Limit



Form 3 - MS / MSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 362844

Lab Batch ID: 794998

Date Analyzed: 02/23/2010

Reporting Units: mg/kg

Project ID: Below Grade Tank (Unit # 2)

Batch #: 1 Matrix: Soil

Analyst: ASA

QC- Sample ID: 363035-010 S

Date Prepared: 02/22/2010

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
BTEX by EPA 8021											
Benzene	ND	0.1178	0.0734	62	0.1173	0.0815	69	10	70-130	35	X
Toluene	ND	0.1178	0.0715	61	0.1173	0.0796	68	11	70-130	35	X
Ethylbenzene	ND	0.1178	0.0733	62	0.1173	0.0823	70	12	71-129	35	X
m,p-Xylenes	ND	0.2356	0.1457	62	0.2346	0.1630	69	11	70-135	35	X
o-Xylene	ND	0.1178	0.0689	58	0.1173	0.0767	65	11	71-133	35	X

Lab Batch ID: 795184

Date Analyzed: 02/23/2010

Reporting Units: mg/kg

QC- Sample ID: 363035-011 S

Date Prepared: 02/23/2010

Batch #: 1 Matrix: Soil

Analyst: ASA

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
BTEX by EPA 8021											
Benzene	ND	0.1042	0.0290	28	0.1042	0.0199	19	37	70-130	35	XF
Toluene	ND	0.1042	0.0137	13	0.1042	0.0083	8	49	70-130	35	XF
Ethylbenzene	ND	0.1042	0.0067	6	0.1042	0.0039	4	53	71-129	35	XF
m,p-Xylenes	ND	0.2084	0.0132	6	0.2084	0.0074	4	56	70-135	35	XF
o-Xylene	ND	0.1042	0.0062	6	0.1042	0.0038	4	48	71-133	35	XF

Matrix Spike Percent Recovery [D] = 100*(C-A)/B
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 Applicable, N = See Narrative, EQL = Estimated Quantitation Limit

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



Form 3 - MS / MSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 362844

Project ID: Below Grade Tank (Unit # 2)

Lab Batch ID: 795079

QC- Sample ID: 362844-001 S

Batch #: 1 Matrix: Soil

Date Analyzed: 02/23/2010

Date Prepared: 02/23/2010

Analyst: LATCOR

Reporting Units: mg/kg

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

TPH by EPA 418.1 Analytes	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spike Added [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
	Total Petroleum Hydrocarbons (TPH)	1460	2780	4100	95	2780	4170	97	2	65-135	35

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

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

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



Sample Duplicate Recovery



Project Name: Penasco Compressor Station

Work Order #: 362844

Lab Batch #: 794973

Project ID: Below Grade Tank (Unit # 2)

Date Analyzed: 02/22/2010

Date Prepared: 02/22/2010

Analyst: LATCOR

QC- Sample ID: 362836-001 D

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg

SAMPLE / SAMPLE DUPLICATE RECOVERY

Anions in Soil By EPA 300.0	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Chloride	1970	1980	1	20	

Lab Batch #: 794783

Date Analyzed: 02/19/2010

Date Prepared: 02/19/2010

Analyst: WRU

QC- Sample ID: 362836-001 D

Batch #: 1

Matrix: Soil

Reporting Units: %

SAMPLE / SAMPLE DUPLICATE RECOVERY

Percent Moisture	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Percent Moisture	15.1	14.8	2	20	

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

Environmental Lab of Texas
Variance/ Corrective Action Report- Sample Log-In

Client: Agave Energy
 Date/ Time: 2-19-10 9:35
 Lab ID #: 362844
 Initials: AL

Sample Receipt Checklist

Client Initials

#1	Temperature of container/ cooler?	<input checked="" type="checkbox"/> Yes	No	4.6 °C	
#2	Shipping container in good condition?	<input checked="" type="checkbox"/> Yes	No		
#3	Custody Seals intact on shipping container/ cooler?	<input checked="" type="checkbox"/> Yes	No	Not Present	
#4	Custody Seals intact on sample bottles/ container?	<input checked="" type="checkbox"/> Yes	No	Not Present	
#5	Chain of Custody present?	<input checked="" type="checkbox"/> Yes	No		
#6	Sample instructions complete of Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
#7	Chain of Custody signed when relinquished/ received?	<input checked="" type="checkbox"/> Yes	No		
#8	Chain of Custody agrees with sample label(s)?	<input checked="" type="checkbox"/> Yes	No	ID written on Cont./ Lid	
#9	Container label(s) legible and intact?	<input checked="" type="checkbox"/> Yes	No	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
#11	Containers supplied by ELOT?	<input checked="" type="checkbox"/> Yes	No		
#12	Samples in proper container/ bottle?	<input checked="" type="checkbox"/> Yes	No	See Below	
#13	Samples properly preserved?	<input checked="" type="checkbox"/> Yes	No	See Below	
#14	Sample bottles intact?	<input checked="" type="checkbox"/> Yes	No		
#15	Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
#16	Containers documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
#17	Sufficient sample amount for indicated test(s)?	<input checked="" type="checkbox"/> Yes	No	See Below	
#18	All samples received within sufficient hold time?	<input checked="" type="checkbox"/> Yes	No	See Below	
#19	Subcontract of sample(s)?	<input checked="" type="checkbox"/> Yes	No	<u>Not Applicable</u>	
#20	VOC samples have zero headspace?	<input checked="" type="checkbox"/> 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

**TCLP FROM EXCAVATED SOILS – NONHAZARDOUS
DETERMINATION**

TCLP

Analytical Report 356164

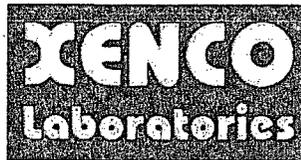
for

Agave Energy

Project Manager: Jennifer Knowlton

Penasco Compressor Station

08-JAN-10



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-08-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00308), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87429), North Carolina (483), South Carolina (98015), Utah (AAL11), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)

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

Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-08-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-08-TX)

Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370-08-TX)

Xenco-Boca Raton (EPA Lab Code: FL00449): Florida(E86240),
South Carolina(96031001), Louisiana(04154), Georgia(917)



08-JAN-10

Project Manager: **Jennifer Knowlton**
Agave Energy
105 S. Fourth St.
Artesia, NM 88210

Reference: XENCO Report No: **356164**
Penasco Compressor Station
Project Address: Eddy County

Jennifer Knowlton:

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 356164. 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. 356164 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

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

Certified and approved by numerous States and Agencies.

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

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



Sample Cross Reference 356164



Agave Energy, Artesia, NM
Penasco Compressor Station

Sample Id	Matrix	Date Collected	Sample Depth	Lab Sample Id
GS/ Stockpile	S	Dec-17-09 10:30		356164-001



CASE NARRATIVE

Client Name: Agave Energy

Project Name: Penasco Compressor Station

Project ID:
Work Order Number: 356164

Report Date: 08-JAN-10
Date Received: 12/18/2009

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

Batch: LBA-786482 Percent Moisture
None

Batch: LBA-786518 Mercury by SW-846 7471A
None

Batch: LBA-786535 BTEX by EPA 8021
SW8021BM

Batch 786535, m,p-Xylenes, o-Xylene recovered below QC limits in the Matrix Spike. Benzene, Ethylbenzene, Toluene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 356164-001.

The Laboratory Control Sample for Toluene, m,p-Xylenes, Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits

SW8021BM

Batch 786535, Benzene, Ethylbenzene, m,p-Xylenes RPD was outside QC limits.
Samples affected are: 356164-001

SW8021BM

Batch 786535, 4-Bromofluorobenzene recovered above QC limits. Matrix interferences is suspected; data confirmed by re-analysis

Samples affected are: 356164-001.

4-Bromofluorobenzene recovered above QC limits. Matrix interferences is suspected; data not confirmed by re-analysis

Samples affected are: 355920-001 SD

CASE NARRATIVE



Client Name: Agave Energy
Project Name: Penasco Compressor Station

Project ID:
Work Order Number: 356164

Report Date: 08-JAN-10
Date Received: 12/18/2009

Batch: LBA-786922 Metals by ICP
SW6010B

Batch 786922, Selenium RPD was outside QC limits.
Samples affected are: 356164-001

SW6010B

Batch 786922, Lead, Selenium, Silver recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate. Barium recovered above QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 356164-001.

The Laboratory Control Sample for Silver, Selenium, Barium, Lead is within laboratory Control Limits

Batch: LBA-787268 TPH by SW 8015B
SW8015B_NM

Batch 787268, C10-C28 Diesel Range Hydrocarbons recovered below QC limits in the Matrix Spike.

Samples affected are: 356164-001.

The Laboratory Control Sample for C10-C28 Diesel Range Hydrocarbons is within laboratory Control Limits

Batch: LBA-788633 TCLP Metals per ICP by SW846 6010B
None

Batch: LBA-788642 TCLP Mercury by SW-846 1311/7470A
None



Certificate of Analysis Summary 356164

Agave Energy, Odessa, NM

Project Name: Penasco Compressor Station



Project Id:

Contact: Jennifer Knowlton

Project Location: Eddy County

Date Received in Lab: Fri Dec-18-09 10:30 am

Report Date: 08-JAN-10

Project Manager: Brent Barron, II

Analysis Requested	Lab Id:	356164-001				
	Field Id:	GS/ Stockpile				
	Depth:					
	Matrix:	SOIL				
	Sampled:	Dec-17-09 10:30				
TCLP Mercury by SW-846 1311/7470A	Extracted:	Jan-08-10 11:10				
	Analyzed:	Jan-08-10 11:30				
	Units/RL:	mg/L RL				
Mercury		ND	0.0001			
TCLP Metals per ICP by SW846 6010B	Extracted:	Jan-07-10 10:00				
	Analyzed:	Jan-08-10 10:53				
	Units/RL:	mg/L RL				
Arsenic		ND	0.010			
Barium		0.198	0.010			
Cadmium		ND	0.005			
Chromium		ND	0.005			
Lead		ND	0.012			
Selenium		ND	0.010			
Silver		ND	0.004			

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Brent Barron, II
Odessa Laboratory Manager



Certificate of Analysis Summary 356164

Agave Energy, Odessa, NM

Project Name: Penasco Compressor Station

Project Id:

Contact: Jennifer Knowlton

Project Location: Eddy County

Date Received in Lab: Fri Dec-18-09 10:30 am

Report Date: 08-JAN-10

Project Manager: Brent Barron, II



Analysis Requested	Lab Id:	Field Id:	Depth:	Matrix:	Sampled:	Extracted:	Analyzed:	Units/RL:
BTEX by EPA 8021	356164-001	GS/ Stockpile		SOIL	Dec-17-09 10:30			
Benzene					Dec-19-09 12:30			mg/kg RL
Toluene					Dec-20-09 05:41			ND 0.0219
Ethylbenzene								ND 0.0439
m,p-Xylenes								ND 0.0219
o-Xylene								0.2303 0.0439
Xylenes, Total								0.5156 0.0219
Total BTEX								0.7459 0.0219
Mercury by SW-846 7471A								0.7459 0.0219
Mercury					Dec-21-09 08:30			ug/kg RL
					Dec-21-09 11:30			BRL 107
Metals by ICP					Dec-21-09 09:00			
					Dec-23-09 09:26			mg/kg RL
Barium								201 2.74
Selenium								ND 2.74
Chromium								10.0 2.74
Cadmium								ND 2.74
Arsenic								ND 2.74
Lead								4.28 2.74
Silver								ND 2.74

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Brent Barron, II

Odessa Laboratory Manager



Certificate of Analysis Summary 356164

Agave Energy, Odessa, NM



Project Name: Penasco Compressor Station

Project Id:

Contact: Jennifer Knowlton

Project Location: Eddy County

Date Received in Lab: Fri Dec-18-09 10:30 am

Report Date: 08-JAN-10

Project Manager: Brent Barron, II

Analysis Requested	Lab Id:	Field Id:	Depth:	Matrix:	Sampled:	Extracted:	Analyzed:	Units/RL:
Percent Moisture	356164-001	GS/ Stockpile		SOIL	Dec-17-09 10:30		Dec-19-09 09:15	% RL
								8.80 1.00
TPH by SW 8015B							Dec-21-09 16:00	
							Dec-24-09 05:05	mg/kg RL
C6-C10 Gasoline Range Hydrocarbons								BRL 82.2
C10-C28 Diesel Range Hydrocarbons								209 82.2
Total TPH								209 82.2

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Brent Barron, II

Odessa Laboratory Manager



Flagging Criteria



- X** In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to 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 and above the SQL.
- U** Analyte was not detected.
- L** The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H** The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K** Sample analyzed outside of recommended hold time.
- JN** A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

BRL Below Reporting Limit.

RL Reporting Limit

* Outside XENCO's scope of NELAC Accreditation.

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Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 356164,
Lab Batch #: 786535

Sample: 545988-1-BKS / BKS

Project ID:
Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 12/20/09 00:12

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0285	0.0300	95	80-120	
4-Bromofluorobenzene	0.0267	0.0300	89	80-120	

Lab Batch #: 786535

Sample: 545988-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 12/20/09 00:35

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0307	0.0300	102	80-120	
4-Bromofluorobenzene	0.0292	0.0300	97	80-120	

Lab Batch #: 786535

Sample: 545988-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg Date Analyzed: 12/20/09 01:46

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0281	0.0300	94	80-120	
4-Bromofluorobenzene	0.0282	0.0300	94	80-120	

Lab Batch #: 786535

Sample: 356164-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 12/20/09 05:41

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0261	0.0300	87	80-120	
4-Bromofluorobenzene	0.1423	0.0300	474	80-120	**

Lab Batch #: 786535

Sample: 355920-001 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg Date Analyzed: 12/20/09 06:04

SURROGATE RECOVERY STUDY					
BTEX by EPA 8021	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes					
1,4-Difluorobenzene	0.0295	0.0300	98	80-120	
4-Bromofluorobenzene	0.0332	0.0300	111	80-120	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

Results are based on MDL and validated for QC purposes.



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 356164,
Lab Batch #: 786535

Sample: 355920-001 SD / MSD

Project ID:
Batch: 1 Matrix: Soil

Units: mg/kg		Date Analyzed: 12/20/09 06:28		SURROGATE RECOVERY STUDY		
BTEX by EPA 8021		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1,4-Difluorobenzene		0.0331	0.0300	110	80-120	
4-Bromofluorobenzene		0.0382	0.0300	127	80-120	*

Lab Batch #: 787268 Sample: 546403-1-BKS / BKS Batch: 1 Matrix: Solid

Units: mg/kg		Date Analyzed: 12/24/09 03:45		SURROGATE RECOVERY STUDY		
TPH by SW 8015B		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1-Chlorooctane		121	100	121	70-135	
o-Terphenyl		54.4	50.2	108	70-135	

Lab Batch #: 787268 Sample: 546403-1-BSD / BSD Batch: 1 Matrix: Solid

Units: mg/kg		Date Analyzed: 12/24/09 04:12		SURROGATE RECOVERY STUDY		
TPH by SW 8015B		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1-Chlorooctane		130	99.8	130	70-135	
o-Terphenyl		58.9	49.9	118	70-135	

Lab Batch #: 787268 Sample: 546403-1-BLK / BLK Batch: 1 Matrix: Solid

Units: mg/kg		Date Analyzed: 12/24/09 04:38		SURROGATE RECOVERY STUDY		
TPH by SW 8015B		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1-Chlorooctane		120	101	119	70-135	
o-Terphenyl		67.3	50.3	134	70-135	

Lab Batch #: 787268 Sample: 356164-001 / SMP Batch: 1 Matrix: Soil

Units: mg/kg		Date Analyzed: 12/24/09 05:05		SURROGATE RECOVERY STUDY		
TPH by SW 8015B		Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
Analytes						
1-Chlorooctane		108	99.9	108	70-135	
o-Terphenyl		66.2	50.0	132	70-135	

* Surrogate outside of Laboratory QC limits
 ** Surrogates outside limits; data and surrogates confirmed by reanalysis
 *** Poor recoveries due to dilution
 Surrogate Recovery [D] = 100 * A / B
 Results are based on MDL and validated for QC purposes.



Form 2 - Surrogate Recoveries

Project Name: Penasco Compressor Station

Work Orders : 356164,

Lab Batch #: 787268

Sample: 356167-001 S / MS

Project ID:

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/24/09 09:29

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	110	99.7	110	70-135	
o-Terphenyl	49.8	49.9	100	70-135	

Lab Batch #: 787268

Sample: 356167-001 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 12/24/09 09:55

SURROGATE RECOVERY STUDY

TPH by SW 8015B Analytes	Amount Found [A]	True Amount [B]	Recovery %R [D]	Control Limits %R	Flags
1-Chlorooctane	105	100	105	70-135	
o-Terphenyl	47.9	50.0	96	70-135	

* Surrogate outside of Laboratory QC limits

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

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

Results are based on MDL and validated for QC purposes.



Project Name: Penasco Compressor Station

Work Order #: 356164

Analyst: ASA

Lab Batch ID: 786535

Sample: 545988-1-BKS

Batch #: 1

Project ID:
Date Analyzed: 12/20/2009

Matrix: Solid

Units: mg/kg

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
BTEX by EPA 8021											
Benzene	<0.0010	0.1000	0.1068	107	0.1	0.1146	115	7	70-130	35	
Toluene	<0.0020	0.1000	0.1101	110	0.1	0.1180	118	7	70-130	35	
Ethylbenzene	<0.0010	0.1000	0.1083	108	0.1	0.1168	117	8	71-129	35	
m,p-Xylenes	<0.0020	0.2000	0.2405	120	0.2	0.2596	130	8	70-135	35	
o-Xylene	<0.0010	0.1000	0.1173	117	0.1	0.1282	128	9	71-133	35	

Analyst: LATCOR

Lab Batch ID: 786518

Sample: 545964-1-BKS

Batch #: 1

Date Prepared: 12/21/2009

Date Analyzed: 12/21/2009

Matrix: Solid

Units: ug/kg

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
Mercury by SW-846 7471A											
Mercury	<98.0	50.0	50.0	100	50	53.5	107	7	80-120	20	

Relative Percent Difference RPD = $200 * [(C-F)/(C+F)]$
Blank Spike Recovery [D] = $100 * (C)/[B]$
Blank Spike Duplicate Recovery [G] = $100 * (F)/[E]$
All results are based on MDL and Validated for QC Purposes



Project Name: Penasco Compressor Station

Work Order #: 356164

Analyst: LATCOR

Lab Batch ID: 788642

Sample: 547196-1-BKS

Batch #: 1

Date Prepared: 01/08/2010

Project ID:

Date Analyzed: 01/08/2010

Matrix: Water

Units: mg/L

BLANK/BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY											
Analytes	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
Mercury	ND	0.0010	0.0009	90	0.001	0.0010	100	11	75-125	20	

Analyst: LATCOR

Lab Batch ID: 788633

Sample: 547193-1-BKS

Batch #: 1

Date Prepared: 01/07/2010

Date Analyzed: 01/08/2010

Matrix: Water

Units: mg/L

BLANK/BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY											
Analytes	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
TCLP Metals per ICP by SW846 6010B											
Arsenic	ND	0.800	0.773	97	0.8	0.774	97	0	75-125	25	
Barium	ND	0.200	0.199	100	0.2	0.192	96	4	75-125	25	
Cadmium	ND	0.200	0.205	103	0.2	0.197	99	4	75-125	25	
Chromium	ND	0.200	0.198	99	0.2	0.192	96	3	75-125	25	
Lead	ND	1.10	1.10	100	1.1	1.05	95	5	75-125	25	
Selenium	ND	0.400	0.361	90	0.4	0.343	86	5	75-125	25	
Silver	ND	0.100	0.098	98	0.1	0.092	92	6	75-125	25	

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



Project Name: Penasco Compressor Station

Work Order #: 356164

Project ID:

Analyst: LATCOR

Date Analyzed: 12/23/2009

Lab Batch ID: 786922

Date Prepared: 12/21/2009

Sample: 546212-1-BKS

Batch #: 1

Matrix: Solid

Units: mg/kg

BLANK / BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY												
Analytes	Metals by ICP	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
Arsenic		ND	0.800	0.652	82	0.8	0.681	85	4	75-125	20	
Barium		ND	0.200	0.193	97	0.2	0.188	94	3	75-125	20	
Cadmium		ND	0.200	0.183	92	0.2	0.182	91	1	75-125	20	
Chromium		ND	0.200	0.196	98	0.2	0.189	95	4	75-125	20	
Lead		ND	1.10	1.03	94	1.1	1.01	92	2	75-125	20	
Selenium		ND	0.400	0.312	78	0.4	0.309	77	1	75-125	20	
Silver		ND	0.050	0.054	108	0.05	0.052	104	4	75-125	20	

Relative Percent Difference RPD = $200 * [(C-F) / (C+F)]$
Blank Spike Recovery [D] = $100 * (C) / (B)$
Blank Spike Duplicate Recovery [G] = $100 * (F) / (E)$
All results are based on MDL and Validated for QC Purposes



Form 3 - MS-MSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 356164

Project ID:

Lab Batch ID: 786535

Batch #: 1 Matrix: Soil

Date Analyzed: 12/20/2009

QC-Sample ID: 355920-001 S Analyst: ASA

Reporting Units: mg/kg

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
BTEX by EPA 8021											
Benzene	<0.0011	0.1082	0.0242	22	0.1082	0.0565	52	80	70-130	35	XF
Toluene	<0.0011	0.1082	0.0337	31	0.1082	0.0298	28	12	70-130	35	X
Ethylbenzene	<0.0011	0.1082	0.0066	6	0.1082	<0.0011	0	200	71-129	35	XF
m,p-Xylenes	<0.0022	0.2164	0.1049	48	0.2164	0.1614	75	42	70-135	35	XF
o-Xylene	<0.0011	0.1082	0.0593	55	0.1082	0.0812	75	31	71-133	35	X

Lab Batch ID: 786518

QC-Sample ID: 355150-001 S Batch #: 1 Matrix: Soil

Date Analyzed: 12/21/2009

Date Prepared: 12/21/2009 Analyst: LATCOR

Reporting Units: ug/kg

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
Mercury by SW-846 7471A											
Mercury	<102	52.0	53.6	103	52.0	54.6	105	2	80-120	20	

Lab Batch ID: 788642

QC-Sample ID: 356164-001 S Batch #: 1 Matrix: Soil

Date Analyzed: 01/08/2010

Date Prepared: 01/08/2010 Analyst: LATCOR

Reporting Units: mg/L

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
TCLP Mercury by SW-846 1311/7470A											
Mercury	ND	0.0012	0.0013	108	0.0012	0.0014	117	7	75-125	20	

Matrix Spike Percent Recovery [D] = 100*(C-A)/B
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 Applicable
N = See Narrative, EQ = Estimated Quantitation Limit

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



Form 3 - MS/MSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 356164

Lab Batch ID: 788633

Date Analyzed: 01/08/2010

Reporting Units: mg/L

Project ID:

QC-Sample ID: 356164-001 S

Batch #: 1

Analyst: LATCOR

Matrix: Soil

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spiked Sample %R [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
TCLP Metals per ICP by SW846 6010B											
Arsenic	ND	0.800	0.810	101	0.800	0.800	100	1	75-125	25	
Barium	0.198	0.200	0.374	88	0.200	0.374	88	0	75-125	25	
Cadmium	ND	0.200	0.196	98	0.200	0.197	99	1	75-125	25	
Chromium	ND	0.200	0.172	86	0.200	0.173	87	1	75-125	25	
Lead	ND	1.10	0.968	88	1.10	0.976	89	1	75-125	25	
Selenium	ND	0.400	0.343	86	0.400	0.334	84	3	75-125	25	
Silver	ND	0.100	0.085	85	0.100	0.085	85	0	75-125	25	

Lab Batch ID: 787268

Date Analyzed: 12/24/2009

Reporting Units: mg/kg

QC-Sample ID: 356167-001 S

Batch #: 1

Analyst: BEV

Matrix: Soil

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

Analytes	MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY										
	Parent Sample Result [A]	Spike Added [B]	Spiked Sample Result [C]	Spiked Sample %R [D]	Spiked Sample %R [E]	Duplicate Spiked Sample Result [F]	Spiked Dup. %R [G]	RPD %	Control Limits %R	Control Limits %RPD	Flag
TPH by SW 8015B											
C6-C10 Gasoline Range Hydrocarbons	31.0	1080	1050	94	1090	1020	91	3	70-135	35	
C10-C28 Diesel Range Hydrocarbons	163	1080	777	57	1090	983	75	23	70-135	35	X

Matrix Spike Percent Recovery [D] = 100*(C-A)/B
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 Applicable, EQ = Estimated Quantitation Limit

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



Form 3 - MS/MSD Recoveries



Project Name: Penasco Compressor Station

Work Order #: 356164

Project ID:

Lab Batch ID: 786922

QC-Sample ID: 356164-001 S

Batch #: 1

Matrix: Soil

Date Analyzed: 12/23/2009

Date Prepared: 12/21/2009

Analyst: LATCOR

Reporting Units: mg/kg

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

Metals by ICP 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
	Lead	4.28	60.3	44.9	67	60.3	45.1	68	0	75-125	20	X
Silver	ND	2.74	1.70	62	2.74	1.70	62	0	75-125	20	X
Selenium	ND	21.9	3.78	17	21.9	5.04	23	29	75-125	20	XF
Barium	201	11.0	226	227	11.0	233	291	3	75-125	20	X
Cadmium	ND	11.0	9.32	85	11.0	9.32	85	0	75-125	20	
Chromium	10.0	11.0	20.6	96	11.0	20.7	97	0	75-125	20	
Arsenic	ND	43.9	33.1	75	43.9	32.8	75	1	75-125	20	

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

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

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



Sample Duplicate Recovery



Project Name: Penasco Compressor Station

Work Order #: 356164

Lab Batch #: 786482
Date Analyzed: 12/19/2009
QC- Sample ID: 356164-001 D
Reporting Units: %

Date Prepared: 12/19/2009
Batch #: 1

Project ID:
Analyst: JLG
Matrix: Soil

SAMPLE / SAMPLE DUPLICATE RECOVERY					
Percent Moisture	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Percent Moisture	8.80	8.84	0	20	

Lab Batch #: 788633
Date Analyzed: 01/08/2010
QC- Sample ID: 356164-001 D
Reporting Units: mg/L

Date Prepared: 01/07/2010
Batch #: 1

Analyst: LATCOR
Matrix: Soil

SAMPLE / SAMPLE DUPLICATE RECOVERY					
TCLP Metals per ICP by SW846 6010B	Parent Sample Result [A]	Sample Duplicate Result [B]	RPD	Control Limits %RPD	Flag
Analyte					
Arsenic	ND	0.014	NC	25	
Barium	0.198	0.199	1	25	
Cadmium	ND	ND	NC	25	
Chromium	ND	ND	NC	25	
Lead	ND	ND	NC	25	
Selenium	ND	ND	NC	25	
Silver	ND	ND	NC	25	

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

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Agave Energy
 Date/ Time: 12-18-09 10:30
 Lab ID #: 356164
 Initials: AL

Sample Receipt Checklist

				Client Initials
#1 Temperature of container/ cooler?	(Yes)	No	4.6 °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		
Containers supplied by ELOT?	(Yes)	No		
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

MANIFESTS FOR SOIL DEPOSITION

LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

DTR

NON-HAZARDOUS WASTE MANIFEST NO **071039** 1. PAGE OF 2. TRAILER NO. **03**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE 11/12/09
	PHONE NO. 575-748-1471	CITY STATE ZIP Artesia NM 88210	6. TNRCC I.D. NO.

E	7. NAME OR DESCRIPTION OF WASTE SHIPPED:	8. CONTAINERS		9. TOTAL	10. UNIT	11. TEXAS
		No.	Type	QUANTITY	Wt/Vol.	WASTE ID #
N	a. Non-Regulated, Non Hazardous Waste	1	CM			
E	c. ① 43,440					
R	d. WT;					

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION	13. WASTE PROFILE NO. 708599
--	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO 575-887-4048	24-HOUR EMERGENCY NO.

15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
--------------------	-----------	------

T R A N S P O R T E R S	16. TRANSPORTER (1)	17. TRANSPORTER (2)
	NAME: BACKHOE SERVICES	NAME:
	TEXAS I.D. NO.	TEXAS I.D. NO.
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO	IN CASE OF EMERGENCY CONTACT:
EMERGENCY PHONE: (575) 748-6251	EMERGENCY PHONE:	
18. TRANSPORTER (1): Acknowledgment of receipt of material	19. TRANSPORTER (2): Acknowledgment of receipt of material	
PRINTED/TYPED NAME: Carroll Delacruz	PRINTED/TYPED NAME _____	
SIGNATURE: Carroll Delacruz DATE: 11/12/2009	SIGNATURE _____ DATE _____	

Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
---------------	---	------------------------

PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
---	--------------

21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE: 	CELL NO.	DATE 11/12/09	TIME 10:30
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

De la Cruz

NON-HAZARDOUS WASTE MANIFEST NO **071038** 1. PAGE OF 2. TRAILER NO.

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.		5. PICK-UP DATE 11/12/09	
	PHONE NO. <u> </u>	CITY Artesia	STATE NM	ZIP 88210	6. TNRCC I.D. NO. <u> </u>

E N E R	7. NAME OR DESCRIPTION OF WASTE SHIPPED. Non-Regulated Non Hazardous Waste						8. TOTAL QUANTITY	9. UNIT Wt/Vol	10. TEXAS WASTE ID #
	a. ① 47,880						No. 1	Type CM	
	c. <u> </u>								
	d. WT:								
	12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION						13. WASTE PROFILE NO. 708599		

14. IN CASE OF EMERGENCY OR SPILL, CONTACT

NAME Kin Slaughter	PHONE NO 575-887-4048	24-HOUR EMERGENCY NO. <u> </u>
------------------------------	---------------------------------	--------------------------------------

15. **GENERATOR'S CERTIFICATION:** I hereby declare that the contents of this consignment are fully and accurately described above by shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
--------------------	-----------	------

T R A N S P O R T E R S	16. TRANSPORTER (1)		17. TRANSPORTER (2)	
	NAME: BACKHOE SERVICES		NAME: <u> </u>	
	TEXAS I.D. NO. <u> </u>		TEXAS I.D. NO. <u> </u>	
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO		IN CASE OF EMERGENCY CONTACT: <u> </u>	
EMERGENCY PHONE: (575) 748-6251		EMERGENCY PHONE: <u> </u>		
18. TRANSPORTER (1): Acknowledgment of receipt of material		19. TRANSPORTER (2): Acknowledgment of receipt of material		
PRINTED/TYPED NAME <u><i>Felipe De la Cruz</i></u>		PRINTED/TYPED NAME <u> </u>		
SIGNATURE <u><i>Felipe De la Cruz</i></u> DATE 11/12/2009		SIGNATURE <u> </u> DATE <u> </u>		

D F I S P O S I T A L Y	Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
	PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS <u> </u>	

21. **DISPOSAL FACILITY'S CERTIFICATION:** I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE <u><i>Alana Lopez</i></u>	CELL NO. <u> </u>	DATE 11/12/09	TIME 9:45
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64, US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Correl
2

NON-HAZARDOUS WASTE MANIFEST NO **071037** 1. PAGE OF 2. TRAILER NO.

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.		5. PICK-UP DATE 11/12/09
	PHONE NO. 575-748-1471	CITY Artesia	STATE NM	ZIP 88210

E N E R	7. NAME OR DESCRIPTION OF WASTE SHIPPED: Non-Regulated, Non Hazardous Waste		8. CONTAINERS No. 1 Type CM		9. TOTAL QUANTITY	10. UNIT Wt/Vol.	11. TEXAS WASTE ID #
	a.						
	b. 42,880						
	c.						

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION	13. WASTE PROFILE NO. 708599
--	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.

15. GENERATOR'S CERTIFICATION: I Herby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
--------------------	-----------	------

T R A N S P O R T E R S	16. TRANSPORTER (1)		17. TRANSPORTER (2)	
	NAME: BACKHOE SERVICES		NAME:	
	TEXAS I.D. NO.		TEXAS I.D. NO.	
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO		IN CASE OF EMERGENCY CONTACT:	
EMERGENCY PHONE: (575) 748-6251		EMERGENCY PHONE:		
18. TRANSPORTER (1): Acknowledgment of receipt of material		19. TRANSPORTER (2): Acknowledgment of receipt of material		
PRINTED/TYPED NAME Juan Correl		PRINTED/TYPED NAME		
SIGNATURE Juan Correl DATE 11/12/2009		SIGNATURE DATE		

Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
---------------	---	------------------------

PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
---	--------------

21. DISPOSAL FACILITY'S CERTIFICATION: I Herby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE [Signature]	CELL NO.	DATE 11/12/09	TIME 9:30
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

E. Gonzalez

NON-HAZARDOUS WASTE MANIFEST

NO **071036**

1. PAGE OF

2. TRAILER NO. **003**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.			5. PICK-UP DATE 11/12/09	
	PHONE NO. 575-748-1471	CITY Artesia	STATE NM	ZIP 88210	6. TNRCC I.D. NO.	
E N E R	7. NAME OR DESCRIPTION OF WASTE SHIPPED: Non-Regulated, Non Hazardous Waste				8. COPIES No. 1	9. TOTAL QUANTITY Type CM
	a.					
	b.					
	c.					
R A	d. WT. ① 44440 ② 40,620					
	12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION TOTAL 85060				13. WASTE PROFILE NO. 708599	
T O R	14. IN CASE OF EMERGENCY OR SPILL, CONTACT					
	NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.			
O R	15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC					
	PRINTED/TYPED NAME	SIGNATURE			DATE	
T R A N S P O R T E R S	16. TRANSPORTER (1)		17. TRANSPORTER (2)			
	NAME: BACKHOE SERVICES		NAME:			
	TEXAS I.D. NO.		TEXAS I.D. NO.			
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO		IN CASE OF EMERGENCY CONTACT:			
EMERGENCY PHONE: (575) 748-0261		EMERGENCY PHONE:				
18. TRANSPORTER (1): Acknowledgment of receipt of material		19. TRANSPORTER (2): Acknowledgment of receipt of material				
PRINTED/TYPED NAME <i>E. Gonzalez</i>		PRINTED/TYPED NAME				
SIGNATURE <i>E. Gonzalez</i>		DATE 11/12/2009		SIGNATURE	DATE	
D F I S P O S I T A L Y	Lea Land, LLC		ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM		PHONE: 505-887-4048	
	PERMIT NO. WM-01-035 - New Mexico		20. COMMENTS			
	21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.					
AUTHORIZED SIGNATURE <i>[Signature]</i>		CELL NO.	DATE 11/12/09	TIME 9:25		

LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Correll

NON-HAZARDOUS WASTE MANIFEST NO **070984** 1. PAGE OF 2. TRAILER NO. **2**

3. COMPANY NAME Yates Petroleum PHONE NO.	4. ADDRESS 105 South 4th St. CITY STATE ZIP	5. PICK-UP DATE 11/11/09 6. TNRCC I.D. NO.
--	--	---

7. NAME OR DESCRIPTION OF WASTE SHIPPED: a. Non-Regulated, Non Hazardous Waste b. ① 40,420 ② 42,640 ③ 44,220	8. COEFFICIENTS No. Type	9. TOTAL QUANTITY	10. UNIT Wt/Vol.	11. TEXAS WASTE ID #
c.	1	CM		
d.				

12. COMMENTS OR SPECIAL INSTRUCTIONS: **PENASCO COMPRESS STATION Total 127,280**

13. WASTE PROFILE NO. **708500**

14. IN CASE OF EMERGENCY OR SPILL, CONTACT

NAME	PHONE NO	24-HOUR EMERGENCY NO.
Kin Slaughter	575-887-4048	

15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
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16. TRANSPORTER (1) NAME: BACKHOE SERVICES TEXAS I.D. NO. IN CASE OF EMERGENCY CONTACT: JOE FRANCO EMERGENCY PHONE: (575) 748-8251	17. TRANSPORTER (2) NAME: TEXAS I.D. NO. IN CASE OF EMERGENCY CONTACT: EMERGENCY PHONE:
18. TRANSPORTER (1): Acknowledgment of receipt of material PRINTED/TYPED NAME: Juan Corral SIGNATURE: <i>Juan Corral</i> DATE: 11/11/2009	19. TRANSPORTER (2): Acknowledgment of receipt of material PRINTED/TYPED NAME: _____ SIGNATURE: _____ DATE: _____

D F I S C I P L I N E 21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.	ADDRESS: Lea Land, LLC Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
---	---	-------------------------------

PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
--	--------------

AUTHORIZED SIGNATURE <i>[Signature]</i>	CELL NO.	DATE 11/11/09	TIME 10:30
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

NON-HAZARDOUS WASTE MANIFEST NO **070983** 1. PAGE OF 2. TRAILER NO. **1230**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE 11/11/09
	PHONE NO. 575-748-1471	CITY Artesia STATE NM ZIP 88210	6. TNRCC I.D. NO.

E	7. NAME OR DESCRIPTION OF WASTE SHIPPED:	8. CONTAINERS		9. TOTAL QUANTITY	10. UNIT Wt/Vol	11. TEXAS WASTE ID #
		No.	Type			
N	a. Non-Regulated, Non-Hazardous Waste	1	CM			
E	b. ① 46,420 ② 42,240 ③ 44,880					
R	c. WT:					

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION Total 133540	13. WASTE PROFILE NO. 708599
---	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO 575-887-4048	24-HOUR EMERGENCY NO.

15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
--------------------	-----------	------

T R A N S P O R T E R S	16. TRANSPORTER (1)	17. TRANSPORTER (2)
	NAME: BACKHOE SERVICES	NAME:
	TEXAS I.D. NO.	TEXAS I.D. NO.
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO	IN CASE OF EMERGENCY CONTACT:
EMERGENCY PHONE: (575) 748-8251	EMERGENCY PHONE:	
18. TRANSPORTER (1): Acknowledgment of receipt of material	19. TRANSPORTER (2): Acknowledgment of receipt of material	
PRINTED/TYPED NAME J.C.	PRINTED/TYPED NAME _____	
SIGNATURE Yvesno Arce DATE 11/11/2009	SIGNATURE _____ DATE _____	

D I S P O S I T Y	Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
	PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS	

21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.			
AUTHORIZED SIGNATURE: Alana Lopez	CELL NO.	DATE 11/11/09	TIME 9:35

LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

D+R

NON-HAZARDOUS WASTE MANIFEST NO **070982** 1. PAGE OF 2. TRAILER NO. **03**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.		5. PICK-UP DATE 11/11/09			
	PHONE NO. 575-748-1471	CITY Artesia	STATE NM	ZIP 88210	6. TNRCC I.D. NO.		
E N E R A T O R	7. NAME OR DESCRIPTION OF WASTE SHIPPED:			8. CONTAINERS	9. TOTAL QUANTITY	10. UNIT Wt/Vol.	11. TEXAS WASTE ID #
	a. Non-Regulated, Non-Hazardous Waste			No.	Type		
	b. ① 45,440 ② 42,840 ③ 44,880			1	CM		
	c.						
	d. WT:						
12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION Total 133,160					13. WASTE PROFILE NO. 708599		
14. IN CASE OF EMERGENCY OR SPILL, CONTACT							
NAME Kin Slaughter		PHONE NO. 575-887-4048		24-HOUR EMERGENCY NO.			
15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC							
PRINTED/TYPED NAME				SIGNATURE		DATE	

T R A N S P O R T E R S	16. TRANSPORTER (1)			17. TRANSPORTER (2)		
	NAME: BACKHOE SERVICES			NAME:		
	TEXAS I.D. NO.:			TEXAS I.D. NO.:		
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO			IN CASE OF EMERGENCY CONTACT:		
	EMERGENCY PHONE: (575) 748-6251			EMERGENCY PHONE:		
18. TRANSPORTER (1): Acknowledgment of receipt of material			19. TRANSPORTER (2): Acknowledgment of receipt of material			
PRINTED/TYPED NAME <i>Daniel DeLuca</i>			PRINTED/TYPED NAME _____			
SIGNATURE <i>Daniel DeLuca</i>			DATE 11/11/2009		SIGNATURE _____ DATE _____	

D I S P O S I T I O N A L Y	Lea Land, LLC		ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM		PHONE: 505-887-4048		
	PERMIT NO. WM-01-035 - New Mexico			20. COMMENTS			
	21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.						
AUTHORIZED SIGNATURE <i>Yolanda Lopez</i>			CELL NO. _____		DATE 11/11/09		
					TIME 9:30		

LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

De la Cruz

NON-HAZARDOUS WASTE MANIFEST NO **070981** 1. PAGE OF 2. TRAILER NO. **38**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.		5. PICK-UP DATE 11/11/09
	PHONE NO. 575-748-1471	CITY Artesia	STATE NM	ZIP 88210

E N E R	7. NAME OR DESCRIPTION OF WASTE SHIPPED:		8. CONTAINERS	9. TOTAL QUANTITY	10. UNIT Wt/Vol	11. TEXAS WASTE ID #
	a. Non-Regulated, Non Hazardous Waste		No.	Type		
	b. ① 49,420 ② 48,620 ③ 46,620		1	CM		
	c.					
	d. WT:					

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION Total 144,620	13. WASTE PROFILE NO. 708599
--	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO 575-887-4048	24-HOUR EMERGENCY NO.

15. **GENERATOR'S CERTIFICATION:** I Herby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
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T R A N S P O R T E R S	16. TRANSPORTER (1) NAME: BACKHOE SERVICES TEXAS I.D. NO. IN CASE OF EMERGENCY CONTACT: JOE FRANCO EMERGENCY PHONE: (575) 748-8251	17. TRANSPORTER (2) NAME: TEXAS I.D. NO. IN CASE OF EMERGENCY CONTACT: EMERGENCY PHONE:
--	--	--

18. TRANSPORTER (1): Acknowledgment of receipt of material PRINTED/TYPED NAME Felipe De la Cruz SIGNATURE <i>Felipe De la Cruz</i> DATE 11/11/2009	19. TRANSPORTER (2): Acknowledgment of receipt of material PRINTED/TYPED NAME _____ SIGNATURE _____ DATE _____
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D F I S P O S I T A L Y	ADDRESS: Lea Land, LLC Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
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PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
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21. **DISPOSAL FACILITY'S CERTIFICATION:** I Herby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE <i>[Signature]</i>	CELL NO.	DATE 11/11/09	TIME 9:25
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Quinonez

NON-HAZARDOUS WASTE MANIFEST

NO **070947**

1. PAGE OF

2. TRAILER NO. **13**

G E N E R A T O R	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE 11/10/09		
	PHONE NO. 575-748-1471	CITY STATE ZIP Artesia NM 88210	6. TNRCC I.D. NO.		
	7. NAME OR DESCRIPTION OF WASTE SHIPPED: Non-Regulated, Non Hazardous Waste		8. CONTAINERS No. Type 1 CM	9. TOTAL QUANTITY	10. UNIT Wt/Vol.
	a. Non-Regulated, Non Hazardous Waste				
R E C E I V E R	b. WT: ① 42000 ② 41620 ③ 41420				
	12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION		13. WASTE PROFILE NO. 708599		
	14. IN CASE OF EMERGENCY OR SPILL, CONTACT				
	NAME PHONE NO Kin Slaughter 575-887-4048		24-HOUR EMERGENCY NO.		
15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC					
PRINTED/TYPED NAME		SIGNATURE		DATE	
T R A N S P O R T E R	16. TRANSPORTER (1)		17. TRANSPORTER (2)		
	NAME: BACKHOE SERVICES		NAME:		
	TEXAS I.D. NO.		TEXAS I.D. NO.		
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO		IN CASE OF EMERGENCY CONTACT:		
EMERGENCY PHONE: (575) 748-6251		EMERGENCY PHONE:			
18. TRANSPORTER (1): Acknowledgment of receipt of material		19. TRANSPORTER (2): Acknowledgment of receipt of material			
PRINTED/TYPED NAME Andres Quinonez		PRINTED/TYPED NAME			
SIGNATURE <i>Andres Quinonez</i> DATE 11/10/2009		SIGNATURE DATE			
D I S P O S I T O R	Lea Land, LLC		ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM		
	PHONE: 505-887-4048				
	PERMIT NO. WM-01-035 - New Mexico		20. COMMENTS		
	21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.				
AUTHORIZED SIGNATURE <i>Rosa Lopez</i>		CELL NO.	DATE 11/10/09	TIME 10:20	

LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

DeLaCruz

NON-HAZARDOUS WASTE MANIFEST NO **070946** 1. PAGE OF 2. TRAILER NO. **38**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.		5. PICK-UP DATE 11/10/09
	PHONE NO. 575-748-1471	CITY Artesia	STATE NM	ZIP 88210

E	7. NAME OR DESCRIPTION OF WASTE SHIPPED:	8. QUANTITIES		9. TOTAL	10. UNIT	11. TEXAS
		No.	Type	QUANTITY	Wt/Vol.	WASTE ID #
N	a. Non-Regulated, Non Hazardous Waste	1	CM			
E	b.					
R	c.					
A	d. WT: ① 43040 ② 41880 ③ 46660					

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION Total 131580	13. WASTE PROFILE NO. 708599
---	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.

15. GENERATOR'S CERTIFICATION: I Herby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
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T R A N S P O R T E R S	16. TRANSPORTER (1) NAME: BACKHOE SERVICES	17. TRANSPORTER (2) NAME:	
	TEXAS I.D. NO.	TEXAS I.D. NO.	
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO	IN CASE OF EMERGENCY CONTACT:	
	EMERGENCY PHONE: (575) 748-8251	EMERGENCY PHONE:	
18. TRANSPORTER (1): Acknowledgment of receipt of material		19. TRANSPORTER (2): Acknowledgment of receipt of material	
PRINTED/TYPED NAME Felipe DeLaCruz		PRINTED/TYPED NAME _____	
SIGNATURE Felipe DeLaCruz DATE 11/10/2009		SIGNATURE _____ DATE _____	

D F I S C I P L Y	Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
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PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
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21. DISPOSAL FACILITY'S CERTIFICATION: I Herby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE [Signature]	CELL NO.	DATE 11/10/09	TIME 10:05
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Correl

NON-HAZARDOUS WASTE MANIFEST NO **070945** 1. PAGE OF 2. TRAILER NO. **2**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE 11/10/09
	PHONE NO. 575-748-1471	CITY STATE ZIP Artesia NM 88210	6. TNRC I.D. NO.

7. NAME OR DESCRIPTION OF WASTE SHIPPED:	8. QUANTITY	9. TOTAL QUANTITY	10. UNIT Wt/Vol	11. TEXAS WASTE ID #
a. Non-Regulated, Non-Hazardous Waste	1			
b. 42,220 @ 40,880 @ 3,44,000				
c.				
d. WT:				

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION Total 127,100	13. WASTE PROFILE NO. 708599
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14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO 575-887-4048	24-HOUR EMERGENCY NO.

15. **GENERATOR'S CERTIFICATION:** I Herby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
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16. TRANSPORTER (1)	17. TRANSPORTER (2)
NAME: BACKHOE SERVICES	NAME:
TEXAS I.D. NO.	TEXAS I.D. NO.
IN CASE OF EMERGENCY CONTACT: JOE FRANCO	IN CASE OF EMERGENCY CONTACT:
EMERGENCY PHONE: (575) 748-6251	EMERGENCY PHONE:

18. TRANSPORTER (1): Acknowledgment of receipt of material	19. TRANSPORTER (2): Acknowledgment of receipt of material
PRINTED/TYPED NAME: <i>Juan Corral</i>	PRINTED/TYPED NAME: _____
SIGNATURE: <i>Juan Corral</i> DATE: 11/10/2009	SIGNATURE: _____ DATE: _____

Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
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PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
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21. **DISPOSAL FACILITY'S CERTIFICATION:** I Herby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE: <i>[Signature]</i>	CELL NO. _____	DATE: 11/10/09	TIME: 9:45
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Marcel

NON-HAZARDOUS WASTE MANIFEST

NO **070937**

1. PAGE OF

2. TRAILER NO. **03**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE 11/10/09		
	PHONE NO. 575-748-1471	CITY STATE ZIP Artesia NM 88210	6. TNRCC I.D. NO.		
E	7. NAME OR DESCRIPTION OF WASTE SHIPPED:		8. CONTAINERS No. Type	9. TOTAL QUANTITY	10. UNIT Wt/Vol.
	a. Non-Regulated, Non Hazardous Waste		1 CM		
	b. 46140 @ 42840 @ 37800				
	c. ③ 46280				
R	d.WT:				
	12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION Total 135,260			13. WASTE PROFILE NO. 708599	
A	14. IN CASE OF EMERGENCY OR SPILL, CONTACT				
	NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.		
O	15. GENERATOR'S CERTIFICATION: I Herby declare that the contents of this consignment are fully and accurately described above by shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC				
	PRINTED/TYPED NAME	SIGNATURE		DATE	
T	16. TRANSPORTER (1)		17. TRANSPORTER (2)		
	NAME: BACKHOE SERVICES		NAME:		
	TEXAS I.D. NO.		TEXAS I.D. NO.		
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO		IN CASE OF EMERGENCY CONTACT:		
R	EMERGENCY PHONE: (575) 748-8251		EMERGENCY PHONE:		
	18. TRANSPORTER (1): Acknowledgment of receipt of material		19. TRANSPORTER (2): Acknowledgment of receipt of material		
	PRINTED/TYPED NAME: M Lopez		PRINTED/TYPED NAME		
	SIGNATURE: <i>[Signature]</i> DATE: 11/10/2009		SIGNATURE DATE		
D	Lea Land, LLC		ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM		PHONE: 505-887-4048
	PERMIT NO. WM-01-035 - New Mexico		20. COMMENTS		
	21. DISPOSAL FACILITY'S CERTIFICATION: I Herby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.				
L	AUTHORIZED SIGNATURE: <i>[Signature]</i>		CELL NO.	DATE 11/10/09	TIME 9:45

LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Correl

NON-HAZARDOUS WASTE MANIFEST NO **070918** 1. PAGE OF 2. TRAILER NO. **#2**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE 11/9/2009
	PHONE NO. 575-748-1471	CITY STATE ZIP Artesia NM 88210	6. TNRCC I.D. NO.

N	7. NAME OR DESCRIPTION OF WASTE SHIPPED:	8. CONTAINERS		9. TOTAL	10. UNIT	11. TEXAS
		No.	Type	QUANTITY	WuVol.	WASTE ID #
E	a. Non-Regulated, Non Hazardous Waste	1	CM			
E	b. <i>47, Lcd @ 438 Lcd</i>					
R	c.					
A	d. WT:					

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION	13. WASTE PROFILE NO. 708599
--	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.

15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
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T	16. TRANSPORTER (1)	17. TRANSPORTER (2)
R	NAME: BACKHOE SERVICES	NAME:
A	TEXAS I.D. NO.	TEXAS I.D. NO.
S	IN CASE OF EMERGENCY CONTACT: JOE FRANCO	IN CASE OF EMERGENCY CONTACT:
P	EMERGENCY PHONE: (575) 748-8251	EMERGENCY PHONE:

18. TRANSPORTER (1): Acknowledgment of receipt of material	19. TRANSPORTER (2): Acknowledgment of receipt of material
PRINTED/TYPED NAME <i>Joe Franco</i>	PRINTED/TYPED NAME _____
SIGNATURE <i>Joe Franco</i> DATE 11/9/2009	SIGNATURE _____ DATE _____

Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
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PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
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21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE <i>Dante</i>	CELL NO.	DATE 11/09/09	TIME 1025
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

DE LA Cruz

NON-HAZARDOUS WASTE MANIFEST

NO **070917**

1. PAGE OF

2. TRAILER NO. **38**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE 11/9/2009		
	PHONE NO. 575-748-1471	CITY STATE ZIP Artesia NM 88210	6. TNRCC I.D. NO.		
E N E R G Y	7. NAME OR DESCRIPTION OF WASTE SHIPPED.		8. CONTAINERS No.	9. TOTAL QUANTITY	10. UNIT Wt/Vol.
	a. Non-Regulated, Non Hazardous Waste		1	CM	
	b. ① 45060 ② 49160				
	c.				
R A T E	d. WT:				
	12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION			13. WASTE PROFILE NO. 708599	
T O R E	14. IN CASE OF EMERGENCY OR SPILL, CONTACT				
	NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.		
O R T E R	15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC				
	PRINTED/TYPED NAME	SIGNATURE			DATE
T R A N S P O R T E R S	16. TRANSPORTER (1)		17. TRANSPORTER (2)		
	NAME: BACKHOE SERVICES		NAME:		
	TEXAS I.D. NO.		TEXAS I.D. NO.		
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO		IN CASE OF EMERGENCY CONTACT:		
EMERGENCY PHONE: (575) 748-6251		EMERGENCY PHONE:			
18. TRANSPORTER (1): Acknowledgment of receipt of material		19. TRANSPORTER (2): Acknowledgment of receipt of material			
PRINTED/TYPED NAME X Felipe De la Cruz		PRINTED/TYPED NAME _____			
SIGNATURE X Felipe De la Cruz DATE 11/9/2009		SIGNATURE _____ DATE _____			
D I S P O S I T A L Y	Lea Land, LLC		ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM		PHONE: 505-887-4048
	PERMIT NO. WM-01-035 - New Mexico		20. COMMENTS:		
	21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.				
AUTHORIZED SIGNATURE [Signature]		CELL NO.	DATE 11/09/09	TIME 950	

LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Q. Gonzalez

NON-HAZARDOUS WASTE MANIFEST

NO **070916**

1. PAGE OF

2. TRAILER NO. **003**

G	3. COMPANY NAME Yates Petroleum		4. ADDRESS 105 South 4th St.			5. PICK-UP DATE 11/9/2009	
	PHONE NO. 575-748-1471		CITY Artesia	STATE NM	ZIP 88210	6. TNRCC I.D. NO.	
E	7. NAME OR DESCRIPTION OF WASTE SHIPPED:					8. CONTAINERS	9. TOTAL
						No.	QUANTITY
						Type	10. LIMIT
							Wt/Vol.
N	a. Non-Regulated, Non Hazardous Waste					1	CM
	b. 50140 (2) 44040						
E	c.						
	d. WT;						
R	12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION					13. WASTE PROFILE NO. 708599	
	14. IN CASE OF EMERGENCY OR SPILL, CONTACT						
A	NAME Kin Slaughter		PHONE NO. 575-887-4048		24-HOUR EMERGENCY NO.		
T	15. GENERATOR'S CERTIFICATION: I Herby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC						
	PRINTED/TYPED NAME			SIGNATURE		DATE	
T R A N S P O R T E R S	16. TRANSPORTER (1)			17. TRANSPORTER (2)			
	NAME: BACKHOE SERVICES			NAME:			
	TEXAS I.D. NO.			TEXAS I.D. NO.			
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO			IN CASE OF EMERGENCY CONTACT:			
EMERGENCY PHONE: (575) 748-8251			EMERGENCY PHONE:				
18. TRANSPORTER (1): Acknowledgment of receipt of material				19. TRANSPORTER (2): Acknowledgment of receipt of material			
PRINTED/TYPED NAME Eugdelupe Gonzalez			PRINTED/TYPED NAME				
SIGNATURE <i>Eugdelupe Gonzalez</i>			DATE 11/9/2009		SIGNATURE		
			DATE				
D I S P O S I T A L Y	Lea Land, LLC		ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM		PHONE: 505-887-4048		
	PERMIT NO. WM-01-035 - New Mexico		20. COMMENTS				
	21. DISPOSAL FACILITY'S CERTIFICATION: I Herby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.						
AUTHORIZED SIGNATURE <i>[Signature]</i>			CELL NO.		DATE 11/09/09	TIME 940	

LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Alvidrez
A-1

NON-HAZARDOUS WASTE MANIFEST NO **070915** 1. PAGE OF 2. TRAILER NO.

G E N E R A T O R	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE 11/9/2009
	PHONE NO. 575-748-1471	CITY STATE ZIP Artesia NM 88210	6. TNRCC I.D. NO.

N E W M E X I C O	7. NAME OR DESCRIPTION OF WASTE SHIPPED: Non-Regulated, Non Hazardous Waste	8. CONTAINERS No.	Type	9. TOTAL QUANTITY	10. UNIT Wt/Vol.	11. TEXAS WASTE ID #
	a. 502080		1	CM		
	b. 45400					
	c. 46840					

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION	13. WASTE PROFILE NO. 708599
--	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.

15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
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T R A N S P O R T E R S	16. TRANSPORTER (1) NAME: BACKHOE SERVICES TEXAS I.D. NO. IN CASE OF EMERGENCY CONTACT: JOE FRANCO EMERGENCY PHONE: (575) 748-8251	17. TRANSPORTER (2) NAME: TEXAS I.D. NO. IN CASE OF EMERGENCY CONTACT: EMERGENCY PHONE:
	18. TRANSPORTER (1): Acknowledgment of receipt of material	19. TRANSPORTER (2): Acknowledgment of receipt of material
	PRINTED/TYPED NAME CARLOS ALVIDREZ	PRINTED/TYPED NAME _____
	SIGNATURE <i>[Signature]</i> DATE 11/9/2009	SIGNATURE _____ DATE _____

ADDRESS: Lea Land, LLC	Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
----------------------------------	---	-------------------------------

PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
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21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE <i>[Signature]</i>	CELL NO.	DATE 11/09/09	TIME 9:25
---	----------	-------------------------	---------------------

LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1360 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Correl

NON-HAZARDOUS WASTE MANIFEST NO **070899** 1. PAGE ___ OF ___ 2. TRAILER NO. **2**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.		5. PICK-UP DATE 11/6/2009
	PHONE NO. 575-748-1471	CITY Artesia	STATE NM	ZIP 88210

E N E R	7. NAME OR DESCRIPTION OF WASTE SHIPPED: Non-Regulated, Non Hazardous Waste		8. CONTAINERS No.	Type CM	9. TOTAL QUANTITY	10. UNIT Wt/Vol.	11. TEXAS WASTE ID #
	a.						
	b. ① 43,280 @ 50,980						
	c.						
	d. WT:						

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION	13. WASTE PROFILE NO. 708599
--	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.

15. **GENERATOR'S CERTIFICATION:** I Herby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
--------------------	-----------	------

T R A N S P O R T E R S	16. TRANSPORTER (1)	17. TRANSPORTER (2)
	NAME: BACKHOE SERVICES	NAME:
	TEXAS I.D. NO.	TEXAS I.D. NO.
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO	IN CASE OF EMERGENCY CONTACT:
EMERGENCY PHONE: (575) 748-8251	EMERGENCY PHONE:	
18. TRANSPORTER (1): Acknowledgment of receipt of material	19. TRANSPORTER (2): Acknowledgment of receipt of material	
PRINTED/TYPED NAME Juan Correl	PRINTED/TYPED NAME _____	
SIGNATURE <i>Juan Correl</i>	DATE 11/6/2009	SIGNATURE _____ DATE _____

Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
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PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
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21. **DISPOSAL FACILITY'S CERTIFICATION:** I Herby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE <i>[Signature]</i>	CELL NO.	DATE 11/06/09	TIME
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

GC Gonzalez

NON-HAZARDOUS WASTE MANIFEST

NO **070898**

1. PAGE OF

2. TRAILER NO. **003**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE 11/8/2009				
	PHONE NO. 575-748-1471	CITY STATE ZIP Artesia NM 88210	6. TNRCC I.D. NO.				
E	7. NAME OR DESCRIPTION OF WASTE SHIPPED:		8. CONTAINERS	9. TOTAL	10. UNIT	11. TEXAS	
			No.	QUANTITY	Wt/Vol.	WASTE ID #	
	a. Non-Regulated, Non Hazardous Waste		1	CM			
	b. 046880 (2) 50880						
R	c. WT:						
	d. WT:						
A	12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION			13. WASTE PROFILE NO. 708599			
	14. IN CASE OF EMERGENCY OR SPILL, CONTACT						
T	NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.				
	15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC						
O	PRINTED/TYPED NAME		SIGNATURE		DATE		
T	16. TRANSPORTER (1)			17. TRANSPORTER (2)			
	NAME: BACKHOE SERVICES			NAME:			
	TEXAS I.D. NO.			TEXAS I.D. NO.			
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO			IN CASE OF EMERGENCY CONTACT:			
R	EMERGENCY PHONE: (575) 748-8251			EMERGENCY PHONE:			
	18. TRANSPORTER (1): Acknowledgment of receipt of material			19. TRANSPORTER (2): Acknowledgment of receipt of material			
	PRINTED/TYPED NAME Guadalupe Gonzalez			PRINTED/TYPED NAME _____			
	SIGNATURE <i>[Signature]</i> DATE 11/8/2009			SIGNATURE _____ DATE _____			
D	Lea Land, LLC		ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM		PHONE: 505-887-4048		
	PERMIT NO. WM-01-035 - New Mexico		20. COMMENTS				
	21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.						
S	AUTHORIZED SIGNATURE <i>[Signature]</i>		CELL NO.		DATE		
					11/08/09		
I	TIME 9:55						

LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

De la Cruz

NON-HAZARDOUS WASTE MANIFEST NO **070895** 1. PAGE ___ OF ___ 2. TRAILER NO. **38**

G E	3. COMPANY NAME Yates Petroleum PHONE NO. 575-748-1471	4. ADDRESS 105 South 4th St. CITY Artesia STATE NM ZIP 88210	5. PICK-UP DATE 11/8/2008
			6. TNRCC I.D. NO.

N E R	7. NAME OR DESCRIPTION OF WASTE SHIPPED.	8. CONTAINERS		9. TOTAL QUANTITY	10. UNIT Wt/Vol.	11. TEXAS WASTE ID #
		No.	Type			
a.	Non-Regulated, Non Hazardous Waste	1	CM			
b.						
c.						
d.	WT: 48116.0 @ 50,000 @ 50,000					

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION	13. WASTE PROFILE NO. 708599
--	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.

15. **GENERATOR'S CERTIFICATION:** I Herby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
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16. TRANSPORTER (1)	17. TRANSPORTER (2)
NAME: BACKHOE SERVICES	NAME:
TEXAS I.D. NO.	TEXAS I.D. NO.
IN CASE OF EMERGENCY CONTACT: JOE FRANCO	IN CASE OF EMERGENCY CONTACT:
EMERGENCY PHONE: (575) 748-8251	EMERGENCY PHONE:

18. TRANSPORTER (1): Acknowledgment of receipt of material	19. TRANSPORTER (2): Acknowledgment of receipt of material
PRINTED/TYPED NAME: Lucio De la Cruz	PRINTED/TYPED NAME: _____
SIGNATURE: <i>[Signature]</i> DATE: 11/8/2008	SIGNATURE: _____ DATE: _____

Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
---------------	--	----------------------------

PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
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21. **DISPOSAL FACILITY'S CERTIFICATION:** I Herby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE: <i>[Signature]</i>	CELL NO. _____	DATE: 11/08/09	TIME: 9:25
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Alvidrez
A-1

NON-HAZARDOUS WASTE MANIFEST NO **070894** 1. PAGE OF 2. TRAILER NO.

3. COMPANY NAME Rates Petroleum PHONE NO. 575-748-1471	4. ADDRESS 105 South 4th St. CITY STATE ZIP Artesia NM 88210	5. PICK-UP DATE 11-6-09 6. TNRC I.D. NO.
--	---	---

7. NAME OR DESCRIPTION OF WASTE SHIPPED:	8. CONTAINERS No.	Type	9. TOTAL QUANTITY	10. UNIT Wt/Vol.	11. TEXAS WASTE ID #
a. Non-Regulated, Non Hazardous Waste	1	CM			
b.					
c.					
d. WT: 48220 @ 52,000					

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION <i>T=100220</i>	13. WASTE PROFILE NO. 708599
---	---

14. IN CASE OF EMERGENCY OR SPILL, CONTACT

NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.
------------------------------	----------------------------------	-----------------------

15. GENERATOR'S CERTIFICATION: I Herby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
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16. TRANSPORTER (1) NAME: BACKHOE SERVICES TEXAS I.D. NO. IN CASE OF EMERGENCY CONTACT: JOE FRANCO EMERGENCY PHONE: (575) 748-8251	17. TRANSPORTER (2) NAME: TEXAS I.D. NO. IN CASE OF EMERGENCY CONTACT: EMERGENCY PHONE:
18. TRANSPORTER (1): Acknowledgment of receipt of material PRINTED/TYPED NAME: CARLOS ALVIDREZ SIGNATURE: <i>[Signature]</i> DATE: 11/6/2009	19. TRANSPORTER (2): Acknowledgment of receipt of material PRINTED/TYPED NAME: _____ SIGNATURE: _____ DATE: _____

Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
---------------	---	------------------------

PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
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21. DISPOSAL FACILITY'S CERTIFICATION: I Herby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE <i>[Signature]</i>	CELL NO.	DATE 11/06/09	TIME 9:25
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

DTR

NON-HAZARDOUS WASTE MANIFEST NO **070811** 1. PAGE ___ OF ___ 2. TRAILER NO. **03**

G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE
	PHONE NO. 575-748-1471	CITY STATE ZIP Artesia NM 88210	6. TNRCC I.D. NO.

N	7. NAME OR DESCRIPTION OF WASTE SHIPPED:	8. CONTAINERS		9. TOTAL	10. UNIT	11. TEXAS
		No.	Type	QUANTITY	Wt/Vol.	WASTE ID #
E	a. Non-Regulated, Non-Hazardous Waste	1	CM			
	b.					
	c.					
R	d. WT: 41040					

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION	13. WASTE PROFILE NO. 708599
--	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.

15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
--------------------	-----------	------

T R A N S P O R T E R S	16. TRANSPORTER (1)	17. TRANSPORTER (2)
	NAME: BACKHOE SERVICES	NAME:
	TEXAS I.D. NO.	TEXAS I.D. NO.
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO	IN CASE OF EMERGENCY CONTACT:
	EMERGENCY PHONE: (575) 748-8251	EMERGENCY PHONE:
	18. TRANSPORTER (1): Acknowledgment of receipt of material	19. TRANSPORTER (2): Acknowledgment of receipt of material
	PRINTED/TYPED NAME <i>Daniel Delacruz</i>	PRINTED/TYPED NAME _____
	SIGNATURE <i>Daniel Delacruz</i> DATE 11/3/2009	SIGNATURE _____ DATE _____

D I S P O S I T O R Y	Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
--	---------------	---	------------------------

PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
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21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE <i>Valeria Lopez</i>	CELL NO.	DATE 11/03/09	TIME 10:10
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Sumner

NON-HAZARDOUS WASTE MANIFEST NO **070810** 1. PAGE OF 2. TRAILER NO. **13**

G E	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.	5. PICK-UP DATE 11-03-09
	PHONE NO. 575-748-1471	CITY STATE ZIP Artesia NM 88210	6. TNRC I.D. NO.

N E R	7. NAME OR DESCRIPTION OF WASTE SHIPPED: a. Non-Regulated, Non Hazardous Waste	8. CONTAINERS No.	Type.	9. TOTAL QUANTITY	10. UNIT Wt/Vol.	11. TEXAS WASTE ID #
	45,100	1	CM			
	c.					

12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION	13. WASTE PROFILE NO. 708599
--	--

14. IN CASE OF EMERGENCY OR SPILL, CONTACT		
NAME Kin Slaughter	PHONE NO. 575-887-4048	24-HOUR EMERGENCY NO.

15. GENERATOR'S CERTIFICATION: I Herby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC

PRINTED/TYPED NAME	SIGNATURE	DATE
--------------------	-----------	------

T R A N S P O R T E R S	16. TRANSPORTER (1) NAME: BACKHOE SERVICES TEXAS I.D. NO. IN CASE OF EMERGENCY CONTACT: JOE FRANCO EMERGENCY PHONE: (575) 748-8251	17. TRANSPORTER (2) NAME: TEXAS I.D. NO. IN CASE OF EMERGENCY CONTACT: EMERGENCY PHONE:
--	--	--

18. TRANSPORTER (1): Acknowledgment of receipt of material PRINTED/TYPED NAME <i>Andrés Quiroz</i> SIGNATURE <i>[Signature]</i> DATE 11/3/2009	19. TRANSPORTER (2): Acknowledgment of receipt of material PRINTED/TYPED NAME _____ SIGNATURE _____ DATE _____
--	---

Lea Land, LLC	ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM	PHONE: 505-887-4048
---------------	---	------------------------

PERMIT NO. WM-01-035 - New Mexico	20. COMMENTS
---	--------------

21. DISPOSAL FACILITY'S CERTIFICATION: I Herby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.

AUTHORIZED SIGNATURE <i>[Signature]</i>	CELL NO. _____	DATE 11/03/09	TIME 10:05
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LEA LAND DISPOSAL SITE NEW MEXICO

MILE MARKER #64 US HWY 62/180 • 30 MILES EAST OF CARLSBAD, NM • PHONE (505) 887-4048

LEA LAND, LLC

1300 WEST MAIN STREET • OKLAHOMA CITY, OK 73106 • PHONE (405) 236-4257

Marcel

NON-HAZARDOUS WASTE MANIFEST

NO **070809**

1. PAGE OF

2. TRAILER NO. **03**

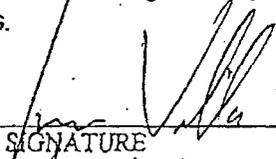
G	3. COMPANY NAME Yates Petroleum	4. ADDRESS 105 South 4th St.		5. PICK-UP DATE 11-3-09	
	PHONE NO. 575-748-1471	CITY Artesia	STATE NM	ZIP 88210	6. TNRCC I.D. NO.
E	7. NAME OR DESCRIPTION OF WASTE SHIPPED:			8. CONTAINERS	9. TOTAL
	a. Non-Regulated, Non Hazardous Waste			No. 1	QUANTITY
	b.			Type CM	10. UNIT
	c.				Wt/Vol.
R	d. WT: 48,900				11. TEXAS WASTE ID #
	12. COMMENTS OR SPECIAL INSTRUCTIONS: PENASCO COMPRESS STATION				13. WASTE PROFILE NO. 708599
T	14. IN CASE OF EMERGENCY OR SPILL, CONTACT				
	NAME Kin Slaughter		PHONE NO. 575-887-4048		24-HOUR EMERGENCY NO.
O	15. GENERATOR'S CERTIFICATION: I hereby declare that the contents of this consignment are fully and accurately described above by proper shipping name and are classified, packed, marked, and labeled, and are in all respects in proper condition for transport by highway according to applicable international and national government regulations, including applicable state regulations, and are the same materials previously approved by LEA LAND, LLC				
	PRINTED/TYPED NAME		SIGNATURE		DATE
T R A N S P O R T E R S	16. TRANSPORTER (1)		17. TRANSPORTER (2)		
	NAME: BACKHOE SERVICES		NAME:		
	TEXAS I.D. NO.		TEXAS I.D. NO.		
	IN CASE OF EMERGENCY CONTACT: JOE FRANCO		IN CASE OF EMERGENCY CONTACT:		
EMERGENCY PHONE: (575) 748-8251		EMERGENCY PHONE:			
18. TRANSPORTER (1): Acknowledgment of receipt of material		19. TRANSPORTER (2): Acknowledgment of receipt of material			
PRINTED/TYPED NAME M Lopez		PRINTED/TYPED NAME			
SIGNATURE <i>[Signature]</i>		DATE 11/3/2009		DATE	
D I S P O S I T Y	Lea Land, LLC		ADDRESS: Mile Marker 64, U.S. Hwy 62/180, 30 Miles East of Carlsbad, NM		PHONE: 505-887-4048
	PERMIT NO. WM-01-035 - New Mexico		20. COMMENTS		
	21. DISPOSAL FACILITY'S CERTIFICATION: I hereby certify that the above described wastes were delivered to this facility, that the facility is authorized and permitted to receive such wastes.				
AUTHORIZED SIGNATURE <i>[Signature]</i>		CELL NO.	DATE 11/03/09	TIME 0930	

CERTIFICATE OF WASTE STATUS
EXEMPT WASTE MATERIAL
"AS REQUIRED BY NEW MEXICO OIL CONSERVATION DIVISION"

COMPANY / GENERATOR Agave Energy Company
ADDRESS 105 South Fourth Street
GENERATING SITE Penasco Compressor Station
COUNTY Eddy STATE NM
TYPE OF WASTE Hydrocarbon bearing soil
ESTIMATED VOLUME 2000 + yards
GENERATING PROCESS Below grade tank removal

REMARKS _____
NMOCD FACILITY CRI
TRUCKING COMPANY Al Franco's Backhoe Service

I hereby certify, represent and warrant that the wastes are generated from oil and gas exploration and production operations exempt from Resource Conservation and Recovery Act (RCRA) Subtitle C Regulations; and not mixed with non-exempt wastes.

AGENT 
SIGNATURE
NAME Ivan Villa
PRINTED
ADDRESS 105 South Fourth Street
Antesia, NM 88210
DATE 11-12-2009

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33339

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: na
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/13/2009 10:26:38 AM	Driver: felipe
	Vehicle: 38 -de la cruz

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

Felipe De la Cruz

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I:

Generator Name Utes Pet.
Address 105 S. 4th
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy
Property Name Renaseo Comp. Sta.
(Well, Tank Battery, Plant, Facility)

Permit No. N/A

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids	_____	Tank Bottoms	_____	Exempt Fluids	_____
Completion Fluids	_____	Gas Plant Waste	_____	C117 No.	_____
Contaminated Soil	_____	Other Material	_____	Pit No.	_____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION:

The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Dallen (MSE)
Signature of Generator's Authorized Agent

11-13-09 8:25 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Buckhoe Services
Address P.O. Box 847
City/State Artesia, NM 88210

(575) 365-2356
Telephone No.
De la Cruz #38
Truck No.

CERTIFICATION:

I certify that the waste in quantity above was received by me for shipment to the destination below.

Felipe De la Cruz
Signature of Transporter's Agent

11-13-09 8:35 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION:

I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received _____
AGAVE WASTE

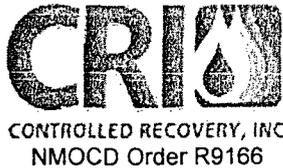
ONLY

APPROVED GG
DATE 11/13/09

COULD BE COMMON

APPROVED GG
DATE 11/13/09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33340

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: AGAVE ENERGY	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/13/2009 10:26:48 AM	Driver: MARCEL
	Vehicle: MARCELS 03

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I:

Generator
Address
City/State

Agave Pet.
105 South 4th St.
Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center

Agave Energy

Permit No. N/A

Property Name

Penasco Comp. Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids	_____	Tank Bottoms	_____	Exempt Fluids	_____
Completion Fluids	_____	Gas Plant Waste	_____	C117 No.	_____
Contaminated Soil	_____	Other Material	_____	Pit No.	_____

DESCRIPTION/NOTES

Dirt removed from below grade sumps.

CERTIFICATION:

The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Adlee (MBF)
Signature of Generator's Authorized Agent

11-13-09 8:30 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACK HOE SERVICES
Address P.O. Box 842
City/State ARTESIA, N.M. 88211-0842

575 365 2356
Telephone No.
MARCEL'S 03
Truck No.

CERTIFICATION:

I certify that the waste in quantity above was received by me for shipment to the destination below.

M Jones
Signature of Transporter's Agent

11/13/09 8:30 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION:

I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received:

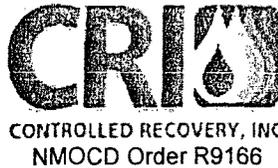
AGAVE WASTE ONLY

APPROVED GG

DATE 11/13/09



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33341

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: AGAVE ENERGY	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/13/2009 10:30:14 AM	Driver: ALVIDREZ
	Vehicle: A-1

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

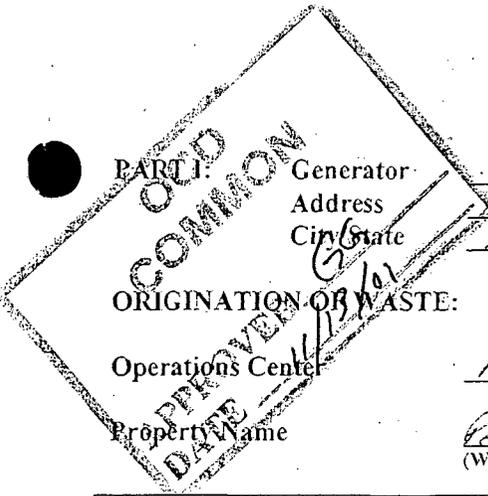
Driver/Agent (signature) CRI Rep (signature)

Tank Bottoms

	Feet	Inches	BS & W/BLS Received	BS & W 0 %
1st Gauge				
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST



PART I: Generator Yates Pet (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia

ORIGINATION OF WASTE:
Operations Center Agave Energy Permit No. N/A
Property Name PENSICO Camp STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below gas sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Lollar (MRF) 11-13-09 - 8:40 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES 575-365-2356
Address P.O. BOX 842 Telephone No.
City/State ARTESIA, NM. 85211-0842 ALVIOREZ A-1
Truck No.

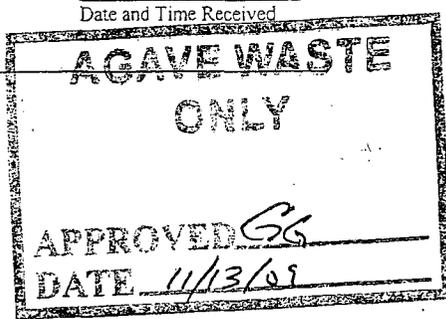
CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
[Signature] 11-13/09 8:40 AM.
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 33342

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: na
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/13/2009 10:30:41 AM	Driver: daniel
	Vehicle: 3-d-r

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

APPROVED
RECEIVED
CCD
COMMON
GG 11/13/09

NON-HAZARDOUS WASTE MANIFEST

PART I:

Generator Yates Pet.
Address 10.5 S. 4th
City/State Artesia N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy
Property Name PENASCO Comp. Sta.
(Well, Tank Battery, Plant, Facility)

Permit No. n/a

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT.,LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps.

CERTIFICATION:

The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salice (MBF)
Signature of Generator's Authorized Agent

11-13-09 8:25am
Date and Time of Ship

PART II:

TRANSPORTER: (To be completed in full by Transporter)

Name BACK HOE SERVICES
Address P.O. Box 842
City/State ARTESIA, N.M. 88211-0842

575 365-2356
Telephone No.
DER #03
Truck No.

CERTIFICATION:

I certify that the waste in quantity above was received by me for shipment to the destination below.

Daniel De la Cruz
Signature of Transporter's Agent

11-18-09 8:35 AM
Date and Time Received

PART III:

DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION:

I certify that the waste described in Part I was received by me via the transporter described in Part II.

Rene Mack
Signature of Facility Agent

Date and Time Received
AGAVE WASTE ONLY
APPROVED GG
DATE 11/13/09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 33364

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/13/2009 1:08:25 PM	Driver: marcel
	Vehicle: 3-marcel

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Gates Petroleum (575) 748-1471
Address 1105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center AGAVE ENERGY Permit No. N/A
Property Name PEVASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the
Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Salter (MAF) 11-13-09 11:40 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKLOR SERVICES 575 365 2356
Address P.O. Box 842 Telephone No.
City/State ARTESIA NM 88211-0842 MARCEL'S 03
Truck No.

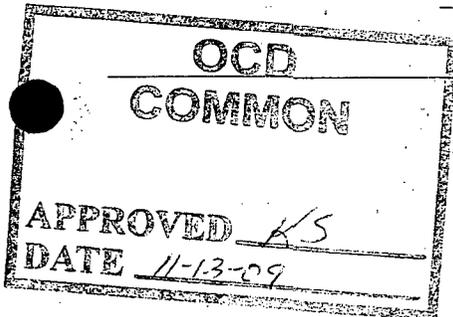
CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
M Jones 11/13/09 1148 AM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

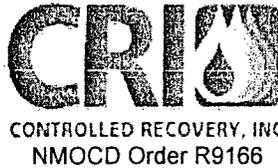
Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33366

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/13/2009 1:11:01 PM	Driver: felipe
	Vehicle: 38-de la cruz

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Felipe De la Cruz

[Handwritten Signature]

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Upates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Pennisio Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Bellar (MOBF) 11-13-09 11:50 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services (575) 365-2356
Address P.O. Box 842 Telephone No.
City/State Artesia, NM Delacruz #38
Truck No.

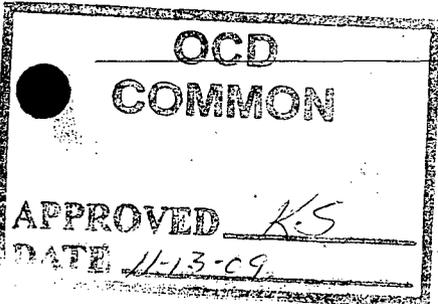
CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
Felipe De la Cruz 11-13-09 11:55 AM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No.
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33368

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/13/2009 1:16:24 PM	Driver: daniel
	Vehicle: 3-d-r

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Daniel De la Cruz

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uster Petroleum (575) 248-1421
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ CI17 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the
Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Salazar (MSF) 11-13-09 12:00 PM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACCO HOE SERVICES 575-365-2356
Address PO-Box 842 Telephone No.
City/State ARTESIA N-M 88211-0842 #03
Truck No.

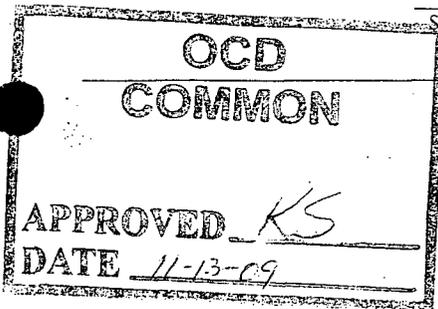
CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
Daniel De La Cruz _____
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No.
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOC Order R9166

Ticket: 33370

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/13/2009 1:19:29 PM	Driver: carlos
	Vehicle: a-1-alvidrez

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20	Yards	50-51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Updes Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Petasco Compressor Sta
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the
Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Ballae (MBS) 11-13-09 12:10 PM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services 575-365-2356
Address P.O. Box 842 Telephone No.
City/State Artesia, N.M. 88211-0842 ALVAREZ A-1
Truck No.

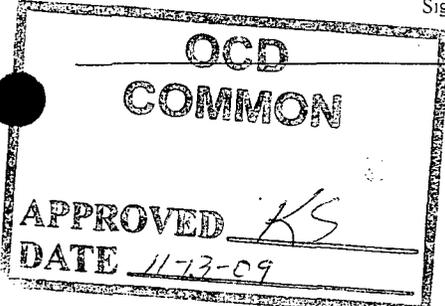
CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
alt 11-13/09 12:10
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33400

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/13/2009 3:51:52 PM	Driver: marcel
	Vehicle: 3-marcel

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D. as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

M. Jones *R. ...*

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Address City/State Yates Petroleum 105 South 4th St. Artesia, N.M. (575) 748-1471 Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. n/a
Property Name PENASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Salles (MBE) 11-13-09 2:40pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES 575 365 2354
Address PO BOX 842 Telephone No.
City/State ARTESIA, NM 88211 0842 MARCEL'S 03
Truck No.

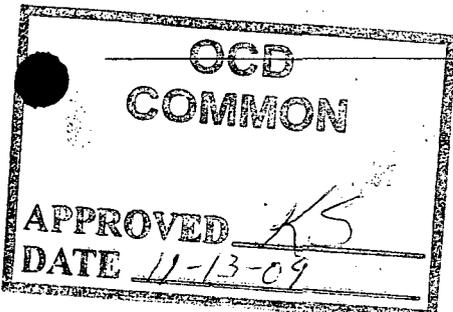
CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
M. J. J. 11/13 2:40pm
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33403

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/13/2009 4:04:54 PM	Driver: felipe
	Vehicle: 38-de la cruz

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20	Yards	50-51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature),

Felipe De la Cruz *[Signature]*

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. n/a
Property Name PENASCO COMPRESSOR STA
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Kin Ballou (MBE) 11-13-09 2:50 pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Buckhee services (575) 365-2356
Address P.O. Box 842 Telephone No.
City/State Artesia, NM Dehucruz # 38
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

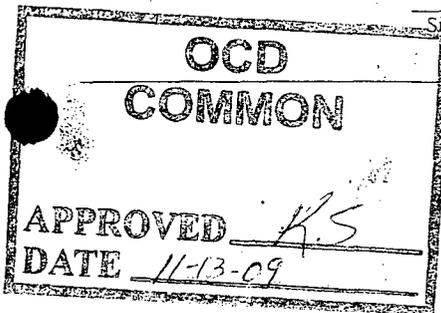
Felipe Dehucruz _____
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____ Telephone No. _____
Address _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOC Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33404

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/13/2009 4:07:24 PM	Driver: daniel
	Vehicle: 3 d-r

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20	Yards	50-51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum
Address 105 South 4th St.
City/State Arcadia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. n/a

Property Name PERASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____	Tank Bottoms _____	Exempt Fluids _____
Completion Fluids _____	Gas Plant Waste _____	C117 No. _____
Contaminated Soil _____	Other Material _____	Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MBF)
Signature of Generator's Authorized Agent

11-13-09 2:50 pm
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACK HOE SERVICES
Address PO-Box 827
City/State Arcadia N.M. 88211-0827

575-365-2356
Telephone No.
1108
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Signature of Transporter's Agent

Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

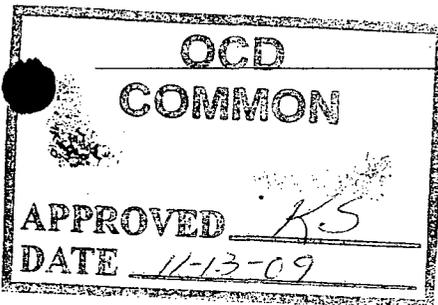
Name _____
Address _____
City/State _____

Telephone No.

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 33407

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: na
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/13/2009 4:18:28 PM	Driver: ALVIDREZ
	Vehicle: A-1

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

[Handwritten Signature] *[Handwritten Signature]*

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Unico Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Panexo Compressor Sta
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Saldaña (MBF) 11-13-09 3:05 p.m
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services 575-365-2356
Address P.O. Box 542 Telephone No.
City/State Artesia, N.M. 88211-0842 ALVIOREZ A-1
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
AL 11-13-09 3:10
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____
OCD COMMON
APPROVED KS
DATE 11-13-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOC Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33776

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/16/2009 9:23:48 AM	Driver: MARCEL
	Vehicle: O3 MARCELS

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Water Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center AGALE ENERGY Permit No. N/A
Property Name PERASEC COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Suller (MBF) 11-16-09 8:15 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES 575 365 2354
Address PO Box 842 Telephone No.
City/State ARTESIA, NM 88211-0842 MARCELE-03
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

M Jones 11-16-09 8:15
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____ Telephone No. _____
Address _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received

OCD
COMMON
APPROVED KS
DATE 11-16-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33779

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: 1
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/16/2009 9:30:27 AM	Driver: LUPE
	Vehicle: GONZALES 003

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

[Signature] *[Signature]*

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Water Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name PERASCO Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Siller (MBE) 11-16-09 8:25AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACK HOE SERVICES 565-36502386
Address P.O BOX 842 Telephone No.
City/State Artesia, NM 88211-0842 5029603
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
R. Hornum 11-16-09 8:25AM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

OCD
COMMON
Signature of Facility Agent _____ Date and Time Received _____
APPROVED KS
DATE 11-16-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33781

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/16/2009 9:36:38 AM	Driver: DANIEL
	Vehicle: 03

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Daniel DeLacruz

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Penaco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade swamps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the
Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Garcia (MGE) 11-16-09 8:30 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES 575-365-2356
Address P.O. Box 842 Telephone No.
City/State ARTESIA N.M. 88211-0842 #02
Truck No.

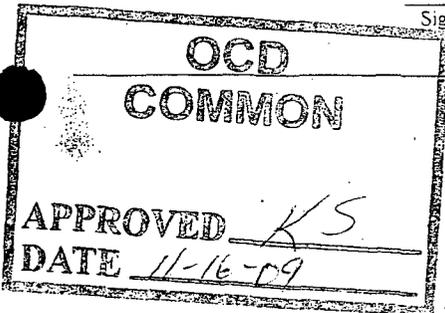
CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
Daniel De la Cruz 11-16-09 8:30 AM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____
Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOC Order R9166

Ticket: 33783

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/16/2009 9:47:53 AM	Driver: FELIPE
	Vehicle: 38

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Felipe De la Cruz

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Plates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center AGAVE ENERGY Permit No. N/A
Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Miller (MRF) 11-16-09 8:35am
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Berkhoe Services (575) 365-0356
Address P.O. Box 847 Telephone No.
City/State Artesia, NM Dehman #38
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

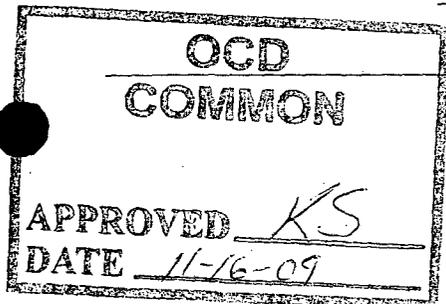
Felipe Dehman 11-16-09 8:40 am
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

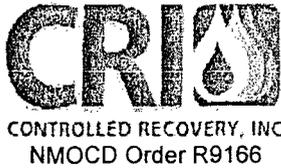
Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33814

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/16/2009 12:07:37 PM	Driver: MARCEL
	Vehicle: MARCELS 03

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20	Yards	50-51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

M Lopez

CRI Rep (signature)

Lyle

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Upates Petroleum
Address 1105 South 24th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy
Property Name Pensac Compressor Sta.
(Well, Tank Battery, Plant, Facility)

Permit No. N/A

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Sallie (MRF)
Signature of Generator's Authorized Agent

11-16-09 10:55 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES
Address PO Box 842
City/State CARLSBAD, N.M. 88211-0842

575 365-2354
Telephone No.
MARCEL 03
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

M. Lopez
Signature of Transporter's Agent

11-16-09 10:55 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

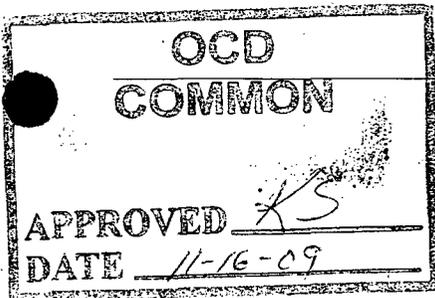
Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOC Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33817

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/16/2009 12:17:17 PM	Driver: LUPE
	Vehicle: GONZALES 003

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20	Yards	50-51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

[Signature]

CRI Rep (signature)

[Signature]

Tank Bottoms

	Feet	Inches	BS & W/BBLs Received	BS & W 0 %
1st Gauge				
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Upates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy
Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

Permit No. N/A

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Miller (MBF)
Signature of Generator's Authorized Agent

11-16-09 11:05 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACK HOE SERVICES
Address P.O. Box 842
City/State Artesia N.M 88211-0842

575-365-2356
Telephone No.
Gonzalez 003
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

G. Gonzalez
Signature of Transporter's Agent

11-16-09 11:05 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

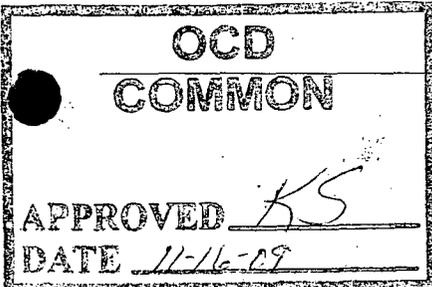
Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOC Order R9166

Ticket: 33818

Bill To: YATES DRILLING COMPANY	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/16/2009 12:17:49 PM	Driver: DANIEL
	Vehicle: 3

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50/51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Cates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Atascia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. n/a
Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil _____ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MBE) 11-16-09 11:00 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACK HOE SERVICES 575-365-2356
Address P.O. Box 847 Telephone No.
City/State ATASCIA N.M. 88211-0847 7108
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

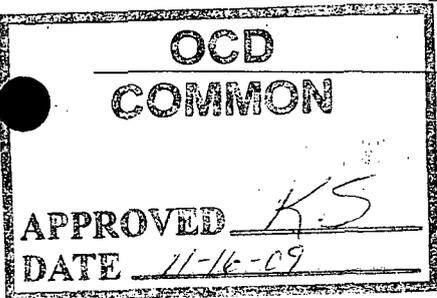
Signature of Transporter's Agent 11-16-09 11:10 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33819

Bill To: YATES DRILLING COMPANY	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLE	Rig: NA
Trucking: DE LA CRUZ	PO: NA
Date/Time: 11/16/2009 12:25:54 PM	Driver: PHILLIPA
	Vehicle: 38

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20	Yards	50/51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

Telipe De La Cruz

CRI Rep (signature)

[Handwritten Signature]

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Upstar Petroleum (575) 248-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Revised Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil / Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sump

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

[Signature] (MAF)
Signature of Generator's Authorized Agent

11-16-09 11:20 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services
Address P.O. Box 542
City/State Artesia, NM

(575) 365-2356
Telephone No.
De la Cruz # 38
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Signature of Transporter's Agent

Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

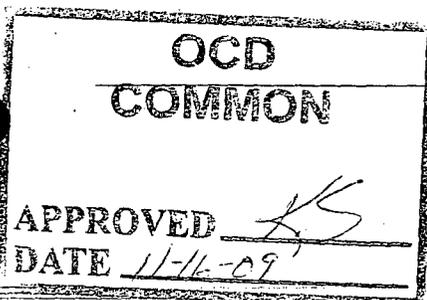
Name _____
Address _____
City/State _____

Telephone No.

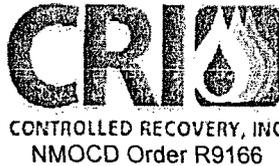
CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33864

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/16/2009 3:02:51 PM	Driver: MARCEL
	Vehicle: MARCELS 03

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Wates Petroleum (575) 748-1471
 Address 105 South 4th St Telephone No.
 City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
 Property Name Penasco Compressor Sta.
 (Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____	Tank Bottoms _____	Exempt Fluids _____
Completion Fluids _____	Gas Plant Waste _____	C117 No. _____
Contaminated Soil <u> ✓ </u>	Other Material _____	Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Sollec (MAF) 11-16-09 1:35pm
 Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHUE SERVICES 575 365 2356
 Address PO BOX 842 Telephone No.
 City/State ARTESIA NM 88211 0842 MARCEL'S 03
 Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

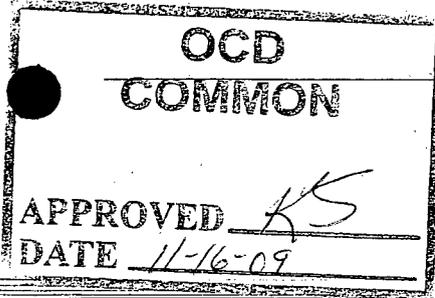
M FOMZ 11-16-09 1:35 PM
 Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____ Telephone No. _____
 Address _____
 City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33868

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/16/2009 3:18:27 PM	Driver: FELIPE
	Vehicle: 38

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analyis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

Felipe De la Cruz

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Hates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
 Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name PLASCO COMPRESSOR STA.
 (Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids	_____	Tank Bottoms	_____	Exempt Fluids	_____
Completion Fluids	_____	Gas Plant Waste	_____	C117 No.	_____
Contaminated Soil	<u>✓</u>	Other Material	_____	Pit No.	_____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MBF)
 Signature of Generator's Authorized Agent

11-16-09 1:55pm
 Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe services
Address P.O. Box 842
City/State Artesia, NM

(575) 365-2356
 Telephone No.
Deliverer #38
 Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Felipe Delacruz
 Signature of Transporter's Agent

11-16-09 2:00 p.m.
 Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____

**OCD
COMMON**

APPROVED KS
DATE 11-16-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33872

Bill To: YATES DRILLING COMPANY	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/16/2009 3:27:32 PM	Driver: GONZALEZ
	Vehicle: 003

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50/51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum (575) 748-1471
Address 10.5 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. n/a
Property Name PERASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids	_____	Tank Bottoms	_____	Exempt Fluids	_____
Completion Fluids	_____	Gas Plant Waste	_____	C117 No.	_____
Contaminated Soil	<u>✓</u>	Other Material	_____	Pit No.	_____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Sullivan (MSF) 11-16-09 1:45pm
 Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services Telephone No. 575-365-2356
 Address P.O. BOX 842
 City/State Artesia N.M. 88211-0842 Truck No. Gonzalez 003

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
M. Gonzalez 11-16-09 1:45pm
 Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____ Telephone No. _____
 Address _____
 City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.
 _____ Signature of Facility Agent _____ Date and Time Received

**OCD
COMMON**

APPROVED K.S.
 DATE 11-16-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33874

Bill To: YATES DRILLING COMPANY	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/16/2009 3:30:31 PM	Driver: DANIEL
	Vehicle: 03

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50/51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

De la Cruz

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum (575) 748-1471
Address 10.5 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
[Signature] (MBF) 11-16-09 1:50 PM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

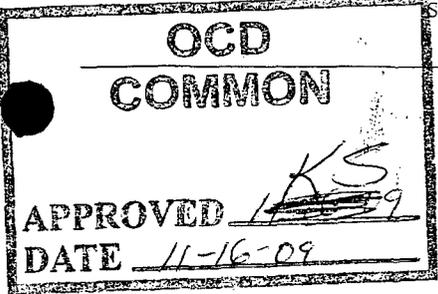
Name BACK HOE SERVICES 575-765-2356
Address PO Box 847 Telephone No.
City/State ARTESIA N.M. 88211-0847 FF03
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
[Signature] 11-16-09 1:50 AM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.
Signature of Facility Agent _____ Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33888

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/16/2009 4:50:05 PM	Driver: ALVIDREZ
	Vehicle: A-1

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

[Handwritten Signature] *[Handwritten Signature]*

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uster Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. n/a
Property Name Pennco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Saltee (MBF) 11-16-09 3:30 pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services 575-365-2356
Address P.O. Box 842 Telephone No.
City/State Artesia, N.M. 88211-0842 ALVAREZ A-1
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
AL 11-16-09 3:30 P.M.
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-16-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOC Order R9166

Ticket: 33889

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/16/2009 4:52:47 PM	Driver: MARIO
	Vehicle: N-57

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20	Yards	50-51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum
Address 105 South 4th St
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT.,LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ CI17 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salles (MBF)
Signature of Generator's Authorized Agent

11-16-09 3:35pm
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name backHoe services
Address P.O. Box 842
City/State Artesia NM 88211-0842

365-2356
Telephone No.
2-57
Truck No.
Nevarez trucking

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

[Signature]
Signature of Transporter's Agent

11-16-09
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received

OCD
COMMON
APPROVED KB
DATE 11-16-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33959

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: 1
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 9:22:00 AM	Driver: LUPE G
	Vehicle: 003

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum (575) 748-1471
Address 125 South 4th St Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. n/a
Property Name Pinasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the
Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Sallice (MSF) 11-17-09 8:15am
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services 575-365-2356
Address P.O. BOX 840 Telephone No.
City/State Artesia N.M 88211-0842 Gonzalez 003
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
P. Gonzalez 11-17-09 8:15 AM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 33962

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 9:29:06 AM	Driver: MEDINA
	Vehicle: M-248

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 248-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. n/a

Property Name Panuco Compressor Sta
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids	_____	Tank Bottoms	_____	Exempt Fluids	_____
Completion Fluids	_____	Gas Plant Waste	_____	C117 No.	_____
Contaminated Soil	<u>✓</u>	Other Material	_____	Pit No.	_____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (GABF)
Signature of Generator's Authorized Agent

11-17-09 9:05 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Back Hoe Service TX
Address P.O. Box 842
City/State Artesia N.M. 88211

356-5356
Telephone No.
M-248 - Medina
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

[Signature]
Signature of Transporter's Agent

11-17-09 - 8:05 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____

**OCD
COMMON**

APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 33963

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: SALLEE	Rig: NA
Trucking: D & R	PO: NA
Date/Time: 11/17/2009 9:29:57 AM	Driver: DANIEL D
	Vehicle: 03

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

Daniel Cruz

CRI Rep (signature)

[Signature]

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, NM.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Panisco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Salter (MSE) 11-17-09 8:20 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKROE SERVICES 575-865-2856
Address P.O. Box 547 Telephone No.
City/State Artesia, NM 88211-0847 7108
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
Demetri De la Cruz 11-17-09 8:20 AM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

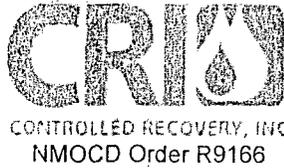
Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33964

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 9:31:58 AM	Driver: MARCEL
	Vehicle: MARCEL O3

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

M. Lopez *[Signature]*

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State: Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name PERASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the
Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Sallica (MRF) 11-17-09 9:10 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES 575 365-2354
Address P.O. Box 842 Telephone No.
City/State ARTESIA NM 88211-0842 MARCEL'S 03
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
M. Jones 11-17-09
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____ Telephone No. _____
Address _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

OCD
COMMON
APPROVED KS
DATE 11-17-09

Signature of Facility Agent _____ Date and Time Received _____

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33967

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/17/2009 9:37:01 AM	Driver: FELIPE
	Vehicle: 38

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Felipe De la Cruz

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Gates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MBF) 11-17-09 8:25 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Buckhoe services (575) 365-2356
Address P.O. Box 842 Telephone No.
City/State Artesia, NM Dehner #38
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

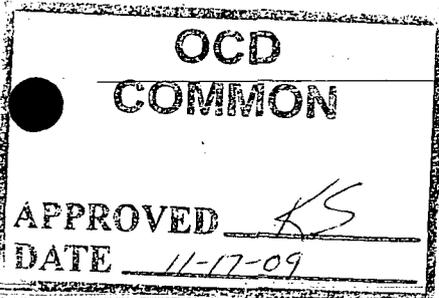
Felipe Dehner 11-17-09 8:30 AM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

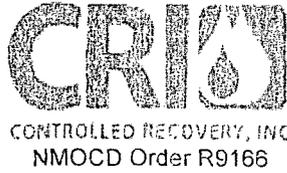
Name _____ Telephone No. _____
Address _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33969

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/17/2009 9:41:44 AM	Driver: MARIO
	Vehicle: N- 57

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum
Address 105 South H St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Pinasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT.,LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Sallee (MBAF)
Signature of Generator's Authorized Agent

11-17-09 8:30am
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name backhoe services
Address P.O. Box 842
City/State Artesia, NM 88211-0842

(575) 365-2356
Telephone No.
N-57
Truck No.
NEVAREZ Trucking

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

[Signature]
Signature of Transporter's Agent

11-17-09
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33971

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/17/2009 9:49:41 AM	Driver: CARLOS
	Vehicle: A01

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. n/a
Property Name Penasco Compressor Sta
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Salles (IMBF) 11-17-09 8:35 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Dackhoe Services 575-365-2356
Address P.O. Box 842 Telephone No.
City/State Artesia, N.M. 88211-0842 ALVIDREZ A-1
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
[Signature] 11/17/09 8:35
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33975

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/17/2009 10:18:02 AM	Driver: JUAN CORRAL
	Vehicle: L-2

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Address City/State Yates Petroleum 105 South 4th St. Artesia, N.M. (575) 748-1471 Telephone No.

ORIGINATION OF WASTE:

Operations Center Property Name Agave Energy Permitted Compressor Sta. (Well, Tank Battery, Plant, Facility) Permit No. n/a

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids Tank Bottoms Exempt Fluids Completion Fluids Gas Plant Waste C117 No. Contaminated Soil Other Material Pit No.

DESCRIPTION/NOTES

Dirt removed from below grade sampls

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Signature of Generator's Authorized Agent Ken Fuller (MBF) Date and Time of Ship 11-17-09 9:05 AM

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Address City/State BACKhoe Services P.O. Box #12 ARTESIA NM 88211-0512 Telephone No. 575-355-2356 Truck No. CORRAL

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Signature of Transporter's Agent Date and Time Received 11-17-09-9:05 AM

PART III: DISPOSAL OR RECLAMATION SITE:

Name Address City/State Telephone No.

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received

OCD COMMON APPROVED DATE 11-17-09

4507 W. Carlsbad Hwy
 Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
 NMOCD Order R9166

(575)393-1079
 www.crihobbs.com

Ticket: 33992

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 12:05:39 PM	Driver: MARCEL
	Vehicle: MARCELS-03

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator United Petroleum (575) 248-1471
Address 1105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name PENASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

[Signature] (MOF) 11-17-09 10:55 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES INC 575 365 2353
Address PO BOX 842 Telephone No.
City/State ARTESIA N M 88211-0842 MARCEL'S CB
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

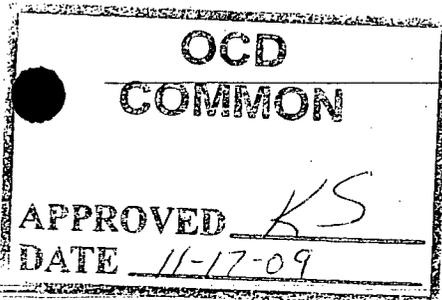
[Signature] 11-17-09 10:55 AM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____ Telephone No. _____
Address _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____



4507 W. Carlsbad Hwy
 Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
 NMOCD Order R9166

(575)393-1079
 www.crihobbs.com

Ticket: 33993

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/17/2009 12:12:03 PM	Driver: LUPE
	Vehicle: 003

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20	Yards	50-51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name PUMPER COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (IMBF)
Signature of Generator's Authorized Agent

11-17-09 11:05am
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services
Address P.O. BOX 842
City/State Artesia NM 88211-0842

575-365-2356
Telephone No.
502962 003
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

[Signature]
Signature of Transporter's Agent

11-17-09 11:05AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____

OCD
COMMON

APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33994

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: SALLEE	Rig: NA
Trucking: D & R	PO: NA
Date/Time: 11/17/2009 12:20:27 PM	Driver: DANIEL D
	Vehicle: 03

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Address City/State Upates Petroleum
105 South 4th St.
Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy
Property Name PENASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

Permit No. N/A

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT.,LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil / Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salazar (MSF)
Signature of Generator's Authorized Agent

11-17-09 11:50 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BALYHOE SERVICES
Address PO BOX 842
City/State ARTESIA N.M.

575-765-2356
Telephone No.
FE03
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Daniel De Luca
Signature of Transporter's Agent

11-17-09 11:50 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

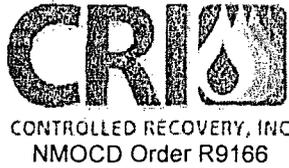
CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33995

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 12:24:37 PM	Driver: DELACRUZ
	Vehicle: 38

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

Felipe Delacruz

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Address City/State Uates Petroleum
105 South 4th St.
Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name PERASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT.,LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MBSF)
Signature of Generator's Authorized Agent

11-17-09 11:15 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Buckhoe Services
Address P.O. Box 842
City/State Artesia, NM

(575) 365-2356
Telephone No.
De la Cruz #38
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Felipe De la Cruz
Signature of Transporter's Agent

11-17-09 11:20 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

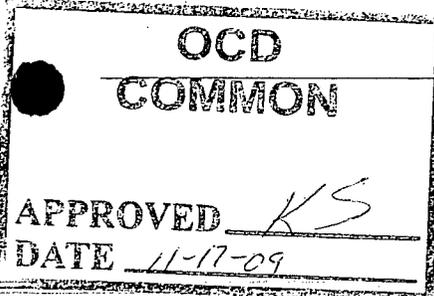
Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33997

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/17/2009 12:29:09 PM	Driver: MARIO
	Vehicle: N- 57

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20	Yards	50-51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

Mario

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Upates Petroleum (575) 748-1471
Address 1105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Rusco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil / Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salas (MBE) 11-17-09 11:20AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name backhoe services 365-2356
Address P.O. box 842 Telephone No.
City/State Artesia NM 88211-0842 11-17-09 N-57
Truck No. NEVAREZ trucking

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Mariz 11-17-09
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

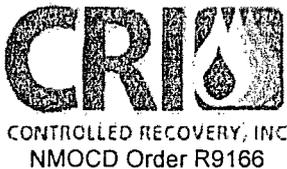
Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 33998

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 12:31:01 PM	Driver: MEDINA
	Vehicle: M-248

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Hates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. n/a
Property Name Prinsco Compressor STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt Removed from below grade surrps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Allie (MBF) 11-17-09 11:10am
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Service Inc. 356-2356
Address Po Box 842 Telephone No.
City/State Artesia N.M. 17-248 Medina
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

June Martin 11-17-09-11:10
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____ Telephone No. _____
Address _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 33999

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/17/2009 12:35:09 PM	Driver: RAUL
	Vehicle: A-1

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum (575) 748-1471
Address 125 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salice (MCF) 11-17-09 11:25 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Buckhorn Services 575-365-2356
Address P.O. Box 842 Telephone No.
City/State Artesia, N.M. 88211-0842 ALVAROZ A-1
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

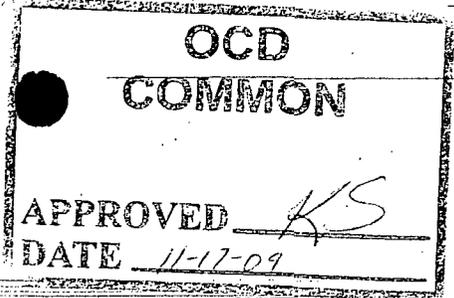
[Signature] 11-17/09 11:25 A.M.
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

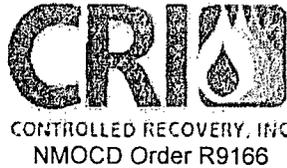
Name _____ Telephone No. _____
Address _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 34006

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/17/2009 12:59:41 PM	Driver: CORDAL
	Vehicle: 02

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Juan Cordal

[Signature]

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Hates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy
Property Name Reverso Compressor Sta.
(Well, Tank Battery, Plant, Facility)

Permit No. N/A

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Saltee (MBF)
Signature of Generator's Authorized Agent

11-17-09 11:40am
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services
Address P.O. Box 842
City/State ARTESIA NM 85211-0842

(575) 365-2356
Telephone No.
COORAL 2
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Juan Corral
Signature of Transporter's Agent

11-17-09 11:40 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

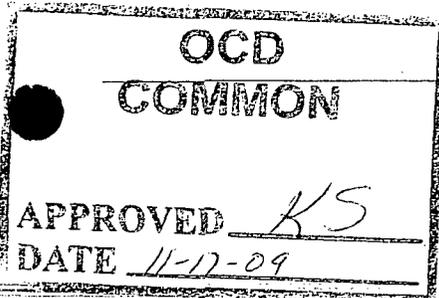
Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOC Order R9166

Ticket: 34032

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 2:43:33 PM	Driver: MARCEL
	Vehicle: MARCELS 03

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A

Property Name Pewasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade pumps.

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Adelle (MBF) 11-17-09 1:35pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES 575 365 2356
Address P.O. BOX 842 Telephone No.
City/State ARTESIA NM 88211-0842 WAREL'S 03
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

M Jones 11-17-09 1:35pm
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34038

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 2:59:14 PM	Driver: LUPE
	Vehicle: 003 GONZALES

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Certes Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name PERASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade samplers

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MBF)
Signature of Generator's Authorized Agent

11-17-09 11:40pm
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Back Hoe Services
Address P.O. BOX 842
City/State Artesia N.M. 88211-0842

575-365-2356
Telephone No.
Gonzalez 003
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

G. Gonzalez
Signature of Transporter's Agent

11-17-09 1:40 PM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

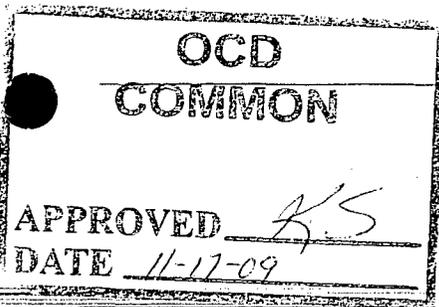
Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34042

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 3:06:02 PM	Driver: DANIEL
	Vehicle: 03

Comments

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Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Daniel DeLaCruz

[Signature]

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum (575) 248-1471
Address 105 South 4th St. Telephone No.
City/State Atascia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name PENASCO Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil / Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salmer (MBF) 11-17-09 1:50pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES 575-365-2356
Address PO Box 842 Telephone No.
City/State ATASCIA N.M. 88211-0842 1103
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Daniel De la Cruz 11-17-09 1:50pm
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34044

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 3:08:48 PM	Driver: FELIPE
	Vehicle: 38

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Felipe De la Cruz

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Updes Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. n/a
Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the
Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Salter (MBF) 11-17-09 1:55 pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe services (575) 365-2356
Address P.O. Box 842 Telephone No.
City/State Artesia, NM De la Cruz #38
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
Felipe De la Cruz 11-17-09 2:00 pm
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.
Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 34045

Bill To: YATES DRILLING COMPANY	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/17/2009 3:12:53 PM	Driver: MARIO
	Vehicle: N-57

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50/51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Van Sullie (MGE)
Signature of Generator's Authorized Agent

11-17-09 2:00pm
Date and Time of Skip

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name backhoe services
Address P.O. box 842
City/State Artesia NM 88211-0842

(575) 365-2356
Telephone No.
N-57
Truck No.
NEVAZEE Trucking

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Mario
Signature of Transporter's Agent

11-17-09
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS.
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34049

Bill To: YATES DRILLING COMPANY	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/17/2009 3:19:07 PM	Driver: JOSE
	Vehicle: M-248 MEDIA

Comments

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Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20	Yards	50/51

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Jose Medina

Jose Medina

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W O %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Pennsic Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sunps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Saltee (MSE) 11-17-09 2:05 pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Service Inc 356-2356
Address P.O. Box 542 Telephone No.
City/State Artesia N.M. M-248 medium
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

[Signature] 11-17-09 - 2:05
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34052

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 3:29:00 PM	Driver: ALVIDERZ
	Vehicle: A-1

Comments

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Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator United Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Revised Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT.,LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Sullie (MSE) 11-17-09 2:10 pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services 575-365-2356
Address P.O. Box 842 Telephone No.
City/State Artesia, N.M. 88211-0842 ATVIDAZ A-1
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

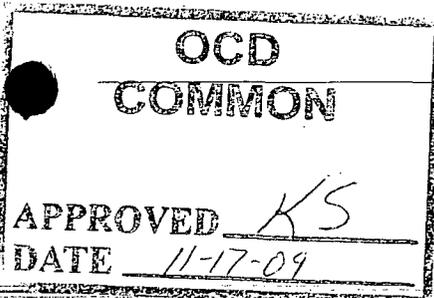
[Signature] 11-17-09 2:10 PM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

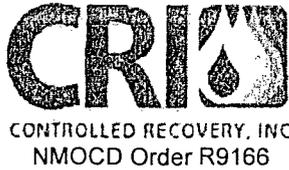
Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 34053

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/17/2009 3:31:35 PM	Driver: JUAN
	Vehicle: 2

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Juan Lozano

[Signature]

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Panasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MBF) 11-17-09 2:20pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES (575) 365 2356
Address PO Box 842 Telephone No.
City/State ARTESIA NM 88211-0842 Comcal 2
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Don Lorne 11-17-09 - 2:20
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____ Telephone No. _____
Address _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received

OCD
COMMON
APPROVED KS
DATE 11-17-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34238

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/18/2009 1:50:39 PM	Driver: carlos
	Vehicle: a-1

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Wates Petroleum (575) 748-1471
Address 105 South 4th St Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Pecosia Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

[Signature] (MBE) 11-18-09 12:45pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services 575-365-2356
Address P.O. Box 842 Telephone No.
City/State Artesia, N.M. 88211-0842 ALVAREZ A-1
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

[Signature] 11-18-09 12:45
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-18-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34240

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken salle	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/18/2009 2:03:43 PM	Driver: de la cruz
	Vehicle: d-40

Comments

--

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

- MSDS Information
 RCRA Hazardous Waste Analysis
 Process Knowledge
 Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Upates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Penasco Compressor Sta
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil / Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Net removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MSE)
Signature of Generator's Authorized Agent

11-18-09 12:50pm
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services
Address P.O. Box 842
City/State Artesia, NM

(575) 365-2356
Telephone No.
Delacruz II # 040
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

[Signature]
Signature of Transporter's Agent

11-18-09 12:55p.m.
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

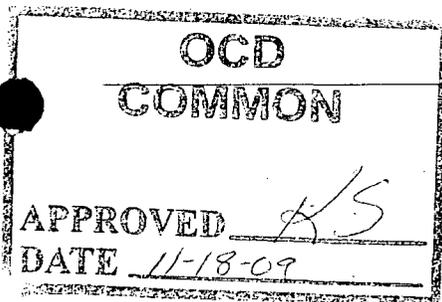
Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34241

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO:
Date/Time: 11/18/2009 2:06:06 PM	Driver: FELIPE
	Vehicle: 38

Comments

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)	CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Wates Petroleum
Address 1105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name PENASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____	Tank Bottoms _____	Exempt Fluids _____
Completion Fluids _____	Gas Plant Waste _____	C117 No. _____
Contaminated Soil <u>✓</u>	Other Material _____	Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MBF)
Signature of Generator's Authorized Agent

11-18-09 12:55 PM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES INC.
Address P.O. BOX 842
City/State Artesia N.M.

365-2356
Telephone No.
De la Cruz #38
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Felipe
Signature of Transporter's Agent

11-18-09 1:00
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received

OCD
COMMON

APPROVED KS
DATE 11-18-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34250

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: ARTESIA
Company Man: KEN SALLE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/18/2009 2:29:09 PM	Driver: FRANK
	Vehicle: 24

Comments

--

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Frank Roche

King

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Upes Petroleum (575) 748-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Rusco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salas (MCF) 11-18-09 1:40 PM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Boonho Services #30
Address P.O. Box 842 Telephone No.
City/State Artesia, N.M. Frank Rocha
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

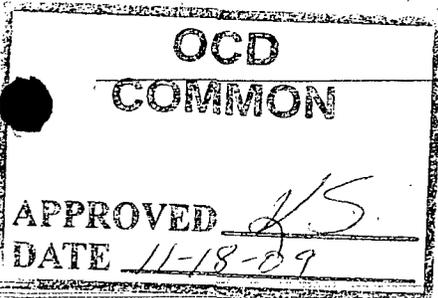
FRANK ROCHA _____
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No.
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34265

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: ARTESIA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/18/2009 3:27:24 PM	Driver: NEVAREZ TRUCKING
	Vehicle: N-57

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT.,LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Sullivan (MAF)
Signature of Generator's Authorized Agent

11-18-09 2:08pm
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name backhoe services
Address P.O. box 842
City/State Artesia NM 88211-0842

(575) 365-2356
Telephone No.
N-57
Truck No.
SEVAREZ Trucking

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Mario
Signature of Transporter's Agent

Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No.

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received

OCD
COMMON
APPROVED KS
DATE 11-18-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34285

Bill To: YATES DRILLING COMPANY	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/18/2009 4:44:58 PM	Driver: CARLOS
	Vehicle: ALVIDREZ A-1

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50/51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Upates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name PENASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Miller (MBE)
Signature of Generator's Authorized Agent

11-18-09 3:12pm
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services
Address P.O. Box 842
City/State ARTESIA, N.M. 88212-0842

575-365-2356
Telephone No.
ALVAREZ A-1
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

lit
Signature of Transporter's Agent

11-18/09 3:12 PM.
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received

**OCD
COMMON**
APPROVED HS
DATE 11-18-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 34286

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: ARTESIA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/18/2009 4:48:11 PM	Driver: DE LA CRUZ
	Vehicle: D-40

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Clates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name PNASCO Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____	Tank Bottoms _____	Exempt Fluids _____
Completion Fluids _____	Gas Plant Waste _____	CI17 No. _____
Contaminated Soil <input checked="" type="checkbox"/>	Other Material _____	Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Sullivan (MAF)
Signature of Generator's Authorized Agent

11-18-09 3:25pm
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services
Address P.O. Box 542
City/State Artesia, NM

(575) 365-2356
Telephone No.
Backhoe II # 040
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

[Signature]
Signature of Transporter's Agent

11-18-09 3:30 p.m.
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

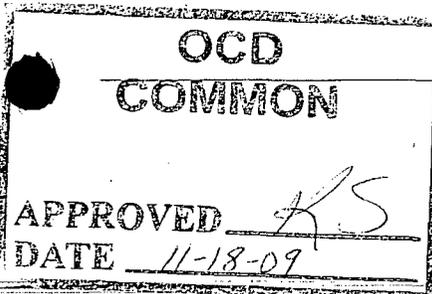
Name _____
Address _____
City/State _____

Telephone No. _____

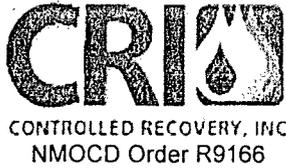
CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

Ticket: 34287

Bill To: YATES DRILLING COMPANY	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/18/2009 4:48:25 PM	Driver: FELIPE
	Vehicle: DE LA CRUZ TRKNG #38

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	51/51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Pawaso Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sampls

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Allier (MBF) 11-18-09 3:35 pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES INC.
Address P.O. BOX 842
City/State ARTESIA N.M.

365-2356
Telephone No.
De La Cruz Trucking #38
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
De La Cruz 11-18-09 3:40
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-18-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34359

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: na
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/19/2009 9:09:11 AM	Driver: frank r
	Vehicle: 24

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature) CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Gates Petroleum
Address 105 South 4th St.
City/State Artesia N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Revised Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Salmer (MBE) 11-19-09 8:00AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services 575-748-6250
Address PO Box 842 Telephone No.
City/State Artesia, N.M. 24
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
Frank Lecha _____
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED K.S.
DATE 11-19-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34361

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: ARTESIA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/19/2009 9:17:12 AM	Driver: DANIEL
	Vehicle: 03-D-R TRUCKING

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Daniel De la Cruz

[Handwritten Signature]

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Puasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil / Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Galles (MBE)
Signature of Generator's Authorized Agent

11-19-09 8:05 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACUHA SERVICES
Address PO BOX 842
City/State ARTESIA N.M 88211-0842

575-365-2356
Telephone No.
7108 DER TRUCKING
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Daniel De la Cruz
Signature of Transporter's Agent

11-19-09 8:05 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

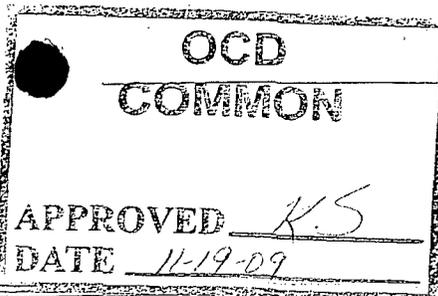
Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34362

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: na
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/19/2009 9:19:10 AM	Driver: FELIPE DE
	Vehicle: 38 BACK HOE SERVICES

Comments

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Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Felipe De la Cruz

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 743-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT.,LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Walker (MBE)
Signature of Generator's Authorized Agent

11-19-09 8:09 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services
Address P.O. Box 842
City/State Artesia, NM

(575) 365-7356
Telephone No.
Del. Cruz #38
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Felipe De la Cruz
Signature of Transporter's Agent

11-19-09 8:15 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____

OCD
COMMON

APPROVED KS
DATE 11-19-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34364

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/19/2009 9:24:47 AM	Driver: ALVIDREZ
	Vehicle: A-1

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Address City/State Utes Petroleum
1025 South 4th St.
Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy
Property Name PEWACO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

Permit No. NA

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

[Signature] (MPF)
Signature of Generator's Authorized Agent

11-19-09 8:14 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services
Address P.O. Box 842
City/State Artesia, N.M. 88211-0842

575-365-2856
Telephone No.
ALVIDER A-1
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

[Signature]
Signature of Transporter's Agent

11-19-09 8:14 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received

OCD
COMMON
APPROVED KS
DATE 11-19-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34368

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: ARTESIA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/19/2009 9:35:12 AM	Driver: MARIO
	Vehicle: N-57-NEVAREZ TRUCKING

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Clates Petroleum (575) 748-5471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name PERASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the transporter named below. I certify that the following is true and correct to the best of my knowledge.
San Julian (MBS) 11-19-09 8:20 AM
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name backhoe services (575) 365-2356
Address P.O. box 842 Telephone No.
City/State Artesia NM 88211-0840 N-57
Truck No. WEVARE2 Trucking

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
Mario 11-19-09
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____ Telephone No. _____
Address _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-19-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34392

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/19/2009 11:35:35 AM	Driver: FRANK R
	Vehicle: 24 BACKHOE SERVICES

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.

RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):

MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

Frank Rahn

CRI Rep (signature)

[Signature]

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center AGAVE ENERGY

Permit No. N/A

Property Name PENASCO COMPRESSOR STA.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids	_____	Tank Bottoms	_____	Exempt Fluids	_____
Completion Fluids	_____	Gas Plant Waste	_____	C117 No.	_____
Contaminated Soil	<input checked="" type="checkbox"/>	Other Material	_____	Pit No.	_____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION:

The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Sallee (MBE)
Signature of Generator's Authorized Agent

11-19-09 10:30am
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Boethoe Services
Address PO Box 872
City/State Artesia, N.M.

748-6250
Telephone No.
24
Truck No.

CERTIFICATION:

I certify that the waste in quantity above was received by me for shipment to the destination below.

Frank R. [Signature]
Signature of Transporter's Agent

Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

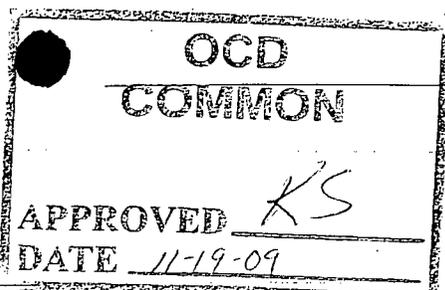
Telephone No.

CERTIFICATION:

I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent

Date and Time Received



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34395

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/19/2009 11:56:23 AM	Driver: BACKHOE SERVICES - <i>Daniel</i>
	Vehicle: 103

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Daniel De la Cruz

[Signature]

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum (575) 743-1471
Address 105 South 4th St. Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. N/A
Property Name Penasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil ✓ Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the
Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Salter (MSE) 11-19-09 10:44am
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKHOE SERVICES 575-345-2256
Address P.O. Box 842 Telephone No.
City/State ARTESIA N.M. 88211-0842 JIC3 TRACKING
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
Daniel De la Cruz 11-19-09 10:44 AM
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No.
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-19-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34398

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/19/2009 12:02:26 PM	Driver: felipe
	Vehicle: 38-de la cruz

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Felipe De la Cruz

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name PEASCO Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids	_____	Tank Bottoms	_____	Exempt Fluids	_____
Completion Fluids	_____	Gas Plant Waste	_____	C117 No.	_____
Contaminated Soil	<input checked="" type="checkbox"/>	Other Material	_____	Pit No.	_____

DESCRIPTION/NOTES

Dirt removed from below grade surups

CERTIFICATION:

The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salice (MBA)
Signature of Generator's Authorized Agent

11-19-09 10:48 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe services
Address P.O. Box 842
City/State Artesia, NM

(575) 365-4356
Telephone No.
Dehe cruz #38
Truck No.

CERTIFICATION:

I certify that the waste in quantity above was received by me for shipment to the destination below.

Felipe Dehe cruz
Signature of Transporter's Agent

11-19-09 10:55 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

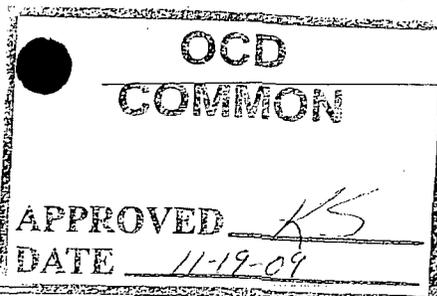
Telephone No. _____

CERTIFICATION:

I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____



4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCD Order R9166

Ticket: 34399

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/19/2009 12:04:47 PM	Driver: ALVIDREZ
	Vehicle: A-1 BACKHOE SERIVES

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
- MSDS Information RCRA Hazardous Waste Analysis Process Knowledge Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLs Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum
Address 1205 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Purged Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MAF)
Signature of Generator's Authorized Agent

11-19-09 10:53 AM
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services
Address P.O. Box 842
City/State Artesia, N.M. 88211-0842

575-365-2356
Telephone No.
ALVAREZ A-1
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

[Signature]
Signature of Transporter's Agent

11-19-09 10:53 AM
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-19-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



(575)393-1079
www.crihobbs.com

CONTROLLED RECOVERY, INC
NMOCDC Order R9166

Ticket: 34400

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: NA
Company Man: KEN SALLEE	Rig: NA
Trucking: BACKHOE SERVICES	PO: NA
Date/Time: 11/19/2009 12:10:26 PM	Driver: MARIO
	Vehicle: N-57 BACKHOE SERIVES

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum (575) 748-1471
Address 105 South 4th St Telephone No.
City/State Artesia, N.M.

ORIGINATION OF WASTE:

Operations Center Agave Energy Permit No. n/a
Property Name Puasco Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Saltee (MGR) 11-19-09 10:59 am
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name back Hoe services (575) 365-2356
Address P.O. box 842 Telephone No.
City/State Artesia NM 88211-0842 N-57
Truck No. NEVARE2 Trucking

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
Mario _____
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____ Date and Time Received _____

OCD
COMMON
APPROVED K.S.
DATE 11-19-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34437

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/19/2009 2:46:59 PM	Driver: frank
	Vehicle: 24

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Frank Roche

[Signature]

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Water Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. n/a

Property Name Lawson Compressor Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil / Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.
Ken Salice (MBF) 11-19-09 1:28pm
Signature of Generator's Authorized Agent Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe Services
Address PO Box 845
City/State Artesia, NM

748-6250
Telephone No.
24
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.
Frank Koc 49 _____
Signature of Transporter's Agent Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____ Telephone No. _____
City/State _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent Date and Time Received

OCD
COMMON
APPROVED KS
DATE 11-19-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34442

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/19/2009 3:07:00 PM	Driver: daniel
	Vehicle: 03-d-r truckiing

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Yates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center Agave Energy

Permit No. N/A

Property Name Renaseo Comp. Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids	_____	Tank Bottoms	_____	Exempt Fluids	_____
Completion Fluids	_____	Gas Plant Waste	_____	C117 No.	_____
Contaminated Soil	<u>/</u>	Other Material	_____	Pit No.	_____

DESCRIPTION/NOTES

Dirt removed from below grade sumps

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Kerr Salter (MSE)
Signature of Generator's Authorized Agent

11-19-09 1:35pm
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name BACKWIRE SERVICES
Address P.O. Box 842
City/State ARTESIA N.M. 88211-0842

575-365-2356
Telephone No.
FIOS DER TRUCKING
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

DANIEL DE LA CRUZ
Signature of Transporter's Agent

11-19-09-1:35 P.M
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____

OCD
COMMON

APPROVED K.S
DATE 11-19-09

4507 W. Carlsbad Hwy
Hobbs, New Mexico 88240



CONTROLLED RECOVERY, INC
NMOCD Order R9166

(575)393-1079
www.crihobbs.com

Ticket: 34445

Bill To: YATES PETROLEUM CORPORATION	Lease: PENASCO COMP STATION
Company/Generator: YATES	Well: artesia
Company Man: ken sallee	Rig: na
Trucking: BACKHOE SERVICES	PO: na
Date/Time: 11/19/2009 3:13:09 PM	Driver: felipe
	Vehicle: 38-de la cruz

Comments

Type of Materials

Product	Quantity	Area	Description
Contaminated Soil	20 Yards	50-51	

Generator Certification Statement of Waste Status

I hereby certify that according to the Resource Conservation and Recovery Act (RCRA) and the US Environmental Protection Agency's July 1988 regulatory determination, the above described waste is:

- RCRA Exempt: Oil field wastes generated from oil and gas exploration and production operations and are not mixed with non-exempt waste.
- RCRA Non-Exempt: Oil field waste which is non-hazardous that does not exceed the minimum standards for waste hazardous by characteristics established in RCRA regulations, 40 CFR 261.21-261.24, or listed hazardous waste as defined in 40 CFR, part 261, subpart D, as amended. The following documentation is attached to demonstrate the above-described waste is non-hazardous. (Check the appropriate items):
 - MSDS Information
 - RCRA Hazardous Waste Analysis
 - Process Knowledge
 - Other (Provide description above)

Driver/Agent (signature)

Felipe De la cruz

CRI Rep (signature)

Tank Bottoms

	Feet	Inches		
1st Gauge			BS & W/BBLS Received	BS & W 0 %
2nd Gauge			Free Water	
Received			Total Received	

NON-HAZARDOUS WASTE MANIFEST

PART I: Generator Uates Petroleum
Address 105 South 4th St.
City/State Artesia, N.M.

(575) 748-1471
Telephone No.

ORIGINATION OF WASTE:

Operations Center: Agave Energy

Permit No. N/A

Property Name Reverso Comp. Sta.
(Well, Tank Battery, Plant, Facility)

WASTE IDENTIFICATION AND AMOUNT (BARRELS, YARDS, TONS, CU.FT., LBS., UNITS, ETC.)

Drilling Fluids _____ Tank Bottoms _____ Exempt Fluids _____
Completion Fluids _____ Gas Plant Waste _____ C117 No. _____
Contaminated Soil / Other Material _____ Pit No. _____

DESCRIPTION/NOTES

Dirt Removed from below grade sampls

CERTIFICATION: The waste described above is not hazardous pursuant to 40 CFR Part 261 and was consigned to the Transporter named below. I certify that the following is true and correct to the best of my knowledge.

Ken Salter (MBS)
Signature of Generator's Authorized Agent

11-19-09 1:45 pm
Date and Time of Ship

PART II: TRANSPORTER: (To be completed in full by Transporter)

Name Backhoe services
Address P.O. Box 842
City/State Artesia, NM

(575) 365-2356
Telephone No.
Dehacruz #38
Truck No.

CERTIFICATION: I certify that the waste in quantity above was received by me for shipment to the destination below.

Felipe Dehacruz
Signature of Transporter's Agent

11-19-09 1:50 pm
Date and Time Received

PART III: DISPOSAL OR RECLAMATION SITE:

Name _____
Address _____
City/State _____

Telephone No. _____

CERTIFICATION: I certify that the waste described in Part I was received by me via the transporter described in Part II.

Signature of Facility Agent _____

Date and Time Received _____

OCD
COMMON
APPROVED KS
DATE 11-19-09



**STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION**

NEW MEXICO OIL CONSERVATION DIVISION,)
Complainant)

v.)

AGAVE ENERGY COMPANY,)
Respondent)

Case No. 09-10 (CO)

**JOINT STATUS REPORT AND THIRD
UNOPPOSED MOTION TO STAY DEADLINES
SET FORTH IN ADMINISTRATIVE COMPLIANCE
ORDER PERTAINING TO PERMIT RENEWAL GW-125**

Come now the Respondent, Agave Energy Company (Agave) and the Oil Conservation Division (OCD) (collectively, the Parties), pursuant to the Order Granting Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order and Granting Request to Waive the 90-Day Hearing Deadline, dated November 13, 2009 and Water Quality Control Commission (WQCC) regulation 20.1.3.113(B) NMAC, and hereby file this Joint Status Report and Third Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 (the Administrative Compliance Order). The Parties state to the WQCC the following:

1. The Respondent timely filed a Request for Order Hearing and Request for Stay of Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about November 2, 2009.
2. By letter dated November 2, 2009, Respondent asked the Oil Conservation Division to meet with it to discuss and possibly resolve the issues raised by the Administrative Compliance Order.
3. Respondent and the Oil Conservation Division are engaged in ongoing settlement negotiations and an extension of the compliance deadline would facilitate those negotiations.
4. Attorneys for Respondent and the Oil Conservation Division have conferred and agree that an extension of the November 16, 2009, the January 16, 2010 and the April 16, 2010 extension of the deadline set forth in the Administrative Compliance Order is warranted and both concur that the deadline should be extended to July 16, 2010.

Joint Status Report and Third Unopposed Motion to Stay Deadlines Set Forth in
Administrative Compliance Order

April 15, 2010

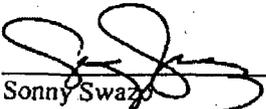
Page 2 of 2

5. Respondent and the Oil Conservation Division shall file a joint Status Report on or before July 16, 2010.
6. Respondent and the OCD are the only parties to this hearing.

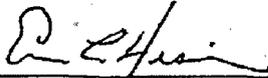
WHEREFORE, Respondent and the Oil Conservation Division respectfully request that the WQCC grant the following:

1. Grant Respondent an extension to the November 16, 2009 deadline set forth in the Administrative Compliance Order, the January 16, 2010 extension and the April 16, 2010 extension of the deadline to July 16, 2010.

Respectfully submitted this 15 day of April, 2010.



Sonny Swazo
Attorney for Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
Tel: (505) 476-3463
Fax: (505) 476-3462



Eric L. Hiser (N.M. Bar No. 21786)
Matthew Joy
Jordan Bischoff & Hiser, P.L.C.
7272 E. Indian School Road
Suite 360
Scottsdale, AZ 85251
Tel: (480) 505-3900
Fax: (480) 505-3901
Attorneys for Agave Energy Company

CERTIFICATE OF SERVICE

I certify that on this 15th day of April, 2010, service of the foregoing Third Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 was made as follows:

Via electronic mail to the following parties (with original and sixteen true and complete copies mailed on the ___ of April, 2010 to):

Ms. Joyce Medina
WQCC Administrator
Water Quality Control Commission
New Mexico Environment Department
1190 St. Francis Drive
Santa Fe, New Mexico 87502

With a copy of the same via overnight delivery, signature required, to:

New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

New Mexico Attorney General's Office
408 Galisteo Street
Villagra Building
Santa Fe, New Mexico 87501

Shaion E. Baker

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION



NEW MEXICO OIL CONSERVATION DIVISION,)
Complainant')

v.)

AGAVE ENERGY COMPANY,)
Respondent)

Case No. 09-10 (CO)

**Order Granting Third Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed a Third Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about April 15, 2010, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until July 16, 2010 in order to facilitate settlement discussions. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Third Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than July 16, 2010, the Parties shall file a Status Report with the WQCC.

DATED this 19th day of April, 2010.

Samuel Cottrell

Griswold, Jim, EMNRD

From: Griswold, Jim, EMNRD
Sent: Monday, June 14, 2010 8:59 AM
To: 'jknowlton@yatespetroleum.com'
Cc: 'ballen@sesi-nm.com'; Bratcher, Mike, EMNRD

Ms. Knowlton,

I have reviewed SESI's *Penasco Compressor Station Work Plan* dated 6/3/10 with respect to further investigation of soil contamination associated with sumps #2 and #23 along with the tank battery on behalf of Agave Energy at your Penasco CS (GW-125) south of Artesia. The workplan is approved. Please notify myself and Mike Bratcher in our District 2 office (575.748.1283 x108) at least 72 hours before beginning fieldwork. Retain this email in your files as no hardcopy approval letter will be sent. Thank you.

Jim Griswold
Senior Hydrologist
Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
direct: 505.476.3465
email: jim.griswold@state.nm.us

Swazo, Sonny, EMNRD

From: Jennifer Knowlton [jenniferk@yatespetroleum.com]
Sent: Friday, July 02, 2010 2:57 PM
To: Griswold, Jim, EMNRD
Cc: 'ballen@sesi-nm.com'; Bratcher, Mike, EMNRD; 'Matt Joy'; Swazo, Sonny, EMNRD
Subject: RE:

The forecast is calling for over a 30%-60% chance for rain until July 8. They have changed the fireworks schedule three times now, trying to outsmart the weather man! The rain isn't so bad, but the mushrooms growing in my yard are kind of gross!

Even if it quits raining, it is so muddy that the drill rig can't get to some of the places within the site. They got two holes done on Tuesday. Because we had to release the rig, they went to another job. Put those together and it will be two weeks before they return. I have to admit we aren't happy, but what can you do? As soon as they return, I will let you know.

I am in Farmington on Tuesday and Wednesday next week and scheduled to be in the field on Friday. Hopefully, you can stop by on Thursday since that is the only day I am in the office.

Jennifer Knowlton, PE
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210
575-748-4471 (work)
505-238-3588 (cell)

Note NEW EMAIL: jknowlton@yatespetroleum.com
Please change your address book!

-----Original Message-----

From: Griswold, Jim, EMNRD [mailto:Jim.Griswold@state.nm.us]
Sent: Friday, July 02, 2010 2:30 PM
To: Jennifer Knowlton
Cc: ballen@sesi-nm.com; Bratcher, Mike, EMNRD; Matt Joy; jknowlton@yatespetroleum.com; Swazo, Sonny, EMNRD
Subject: RE:

2 weeks? I don't think its rained that much in SE NM since Noah and the Great Flood. How far along did they get on Tuesday? I was hoping SESI could get this investigation wrapped up with a report before the end of the month. I will be in Carlsbad next week, maybe I'll catch up with you then.

Jim

From: Jennifer Knowlton [mailto:jenniferk@yatespetroleum.com]
Sent: Friday, July 02, 2010 2:19 PM
To: Griswold, Jim, EMNRD
Cc: 'ballen@sesi-nm.com'; Bratcher, Mike, EMNRD; 'Matt Joy'; jknowlton@yatespetroleum.com
Subject: RE:

Mr. Griswold,

We closed down the drilling portion of this project on Wednesday, June 30 due to weather conditions. We are forecasted to have continuing rains for two weeks due to Hurricane Alex. We are tentatively looking at restarting the drilling around July 12. If that changes, I will let you know.

Jennifer Knowlton, PE
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210
575-748-4471 (work)
505-238-3588 (cell)

Note NEW EMAIL: jknowlton@yatespetroleum.com
Please change your address book!

-----Original Message-----

From: Jennifer Knowlton
Sent: Wednesday, June 23, 2010 10:59 AM
To: 'Griswold, Jim, EMNRD'
Cc: 'ballen@sesi-nm.com'; 'Bratcher, Mike, EMNRD'; 'Matt Joy'; 'jknowlton@yatespetroleum.com'
Subject: RE:
Importance: High

Mr. Griswold,

Agave will be starting the drilling as per the work plan referenced below on Tuesday, June 29, 2010. I left a voice message for Mr. Bratcher on Wednesday morning at about 10:55am. If you require any further information from me at this time, please do not hesitate to email or call me.

Jennifer Knowlton, PE
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210
575-748-4471 (work)
505-238-3588 (cell)

Note NEW EMAIL: jknowlton@yatespetroleum.com
Please change your address book!

-----Original Message-----

From: Griswold, Jim, EMNRD [<mailto:Jim.Griswold@state.nm.us>]
Sent: Monday, June 14, 2010 8:59 AM
To: Jennifer Knowlton
Cc: ballen@sesi-nm.com; Bratcher, Mike, EMNRD
Subject:

Ms. Knowlton,

I have reviewed SESI's *Penasco Compressor Station Work Plan* dated 6/3/10 with respect to further investigation of soil contamination associated with sumps #2 and #23 along with the tank battery on behalf of Agave Energy at your Penasco CS (GW-125) south of Artesia. The workplan is approved. Please notify myself and Mike Bratcher in our District 2 office (575.748.1283 x108) at least 72 hours before beginning fieldwork. Retain this email in your files as no hardcopy approval letter will be sent. Thank you.

Jim Griswold
Senior Hydrologist
Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

direct: 505.476.3465
email: jim.griswold@state.nm.us

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STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)
Complainant)
)
v.)
)
AGAVE ENERGY COMPANY,)
Respondent)
)

Case No. 09-10 (CO)

RECEIVED OCD
2010 JUL 13 A 11:29

**JOINT STATUS REPORT AND FOURTH
UNOPPOSED MOTION TO STAY DEADLINES
SET FORTH IN ADMINISTRATIVE COMPLIANCE
ORDER PERTAINING TO PERMIT RENEWAL GW-125**

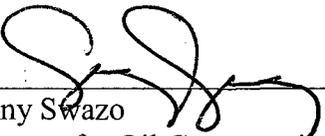
Come now the Respondent, Agave Energy Company (Agave) and the Oil Conservation Division (OCD) (collectively, the Parties), pursuant to the Order Granting Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order and Order Granting Request to Waive the 90-Day Hearing Deadline, dated November 13, 2009 and Water Quality Control Commission (WQCC) regulation 20.1.3.113(B) NMAC, and hereby file this Joint Status Report and Fourth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 (the Administrative Compliance Order). The Parties state to the WQCC the following:

1. The Respondent timely filed a Request for Order Hearing and Request for Stay of Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about November 2, 2009.
2. The Parties are working on settlement of the case and need additional time to work on the settlement.
3. Attorneys for Respondent and the Oil Conservation Division have conferred and agree that an extension of the November 16, 2009, the January 16, 2010, the April 16, 2010 and the July 16, 2010 extensions of the deadline set forth in the Administrative Compliance Order is warranted and both concur that the deadline should be extended to October 18, 2010.
4. Respondent and the Oil Conservation Division shall file a joint Status Report on or before October 18, 2010.
5. Respondent and the OCD are the only parties to this hearing.

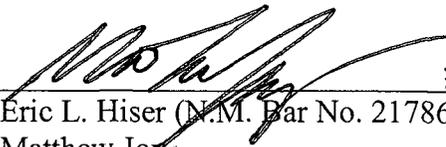
WHEREFORE, Respondent and the Oil Conservation Division respectfully request that the WQCC grant the following:

1. Grant Respondent an extension to the November 16, 2009 deadline set forth in the Administrative Compliance Order, the January 16, 2010 extension, the April 16, 2010 and the July 16, 2010 extensions of the deadline to October 18, 2010.

Respectfully submitted this 12TH day of July, 2010.



Sonny Swazo
Attorney for Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
Tel: (505) 476- 3463
Fax: (505) 476-3462

 FOR

Eric L. Hiser (N.M. Bar No. 21786)
Matthew Joy
Jorden Bischoff & Hiser, P.L.C.
7272 E. Indian School Road
Suite 360
Scottsdale, AZ 85251
Tel: (480) 505-3900
Fax: (480) 505-3901
Attorneys for Agave Energy Company

CERTIFICATE OF SERVICE

I certify that on this th 12 day of July, 2010, service of the foregoing Fourth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 was made as follows:

Via electronic mail to the following parties (with original and sixteen true and complete copies delivered via overnight delivery on this th 12 day of July, 2010):

Ms. Joyce Medina
WQCC Administrator
Water Quality Control Commission
New Mexico Environment Department
1190 St. Francis Drive
Santa Fe, New Mexico 87502
Joyce.medina@state.nm.us

With a copy of the same via overnight delivery, signature required, to:

New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

New Mexico Attorney General's Office
408 Galisteo Street
Villagra Building
Santa Fe, New Mexico 87501

Sharon E. Baker

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

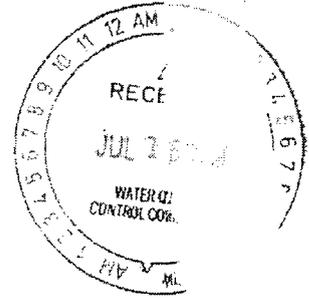
**Order Granting Fourth Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed a Fourth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about July 12, 2009, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until October 18, 2010 in order to allow the Parties additional time to complete settlement negotiations. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Fourth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than October 18, 2010, the Parties shall file a Status Report with the WQCC.

DATED this ____ day of July, 2010.

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION



NEW MEXICO OIL CONSERVATION DIVISION,)
Complainant)
)
v.)
)
AGAVE ENERGY COMPANY,)
Respondent)
)

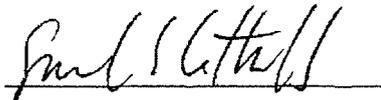
Case No. 09-10 (CO)

**Order Granting Fourth Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed a Fourth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about July 12, 2009, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until October 18, 2010 in order to allow the Parties additional time to complete settlement negotiations. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Fourth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than October 18, 2010, the Parties shall file a Status Report with the WQCC:

DATED this 15th day of July, 2010.



Griswold, Jim, EMNRD

From: Jennifer Knowlton [jenniferk@yatespetroleum.com]
Sent: Thursday, August 05, 2010 8:13 AM
To: Griswold, Jim, EMNRD
Subject: RE: Penasco CS

We completed the sampling last week. As soon as we have official results back from the lab, we will have a report to give to you.

Jennifer Knowlton, PE
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210
575-748-4471 (work)
505-238-3588 (cell)

Note NEW EMAIL: jknowlton@yatespetroleum.com
Please change your address book!

-----Original Message-----

From: Griswold, Jim, EMNRD [<mailto:Jim.Griswold@state.nm.us>]
Sent: Thursday, August 05, 2010 8:04 AM
To: Jennifer Knowlton
Subject: Penasco CS

Hi Jennifer,

Any progress to report regarding the investigation at the Penasco compressor station? I know y'all are still getting a fair bit of rain. Thanks.

Jim Griswold
Senior Hydrologist
Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

direct: 505.476.3465

email: jim.griswold@state.nm.us

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Swazo, Sonny, EMNRD

From: Griswold, Jim, EMNRD
Sent: Friday, September 24, 2010 10:16 AM
To: Jennifer Knowlton
Cc: Swazo, Sonny, EMNRD; MJoy@jordenbischoff.com
Subject: RE: Penasco CS

Hello, Jennifer

Long time no hear from. Will a report be hitting my desk any time soon?

Jim

From: Jennifer Knowlton [<mailto:jenniferk@yatespetroleum.com>]
Sent: Thursday, August 05, 2010 8:13 AM
To: Griswold, Jim, EMNRD
Subject: RE: Penasco CS

We completed the sampling last week. As soon as we have official results back from the lab, we will have a report to give to you.

Jennifer Knowlton, PE
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210
575-748-4471 (work)
505-238-3588 (cell)

Note NEW EMAIL: jknowlton@yatespetroleum.com
Please change your address book!

-----Original Message-----

From: Griswold, Jim, EMNRD [<mailto:Jim.Griswold@state.nm.us>]
Sent: Thursday, August 05, 2010 8:04 AM
To: Jennifer Knowlton
Subject: Penasco CS

Hi Jennifer,

Any progress to report regarding the investigation at the Penasco compressor station? I know y'all are still getting a fair bit of rain. Thanks.

Jim Griswold
Senior Hydrologist
Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

direct: 505.476.3465

email: jim.griswold@state.nm.us

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STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

**JOINT STATUS REPORT AND FIFTH
UNOPPOSED MOTION TO STAY DEADLINES
SET FORTH IN ADMINISTRATIVE COMPLIANCE
ORDER PERTAINING TO PERMIT RENEWAL GW-125**

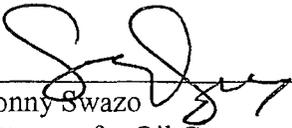
Come now the Respondent, Agave Energy Company (Agave) and the Oil Conservation Division (OCD) (collectively, the Parties), pursuant to the Order Granting Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order and Order Granting Request to Waive the 90-Day Hearing Deadline, dated November 13, 2009 and Water Quality Control Commission (WQCC) regulation 20.1.3.113(B) NMAC, and hereby file this Joint Status Report and Fifth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 (the Administrative Compliance Order). The Parties state to the WQCC the following:

1. The Respondent timely filed a Request for Order Hearing and Request for Stay of Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about November 2, 2009.
2. The Parties are working on settlement of the case and need additional time to work on the settlement.
3. Attorneys for Respondent and the Oil Conservation Division have conferred and agree that an extension of the November 16, 2009, the January 16, 2010, the April 16, 2010, the July 16, 2010 and the October 18, 2010 extensions of the deadline set forth in the Administrative Compliance Order is warranted and both concur that the deadline should be extended to January 31, 2011.
4. Respondent and the Oil Conservation Division shall file a joint Status Report on or before January 31, 2011.
5. Respondent and the OCD are the only parties to this hearing.

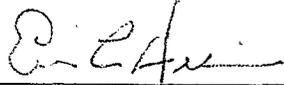
WHEREFORE, Respondent and the Oil Conservation Division respectfully request that the WQCC grant the following:

1. Grant Respondent an extension to the November 16, 2009 deadline set forth in the Administrative Compliance Order, the January 16, 2010 extension, the April 16, 2010, the July 16, 2010 and the October 18, 2010 extensions of the deadline to January 31, 2011.

Respectfully submitted this 6th day of October, 2010.



Sonny Swazo
Attorney for Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
Tel: (505) 476- 3463
Fax: (505) 476-3462



Eric L. Hiser (N.M. Bar No. 21786)
Matthew Joy
Jorden Bischoff & Hiser, P.L.C.
7272 E. Indian School Road
Suite 360
Scottsdale, AZ 85251
Tel: (480) 505-3900
Fax: (480) 505-3901
Attorneys for Agave Energy Company

CERTIFICATE OF SERVICE

I certify that on this 6th day of October, 2010, service of the foregoing Fifth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 was made as follows:

The original and sixteen true and complete copies delivered via overnight delivery on this 16th day of October, 2010 to the following:

Ms. Joyce Medina
WQCC Administrator
Water Quality Control Commission
New Mexico Environment Department
1190 St. Francis Drive
Santa Fe, New Mexico 87502
Joyce.medina@state.nm.us

With a copy of the same via overnight delivery, signature required, to:

New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

New Mexico Attorney General's Office
408 Galisteo Street
Villagra Building
Santa Fe, New Mexico 87501

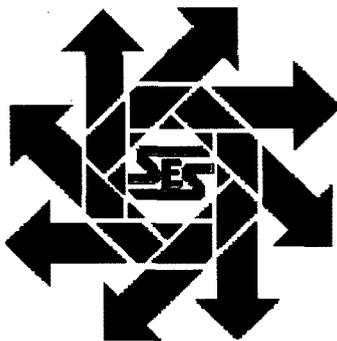
Sharon E. Baker

Agave Energy Company

Report of Investigation Penasco Compressor Station

**Section 26, Township 18S, Range 25E
Eddy County, New Mexico**

October 8, 2010



Prepared for:

**Agave Energy
105 South 4th Street
Artesia, New Mexico 88210**

Prepared by:

***Safety & Environmental Solutions, Inc.
703 East Clinton Street
Hobbs, New Mexico 88240***

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I. Contacts

Representative	Company	Telephone	E-mail
Jennifer Knowlton	Agave Energy Company	(575) 748-4471	jknowlton@yatespetroleum.com
Bob Allen	SESI	(575) 397-0510	ballen@sesi-nm.com

II. Background

Safety & Environmental Solutions, Inc. (SESI) was contracted by Agave Energy Company to propose a workplan for the investigation and remediation of three areas located within the Penasco Compressor Station. The site is located in E/2 SE/4 of Section 26, Township 18 South, Range 25 East, Eddy County, New Mexico (Figure 1).

Two areas originally contained sumps that were removed and contamination was found in the soil beneath the sumps. The third area originally contained above ground tanks and contamination was found after the tanks were removed. The locations of the areas investigated are shown in Figure 2.

After sumps #2 and #23 were removed the most highly contaminated soils were removed to a depth of 20' and 13' respectively. On February 10, 2010 and February 12, 2010, the bottoms and sidewalls of the existing excavations were sampled and found to still contain hydrocarbons (TPH) in concentrations ranging from 7,000 ppm to 12,600 ppm in sump # 23, and from 711 ppm to 1,460 ppm in sump #2 (Table 1). BTEX analysis of these samples showed no Benzene and small amounts of Toluene, Ethyl-benzenes and Xylenes. Vertical and horizontal extents of contamination had not yet been determined in either excavation. Chloride concentrations in these samples are less than 50 ppm.

The bermed tank battery area left from the removal of the tanks was sampled on December 10, 2009 and found to also contain hydrocarbons (TPH) in concentrations ranging from 593 ppm to 881 ppm with small amounts of BTEX (Table 1). The vertical and horizontal extent of contamination had not yet been determined to date. Chloride concentrations in these samples are less than 120 ppm.

III. Surface and Groundwater

The closest surface water is the Pecos River approximately 7 miles east from the subject site. The Rio Peñasco, an ephemeral watercourse, is approximately 1,560 feet north of the location.

According to information obtained from the New Mexico State Engineer online database, the closet groundwater well of record in the area (permit number RA 05344) is located 285 feet northeast of sump 2 in the Peñasco yard. The well owner is Yates Petroleum Corporation. In May 1967 the reported depth to water was 200 feet.

There are 32 water wells of record within a five-mile radius of the Penasco yard (Figure 3). The reported depth of water in these wells range from 42 feet in a well 1.5 miles southwest of the facility to 270 feet less than one mile southeast from the subject site (Table 2). The well with a water level of 42 feet is within 0.1 miles of a well with a depth to water of 204 feet. The average depth to water for the 32 wells was 134 feet. Further to the east, water wells closer to the Pecos River have more shallow water levels, generally

less than 100 feet, as would be expected. The five wells located within 1.4 miles from the subject site all have depths to water in excess of 100 feet.

It is the opinion of Agave Energy and SESI that this information is an adequate indication of the depth to water in the immediate vicinity of the subject site and no further investigation into the depth of the water is necessary.

IV. Soils

The surface soils in the area are classified by the USDA Soil Conservation Service as part of the Reagan-Upton complex (Soil Survey, Eddy County). These soils are well drained, moderately dark colored, calcareous loams that are shallow to moderately deep.

V. Characterization

The cleanup level reached by the application of the “**Guidelines for Remediation of Leaks, Spills and Releases**” *New Mexico Oil Conservation Division* – August 13, 1993 (Guidelines) to this site are 10 mg/Kg benzene, 50 mg/Kg total BTEX and 100 ppm TPH. Application of the NMOCD's ranking criteria for contaminated soils at this site is presented below.

Depth to Ground Water:			
Vertical distance from contaminants to seasonal high water elevation of groundwater	Less than 50 feet	20 points	
	50 feet to 99 feet	10 points	
	>100 feet	0 points	X
Wellhead Protection Area:			
Less than 200 feet from a private domestic water source; or less than 1000 feet from all other water sources	Yes	20 points	X
	No	0 points	
Distance to Surface Water:			
Horizontal distance to perennial lakes, ponds, rivers, streams, creeks, irrigation canals and ditches	Less than 200 feet	20 points	
	200 feet to 1000 feet	10 points	
	>1000 feet	0 points	X
RANKING SCORE (TOTAL POINTS)			20

VI. Work Performed

An investigation work plan was proposed by SESI and accepted by Agave. It recommended a minimum of five (5) boreholes be installed to determine vertical and horizontal extent for each area. Each of the sump excavations would be backfilled to allow the installation of a borehole in approximately the center of each existing excavation. The borehole would be advanced to the depth where TPH concentrations are at or below 100 ppm. Then the borehole would be advanced another 5 feet and sampled again to insure that the vertical extent has been determined. The bore holes were to be installed using a hollow stem auger with a 5-foot core barrel or split-spoon sampler. Samples would be collected in five (5) foot intervals sufficient to determine the vertical extent of contamination beneath the site.

The area would then be delineated horizontally in 20 ft. radius from the midpoint of each area or as buried lines allow, until TPH concentrations are at or below <100 ppm. Samples would be submitted under Chain of Custody to Cardinal Laboratories, Hobbs,

New Mexico, for TPH EPA Method 418.1, TPH EPA Method 8015, and BTEX EPA Method 8260 analyses. Upon completion of sampling, all boreholes would be sealed from total depth to surface with a bentonite/cement grout. The locations of the boreholes for each area are shown in Figures 4, 5 and 6.

The plan to delineate the bermed area left from the tank removal would be the same plan described above with the exception of the bermed area would be delineated horizontally from the midpoint of the berm area. The depth of the boreholes will be determined by the concentrations of contamination encountered but will stop where the TPH concentrations are at or below 100 ppm.

A one-call was initiated prior to arrival on site and prior to drilling Badger Daylighting services were used to hydrovac locations to locate buried lines at the site of each boring. Drilling was performed by WDC Exploration and Wells of Peralta, New Mexico, using a CME-85 hollow-stem auger with a splitspoon downhole hammer attachment for sample collection.

The work proceeded as proposed in the plan with the exception that total depth of the borings was limited in some instances by large cobbles and boulders which resulted in some intervals not being sampled and with auger refusal in most boreholes. Also, heavy rainfall on June 29, 2010 resulted in the tank battery excavation being flooded and the other excavation locations being to wet for heavy equipment setup. This necessitated postponement of additional work until July 26-30. Finally, because BSB-2 and BSB-4 were adjacent to the excavation walls, two additional borings were drilled to the south and west of the tank battery to determine horizontal extent of hydrocarbon impacts;

VII. Summary and Conclusions

A soil boring investigation was conducted in June and July 2010 to determine horizontal and vertical extent of contamination at three locations at the Agave Penasco yard south of Artesia, NM. At each location borings were advanced to either auger refusal or until hydrocarbon impacted material was no longer encountered. Borings outside the center of each excavation were advanced to determine if horizontal migration had occurred. Samples were collected from auger splitspoons for laboratory analysis of benzene, toluene, ethylbenzene and total xylene volatiles (BTEX), gasoline and diesel range organics (GRO and DRO, EPA method 8015B) and Total Petroleum Hydrocarbons (EPA method 418.1)

Results of the review were compared with NM Oil Conservation Division "Guidelines for Remediation of Leaks, Spills and Releases" (1993) to determine the relative threat to public health, fresh waters and the environment, and to provide guidance for remediation. The OCD uses a ranking system with depth to groundwater, wellhead protection area and distance to a surface water body to determine possible remediation scenarios.

Depth to groundwater at the site was determined from state engineer records. 32 water wells were found within a five mile radius of the Penasco yard. Depth to water averages 134 feet with values ranging from 42 feet to 270 feet. Depth to water for the five wells closest to the Peñasco yard averages 182 feet. The closest private well is used by Agave and its distance is 285 feet from the location of sump 2. The depth to water in that well was reported as 200 feet. The distance to the nearest surface water body (ephemeral Peñasco Draw) is approximately 1,560 feet.

Comparing values of depth to water, wellhead protection area and distance to a surface water body with the ranking criteria results in a ranking score of 20 and establishes recommended remediation levels of benzene at 10 ppm (mg/Kg), total BTEX of 50 ppm and TPH of 100 ppm.

Based on the above ranking criteria, four of the soil borings from the tank battery location, two borings from the sump 2 location and one boring from sump 23 exceed the ranking criteria in one or more samples from each boring (Table 3).

Of those, only two borings from the tank battery (center excavation, BSB-1, 40 feet; and S-side excavation, BSB-2, 42 feet) exceeded the 100 mg/Kg standard at boring total depth. At those depths, minimal levels of benzene, total BTEX and TPH remain in these two boreholes. Auger refusal in boulders and cobbles prevented further sampling below 40-42 feet from the surface.

Vertical extent of contamination was established in all other borings other than those two shown above.

VIII. Recommendations

The following recommendations for additional work are made for the Penasco yard:

1. Additional soil removal in the tank battery excavation is recommended, specifically in the area of BSB-1 and BSB-4. BSB-1 has highly elevated values of Total BTEX, GRO and TPH at a depth 20 feet below land surface. BSB-4 has highly elevated values of Total BTEX and GRO at depth from 10.5 feet to 35 feet. However, due to practicality excavation to a depth of just 25.5 feet (20.5 feet below the current bottom) is suggested for highly contaminated soils.
2. Provided that air quality issues and/or permitting are not a restrictive consideration, installation of a grid of passive wind ventilation turbines is recommended with a grid pattern defined by battery soil boring locations BSB-1, BSB-2, BSB-4 and the sides of the existing excavation.
3. Installation of a passive wind ventilation turbine is recommended at the center of sump 2 and the center of sump 3 provided that air quality issues and/or permitting are not a restrictive consideration.
4. Installation of a protective cover liner is generally not recommended when only hydrocarbons are present. Unlike chlorides, these can be remediated with active or passive remediation methods and do not require long term isolation to prevent migration.

Following discussion of these recommendations with Agave and determination that air quality issues are not a constraint for use of passive ventilation, an appropriate final closure plan proposal will be submitted to the New Mexico Oil Conservation Division for approval.

IX. Figures, Tables & Appendices

Table 1- December 2009 – February 2010 Soil Analytical Summary Table

Table 2- Office of State Engineer Water Well Information

Table 3- Soil Boring Analytical Results

Figure 1- Vicinity Map

Figure 2- Site Plan

Figure 3- State Engineer Water Well Locations

Figure 4- Location of Tank Battery Soil Borings

Figure 5- Location of Sump 2 Soil Borings

Figure 6- Location of Sump 23 Soil Borings

Appendix A- Copy of Laboratory Analytical Results

Appendix B- Site Photographs

Appendix C- Soil Boring Logs

**Table 1- December 2009 – February 2010 Soil
Analytical Summary Table**

Tank Battery Certificate of Analysis Summary 355624								
Sample ID	Cl- (mg/kg)	Benzene (mg/kg)	Toluene (mg/kg)	Ethyl- benzene (mg/kg)	Total Xylenes (mg/kg)	GRO C6-C10 (mg/kg)	DRO C10-C28 (mg/kg)	TPH: GRO+DRO (mg/kg)
355624-001 GS/Comp- Surface NW 4-4 In SOIL Dec-10-09	119	0.0075	0.2035	0.1651	1.0373	280	325	605
355624-002 GS/Comp- 001 NW 1-1 ft. SOIL Dec-10-09	97.3	BRL	0.1979	0.4970	5.143	374	507	881
355624-003 GS/Comp- Surface NE 4-4 In. SOIL Dec-10-09	103	BRL	BRL	0.0085	0.0923	219	572	791
355624-004 GS/Comp- 001 NE 1-1 ft. SOIL Dec-10-09	103	BRL	0.0124	0.0394	0.4068	360	411	771
355624-005 G/S Comp- 001 SW 4-4 In. SOIL Dec-10-09	118	BRL	0.3387	0.6881	4.559	331	431	762
355624-006 GS/Comp- 001 SW 1-1 ft. SOIL Dec-10-09	53.4	BRL	0.1405	0.3408	4.632	336	257	593

*Chloride EPA 300.0

*BTEX-EPA 8021

*TPH by SW 8015B

Tank Battery Certificate of Analysis Summary 362277						
Sample ID	Cl- (mg/kg)	Total TPH (mg/kg)	Benzene (mg/kg)	Toluene (mg/kg)	Ethyl- benzene (mg/kg)	Total Xylenes (mg/kg)
362277-001 GS/Comp-Bottom 6-6 ft. SOIL Feb-12-10	6.73	1,960	<0.0012	<0.0024	0.0116	0.0042
362277-002 GS/Comp-Sidewall 5-5 ft. SOIL Feb-12-10	176	628	<0.0012	<0.0024	<0.0012	<0.0012

*Chloride EPA 300.0
*BTEX-EPA 8021
*TPH by Spectrophoto Ir

Sump Unit #2 Certificate of Analysis Summary 356167								
Sample ID	Cl- (mg/kg)	Benze ne (mg/kg)	Toluen e (mg/kg)	Ethyl- benzen e (mg/kg)	Total Xylene s (mg/kg)	GRO C6- C10 (mg/kg)	DRO C10-C28 (mg/kg)	TPH: GRO+DRO (mg/kg)
356167-001 GS/Unit #2 Bottom 20-20 ft. SOIL Dec-17-09	76.8	<0.001 1	<0.002 2	<0.001 1	0.0082	31.0	163	194
356167-002 GS/Unit #2 Sidewall 15-15 ft. SOIL Dec-17-09	103	<0.001 1	<0.002 2	<0.001 1	<0.001 1	<16.6	21.0	21.0
356167-003 GS/Unit #23 Bottom 15-15 ft. SOIL Dec-17-09	<16.8	0.1865	5.368	2.397	15.40	422	1,060	1,482
356167-004 GS/Unit #23-010 Sidewall 10-10 ft. SOIL Dec-17-09	22.4	<0.001 1	<0.002 2	<0.001 1	0.0184	<16.2	51.2	51.2
356167-005 GS/Unit #23-012 Sidewall 12-12 ft. SOIL Dec-17-09	11.2	<0.276 5	0.6911	0.4949	8.705	703	1,530	2,233

*Chloride EPA 300.0
*BTEX-EPA 8021
*TPH by SW 8015B

Sump Unit #2 (Below Grade Tank) Certificate of Analysis Summary 362844						
Sample ID	Cl- (mg/kg)	Total TPH (mg/kg)	Benzene (mg/kg)	Toluene (mg/kg)	Ethyl- benzene (mg/kg)	Total Xylenes (mg/kg)
362844-001 GS/Comp-Bottom 20-20 ft. SOIL Feb-17-10	13.3	1,460	<0.0011	<0.0022	0.0128	0.2105
362844-002 GS/Comp-Sidewall 15-15 ft. SOIL Feb-17-10	45.3	711	<0.0011	<0.0022	<0.0011	<0.0011

*Chloride EPA 300.0
*BTEX-EPA 8021
*TPH by EPA 418.1

Sump Unit #23 Certificate of Analysis Summary 352340								
Sample ID	Cl- (mg/kg)	Benze ne (mg/kg)	Toluen e (mg/kg)	Ethyl- benzen e (mg/kg)	Total Xylene s (mg/kg)	GRO C6- C10 (mg/kg)	DRO C10- C28 (mg/kg)	TPH: GRO+DRO (mg/kg)
352340-001 GS/Comp-#4 Bottom 13-13 ft. SOIL Nov-12-09	15.5	<0.022 7	0.6254	0.5829	0.8593	121	208	329
352340-002 GS/Comp-#4 Sidewall/10' 10-10 ft. SOIL Nov-12-09	9.98	0.3304	3.043	3.765	23.95	873	1,500	2,373
352340-003 GS/Comp-#4/12' 12-12ft. SOIL Nov-12-09	10.6	0.0606	1.771	1.147	6.740	278	388	666

*Chloride EPA 300.0
*BTEX-EPA 8021
*TPH by SW 8015B

Sump Unit #23 Certificate of Analysis Summary 362274						
Sample ID	Cl- (mg/kg)	Total TPH (mg/kg)	Benzene (mg/kg)	Toluene (mg/kg)	Ethyl- benzene (mg/kg)	Total Xylenes (mg/kg)
362274-001 GS/Comp-Bottom 13-13 ft. SOIL Feb-12-10	21.6	7,000	<0.0012	0.0063	0.0030	0.0292
362274-002 GS/Comp-Sidewall 12-12 ft. SOIL Feb-12-10	25.9	12,600	<0.0011	0.0447	0.0471	0.3041

*Chloride EPA 300.0
*BTEX-EPA 8021
*TPH by EPA 418.1

**Table 2- Office of State Engineer Water Well
Information**

Office of State Engineer Water Well Information			
Well #	Depth of Water	Distance	Direction
RA 05344	200	0.054 miles	NE
RA 04068	168	0.452 miles	SW
RA 03975	270	0.728 miles	SE
RA 04128	100	1.249 miles	S
RA 07639	172	1.393 miles	SE
RA 04722	42	1.521 miles	SW
RA 05620	158	1.602 miles	NE
RA 04236	204	1.625 miles	SW
RA 04784	190	1.697 miles	NE
RA 03983	100	1.943 miles	SE
RA 04136	90	2.216 miles	E
RA 04160	100	2.502 miles	NE
RA 04283	125	2.694 miles	NE
RA 07066	100	2.806 miles	SE
RA 05333	260	2.929 miles	SW
RA 07260	100	2.947 miles	SE
RA 08812 REPAR	150	2.989 miles	E
RA 07954	175	2.989 miles	SE
RA 10133	138	3.038 miles	SE
RA 08875	150	3.101 miles	SE
RA 08097	120	3.143 miles	SE
RA 08557	100	3.173 miles	SE
RA 06986	165	3.191 miles	SE
RA 11036 POD 1	110	3.298 miles	SE
RA 09276 POD2	100	3.312 miles	SE
RA 07124	94	3.396 miles	SE
RA 06129	190	3.436 miles	SE
RA 04272	58	3.465 miles	SE
RA 03168	70	3.550 miles	SE
RA 06813	97	3.866 miles	SE
RA 08999	80	4.554 miles	E
RA 08098 RA08315	100	5.230 miles	SE

Table 3- Soil Boring Analytical Results

Table 3. Soil Boring Analytical Results, June-July 2010, Agave Penasco Yard Investigation.

Location	Boring ID and Corrected Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Toluene (mg/Kg)	Ethyl Benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	TPH (418.1) (<100 mg/Kg)
Tank Battery										
Center excavation	BSB-1, 10 ft.*	06/29/10	<0.050	<0.050	<0.050	<0.300	<0.050	13.3	104	1,580
Center excavation	BSB-1, 15 ft.*	06/29/10	<0.050	<0.050	5.61	17.5	23.1	305	424	1,500
Center excavation	BSB-1, 20 ft.*	06/29/10	1.68	5.02	24.2	87.2	118	1,420	1,240	7,030
Center excavation	BSB-1, 25 ft.*	06/29/10	0.234	0.667	3.21	11.9	16.0	13.0	<10.0	<100
Center excavation	BSB-1, 30 ft.*	06/29/10	0.134	0.132	1.05	3.69	5.01	<10.0	<10.0	<100
Center excavation	BSB-1, 35 ft.*	06/29/10	0.081	0.071	1.76	7.66	9.57	238	301	1,290
Center excavation	BSB-1, 40 ft.*	06/29/10	0.084	<0.050	0.964	4.00	5.05	60.4	11.9	332
* Five feet added to lab sample ID depth to account for depth of excavation.										
S-side excavation	BSB-2, 10 ft.*	06/29/10	<0.050	<0.050	0.845	6.36	7.21	33.5	28.3	1,690
S-side excavation	BSB-2, 15 ft.*	06/29/10	<0.050	<0.050	0.66	3.66	4.32	47.6	10.7	<100
S-side excavation	BSB-2, 20 ft.*	06/29/10	<0.050	<0.050	0.106	0.598	0.704	<10.0	<10.0	<100
S-side excavation	BSB-2, 25 ft.*	06/29/10	<0.050	<0.050	<0.050	<0.300	<0.050	80.8	57.1	255
S-side excavation	BSB-2, 30 ft.*	06/29/10	<0.050	0.104	0.201	1.35	1.66	41.0	56.2	<100
S-side excavation	BSB-2, 35 ft.*	06/29/10	0.156	0.326	2.30	19.0	21.8	479	387	1,470
S-side excavation	BSB-2, 40 ft.*	06/29/10	0.235	0.758	2.17	14.1	17.3	180	124	530
S-side excavation	BSB-2, 42 ft.*	06/29/10	<0.050	<0.050	0.128	0.788	0.916	33.6	71.7	163
* Five feet added to lab sample ID depth to account for depth of excavation.										
E-side excavation	BSB-3, 3-8 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
E-side excavation	BSB-3, 13 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
E-side excavation	BSB-3, 18 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
E-side excavation	BSB-3, 23 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
E-side excavation	BSB-3, 28 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
E-side excavation	BSB-3, 33 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
W-side excavation	BSB-4, 10.5 ft.	07/27/10	1.92	31.6	20.0	69.9	123	1,140	994	3,240
W-side excavation	BSB-4, 15.5 ft.	07/27/10	3.84	39.8	23.5	80.9	148	445	743	3,070
W-side excavation	BSB-4, 20.5 ft.	07/27/10	1.67	28.0	16.6	77.9	124	306	619	2,870
W-side excavation	BSB-4, 25.5 ft.	07/27/10	4.24	9.87	16.5	69.0	100	440	351	1,620
W-side excavation	BSB-4, 30.5 ft.	07/27/10	2.71	24.9	19.9	84.4	132	608	570	2,740
W-side excavation	BSB-4, 35.5 ft.	07/27/10	0.278	7.05	7.40	48.0	62.7	295	388	1,430
W-side excavation	BSB-4, 40.5 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
W-side excavation	BSB-4, 45.5 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100

Table 3. Soil Boring Analytical Results, June-July 2010, Agave Penasco Yard Investigation.

Location	Boring ID and Corrected Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Toluene (mg/Kg)	Ethyl Benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	TPH (418.1) (<100 mg/Kg)
Tank Battery (continued)										
N-side excavation	BSB-5, 10.5 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	580
N-side excavation	BSB-5, 20.5 ft.	07/27/10	<0.100	<0.100	0.258	1.11	1.37	<10.0	<10.0	<100
N-side excavation	BSB-5, 25.5 ft.	07/27/10	<0.100	<0.100	<0.100	1.96	1.96	<10.0	<10.0	<100
N-side excavation	BSB-5, 30.5 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' S. of excavation	BSB-6, 10 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' S. of excavation	BSB-6, 15 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' S. of excavation	BSB-6, 20 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' S. of excavation	BSB-6, 25 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' S. of excavation	BSB-6, 30 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 10 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 15 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	11.1	<100
20' W. of excavation	BSB-7, 20 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 33 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 35 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 40 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 45 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
Sump 2										
21' NW. of center S2	S2SB-1, 5 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 10 ft.	07/27/10	<0.100	<0.100	<0.100	0.255	0.255	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 20 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 25 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 30 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 35 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 40 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
Center sump 2	S2SB-2, 20 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	855
Center sump 2	S2SB-2, 25 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	182
Center sump 2	S2SB-2, 30 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	55.2	357
Center sump 2	S2SB-2, 40 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100

Table 3. Soil Boring Analytical Results, June-July 2010, Agave Penasco Yard Investigation.

Location	Boring ID and Corrected Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Toluene (mg/Kg)	Ethyl Benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	TPH (418.1) (<100 mg/Kg)
Sump 2 (continued)										
19.5' SE. of center S2	S2SB-3, 10 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SE. of center S2	S2SB-3, 15 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SE. of center S2	S2SB-3, 20 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SE. of center S2	S2SB-3, 32 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SW. of center S2	S2SB-4, 10 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	64.5	937
19.5' SW. of center S2	S2SB-4, 15 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SW. of center S2	S2SB-4, 20 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SW. of center S2	S2SB-4, 25 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SW. of center S2	S2SB-4, 35 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 5 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 10 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 15 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 20 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 30 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 34 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
Sump 23										
20' NE. of center S23	S23SB-1, 15 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' NE. of center S23	S23SB-1, 20 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' NE. of center S23	S23SB-1, 25 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' NE. of center S23	S23SB-1, 30 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' NE. of center S23	S23SB-1, 40 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' NE. of center S23	S23SB-1, 45 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
Center sump 23	S23SB-2, 15 ft.	07/29/10	<0.100	0.683	0.572	3.67	4.93	36.2	47.5	4,870
Center sump 23	S23SB-2, 20 ft.	07/29/10	<0.100	0.101	0.105	0.597	0.803	17.9	27.1	9,040
Center sump 23	S23SB-2, 25 ft.	07/29/10	<0.100	0.247	0.18	0.968	1.40	15.5	20.9	9,500
Center sump 23	S23SB-2, 40 ft.	07/29/10	<0.100	0.27	0.217	1.41	1.90	25.8	51.7	9,450
Center sump 23	S23SB-2, 45.5 - 46.5 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100

Table 3. Soil Boring Analytical Results, June-July 2010, Agave Penasco Yard Investigation.

Location	Boring ID and Corrected Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Toluene (mg/Kg)	Ethyl Benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	TPH (418.1) (<100 mg/Kg)
Sump 23 (continued)										
24' SW. of center S23	S23SB-3, 10 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
24' SW. of center S23	S23SB-3, 15 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
24' SW. of center S23	S23SB-3, 20 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
24' SW. of center S23	S23SB-3, 25 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
24' SW. of center S23	S23SB-3, 30 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 10 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 15 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 20 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 25 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 30 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 35 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 40 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 44 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
40' SE. of center S23	S23SB-5, 15 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
40' SE. of center S23	S23SB-5, 20 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
40' SE. of center S23	S23SB-5, 25 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100

Figure 1- Vicinity Map

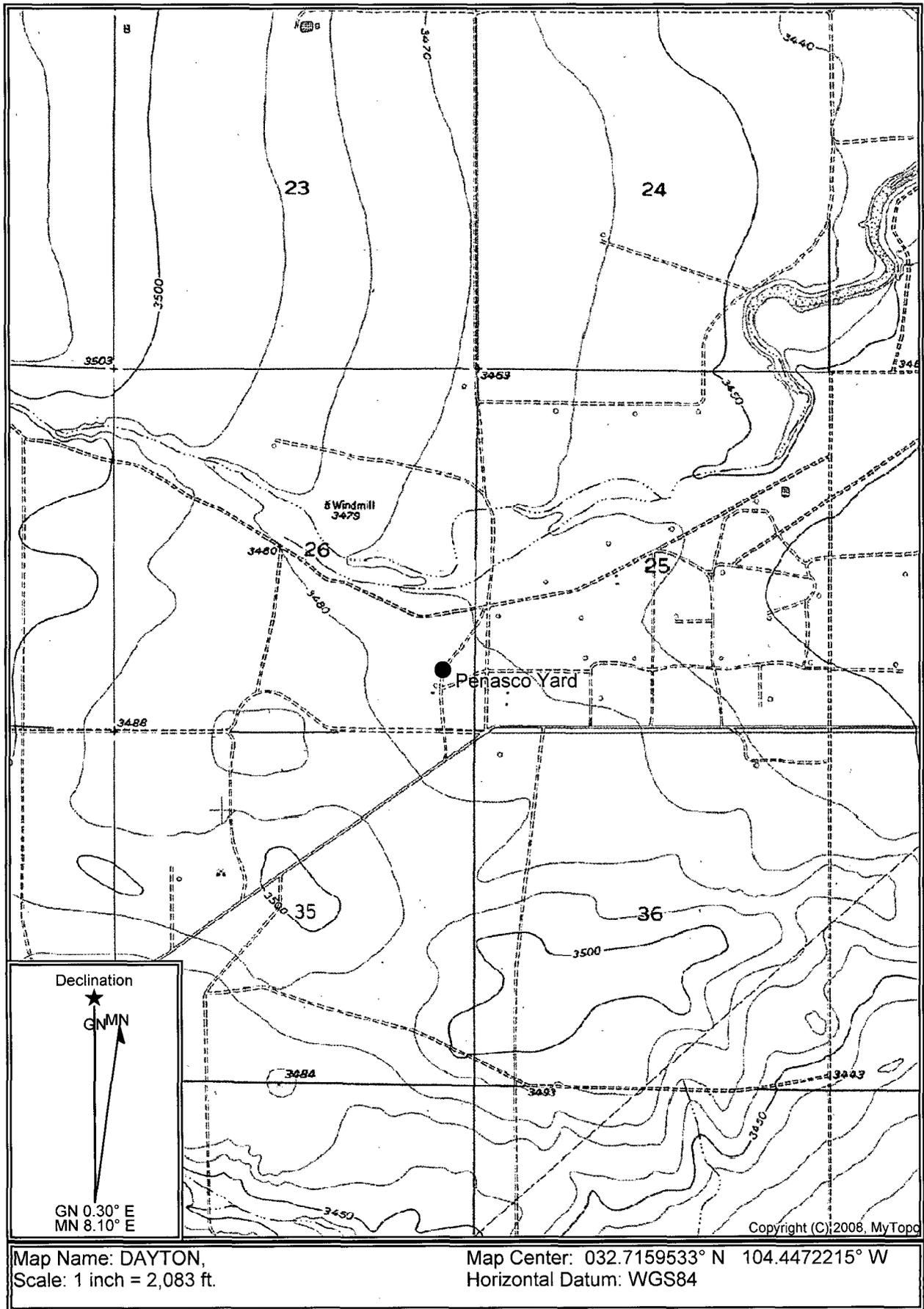
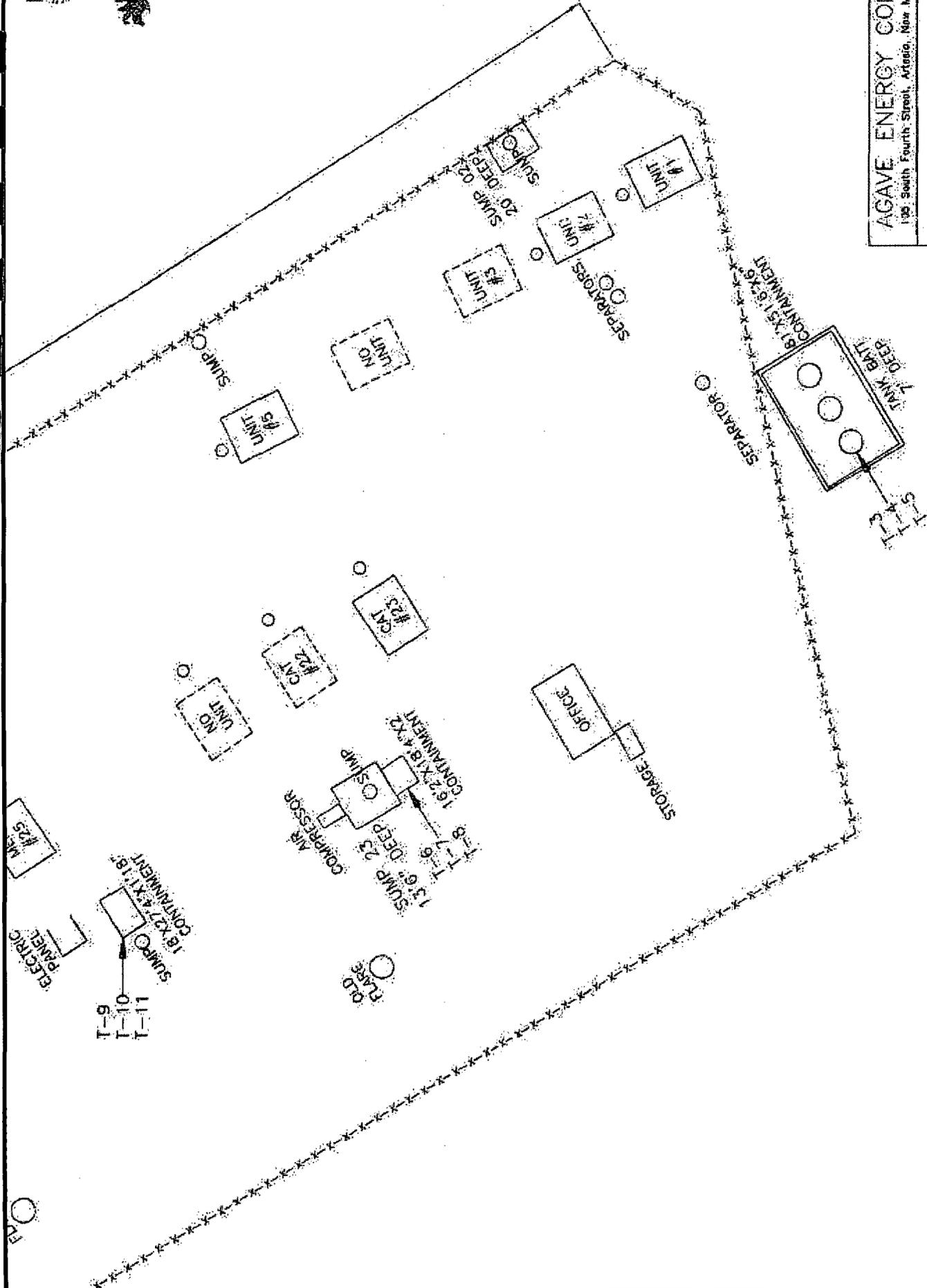


FIGURE 1: VICINITY MAP

Figure 2- Site Plan



ACAVE ENERGY COMPANY		DATE: 2/01/10	REV:
105 South Fourth Street, Artesia, New Mexico - 88210		DATE: 2/01/10	0
PENASCO YARD		DATE: 2/01/10	0
STATE: NEW MEXICO	CHECK: JK	DATE: 2/01/10	REV:
COUNTY: BERNILLO	DRAWN: JMK	DATE: 2/01/10	0
SECTION: 24	APPROVED: JK	DATE: 2/01/10	0
TOWNSHIP: 34S	DATE: 2/01/10	SCALE: N/A	
RANGE: 20E	PRINTED: 2/10/10	SHEET: 1	OF 1

FA05344 200' OSIE

Sump #2
20' Deep

Tank Battery
7' Deep

Sump #23
13' 6" Deep

GOOGLE

Eye alt 4884 ft

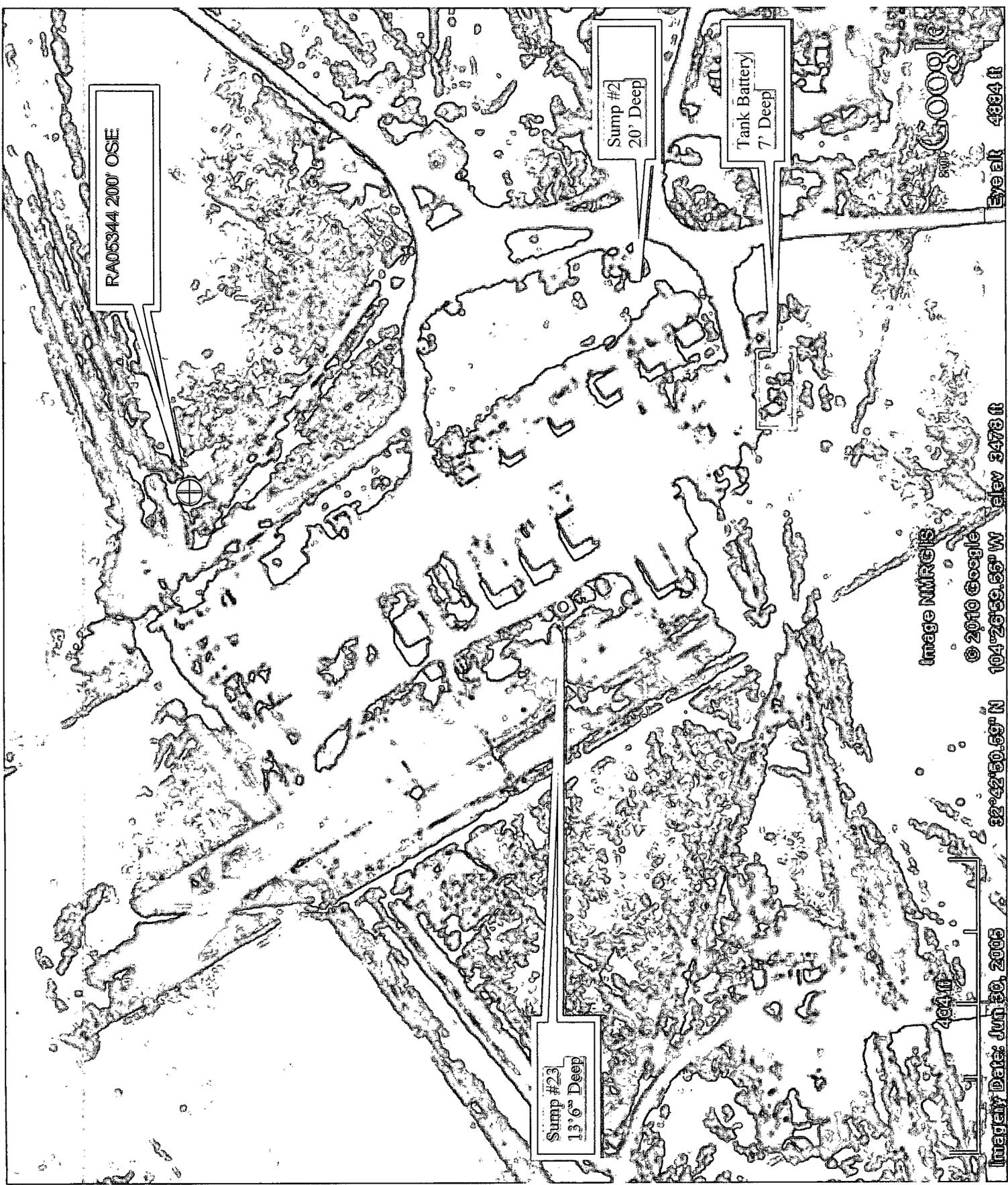
Image M/R/G/S

© 2010 Google

32°42'50.59" N 104°26'59.55" W elev 3478 ft

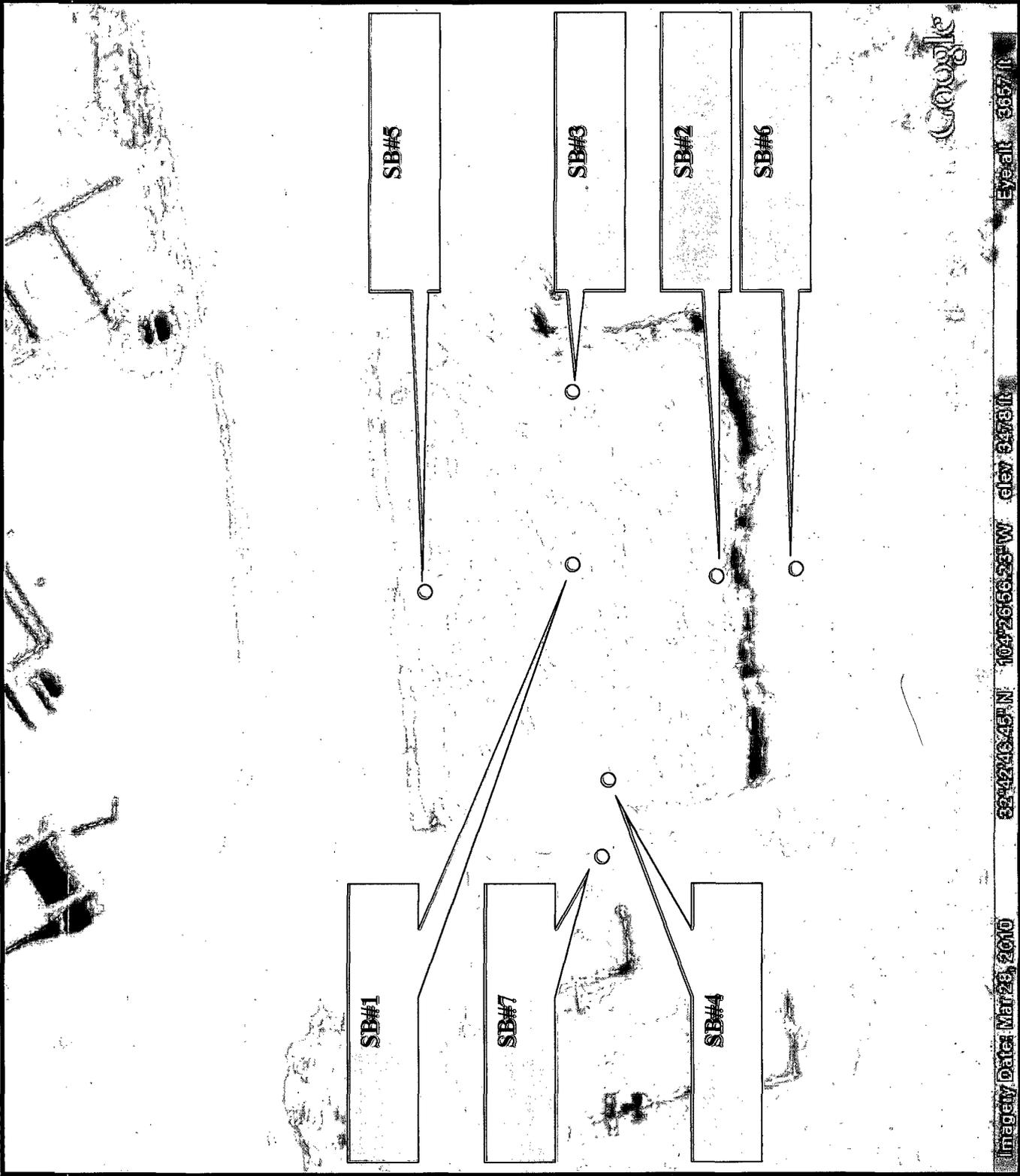
Imagery Date: Jun 30, 2005

494.0



**Figure 3- State Engineer Water Well
Locations**

**Figure 4- Location of Tank Battery Soil
Borings**



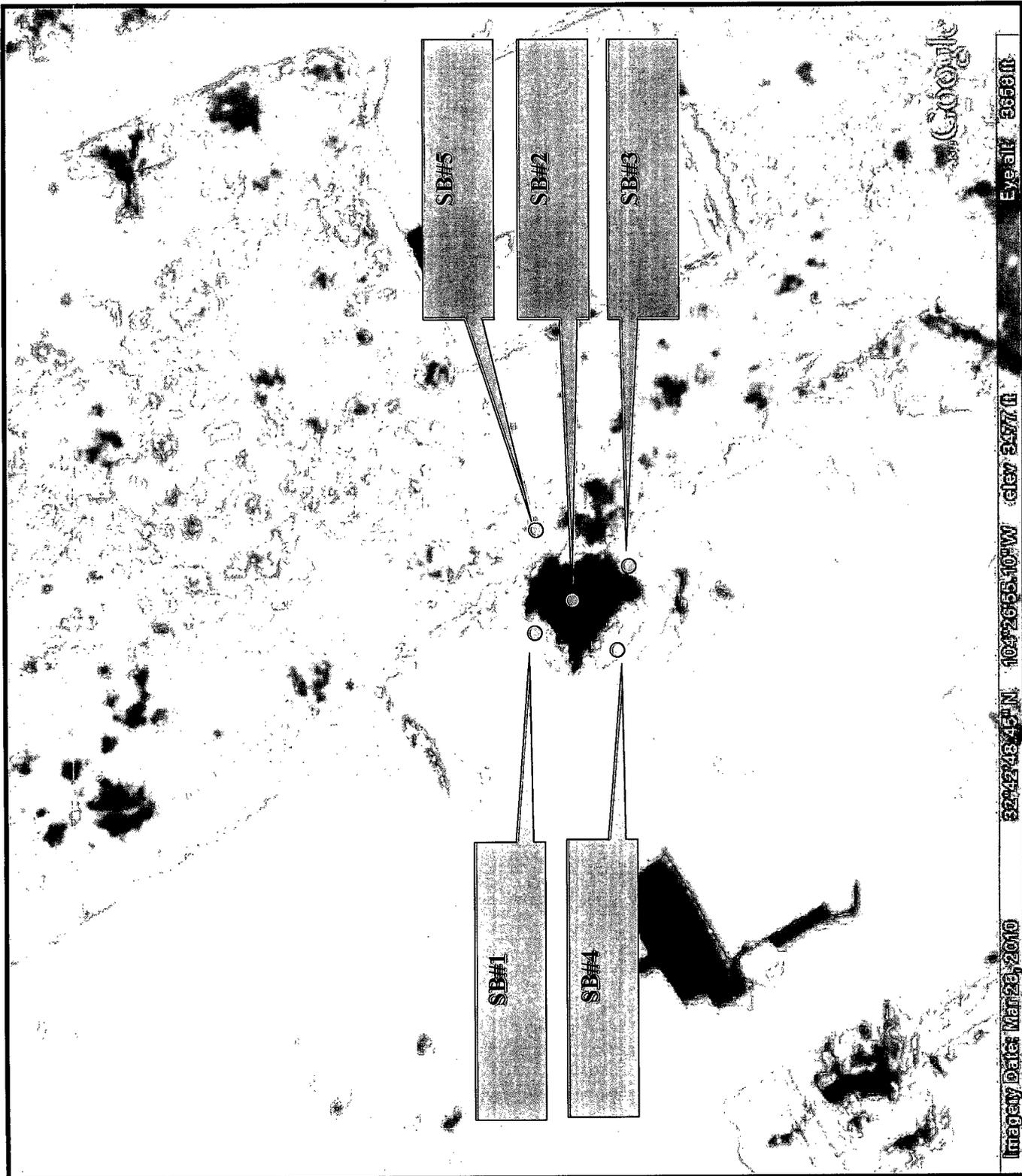
Imagery Date: Mar 28, 2010

33°42'43.43" N, 104°26'56.56" W, elev 6178 ft

EyeAlt: 6657 ft

Tank Battery Soil Boring Locations

Figure 5- Location of Sump 2 Soil Borings

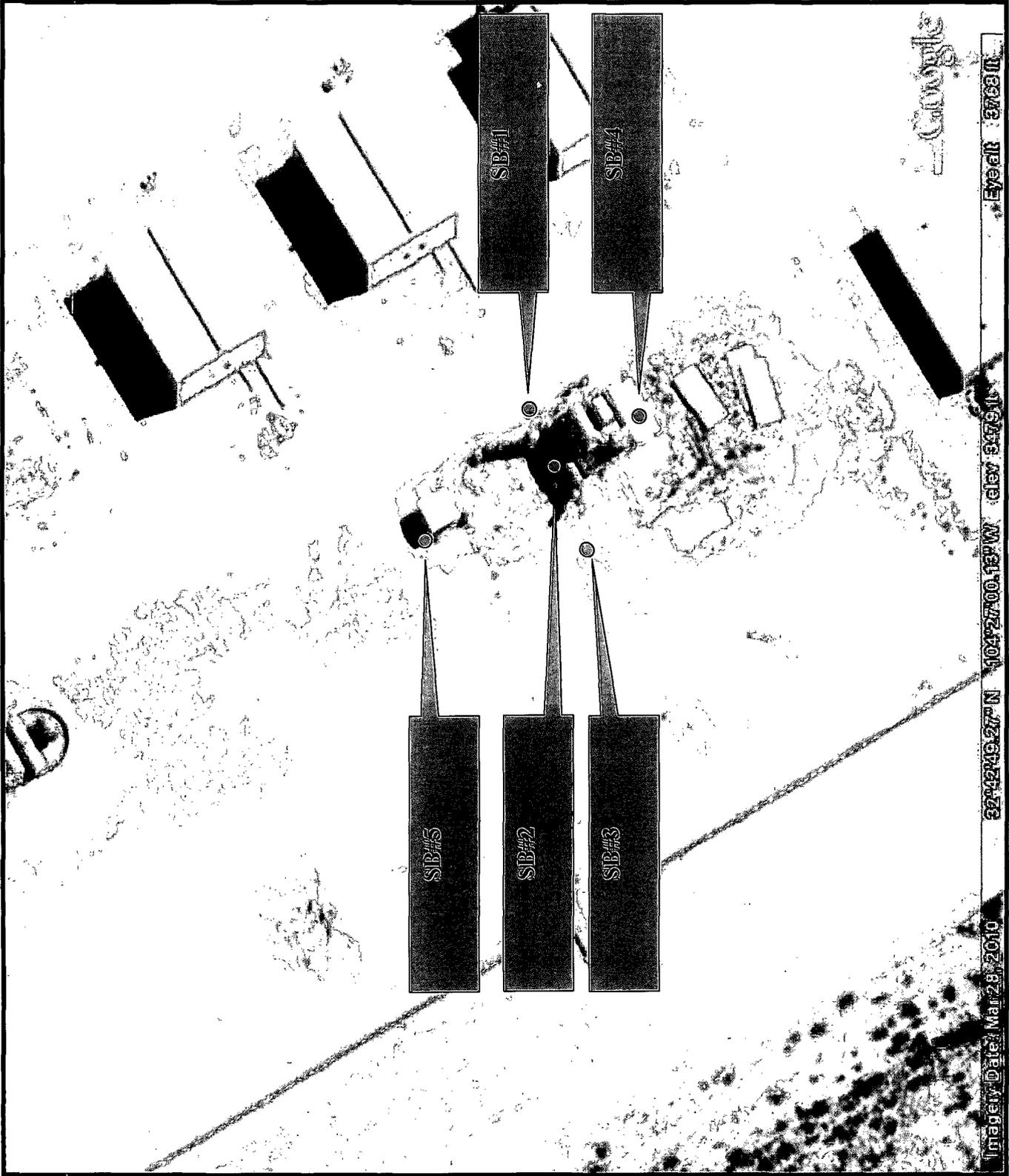


Google

Imagery Date: Mar 28, 2010 82°42'48.45"N 104°26'55.10"W elev 3497 ft Eye Alt 3658 ft

Sump 2 Soil Boring Locations

Figure 6- Location of Sump 23 Soil Borings



Sump 23 Soil Boring Locations

ARDINAL LABORATORIES

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

July 9, 2010

Bob Allen
Safety & Environmental Solutions, Inc.
703 East Clinton, #103
Hobbs, NM 88240

Re: Pencesco Yard (AGA-10-001)

Enclosed are the results of analyses for sample number H20253, received by the laboratory on 06/30/10 at 5:04 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: 7 (includes Chain of Custody)

Sincerely,


Celey D. Keene
Laboratory Director

This report conforms with NELAP requirements.

ANALYTICAL RESULTS FOR
SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
ATTN: BOB ALLEN
703 E. CLINTON, #102
HOBBS, NM 88240
FAX TO: (575) 393-4388

Receiving Date: 06/30/10

Reporting Date: 07/06/10

Project Owner: AGAVE ENERGY (AGA-10-001)

Project Name: PENCESCO YARD

Project Location: SW ARTESIA, NM

Sampling Date: 06/29/10

Sample Type: SOIL

Sample Condition: INTACT @ 18°C

Sample Received By: JH

Analyzed By: ZL

LAB NO.	SAMPLE ID	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)
ANALYSIS DATE:		07/02/10	07/02/10	07/02/10	07/02/10
H20253-1	BSB-1 5'	<0.050	<0.050	<0.050	<0.300
H20253-2	(CENTER PIT) 10'	<0.050	<0.050	5.61	17.5
H20253-3	BSB-1 15'	1.68	5.02	24.2	87.2
H20253-4	BSB-1 20'	0.234	0.667	3.21	11.9
H20253-5	BSB-1 25'	0.134	0.132	1.05	3.69
H20253-6	BSB-1 30'	0.081	0.071	1.76	7.66
H20253-7	BSB-1 35'	0.084	<0.050	0.964	4.00
Quality Control		0.011	0.010	0.010	0.031
True Value QC		0.010	0.010	0.010	0.030
% Recovery		110	100	100	103
Relative Percent Difference		<1.0	4.8	3.7	<1.0

METHODS: BTEX - SW-846 8260

TEXAS NELAP ACCREDITATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE,
AND TOTAL XYLENES. Reported on wet weight.

Lab Director

Date

H20253 BTEX SESI



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

ANALYTICAL RESULTS FOR
 SAFETY & ENVIRONMENTAL SOLUTIONS, INC.
 ATTN: SERGIO CONTRERAS
 703 E. CLINTON, #102
 HOBBS, NM 88240
 FAX TO: (575) 393-4388

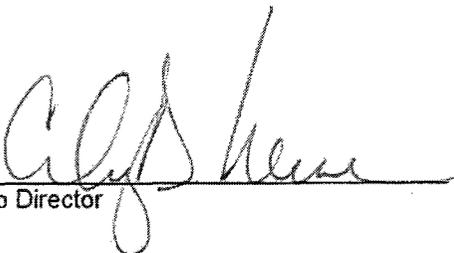
Receiving Date: 06/30/10
 Reporting Date: 07/06/10
 Project Owner: AGAVE ENERGY (AGA-10-001)
 Project Name: PENCESCO YARD
 Project Location: SW ARTESIA, NM

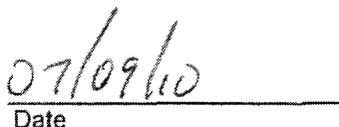
Sampling Date: 06/29/10
 Sample Type: SOIL
 Sample Condition: INTACT @ 18°C
 Sample Received By: JH
 Analyzed By: ZL

LAB NO.	SAMPLE ID	BENZENE (mg/kg)	TOLUENE (mg/kg)	ETHYL BENZENE (mg/kg)	TOTAL XYLENES (mg/kg)
ANALYSIS DATE:		07/02/10	07/02/10	07/02/10	07/02/10
H20253-8	BSB-2 5'	<0.050	<0.050	0.845	6.36
H20253-9	(S.S. EXCAVATION) 10'	<0.050	<0.050	0.660	3.66
H20253-10	BSB-2 15'	<0.050	<0.050	0.106	0.598
H20253-11	BSB-2 20'	<0.050	<0.050	<0.050	<0.300
H20253-12	BSB-2 25'	<0.050	0.104	0.201	1.35
H20253-13	BSB-2 30'	0.156	0.326	2.30	19.0
H20253-14	BSB-2 35'	0.235	0.758	2.17	14.1
H20253-15	BSB-2 37'	<0.050	<0.050	0.128	0.788
Quality Control		0.011	0.010	0.010	0.031
True Value QC		0.010	0.010	0.010	0.030
% Recovery		110	100	100	103
Relative Percent Difference		<1.0	4.8	3.7	<1.0

METHODS: BTEX - SW-846 8260

TEXAS NELAP ACCREDITATION T104704398-08-TX FOR BENZENE, TOLUENE, ETHYL BENZENE,
 AND TOTAL XYLENES. Reported on wet weight.


 Lab Director


 Date

H20253 BTEX SESI

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 an 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 ap 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 subsi 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. I 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
SAFETY & ENVIRONMENTAL SOLUTIONS
ATTN: BOB ALLEN
703 E. CLINTON, #102
HOBBS, NM 88240
FAX TO: (575) 393-4388**

Receiving Date: 06/30/10
Reporting Date: 07/06/10
Project Owner: AGAVE ENERGY (AGA-10-001)
Project Name: PENCESCO YARD
Project Location: SW ARTESIA, NM

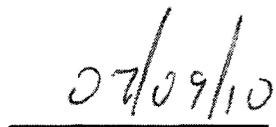
Sampling Date: 06/29/10
Sample Type: SOIL
Sample Condition: INTACT @ 18°C
Sample Received By: JH
Analyzed By: AB

			418.1
	GRO	DRO	TOTAL
	(C ₆ -C ₁₀)	(>C ₁₀ -C ₂₈)	TPH
	(mg/kg)	(mg/kg)	(mg/kg)

LAB NUMBER	SAMPLE ID	07/03/10	07/03/10	07/01/10
H20253-1	BSB-1 5'	13.3	104	1,580
H20253-2	(CENTER PIT) 10'	305	424	1,500
H20253-3	BSB-1 15'	1,420	1,240	7,030
H20253-4	BSB-1 20'	13.0	<10.0	<100
H20253-5	BSB-1 25'	<10.0	<10.0	<100
H20253-6	BSB-1 30'	238	301	1,290
H20253-7	BSB-1 35'	60.4	11.9	332
H20253-8	BSB-2 5'	33.5	28.3	1,690
H20253-9	(S.S. EXCAVATION) 10'	47.6	10.7	<100
H20253-10	BSB-2 15'	<10.0	<10.0	<100
Quality Control		439	507	294
True Value QC		500	500	300
% Recovery		87.8	101	98.0
Relative Percent Difference		0.6	1.6	9.8

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; EPA 418.1
Not accredited for GRO/DRO or 418.1. Reported on wet weight.


Chemist


Date

H20253 TPH2 SESI

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August 06, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 07/30/10 17:00.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/06/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/26/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-3, 3-8' (H020482-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	<0.100	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	<0.100	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	<0.200	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	<0.100	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	<0.300	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 89.7 % 80-120

Surrogate: Toluene-d8 108 % 80-120

Surrogate: 4-Bromofluorobenzene 114 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1070	105	1020	0.858		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRQ >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 76.1 % 70-130

Surrogate: 1-Chlorooctadecane 84.1 % 70-130

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/26/2010
Reported:	08/06/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-3, 13' (H020482-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	<0.100	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	<0.100	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	<0.200	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	<0.100	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	<0.300	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 119 % 80-120
 Surrogate: Toluene-d8 110 % 80-120
 Surrogate: 4-Bromofluorobenzene 116 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1070	105	1020	0.858		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 72.2 % 70-130
 Surrogate: 1-Chlorooctadecane 78.3 % 70-130

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/26/2010
Reported:	08/06/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-3, 18' (H020482-03)

BTEX 8260B		mg/kg		Analyzed By: ZL					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57	
Toluene*	<0.100	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9	
Ethylbenzene*	<0.100	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4	
m+p - Xylene	<0.200	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6	
o-Xylene	<0.100	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8	
Total Xylenes*	<0.300	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3	

Surrogate: Dibromofluoromethane 105 % 80-120
 Surrogate: Toluene-d8 113 % 80-120
 Surrogate: 4-Bromofluorobenzene 116 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/04/2010	ND	1070	105	1020	0.858	

TPH 8015M		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17	
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81	

Surrogate: 1-Chlorooctane 75.5 % 70-130
 Surrogate: 1-Chlorooctadecane 86.1 % 70-130

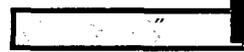
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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/06/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/26/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-3, 23' (H020482-04)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57	
Toluene*	<0.100	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9	
Ethylbenzene*	<0.100	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4	
m+p - Xylene	<0.200	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6	
o-Xylene	<0.100	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8	
Total Xylenes*	<0.300	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3	

Surrogate: Dibromofluoromethane 81.7 % 80-120

Surrogate: Toluene-d8 110 % 80-120

Surrogate: 4-Bromofluorobenzene 119 % 80-120

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/04/2010	ND	1070	105	1020	0.858	

TPH 8015M

mg/kg

Analyzed By: CK

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17	
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81	

Surrogate: 1-Chlorooctane 75.4 % 70-130

Surrogate: 1-Chlorooctadecane 89.5 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/26/2010
Reported:	08/06/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-3, 28' (H020482-05)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	<0.100	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	<0.100	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	<0.200	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	<0.100	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	<0.300	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 89.9 % 80-120
 Surrogate: Toluene-d8 111 % 80-120
 Surrogate: 4-Bromofluorobenzene 113 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1070	105	1020	0.858		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 75.9 % 70-130
 Surrogate: 1-Chlorooctadecane 88.4 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/26/2010
Reported:	08/06/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-3, 33' (H020482-06)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	<0.100	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	<0.100	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	<0.200	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	<0.100	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	<0.300	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 99.1 % 80-120
 Surrogate: Toluene-d8 108 % 80-120
 Surrogate: 4-Bromofluorobenzene 114 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1070	105	1020	0.858		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 78.6 % 70-130
 Surrogate: 1-Chlorooctadecane 90.8 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

- QM-05 The spike recovery was outside acceptance limits for the MS and/or MSD due to matrix interference. The LCS and/or LCSD were within acceptance limits showing that the laboratory is in control and the data is acceptable.
- QL-01 Sample results for the QC batch were accepted based on LCS/LCSD percent recoveries and RPD values.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

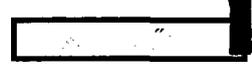
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Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

CARDINAL LABORATORIES, INC.
 2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 80240
 (915) 073-7001 Fax (915) 073-7020 (505) 393-2326 Fax (505) 393-2476

Company Name: SESI		PO #:	
Project Manager: Bob Allen/Dr. Boyer		Company: SAME	
Address: 703 E. CLINTON, #103		Min: BRANDI	
City: HOBBS		Address:	
Phone #: (505) 397-0510		City:	
Fax #: (505) 393-4388		State:	
Project #: NEA-10-001		Phone #:	
Project Name: Penasco		Fax #:	
Project Location: South of Artesia		PRES. SAMPLING	
FOR LAB USE ONLY		ACID	
LAB I.D.		ICE/COOL	
Sample I.D.		OTHER	
		SLUDGE	
		WASTEWATER	
		GROUNDWATER	
		CONTAINERS	
		P/B OR COMB	
		DATE	
		TIME	
		TPH (418.1)	
		TPH (8015)	
		BTEX (8260)	

Terms and Conditions listed at will be charged on all accounts more than 30 days past due at the rate of 2% per month from the original date of invoice, and all cost of collection, including attorney's fees.

Phone Result: Yes No
 Fax Result: Yes No
 Additional Fax #: _____

REMARKS:
 email results Bob & Sonora
 depths below land surface

Received By: **John Jensen**
 Date: **7/30/10**
 Time: **15:00**

Delivered By: (Circle One)
 UPS Bus Other:

Checked By: **JH**
 Date: **13/2**

August 07, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 07/30/10 17:00.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/07/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/27/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-4, 10.5 (H020483-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	1.92	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	31.6	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	20.0	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	47.7	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	22.2	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	69.9	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 93.0 % 80-120
 Surrogate: Toluene-d8 104 % 80-120
 Surrogate: 4-Bromofluorobenzene 96.7 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	3240	100	08/04/2010	ND	1050	102	1020	1.51		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	1140	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	994	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 88.6 % 70-130
 Surrogate: 1-Chlorooctadecane 102 % 70-130

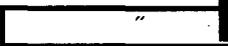
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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/07/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-4, 15.5 (H020483-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	3.84	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	39.8	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	23.5	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	54.7	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	26.2	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	80.9	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 80.7 % 80-120
 Surrogate: Toluene-d8 100 % 80-120
 Surrogate: 4-Bromofluorobenzene 103 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	3070	100	08/04/2010	ND	1050	102	1020	1.51		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	445	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	743	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 85.8 % 70-130
 Surrogate: 1-Chlorooctadecane 94.0 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/07/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-4, 20.5 (H020483-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	1.67	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	28.0	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	16.6	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	55.0	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	22.9	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	77.9	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 84.2 % 80-120
 Surrogate: Toluene-d8 105 % 80-120
 Surrogate: 4-Bromofluorobenzene 106 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	2870	100	08/04/2010	ND	1050	102	1020	1.51		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	306	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	619	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 84.0 % 70-130
 Surrogate: 1-Chlorooctadecane 92.6 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/07/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/27/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-4, 25.5 (H020483-04)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	4.24	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	9.87	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	16.5	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	53.5	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	15.5	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	69.0	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 81.3 % 80-120
 Surrogate: Toluene-d8 111 % 80-120
 Surrogate: 4-Bromofluorobenzene 88.3 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	1620	100	08/04/2010	ND	1050	102	1020	1.51		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	440	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	351	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 75.7 % 70-130
 Surrogate: 1-Chlorooctadecane 87.6 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/07/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-4, 30.5 (H020483-05)

BTEX 8260B		mg/kg		Analyzed By: ZL					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	2.71	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57	
Toluene*	24.9	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9	
Ethylbenzene*	19.9	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4	
m+p - Xylene	59.3	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6	
o-Xylene	25.1	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8	
Total Xylenes*	84.4	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3	

Surrogate: Dibromofluoromethane 84.3 % 80-120
 Surrogate: Toluene-d8 116 % 80-120
 Surrogate: 4-Bromofluorobenzene 109 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	2740	100	08/04/2010	ND	1050	102	1020	1.51	

TPH 8015M		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	608	10.0	08/04/2010	ND	185	92.4	200	4.17	
DRO >C10-C28	570	10.0	08/04/2010	ND	188	93.8	200	3.81	

Surrogate: 1-Chlorooctane 89.1 % 70-130
 Surrogate: 1-Chlorooctadecane 96.1 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/07/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-4, 35.5 (H020483-06)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	0.278	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	7.05	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	7.40	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	36.0	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	12.0	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	48.0	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 109 % 80-120
 Surrogate: Toluene-d8 120 % 80-120
 Surrogate: 4-Bromofluorobenzene 95.4 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	1430	100	08/04/2010	ND	1050	102	1020	1.51		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	295	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	388	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 85.7 % 70-130
 Surrogate: 1-Chlorooctadecane 87.7 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/07/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-4, 40.5 (H020483-07)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	<0.100	0.100	08/07/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	<0.100	0.100	08/07/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 91.3 % 80-120
 Surrogate: Toluene-d8 93.0 % 80-120
 Surrogate: 4-Bromofluorobenzene 91.8 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1050	102	1020	1.51		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 80.0 % 70-130
 Surrogate: 1-Chlorooctadecane 90.6 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/07/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-4, 45.5 (H020483-08)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	<0.100	0.100	08/07/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	<0.100	0.100	08/07/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 93.2 % 80-120
 Surrogate: Toluene-d8 96.6 % 80-120
 Surrogate: 4-Bromofluorobenzene 90.4 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1050	102	1020	1.51		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 72.2 % 70-130
 Surrogate: 1-Chlorooctadecane 81.5 % 70-130

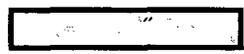
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Celestine D. Keene, Lab Director/Quality Manager



Notes and Definitions

- QM-05 The spike recovery was outside acceptance limits for the MS and/or MSD due to matrix interference. The LCS and/or LCSD were within acceptance limits showing that the laboratory is in control and the data is acceptable.
- QL-01 Sample results for the QC batch were accepted based on LCS/LCSD percent recoveries and RPD values.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

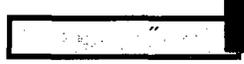
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Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

CARDINAL LABORATORIES, INC.
 2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 00240
 (815) 673-7001 Fax (815) 673-7020 (505) 393-2326 Fax (505) 393-2476

ANALYSIS REQUEST

LAB I.D.	TPH (418.1)	TPH (8015)	RTX (8260)	TIME
1	X	X	X	0830
2	X	X	X	0835
3	X	X	X	0840
4	X	X	X	0850
5	X	X	X	0855
6	X	X	X	0900
7	X	X	X	0910
8	X	X	X	0920

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Phone Result: Yes No Additional Fax #: Yes No

REMARKS: email results Bob & Susana
 depths below lens surface

Company Name: SEST
 Project Manager: Bob Allen/D. Boyer
 Address: 703 E. CLINTON, #103 State: NM Zip: 88240
 City: HOBBS Phone #: (505) 397-0510
 Fax #: (505) 393-4388
 Project #: AEA-10-001 Project Owner: Agg De Energy
 Project Name: Penasco
 Project Location: South of Artesia

LAB I.D.	MATRIX				PRES.	SAMPLING
	GROUNDWATER	WASTEWATER	SOL	SLUDGE		
1	X				X	2012 7/27
2						
3						
4	X				X	7/27
5	X				X	7/27
6	X				X	7/27
7	X				X	7/27
8	X				X	7/27

Received By: Jodi Jensen
 Date: 7/30/12 Time: 17:00
 Delivered By: (Circle One) Jodi Jensen
 Sample Condition: Cool Intact Yes No Yes No
 Sampler - UPS - Bus - Other: 130

August 06, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 07/30/10 17:00.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/06/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/27/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-5, 10.5 (H020484-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	<0.100	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	<0.100	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	<0.200	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	<0.100	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	<0.300	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 93.4 % 80-120
 Surrogate: Toluene-d8 104 % 80-120
 Surrogate: 4-Bromofluorobenzene 107 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	580	100	08/04/2010	ND	1070	105	1020	0.858		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 72.9 % 70-130
 Surrogate: 1-Chlorooctadecane 85.0 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/06/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/27/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-5, 20.5 (H020484-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	<0.100	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	0.258	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	0.840	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	0.270	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	1.11	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 104 % 80-120
 Surrogate: Toluene-d8 100 % 80-120
 Surrogate: 4-Bromofluorobenzene 107 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1070	105	1020	0.858		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17		
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81		

Surrogate: 1-Chlorooctane 78.6 % 70-130
 Surrogate: 1-Chlorooctadecane 85.7 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/06/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/27/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-5, 25.5 (H020484-03)

BTEX 8260B		mg/kg		Analyzed By: ZL					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57	
Toluene*	<0.100	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9	
Ethylbenzene*	<0.100	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4	
m+p - Xylene	1.32	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6	
o-Xylene	0.639	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8	
Total Xylenes*	1.96	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3	

Surrogate: Dibromofluoromethane 96.1 % 80-120
 Surrogate: Toluene-d8 115 % 80-120
 Surrogate: 4-Bromofluorobenzene 108 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/04/2010	ND	1070	105	1020	0.858	

TPH 8015M		mg/kg		Analyzed By: CK					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/04/2010	ND	185	92.4	200	4.17	
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	188	93.8	200	3.81	

Surrogate: 1-Chlorooctane 74.8 % 70-130
 Surrogate: 1-Chlorooctadecane 82.7 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/06/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-5, 30.5 (H020484-04)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/03/2010	ND	0.862	86.2	1.00	9.57		
Toluene*	<0.100	0.100	08/03/2010	ND	0.853	85.3	1.00	11.9		
Ethylbenzene*	<0.100	0.100	08/03/2010	ND	0.921	92.1	1.00	11.4		
m+p - Xylene	<0.200	0.200	08/03/2010	ND	1.85	92.6	2.00	12.6		
o-Xylene	<0.100	0.100	08/03/2010	ND	0.889	88.9	1.00	11.8		
Total Xylenes*	<0.300	0.300	08/03/2010	ND	2.74	91.3	3.00	12.3		

Surrogate: Dibromofluoromethane 89.7 % 80-120
 Surrogate: Toluene-d8 116 % 80-120
 Surrogate: 4-Bromofluorobenzene 110 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1070	105	1020	0.858		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/04/2010	ND	197	98.4	200	4.11		
DRO >C10-C28	<10.0	10.0	08/04/2010	ND	171	85.5	200	11.3		

Surrogate: 1-Chlorooctane 65.5 % 70-130
 Surrogate: 1-Chlorooctadecane 62.6 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- QM-05 The spike recovery was outside acceptance limits for the MS and/or MSD due to matrix interference. The LCS and/or LCSD were within acceptance limits showing that the laboratory is in control and the data is acceptable.
- QL-01 Sample results for the QC batch were accepted based on LCS/LCSD percent recoveries and RPD values.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

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Caley D. Keene, Lab Director/Quality Manager

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

CARDINAL LABORATORIES, INC.
 2111 Beechwood, Abilene, TX 79603
 (915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

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

ANALYSIS REQUEST		LAB I.D.	DATE	TIME	TPH (418.1)	TPH (8015)	BTX (8260)
			2000	1235	X	X	X
			7/27	1245	X	X	X
			7/27	1258	X	X	X
			7/27	1110	X	X	X

Turns and Conditions: Material will be shipped on 1 record upon this 30 days per day at the rate of 21% per annum from the original date of receipt, and all cost of collection, including Alameda's fee.

Phone Result: Yes No
 Fax Result: Yes No
 Additional Fax #:

REMARKS: *email results Bob & Susana depths below hand surface*

390-7067

Company Name: **SEST** PO #:

Project Manager: **Bob Aiken/D. Boyer** Company: **SAME**

Address: **703 E. CLINTON, #103** Altn: **Brenda**

City: **HOBBES** State: **NM** Zip: **88240**

Phone #: **(505) 397-0510**

Fax #: **(505) 393-4388**

Project #: **AGA-10-001** Project Owner: **Agave Energy**

Project Name: **Penasco**

Project Location: **South of Artoia**

LAB I.D.	Sample I.D.	MATRIX		PRES.		SAMPLING	
		GROUNDWATER	WASTEWATER	ICE/COOL	OTHER	DATE	TIME
1	B5B-5.12.5	X		X		7/27	1235
2	B5B-5.12.5		X			7/27	1245
3	B5B-5.12.5		X			7/27	1258
4	B5B-5.12.5	X		X		7/27	1110

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Received By: **Bob Aiken** Date: **7/30/02**

Relinquished By: **Bob Aiken** Date: **7/30/02**

Delivered By: (Circle One) **Bob Aiken** Date: _____ Time: _____

Sampler - UPS - Bus - Other: **136**

Checked By: **Bob Aiken** (Initials) **BA**

Cardinal cannot accept verbal changes. Please fax written changes to 505-393-7020.



August 10, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 08/02/10 7:30.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,

Celey D. Keene
Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-6, 10' (H020513-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 114 % 80-120
 Surrogate: Toluene-d8 104 % 80-120
 Surrogate: 4-Bromofluorobenzene 116 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18		

TPH 8015M		mg/kg		Analyzed By: AB							QM-05
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/08/2010	ND	157	78.7	200	0.202			
DRO >C10-C28	<10.0	10.0	08/08/2010	ND	152	76.2	200	0.648			

Surrogate: 1-Chlorooctane 86.9 % 70-130
 Surrogate: 1-Chlorooctadecane 103 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-6, 15' (H020513-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 102 % 80-120
 Surrogate: Toluene-d8 107 % 80-120
 Surrogate: 4-Bromofluorobenzene 117 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18		

TPH 8015M		mg/kg		Analyzed By: AB							QM-05
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/08/2010	ND	157	78.7	200	0.202			
DRO >C10-C28	<10.0	10.0	08/08/2010	ND	152	76.2	200	0.648			

Surrogate: 1-Chlorooctane 86.6 % 70-130
 Surrogate: 1-Chlorooctadecane 98.2 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-6, 20' (H020513-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 97.3 % 80-120
 Surrogate: Toluene-d8 109 % 80-120
 Surrogate: 4-Bromofluorobenzene 116 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18		

TPH 8015M		mg/kg		Analyzed By: AB							QM-05
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/08/2010	ND	157	78.7	200	0.202			
DRO >C10-C28	<10.0	10.0	08/08/2010	ND	152	76.2	200	0.648			

Surrogate: 1-Chlorooctane 88.4 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-6, 25' (H020513-04)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 103 % 80-120
 Surrogate: Toluene-d8 104 % 80-120
 Surrogate: 4-Bromofluorobenzene 117 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18		

TPH 8015M		mg/kg		Analyzed By: AB							QM-05
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/08/2010	ND	157	78.7	200	0.202			
DRO >C10-C28	<10.0	10.0	08/08/2010	ND	152	76.2	200	0.648			

Surrogate: 1-Chlorooctane 82.5 % 70-130
 Surrogate: 1-Chlorooctadecane 95.8 % 70-130

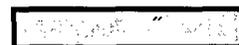
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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-6, 30' (H020513-05)

BTEX 8260B		mg/kg		Analyzed By: ZL					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18	
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49	
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49	
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58	
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86	
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68	

Surrogate: Dibromofluoromethane 106 % 80-120
 Surrogate: Toluene-d8 104 % 80-120
 Surrogate: 4-Bromofluorobenzene 116 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18	

TPH 8015M		mg/kg		Analyzed By: AB						QM-05
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/08/2010	ND	157	78.7	200	0.202		
DRO >C10-C28	<10.0	10.0	08/08/2010	ND	152	76.2	200	0.648		

Surrogate: 1-Chlorooctane 88.3 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

- QM-05 The spike recovery was outside acceptance limits for the MS and/or MSD due to matrix interference. The LCS and/or LCSD were within acceptance limits showing that the laboratory is in control and the data is acceptable.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
- Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager





August 10, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 08/02/10 7:30.

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 524.4	Regulated VOCs (V2, V3)

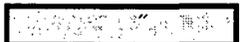
Accreditation applies to public drinking water matrices.

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

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-7, 10' (H020514-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 115 % 80-120
 Surrogate: Toluene-d8 89.5 % 80-120
 Surrogate: 4-Bromofluorobenzene 115 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 90.5 % 70-130
 Surrogate: 1-Chlorooctadecane 105 % 70-130

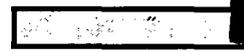
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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/10/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/28/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-7, 15' (H020514-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 105 % 80-120
 Surrogate: Toluene-d8 104 % 80-120
 Surrogate: 4-Bromofluorobenzene 116 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	11.1	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 87.6 % 70-130
 Surrogate: 1-Chlorooctadecane 87.9 % 70-130

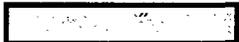
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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BSB-7, 20' (H020514-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 99.6 % 80-120
 Surrogate: Toluene-d8 106 % 80-120
 Surrogate: 4-Bromofluorobenzene 112 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 83.0 % 70-130
 Surrogate: 1-Chlorooctadecane 90.0 % 70-130

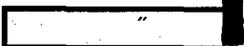
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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/10/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/28/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-7, 33' (H020514-04)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 115 % 80-120
 Surrogate: Toluene-d8 104 % 80-120
 Surrogate: 4-Bromofluorobenzene 118 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 83.8 % 70-130
 Surrogate: 1-Chlorooctadecane 102 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/10/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/29/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-7, 35' (H020514-05)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 114 % 80-120
 Surrogate: Toluene-d8 104 % 80-120
 Surrogate: 4-Bromofluorobenzene 117 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 86.8 % 70-130
 Surrogate: 1-Chlorooctadecane 104 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/10/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/29/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-7, 40' (H020514-06)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 97.2 % 80-120
 Surrogate: Toluene-d8 93.0 % 80-120
 Surrogate: 4-Bromofluorobenzene 108 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 90.9 % 70-130
 Surrogate: 1-Chlorooctadecane 108 % 70-130

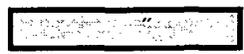
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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/10/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/29/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: BSB-7, 45' (H020514-07)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	1.06	106	1.00	2.18		
Toluene*	<0.100	0.100	08/07/2010	ND	0.936	93.6	1.00	5.49		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	2.49		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.15	108	2.00	4.58		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.10	110	1.00	4.86		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.25	108	3.00	4.68		

Surrogate: Dibromofluoromethane 102 % 80-120
 Surrogate: Toluene-d8 93.0 % 80-120
 Surrogate: 4-Bromofluorobenzene 108 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 84.4 % 70-130
 Surrogate: 1-Chlorooctadecane 104 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

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

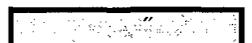
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Caley D. Keene, Lab Director/Quality Manager



August 07, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 07/30/10 17:00.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/07/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-1, 5' (H020485-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/07/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/07/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 80.1 % 80-120
 Surrogate: Toluene-d8 94.4 % 80-120
 Surrogate: 4-Bromofluorobenzene 80.3 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: CK							S-04
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11			
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	171	85.5	200	11.3			

Surrogate: 1-Chlorooctane 64.0 % 70-130
 Surrogate: 1-Chlorooctadecane 53.5 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/07/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/27/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S2SB-1, 10 (H020485-02)

BTEX 8260B		mg/kg		Analyzed By: ZL					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/04/2010	ND	0.921	92.1	1.00	4.41	
Toluene*	<0.100	0.100	08/04/2010	ND	0.881	88.1	1.00	5.88	
Ethylbenzene*	<0.100	0.100	08/04/2010	ND	0.977	97.7	1.00	6.64	
m+p - Xylene	0.255	0.200	08/04/2010	ND	1.96	98.2	2.00	13.4	
o-Xylene	<0.100	0.100	08/04/2010	ND	0.962	96.2	1.00	8.87	
Total Xylenes*	<0.300	0.300	08/04/2010	ND	2.93	97.5	3.00	11.9	

Surrogate: Dibromofluoromethane 87.1 % 80-120
 Surrogate: Toluene-d8 111 % 80-120
 Surrogate: 4-Bromofluorobenzene 103 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74	

TPH 8015M		mg/kg		Analyzed By: CK						S-04
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11		
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	171	85.5	200	11.3		

Surrogate: 1-Chlorooctane 62.8 % 70-130
 Surrogate: 1-Chlorooctadecane 66.1 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/07/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/27/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S2SB-1, 20 (H020485-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/04/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/04/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/04/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/04/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/04/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/04/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 87.6 % 80-120
 Surrogate: Toluene-d8 107 % 80-120
 Surrogate: 4-Bromofluorobenzene 109 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11		
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	171	85.5	200	11.3		

Surrogate: 1-Chlorooctane 70.7 % 70-130
 Surrogate: 1-Chlorooctadecane 77.7 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

LABORATORY REPORT

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/07/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/27/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S2SB-1, 30 (H020485-04)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/04/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/04/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/04/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/04/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/04/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/04/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 98.2 % 80-120
 Surrogate: Toluene-d8 113 % 80-120
 Surrogate: 4-Bromofluorobenzene 111 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11		
PRO >C10-C28	<10.0	10.0	08/05/2010	ND	171	85.5	200	11.3		

Surrogate: 1-Chlorooctane 72.5 % 70-130
 Surrogate: 1-Chlorooctadecane 70.1 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/07/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	☑ Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-1, 35 (H020485-05)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/04/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/04/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/04/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/04/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/04/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/04/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 84.5 % 80-120

Surrogate: Toluene-d8 117 % 80-120

Surrogate: 4-Bromofluorobenzene 100 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: CK							S-04
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11			
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	171	85.5	200	11.3			

Surrogate: 1-Chlorooctane 69.9 % 70-130

Surrogate: 1-Chlorooctadecane 71.7 % 70-130

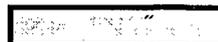
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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/07/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-1, 40 (H020485-06)

3TEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/04/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/04/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/04/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/04/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/04/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/04/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 83.4 % 80-120
 Surrogate: Toluene-d8 116 % 80-120
 Surrogate: 4-Bromofluorobenzene 106 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11		
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	171	85.5	200	11.3		

Surrogate: 1-Chlorooctane 71.1 % 70-130
 Surrogate: 1-Chlorooctadecane 82.1 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/07/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/27/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S2SB-1, 25 (H020485-07)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/04/2010	ND	0.921	92.1	1.00	4.41	
Toluene*	<0.100	0.100	08/04/2010	ND	0.881	88.1	1.00	5.88	
Ethylbenzene*	<0.100	0.100	08/04/2010	ND	0.977	97.7	1.00	6.64	
m+p - Xylene	<0.200	0.200	08/04/2010	ND	1.96	98.2	2.00	13.4	
o-Xylene	<0.100	0.100	08/04/2010	ND	0.962	96.2	1.00	8.87	
Total Xylenes*	<0.300	0.300	08/04/2010	ND	2.93	97.5	3.00	11.9	

Surrogate: Dibromofluoromethane 82.8 % 80-120

Surrogate: Toluene-d8 116 % 80-120

Surrogate: 4-Bromofluorobenzene 109 % 80-120

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74	

TPH 8015M

mg/kg

Analyzed By: CK

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11	
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	171	85.5	200	11.3	

Surrogate: 1-Chlorooctane 76.7 % 70-130

Surrogate: 1-Chlorooctadecane 81.4 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- QM-05 The spike recovery was outside acceptance limits for the MS and/or MSD due to matrix interference. The LCS and/or LCSD were within acceptance limits showing that the laboratory is in control and the data is acceptable.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
- Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager



August 06, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 07/30/10 17:00.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 07/30/2010
 Reported: 08/06/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/27/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S2SB-2, 20' (H020486-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/04/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/04/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/04/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/04/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/04/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/04/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 112 % 80-120
 Surrogate: Toluene-d8 116 % 80-120
 Surrogate: 4-Bromofluorobenzene 114 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	855	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: CK							S-04
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11			
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	171	85.5	200	11.3			

Surrogate: 1-Chlorooctane 65.2 % 70-130
 Surrogate: 1-Chlorooctadecane 67.3 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Printed on 8/10/2010 10:00 AM

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/06/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-2, 25' (H020486-02)

WTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/04/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/04/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/04/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/04/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/04/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/04/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 108 % 80-120
 Surrogate: Toluene-d8 116 % 80-120
 Surrogate: 4-Bromofluorobenzene 113 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	182	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: CK							S-04
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11			
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	171	85.5	200	11.3			

Surrogate: 1-Chlorooctane 74.1 % 70-130
 Surrogate: 1-Chlorooctadecane 65.6 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/06/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-2, 30' (H020486-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/04/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/04/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/04/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/04/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/04/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/04/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 119 % 80-120

Surrogate: Toluene-d8 118 % 80-120

Surrogate: 4-Bromofluorobenzene 112 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	357	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11		
DRO >C10-C28	55.2	10.0	08/05/2010	ND	171	85.5	200	11.3		

Surrogate: 1-Chlorooctane 77.3 % 70-130

Surrogate: 1-Chlorooctadecane 78.5 % 70-130

Cardinal Laboratories

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	07/30/2010	Sampling Date:	07/27/2010
Reported:	08/06/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-2, 40' (H020486-04)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/05/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/05/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/05/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 84.7 % 80-120
 Surrogate: Toluene-d8 106 % 80-120
 Surrogate: 4-Bromofluorobenzene 106 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/05/2010	ND	197	98.4	200	4.11		
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	171	85.5	200	11.3		

Surrogate: 1-Chlorooctane 78.4 % 70-130
 Surrogate: 1-Chlorooctadecane 76.4 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- QM-05 The spike recovery was outside acceptance limits for the MS and/or MSD due to matrix interference. The LCS and/or LCSD were within acceptance limits showing that the laboratory is in control and the data is acceptable.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager

11/11/2011 10:11:11 AM



August 09, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 08/02/10 7:30.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/28/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S2SB-3, 10' (H020508-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 83.8 % 80-120
 Surrogate: Toluene-d8 100 % 80-120
 Surrogate: 4-Bromofluorobenzene 92.3 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 87.6 % 70-130
 Surrogate: 1-Chlorooctadecane 103 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/28/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S2SB-3, 15' (H020508-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 88.4 % 80-120
 Surrogate: Toluene-d8 88.4 % 80-120
 Surrogate: 4-Bromofluorobenzene 92.5 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 93.6 % 70-130
 Surrogate: 1-Chlorooctadecane 111 % 70-130

Cardinal Laboratories

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-3, 20' (H020508-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 101 % 80-120
 Surrogate: Toluene-d8 93.9 % 80-120
 Surrogate: 4-Bromofluorobenzene 91.1 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 97.5 % 70-130
 Surrogate: 1-Chlorooctadecane 115 % 70-130

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-3, 32' (H020508-04)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 104 % 80-120
 Surrogate: Toluene-d8 95.5 % 80-120
 Surrogate: 4-Bromofluorobenzene 95.5 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 84.2 % 70-130
 Surrogate: 1-Chlorooctadecane 103 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

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

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Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

CARDINAL LABORATORIES, INC.
 2111 Beechwood, Abilene, TX 79603
 (915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

Company Name: **SLEST**
 Project Manager: **Bob Allen/B. Boyer**
 Address: **703 E. CLINTON, #103**
 City: **HOBBES** State: **NM** Zip: **88240**
 Phone #: **(505) 397-0510**
 Fax #: **(505) 393-4388**
 Project #: **AGA-10-001** Project Owner: **Agave Energy**
 Project Name: **Penasco**
 Project Location: **South of Artesia**

ANALYSIS REQUEST		PO #:
Company:	SAME	
Attn:	BA & C	
Address:		
City:		
State:		
Phone #:		
Fax #:		

LAB I.D.	Sample I.D.	MATRIX			PRES.	SAMPLING	DATE	TIME
		GROUNDWATER	SLUDGE	OTHER				
HA008-1	5258-3, 10	<input checked="" type="checkbox"/>			X		7/28	0802
2	5258-3, 15	<input checked="" type="checkbox"/>			X		1	0800
3	5258-3, 20	<input checked="" type="checkbox"/>			X		1	0815
4	5258-3, 30	<input checked="" type="checkbox"/>			X		7/28	0845

FOR LAB USE ONLY

PLEASE NOTE: Dupont and Omegas. Cardinal's liability and service limited for any data arising whether based on extract or test, that is applied to the amount paid by the client for the analysis. All data, including those for performance and any other data, shall be deemed to be the property of Cardinal Laboratories, Inc. and shall remain the property of Cardinal Laboratories, Inc. until payment in full is received by Cardinal Laboratories, Inc. No part of this report, in whole or in part, shall be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or by any information storage and retrieval system, without the prior written permission of Cardinal Laboratories, Inc. The user of this report shall be held responsible for the accuracy of the data and the results of the analysis. Cardinal Laboratories, Inc. is not responsible for the accuracy of the data and the results of the analysis if the user has provided incorrect or incomplete information.

Sampler Relinquished: **Bob Allen** Date: **08/02/10** Time: **0730**
 Relinquished By: **Bob Allen** Date: **08/02/10** Time: **0730**
 Delivered By: **Bob Allen** Date: **08/02/10** Time: **0730**
 Sampler - UPS - Bus - Other: **800**

Received By: **Lab Staff**
 Sample Condition: **Cool Intact**
 Checked By: **Bob Allen**
 (Initials)

REMARKS: **Email Bob & Susana Results**

Phone Result: Yes No
 Fax Result: Yes No
 Additional Fax #:

August 09, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 08/02/10 7:30.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene
Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-4, 15' (H020509-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 102 % 80-120
 Surrogate: Toluene-d8 91.9 % 80-120
 Surrogate: 4-Bromofluorobenzene 93.3 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 79.4 % 70-130
 Surrogate: 1-Chlorooctadecane 87.7 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-4, 20' (H020509-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 104 % 80-120
 Surrogate: Toluene-d8 98.8 % 80-120
 Surrogate: 4-Bromofluorobenzene 94.5 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 82.1 % 70-130
 Surrogate: 1-Chlorooctadecane 92.9 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-4, 25' (H020509-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 109 % 80-120
 Surrogate: Toluene-d8 96.3 % 80-120
 Surrogate: 4-Bromofluorobenzene 94.9 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 93.8 % 70-130
 Surrogate: 1-Chlorooctadecane 112 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/28/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S2SB-4, 35' (H020509-04)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 110 % 80-120
 Surrogate: Toluene-d8 102 % 80-120
 Surrogate: 4-Bromofluorobenzene 92.5 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 83.8 % 70-130
 Surrogate: 1-Chlorooctadecane 102 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-4, 10' (H020509-05)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 106 % 80-120
 Surrogate: Toluene-d8 97.4 % 80-120
 Surrogate: 4-Bromofluorobenzene 98.1 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	937	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	64.5	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 83.0 % 70-130
 Surrogate: 1-Chlorooctadecane 72.2 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

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

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Celey D. Keene, Lab Director/Quality Manager



August 10, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 08/02/10 7:30.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-5, 5' (H020512-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	0.910	91.0	1.00	16.2		
Toluene*	<0.100	0.100	08/07/2010	ND	0.917	91.7	1.00	3.13		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	0.946	94.6	1.00	1.64		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.04	102	2.00	2.98		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	1.44		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.06	102	3.00	2.46		

Surrogate: Dibromofluoromethane 95.8 % 80-120
 Surrogate: Toluene-d8 96.6 % 80-120
 Surrogate: 4-Bromofluorobenzene 96.7 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18		

TPH 8015M		mg/kg		Analyzed By: AB							QM-05, S-04
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/07/2010	ND	157	78.7	200	0.202			
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	152	76.2	200	0.648			

Surrogate: 1-Chlorooctane 83.2 % 70-130
 Surrogate: 1-Chlorooctadecane 69.9 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-5, 10' (H020512-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	0.910	91.0	1.00	16.2		
Toluene*	<0.100	0.100	08/07/2010	ND	0.917	91.7	1.00	3.13		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	0.946	94.6	1.00	1.64		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.04	102	2.00	2.98		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	1.44		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.06	102	3.00	2.46		

Surrogate: Dibromofluoromethane 92.3 % 80-120
 Surrogate: Toluene-d8 89.0 % 80-120
 Surrogate: 4-Bromofluorobenzene 88.5 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18		

TPH 8015M		mg/kg		Analyzed By: AB							QM-05
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/07/2010	ND	157	78.7	200	0.202			
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	152	76.2	200	0.648			

Surrogate: 1-Chlorooctane 89.6 % 70-130
 Surrogate: 1-Chlorooctadecane 93.0 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-5, 15' (H020512-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	0.910	91.0	1.00	16.2		
Toluene*	<0.100	0.100	08/07/2010	ND	0.917	91.7	1.00	3.13		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	0.946	94.6	1.00	1.64		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.04	102	2.00	2.98		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	1.44		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.06	102	3.00	2.46		

Surrogate: Dibromofluoromethane 104 % 80-120
 Surrogate: Toluene-d8 87.8 % 80-120
 Surrogate: 4-Bromofluorobenzene 89.7 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18		

TPH 8015M		mg/kg		Analyzed By: AB							QM-05
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/07/2010	ND	157	78.7	200	0.202			
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	152	76.2	200	0.648			

Surrogate: 1-Chlorooctane 81.4 % 70-130
 Surrogate: 1-Chlorooctadecane 83.1 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-5, 20' (H020512-04)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	0.910	91.0	1.00	16.2		
Toluene*	<0.100	0.100	08/07/2010	ND	0.917	91.7	1.00	3.13		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	0.946	94.6	1.00	1.64		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.04	102	2.00	2.98		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	1.44		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.06	102	3.00	2.46		

Surrogate: Dibromofluoromethane 110 % 80-120
 Surrogate: Toluene-d8 99.5 % 80-120
 Surrogate: 4-Bromofluorobenzene 99.6 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18		

TPH 8015M		mg/kg		Analyzed By: AB							QM-05
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/07/2010	ND	157	78.7	200	0.202			
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	152	76.2	200	0.648			

Surrogate: 1-Chlorooctane 85.7 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-5, 30' (H020512-05)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	0.910	91.0	1.00	16.2		
Toluene*	<0.100	0.100	08/07/2010	ND	0.917	91.7	1.00	3.13		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	0.946	94.6	1.00	1.64		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.04	102	2.00	2.98		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	1.44		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.06	102	3.00	2.46		

Surrogate: Dibromofluoromethane 101 % 80-120
 Surrogate: Toluene-d8 103 % 80-120
 Surrogate: 4-Bromofluorobenzene 96.6 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18		

TPH 8015M		mg/kg		Analyzed By: AB							QM-05
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/08/2010	ND	157	78.7	200	0.202			
DRO >C10-C28	<10.0	10.0	08/08/2010	ND	152	76.2	200	0.648			

Surrogate: 1-Chlorooctane 86.0 % 70-130
 Surrogate: 1-Chlorooctadecane 99.1 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/28/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S2SB-5, 34' (H020512-06)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/07/2010	ND	0.910	91.0	1.00	16.2		
Toluene*	<0.100	0.100	08/07/2010	ND	0.917	91.7	1.00	3.13		
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	0.946	94.6	1.00	1.64		
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.04	102	2.00	2.98		
o-Xylene	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	1.44		
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.06	102	3.00	2.46		

Surrogate: Dibromofluoromethane 107 % 80-120
 Surrogate: Toluene-d8 102 % 80-120
 Surrogate: 4-Bromofluorobenzene 98.7 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/06/2010	ND	971	95.2	1020	2.18		

TPH 8015M		mg/kg		Analyzed By: AB							QM-05
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier		
GRO C6-C10	<10.0	10.0	08/08/2010	ND	157	78.7	200	0.202			
DRO >C10-C28	<10.0	10.0	08/08/2010	ND	152	76.2	200	0.648			

Surrogate: 1-Chlorooctane 87.1 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

- S-04 The surrogate recovery for this sample is outside of established control limits due to a sample matrix effect.
- QM-05 The spike recovery was outside acceptance limits for the MS and/or MSD due to matrix interference. The LCS and/or LCSD were within acceptance limits showing that the laboratory is in control and the data is acceptable.
- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

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Celey D. Keene, Lab Director/Quality Manager



August 09, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 08/02/10 7:30.

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 524.4	Regulated VOCs (V2, V3)

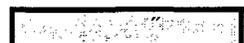
Accreditation applies to public drinking water matrices.

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

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/29/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-1, 15' (H020505-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/05/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/05/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/05/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 107 % 80-120
 Surrogate: Toluene-d8 111 % 80-120
 Surrogate: 4-Bromofluorobenzene 103 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 85.8 % 70-130
 Surrogate: 1-Chlorooctadecane 103 % 70-130

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
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 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/29/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-1, 20' (H020505-02)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/05/2010	ND	0.921	92.1	1.00	4.41	
Toluene*	<0.100	0.100	08/05/2010	ND	0.881	88.1	1.00	5.88	
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.977	97.7	1.00	6.64	
m+p - Xylene	<0.200	0.200	08/05/2010	ND	1.96	98.2	2.00	13.4	
o-Xylene	<0.100	0.100	08/05/2010	ND	0.962	96.2	1.00	8.87	
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.93	97.5	3.00	11.9	

Surrogate: Dibromofluoromethane 113 % 80-120

Surrogate: Toluene-d8 107 % 80-120

Surrogate: 4-Bromofluorobenzene 103 % 80-120

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8	

TPH 8015M

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963	
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293	

Surrogate: 1-Chlorooctane 84.9 % 70-130

Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/29/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-1, 25' (H020505-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/05/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/05/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/05/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 115 % 80-120
 Surrogate: Toluene-d8 108 % 80-120
 Surrogate: 4-Bromofluorobenzene 105 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 85.8 % 70-130
 Surrogate: 1-Chlorooctadecane 102 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/29/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-1, 30' (H020505-04)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/05/2010	ND	0.921	92.1	1.00	4.41	
Toluene*	0.117	0.100	08/05/2010	ND	0.881	88.1	1.00	5.88	
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.977	97.7	1.00	6.64	
m+p - Xylene	0.302	0.200	08/05/2010	ND	1.96	98.2	2.00	13.4	
o-Xylene	<0.100	0.100	08/05/2010	ND	0.962	96.2	1.00	8.87	
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.93	97.5	3.00	11.9	

Surrogate: Dibromofluoromethane 108 % 80-120

Surrogate: Toluene-d8 110 % 80-120

Surrogate: 4-Bromofluorobenzene 106 % 80-120

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8	

TPH 8015M

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963	
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293	

Surrogate: 1-Chlorooctane 86.6 % 70-130

Surrogate: 1-Chlorooctadecane 104 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/29/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-1, 40' (H020505-05)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/05/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/05/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/05/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 112 % 80-120
 Surrogate: Toluene-d8 110 % 80-120
 Surrogate: 4-Bromofluorobenzene 106 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 85.2 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/29/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-1, 45' (H020505-06)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/05/2010	ND	0.921	92.1	1.00	4.41	
Toluene*	<0.100	0.100	08/05/2010	ND	0.881	88.1	1.00	5.88	
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.977	97.7	1.00	6.64	
m+p - Xylene	<0.200	0.200	08/05/2010	ND	1.96	98.2	2.00	13.4	
o-Xylene	<0.100	0.100	08/05/2010	ND	0.962	96.2	1.00	8.87	
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.93	97.5	3.00	11.9	

Surrogate: Dibromofluoromethane 118 % 80-120

Surrogate: Toluene-d8 110 % 80-120

Surrogate: 4-Bromofluorobenzene 107 % 80-120

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8	

TPH 8015M

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963	
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293	

Surrogate: 1-Chlorooctane 86.6 % 70-130

Surrogate: 1-Chlorooctadecane 104 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

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

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Celey D. Keene, Lab Director/Quality Manager



CARDINAL LABORATORIES, INC.
 2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240
 (915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 303-2476

Company Name: **SFSI**
 Project Manager: **Bob Allen/B. Boyer**
 Address: 703 E. CLINTON, #103 State: NM Zip: 88240
 City: HOBBS Phone #: (505) 397-0510
 Fax #: (505) 393-4388
 Project #: **AGA-10-001** Project Owner: **Agri Us Energy**
 Project Name: **Penasco**
 Project Location: **South of Arbia**

ANALYSIS REQUEST		DATE	TIME
TPH (418.1)	XX XX X	7/29	0915
TPH (8013)	XX XX X	7/29	0915
BTEX (8260)	XX XX X	7/29	0915

LAB I.D.	Sample I.D.	MATRIX			PRES.	SAMPLING
		GROUNDWATER	WASTEWATER	SLUDGE		
1	52358-1, 15	X				
2	52358-1, 20					
3	52358-1, 25					
4	52358-1, 30					
5	52358-1, 40					
6	52358-1, 45	X				

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Sample Relinquished: **Bob Allen/B. Boyer** Date: **08/02/10** Time: **0730**
 Relinquished By: **[Signature]** Received By: **Lab Staff**
 Delivered By: **[Signature]** Date: **08/02/10** Time: **0730**
 Sample Condition: **Intact** Checked By: **[Signature]**
 Sampler - UPS - Birs - Other: **80** Yes No

Phone Result: Yes No
 Fax Result: Yes No
 Additional Fax #: _____
 REMARKS: **Copy results to Bob & Sandra**

August 09, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 08/02/10 7:30.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/29/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-2, 15' (H020506-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	0.683	0.100	08/05/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	0.572	0.100	08/05/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	2.85	0.200	08/05/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	0.823	0.100	08/05/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	3.67	0.300	08/05/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 91.7 % 80-120
 Surrogate: Toluene-d8 113 % 80-120
 Surrogate: 4-Bromofluorobenzene 108 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	4870	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	36.2	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	47.5	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 91.9 % 70-130
 Surrogate: 1-Chlorooctadecane 103 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/29/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-2, 20' (H020506-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	0.101	0.100	08/05/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	0.105	0.100	08/05/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	0.387	0.200	08/05/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	0.210	0.100	08/05/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	0.597	0.300	08/05/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 92.0 % 80-120
 Surrogate: Toluene-d8 113 % 80-120
 Surrogate: 4-Bromofluorobenzene 119 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	9040	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	17.9	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	27.1	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 83.2 % 70-130
 Surrogate: 1-Chlorooctadecane 100 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/29/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-2, 25' (H020506-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	0.247	0.100	08/05/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	0.180	0.100	08/05/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	0.968	0.200	08/05/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	0.293	0.100	08/05/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	1.26	0.300	08/05/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 102 % 80-120
 Surrogate: Toluene-d8 113 % 80-120
 Surrogate: 4-Bromofluorobenzene 109 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	9500	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	15.5	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	20.9	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 83.3 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/29/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-2, 40' (H020506-04)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	0.270	0.100	08/05/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	0.217	0.100	08/05/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	1.10	0.200	08/05/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	0.308	0.100	08/05/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	1.41	0.300	08/05/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 90.2 % 80-120
 Surrogate: Toluene-d8 110 % 80-120
 Surrogate: 4-Bromofluorobenzene 106 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	9450	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	25.8	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	51.7	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 85.2 % 70-130
 Surrogate: 1-Chlorooctadecane 97.1 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/29/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-2, 45.5-46.5' (H020506-05)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/05/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/05/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/05/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 93.0 % 80-120
 Surrogate: Toluene-d8 111 % 80-120
 Surrogate: 4-Bromofluorobenzene 110 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 84.1 % 70-130
 Surrogate: 1-Chlorooctadecane 102 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Notes and Definitions

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

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Celey D. Keene, Lab Director/Quality Manager





CARDINAL LABORATORIES, INC.
 2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 80240
 (915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 2

ANALYSIS REQUEST

Company Name: SEST
 Project Manager: *Rob Allen / B. Boyer*
 Address: 703 E. CLINTON, #103
 City: HOBBS State: NM Zip: 88240
 Phone #: (505) 397-0510
 Fax #: (505) 393-4388
 Project #: *AGA-18-001* Project Owner: *Agg De Energy*
 Project Name: *Pearseco*
 Project Location: *South of Artesia*
 Matrix: *Soil*
 Company: *SAME*
 Address: *BRAND*
 State: Zip:
 Phone #: Fax #:

LAB I.D.	Sample I.D.	(G)RAB OR (C)OMP.	CONTAINERS	MATRIX						PRES.	SAMPLING DATE	TIME	TPH (418.1)	TPH (8015)	BTEX (8260)
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER						
<i>H20500-1</i>	<i>52358-2, 15</i>	<i>1</i>	<i>1</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>2018</i>	<i>1042</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>2</i>	<i>1</i>	<i>1</i>	<i>1</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>769</i>	<i>1045</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>3</i>	<i>1</i>	<i>1</i>	<i>1</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>769</i>	<i>1050</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>4</i>	<i>1</i>	<i>1</i>	<i>1</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>769</i>	<i>1105</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>5</i>	<i>52358-2, 455-MS</i>	<i>1</i>	<i>1</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>769</i>	<i>1115</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

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Relinquished By: *[Signature]* Date: *07-02-10* Time: *07:30*
 Received By: *[Signature]* Date: *07-02-10* Time: *07:30*
 Delivered By: *[Signature]* Date: *07-30* Time: *07:30*
 Sampler - UPS - Bus - Other: *[Signature]*

REMARKS: *Copy results to Bob & Susanna*

Cardinal cannot accept verbal changes. Please fax written changes to 915-673-7020.

August 09, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 08/02/10 7:30.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/29/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-3, 10 (H020507-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 116 % 80-120
 Surrogate: Toluene-d8 102 % 80-120
 Surrogate: 4-Bromofluorobenzene 109 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 85.7 % 70-130
 Surrogate: 1-Chlorooctadecane 103 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/29/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-3, 15 (H020507-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 85.6 % 80-120
 Surrogate: Toluene-d8 111 % 80-120
 Surrogate: 4-Bromofluorobenzene 108 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 82.7 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

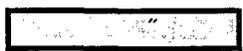
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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/29/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-3, 20 (H020507-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2		
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02		
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67		

Surrogate: Dibromofluoromethane 94.2 % 80-120
 Surrogate: Toluene-d8 113 % 80-120
 Surrogate: 4-Bromofluorobenzene 99.9 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963		
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293		

Surrogate: 1-Chlorooctane 85.9 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/29/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-3, 25 (H020507-04)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2	
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94	
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847	
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02	
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99	
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67	
Surrogate: Dibromofluoromethane	89.5 %	80-120							
Surrogate: Toluene-d8	108 %	80-120							
Surrogate: 4-Bromofluorobenzene	107 %	80-120							

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8	

TPH 8015M

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963	
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293	
Surrogate: 1-Chlorooctane	87.7 %	70-130							
Surrogate: 1-Chlorooctadecane	98.6 %	70-130							

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/29/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-3, 30 (H020507-05)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/06/2010	ND	0.900	90.0	1.00	12.2	
Toluene*	<0.100	0.100	08/06/2010	ND	1.06	106	1.00	4.94	
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.971	97.1	1.00	0.847	
m+p - Xylene	<0.200	0.200	08/06/2010	ND	1.83	91.7	2.00	6.02	
o-Xylene	<0.100	0.100	08/06/2010	ND	0.893	89.3	1.00	7.99	
Total Xylenes*	<0.300	0.300	08/06/2010	ND	2.73	90.9	3.00	6.67	

Surrogate: Dibromofluoromethane 103 % 80-120

Surrogate: Toluene-d8 108 % 80-120

Surrogate: 4-Bromofluorobenzene 106 % 80-120

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/05/2010	ND	881	86.3	1020	17.8	

TPH 8015M

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/06/2010	ND	169	84.4	200	0.963	
DRO >C10-C28	<10.0	10.0	08/06/2010	ND	167	83.6	200	0.293	

Surrogate: 1-Chlorooctane 88.4 % 70-130

Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

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

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Celestine D. Keene, Lab Director/Quality Manager



August 10, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 08/02/10 7:30.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/30/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-4, 10' (H020510-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.910	91.0	1.00	16.2		
Toluene*	<0.100	0.100	08/06/2010	ND	0.917	91.7	1.00	3.13		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.946	94.6	1.00	1.64		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	2.04	102	2.00	2.98		
o-Xylene	<0.100	0.100	08/06/2010	ND	1.03	103	1.00	1.44		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	3.06	102	3.00	2.46		

Surrogate: Dibromofluoromethane 110 % 80-120
 Surrogate: Toluene-d8 98.7 % 80-120
 Surrogate: 4-Bromofluorobenzene 98.2 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 89.3 % 70-130
 Surrogate: 1-Chlorooctadecane 106 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
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 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/30/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-4, 15' (H020510-02)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.910	91.0	1.00	16.2		
Toluene*	<0.100	0.100	08/06/2010	ND	0.917	91.7	1.00	3.13		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.946	94.6	1.00	1.64		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	2.04	102	2.00	2.98		
o-Xylene	<0.100	0.100	08/06/2010	ND	1.03	103	1.00	1.44		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	3.06	102	3.00	2.46		

Surrogate: Dibromofluoromethane 106 % 80-120
 Surrogate: Toluene-d8 97.3 % 80-120
 Surrogate: 4-Bromofluorobenzene 97.3 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 88.2 % 70-130
 Surrogate: 1-Chlorooctadecane 100 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
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 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/10/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/30/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-4, 20' (H020510-03)

BTEX 8260B		mg/kg		Analyzed By: ZL					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/07/2010	ND	0.910	91.0	1.00	16.2	
Toluene*	<0.100	0.100	08/07/2010	ND	0.917	91.7	1.00	3.13	
Ethylbenzene*	<0.100	0.100	08/07/2010	ND	0.946	94.6	1.00	1.64	
m+p - Xylene	<0.200	0.200	08/07/2010	ND	2.04	102	2.00	2.98	
o-Xylene	<0.100	0.100	08/07/2010	ND	1.03	103	1.00	1.44	
Total Xylenes*	<0.300	0.300	08/07/2010	ND	3.06	102	3.00	2.46	

Surrogate: Dibromofluoromethane 84.9 % 80-120
 Surrogate: Toluene-d8 94.4 % 80-120
 Surrogate: 4-Bromofluorobenzene 97.6 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86	

TPH 8015M		mg/kg		Analyzed By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17	
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818	

Surrogate: 1-Chlorooctane 88.8 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



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Safety & Environmental Solutions
 Bob Allen
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 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/10/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/30/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-4, 25' (H020510-04)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/06/2010	ND	0.910	91.0	1.00	16.2	
Toluene*	<0.100	0.100	08/06/2010	ND	0.917	91.7	1.00	3.13	
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.946	94.6	1.00	1.64	
m+p - Xylene	<0.200	0.200	08/06/2010	ND	2.04	102	2.00	2.98	
o-Xylene	<0.100	0.100	08/06/2010	ND	1.03	103	1.00	1.44	
Total Xylenes*	<0.300	0.300	08/06/2010	ND	3.06	102	3.00	2.46	

Surrogate: Dibromofluoromethane 89.3 % 80-120
 Surrogate: Toluene-d8 96.1 % 80-120
 Surrogate: 4-Bromofluorobenzene 95.6 % 80-120

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86	

TPH 8015M

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17	
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818	

Surrogate: 1-Chlorooctane 91.6 % 70-130
 Surrogate: 1-Chlorooctadecane 105 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/30/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-4, 30' (H020510-05)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/06/2010	ND	0.910	91.0	1.00	16.2	
Toluene*	<0.100	0.100	08/06/2010	ND	0.917	91.7	1.00	3.13	
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.946	94.6	1.00	1.64	
m+p - Xylene	<0.200	0.200	08/06/2010	ND	2.04	102	2.00	2.98	
o-Xylene	<0.100	0.100	08/06/2010	ND	1.03	103	1.00	1.44	
Total Xylenes*	<0.300	0.300	08/06/2010	ND	3.06	102	3.00	2.46	

Surrogate: Dibromofluoromethane 89.4 % 80-120

Surrogate: Toluene-d8 97.4 % 80-120

Surrogate: 4-Bromofluorobenzene 91.0 % 80-120

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86	

TPH 8015M

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17	
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818	

Surrogate: 1-Chlorooctane 94.8 % 70-130

Surrogate: 1-Chlorooctadecane 100 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/10/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/30/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-4, 35' (H020510-06)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.910	91.0	1.00	16.2		
Toluene*	<0.100	0.100	08/06/2010	ND	0.917	91.7	1.00	3.13		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.946	94.6	1.00	1.64		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	2.04	102	2.00	2.98		
o-Xylene	<0.100	0.100	08/06/2010	ND	1.03	103	1.00	1.44		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	3.06	102	3.00	2.46		

Surrogate: Dibromofluoromethane 105 % 80-120
 Surrogate: Toluene-d8 94.6 % 80-120
 Surrogate: 4-Bromofluorobenzene 93.9 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 80.8 % 70-130
 Surrogate: 1-Chlorooctadecane 96.9 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/30/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-4, 40 (H020510-07)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/06/2010	ND	0.910	91.0	1.00	16.2		
Toluene*	<0.100	0.100	08/06/2010	ND	0.917	91.7	1.00	3.13		
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.946	94.6	1.00	1.64		
m+p - Xylene	<0.200	0.200	08/06/2010	ND	2.04	102	2.00	2.98		
o-Xylene	<0.100	0.100	08/06/2010	ND	1.03	103	1.00	1.44		
Total Xylenes*	<0.300	0.300	08/06/2010	ND	3.06	102	3.00	2.46		

Surrogate: Dibromofluoromethane 112 % 80-120
 Surrogate: Toluene-d8 116 % 80-120
 Surrogate: 4-Bromofluorobenzene 117 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17		
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818		

Surrogate: 1-Chlorooctane 87.8 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/30/2010
Reported:	08/10/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-4, 44 (H020510-08)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/06/2010	ND	0.910	91.0	1.00	16.2	
Toluene*	<0.100	0.100	08/06/2010	ND	0.917	91.7	1.00	3.13	
Ethylbenzene*	<0.100	0.100	08/06/2010	ND	0.946	94.6	1.00	1.64	
m+p - Xylene	<0.200	0.200	08/06/2010	ND	2.04	102	2.00	2.98	
o-Xylene	<0.100	0.100	08/06/2010	ND	1.03	103	1.00	1.44	
Total Xylenes*	<0.300	0.300	08/06/2010	ND	3.06	102	3.00	2.46	

Surrogate: Dibromofluoromethane 116 % 80-120

Surrogate: Toluene-d8 116 % 80-120

Surrogate: 4-Bromofluorobenzene 115 % 80-120

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/05/2010	ND	990	97.1	1020	5.86	

TPH 8015M

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/07/2010	ND	169	84.6	200	1.17	
DRO >C10-C28	<10.0	10.0	08/07/2010	ND	166	83.1	200	0.818	

Surrogate: 1-Chlorooctane 86.3 % 70-130

Surrogate: 1-Chlorooctadecane 103 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

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

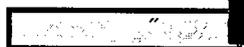
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Celey D. Keene, Lab Director/Quality Manager





August 09, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 08/02/10 7:30.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,

Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/30/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-5, 15 (H020511-01)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/05/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/05/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/05/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 108 % 80-120
 Surrogate: Toluene-d8 115 % 80-120
 Surrogate: 4-Bromofluorobenzene 108 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/05/2010	ND	166	83.0	200	0.157		
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	163	81.4	200	2.94		

Surrogate: 1-Chlorooctane 87.6 % 70-130
 Surrogate: 1-Chlorooctadecane 106 % 70-130

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 08/02/2010
 Reported: 08/09/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 07/30/2010
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: S23SB-5, 20 (H020511-02)

BTEX 8260B

mg/kg

Analyzed By: ZL

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	08/05/2010	ND	0.921	92.1	1.00	4.41	
Toluene*	<0.100	0.100	08/05/2010	ND	0.881	88.1	1.00	5.88	
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.977	97.7	1.00	6.64	
m+p - Xylene	<0.200	0.200	08/05/2010	ND	1.96	98.2	2.00	13.4	
o-Xylene	<0.100	0.100	08/05/2010	ND	0.962	96.2	1.00	8.87	
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.93	97.5	3.00	11.9	

Surrogate: Dibromofluoromethane 88.9 % 80-120

Surrogate: Toluene-d8 114 % 80-120

Surrogate: 4-Bromofluorobenzene 105 % 80-120

TPH 418.1

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74	

TPH 8015M

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	08/05/2010	ND	166	83.0	200	0.157	
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	163	81.4	200	2.94	

Surrogate: 1-Chlorooctane 81.7 % 70-130

Surrogate: 1-Chlorooctadecane 88.0 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	08/02/2010	Sampling Date:	07/30/2010
Reported:	08/09/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	** (See Notes)
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: S23SB-5, 25 (H020511-03)

BTEX 8260B		mg/kg		Analyzed By: ZL						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	08/05/2010	ND	0.921	92.1	1.00	4.41		
Toluene*	<0.100	0.100	08/05/2010	ND	0.881	88.1	1.00	5.88		
Ethylbenzene*	<0.100	0.100	08/05/2010	ND	0.977	97.7	1.00	6.64		
m+p - Xylene	<0.200	0.200	08/05/2010	ND	1.96	98.2	2.00	13.4		
o-Xylene	<0.100	0.100	08/05/2010	ND	0.962	96.2	1.00	8.87		
Total Xylenes*	<0.300	0.300	08/05/2010	ND	2.93	97.5	3.00	11.9		

Surrogate: Dibromofluoromethane 80.1 % 80-120
 Surrogate: Toluene-d8 110 % 80-120
 Surrogate: 4-Bromofluorobenzene 101 % 80-120

TPH 418.1		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<100	100	08/04/2010	ND	1030	101	1020	4.74		

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	08/05/2010	ND	166	83.0	200	0.157		
DRO >C10-C28	<10.0	10.0	08/05/2010	ND	163	81.4	200	2.94		

Surrogate: 1-Chlorooctane 83.9 % 70-130
 Surrogate: 1-Chlorooctadecane 101 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

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

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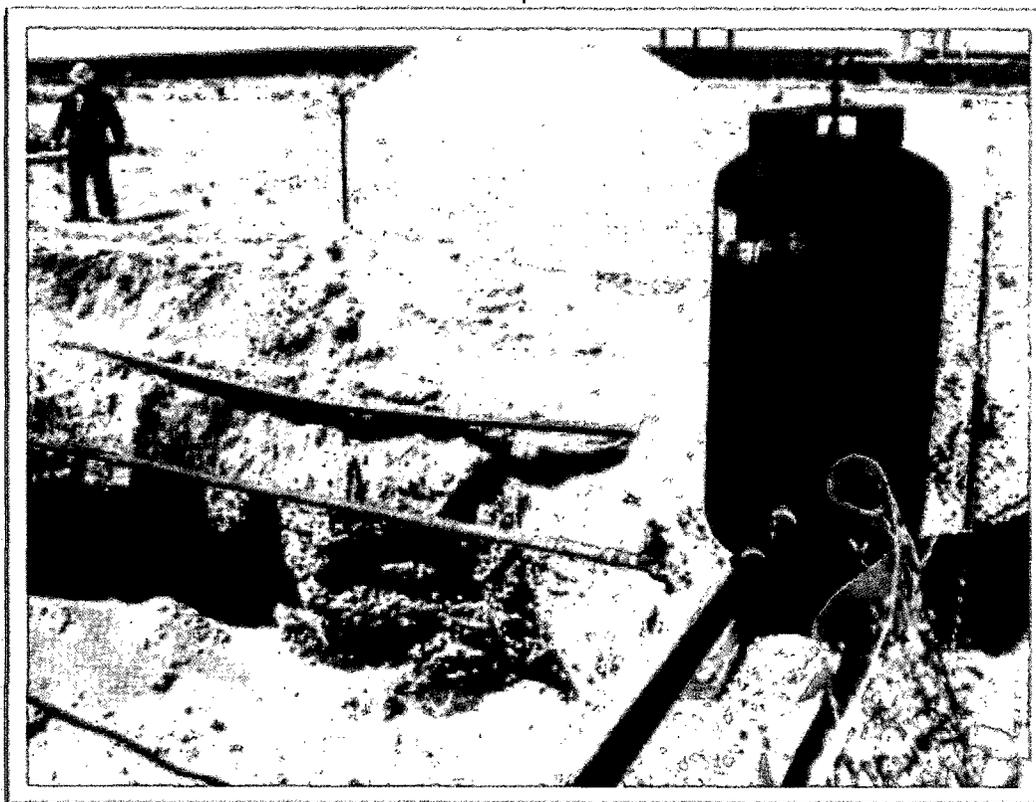
Celey D. Keene, Lab Director/Quality Manager



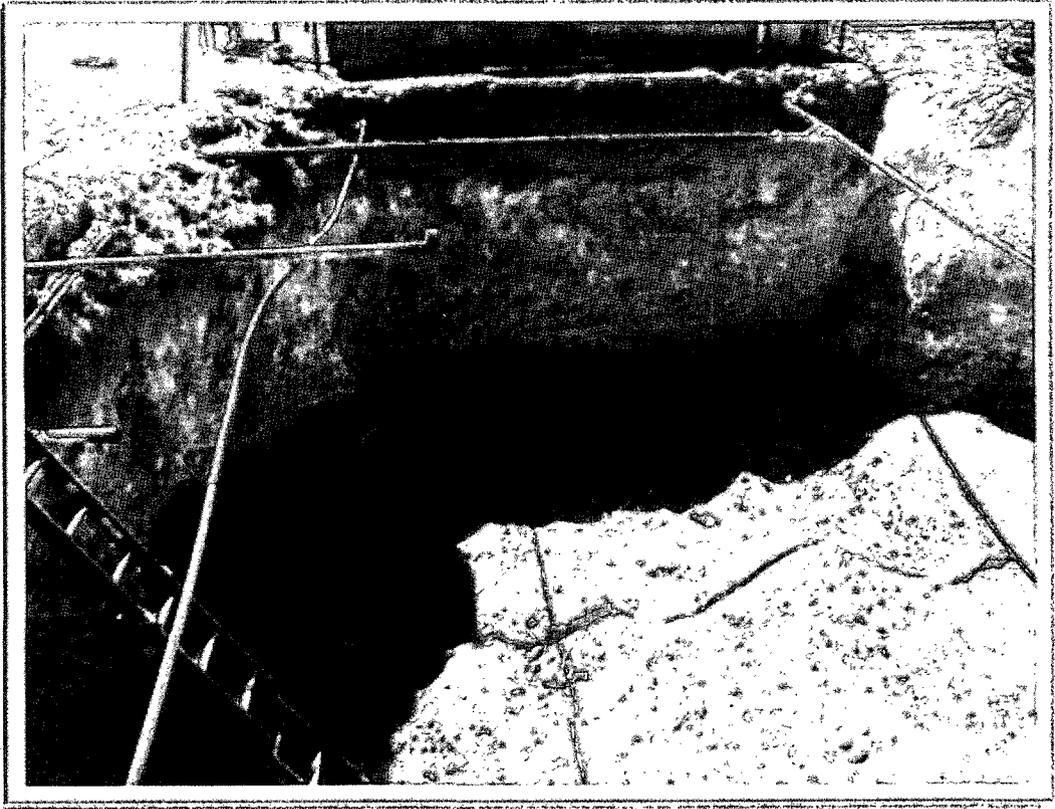
Appendix B- Site Photographs



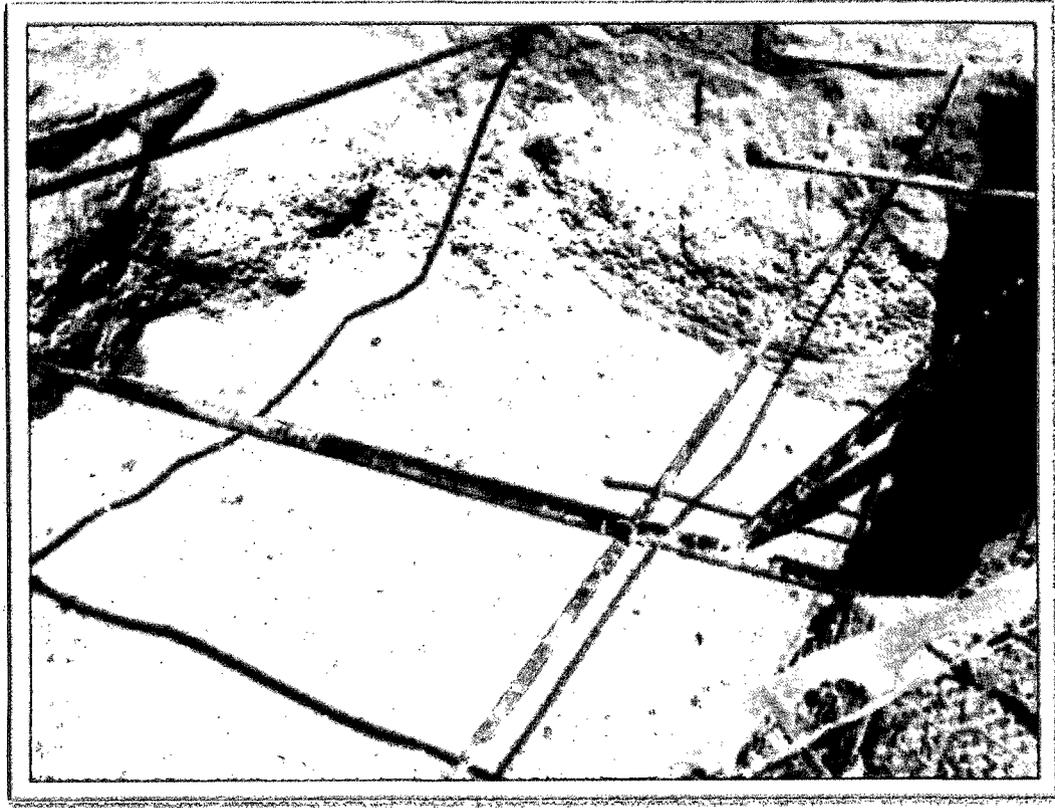
Sump #23



Sump #23



Sump #23



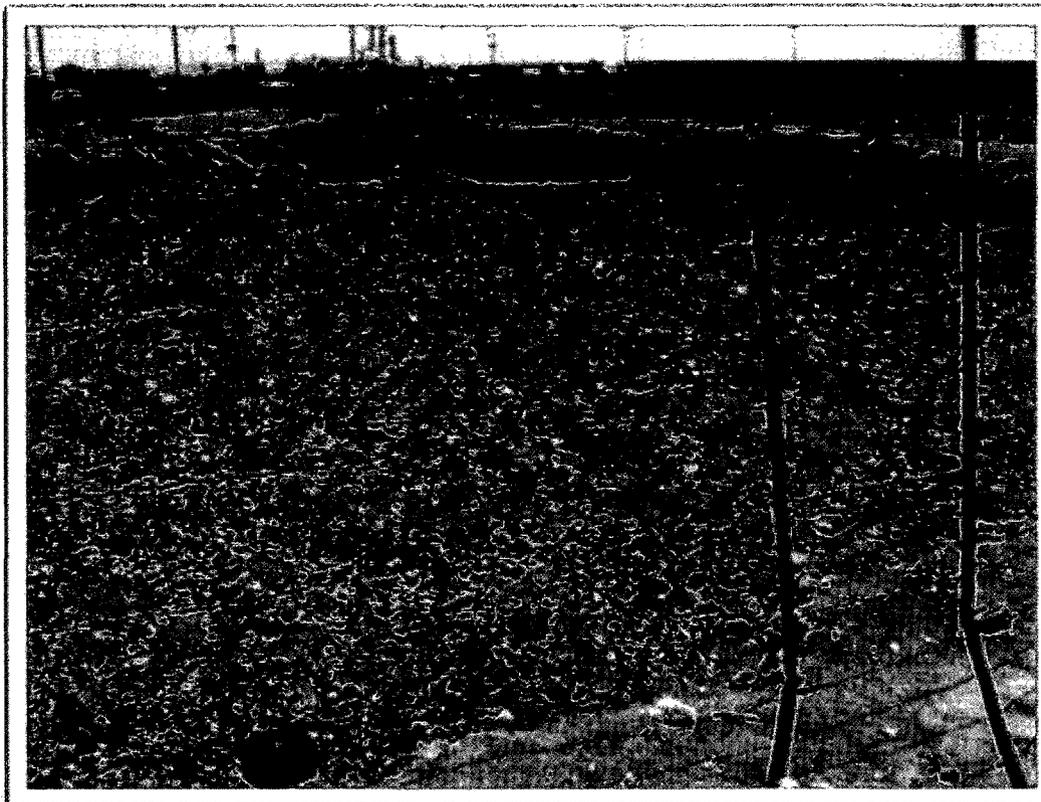
Sump #23



Tank Battery



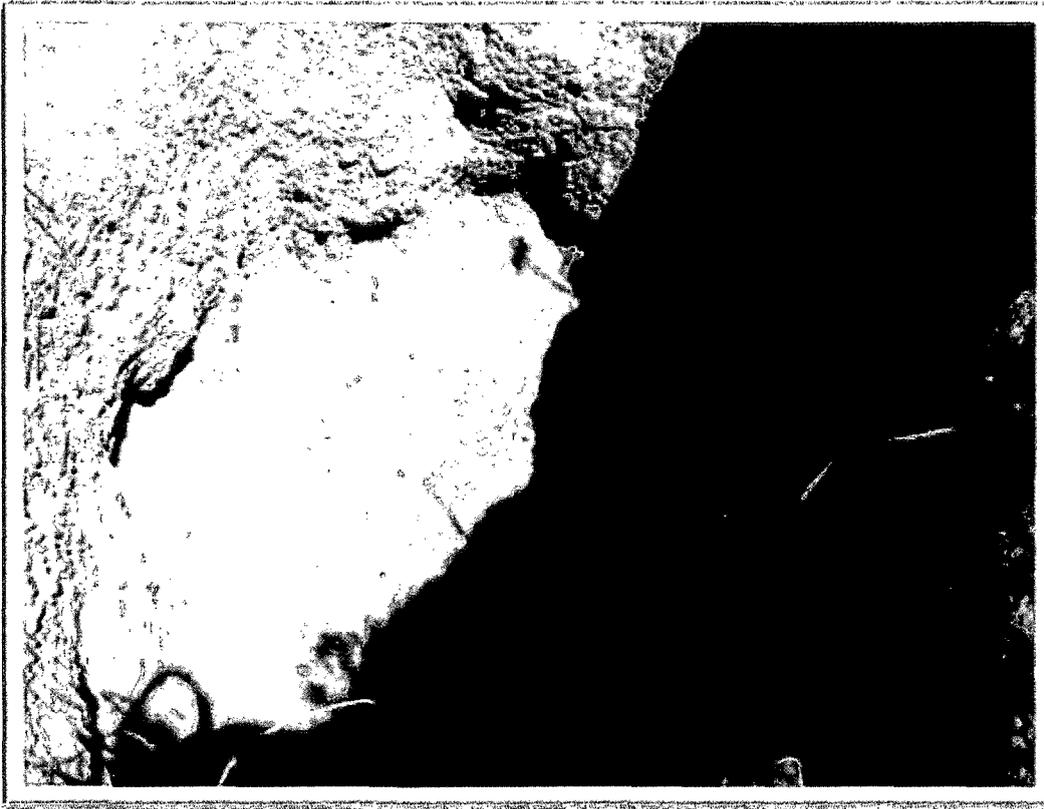
Tank Battery



Tank Battery



Tank Battery



Sump #2

Appendix C- Soil Boring Logs



Penasco Compressor Station Investigation
Agave Energy
Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 06/29/10, 1030
Date, Time Complete : 06/29/30, 1200
Hole Diameter : 9 1/2 in.
Drilling Method : Hollow Stem Auger
Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
Sampling Method : 24-in. Splitspoon with downhole hammer
Logged By : David Boyer, PG
Company Rep. : Jennifer Knowlton, Agave

Tank Battery Excavation BSB-1
N32° 42' 46.3", W104° 26' 55.9"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				0-5 feet. Excavated. Depth is from surface.						
5	SS			5-10 ft. SILT, clayey, gravelly, light brown, H/C odor 10 ft. no H/C staining						
10	SS	ML		Strong H/C odor, gray	H20253-1	<0.050	<0.050	13.3	104	1,580
15	SS	GC		CLAYEY GRAVEL, light brown to gray, gravels are limestone fragments, clay mixed in fractures, strong H/C odor and staining.	H20253-2	<0.050	23.1	305	424	1,500
20	SS	CL		19-25 feet GRAVELLY CLAY 20 feet. GRAVELLY CLAY, mottled, light brown to gray, strong H/C odor	H20253-3	1.68	118	1,420	1,240	7,030
25	SS	CL		GRAVELLY CLAY, with caliche clay, grayish brown. Gravels varying from 1/8-3/4 in. H/C saturated at top of core.	H20253-4	0.234	16.0	13.0	<10.0	<100
30	SS	CL		CLAY with some gravel, brown with grayish and white streaks, strong H/C odor	H20253-5	0.134	5.01	<10.0	<10.0	<100
35	SS	GC		CLAYEY GRAVEL, brown with grayish zones, H2O saturated (perched zone), strong H/C odor	H20253-6	0.081	9.57	238	301	1,290
40	SS	GC		CLAY, cuttings wet						
40	SS	GC		40 ft. CLAYEY GRAVEL, H2O saturated, H/C staining at base, dry material in shoe, no sample.	H20253-7	0.084	5.05	60.4	11.9	332
45				42 ft. Auger refusal, some clay, dry material in core, saturated H2O outside of SS, sample wet.						

Notes:

Location: Center of excavated battery
Pulling augers - H/C product at 25 ft. and on deeper augers.
Backfilled with 3 bags QuikGrout
H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING BSB-2

(Page 1 of 1)

Penasco Compressor Station Investigation
Agave Energy
Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 06/29/10, 1300
Date, Time Complete : 06/29/30, 1500
Hole Diameter : 9 1/2 in.
Drilling Method : Hollow Stem Auger
Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
Sampling Method : 24-in. Splitspoon with downhole hammer
Logged By : David Boyer, PG
Company Rep. : Jennifer Knowlton, Agave

Tank Battery Excavation BSB-2
N32° 42' 46.0", W104° 26' 55.8"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				0-5 feet. Excavated. Depth is from surface.						
5	SS			5-10 ft. GRAVELLY CLAY, staining and odor in shoe, possible fill material above. Sample at 10 ft.	H20253-8	<0.050	7.21	33.5	28.3	1,690
10	SS									
15	SS			15 ft. GRAVELLY CLAY/CLAYEY GRAVEL, clay dry, hard, stiff. Gravels limestone 1/4 in. rounded, up to 2 in. broken and angular. Some caliche, soft, white. H/C staining and odor	H20253-9	<0.050	4.32	47.6	10.7	<100
20	CL			17-20 ft. Dark gray, charcoal, clay cuttings						
20	SS			20 ft. Same as above, limited sample, rock in spoon.	H20253-10	<0.050	0.704	<10.0	<10.0	<100
25	SS			25 ft. top of core - gray clay, wet, heavily stained, very strong H/C odor. Bottom 1/2 - GRAVELLY CLAY, light brown to creme, gravels 1/4-3/4 in., limestone, rounded and weathered, strong odor of hydrocarbons.	H20253-11	<0.050	<0.050	80.8	57.1	255
30	SS			25-30 ft. Soft drilling, cuttings light brown, dry						
30	SS			30 ft. GRAVELLY CLAY, light brown, soft, limestone gravels to 1/2 in., coarse sand, dry, strong odor, softer drilling at 31 ft.	H20253-12	<0.050	1.66	41.0	56.2	<100
35	SS	ML		CLAYEY SILT/SILTY CLAY, very light brown, soft, dry, strong H/C odor	H20253-13	0.156	21.8	479	387	1,470
40	SS	ML		40 ft. CLAYEY SILT, soft, with small gravels, strong odor	H20253-14	0.235	17.3	180	124	530
42				42 ft. Auger refusal. Field TPH 395 from borehole sample	H20253-15	<0.050	0.916	33.6	71.7	163

Notes:

Location: South side of excavated battery, 25 ft. south of BSB-1
Backfilled with QuikGrout
H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING BSB-3

(Page 1 of 1)

Penasco Compressor Station Investigation
Agave Energy
Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/26/10, 1400
Date, Time Complete : 07/26/10, 1545
Hole Diameter : 9 1/2 in.
Drilling Method : Hollow Stem Auger
Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
Sampling Method : 24-in. Splitspoon with downhole hammer
Logged By : David Boyer, PG
Company Rep : Jennifer Knowlton, Agave

Tank Battery Excavation BSB-3
N32° 42' 46.0", W104° 26' 55.7"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				SS Split Spoon (18" or 24") CB Core Barrel (2.5' or 5') CT Auger Cuttings NR No recovery						
0-3				0-3 feet. Excavated. Depth is from surface.						
3-8	SS	CL		3-8 ft. GRAVELLY CLAY/CLAYEY GRAVEL, brown, limestone gravels, gray (natural color), H/C odor, likely fill at top.	H20482-1	<0.100	<0.100	<10.0	<10.0	<100
8-13	SS	LS/CL		8-13 ft. LIMESTONE with clay, brown, slight H/C odor	H20253-2	<0.100	<0.100	<10.0	<10.0	<100
13-18	SS	CL		13-18 ft. GRAVELLY CLAY, brown, with limestone gravels, moist at 17 ft., slight H/C odor	H20253-3	<0.100	<0.100	<10.0	<10.0	<100
18-23	CT	CL		18-23 ft. Cuttings, CLAY, plastic, damp, slight H/C odor	H20253-4	<0.100	<0.100	<10.0	<10.0	<100
23				23 ft. CLAY, brown, plastic, moist, H/C staining and odor	H20253-4	<0.100	<0.100	<10.0	<10.0	<100
25	SS	LS/CA		25 ft. Very hard drilling, limestone rock or caliche						
28		LS/CL		28 ft. LIMESTONE with CLAY, very hard drilling, slight H/C odor,	H20253-5	<0.100	<0.100	<10.0	<10.0	<100
28-33	SS	LS/SM		28-33 ft. Bedrock with silt and sand, very fine grained, dry, no staining, possible odor. Lost shoe on splitspoon, could not recover, abandoned hole, sample from cuttings.	H20253-6	<0.100	<0.100	<10.0	<10.0	<100

Notes:
Location: East side of excavated battery, 35 ft. east of BSB-1
Backfilled with 4 bags QuikGrout
H/C - hydrocarbon

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Safety & Environmental Solutions, Inc.

LOG OF BORING BSB-4

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Penasco Compressor Station Investigation
 Agave Energy
 Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/27/10, 0800
 Date, Time Complete : 07/27/10, 0930
 Hole Diameter : 9 1/2 in.
 Drilling Method : Hollow Stem Auger
 Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
 Sampling Method : 24-in. Splitspoon with
 : downhole hammer
 Logged By : David Boyer, PG
 Company Rep. : Jennifer Knowlton, Agave

Tank Battery Excavation BSB-4
 N32° 42' 46.1", W104° 26' 56.2"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				0-5.5 feet. Excavated. Depth is from surface.						
10	SS	CL		10.5 ft. SILTY CLAY with gravel, brown, very strong H/C odor	H20483-1	1.92	123	1,140	994	3,240
15	SS	CL/CA		15.5 ft. SILTY CLAY with hard caliche or limestone	H20483-2	3.84	148	445	743	3,070
16.5	SS		16.5 ft. SILTY CLAY, dark gray, strong H/C odor							
20	SS			CLAY with limestone gravels, light gray to chalk white, very stiff, strong H/C odor	H20483-3	1.67	124	306	619	2,870
25	SS	CL		CLAY, brown with gray and white streaks very stiff. Some small limestone/caliche fragments, strong H/C odor	H20483-4	4.24	100	440	351	1,620
30	SS			GRAVELLY CLAY, brown with gray streaks, strong H/C odor	H20483-5	2.71	132	608	570	2,740
35	SS	CL		35.5 ft. No recovery, cuttings gravel, chalk white, sample from cuttings.	H20483-6	0.278	62.7	295	388	1,430
40	CT	GW								
45	SS	CL		CLAY, brown with gray streaks, plastic, small gravel fragments, water saturated in gravel fragment zone, strong H/C odor	H20483-7	<0.100	<0.100	<10.0	<10.0	<100
47.5	SS			47.5 ft. CLAY, brown, soft, slightly moist, little or no H/C odor	H20483-8	<0.100	<0.100	<10.0	<10.0	<100
50				47.5 ft. Bedrock, auger refusal.						

Notes:

Location: West side of excavated battery, 31 ft. east of BSB-1
 Backfilled with 5 bags QuikGrout
 H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING BSB-5

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Penasco Compressor Station Investigation
 Agave Energy
 Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/27/10, 1030
 Date, Time Complete : 07/27/10, 1130
 Hole Diameter : 9 1/2 in.
 Drilling Method : Hollow Stem Auger
 Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
 Sampling Method : 24-in. Splitspoon with
 : downhole hammer
 Logged By : David Boyer, PG
 Company Rep. : Jennifer Knowlton, Agave

Tank Battery Excavation BSB-5
 N32° 42' 46.5", W104° 26' 55.9"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				0-5.5 feet. Excavated. Depth is from surface.						
5	SS	CL		10.5 ft. GRAVELLY CLAY, brown to creme color, moist, H/C odor	H20483-1	<0.100	<0.100	<10.0	<10.0	580
10	NR			No sample, fractured limestone in split spoon						
15	SS	GC		20.5 ft. GRAVELLY CLAY/CLAYEY GRAVEL, dry, clay stiff, slight H/C odor	H20483-2	<0.100	1.37	<10.0	<10.0	<100
20	SS	CL/LS		25.5 ft. CLAY, brown/white streaks, dry, stiff, H/C odor, Alternating with fractured limestone broken by bit. Limestone grayish with H/C staining and strong odor	H20483-3	<0.100	1.96	<10.0	<10.0	<100
25	NR			25-30 ft. Hard drilling, rock or large cobbles						
30	SS	CL		30.5 ft. GRAVELLY CLAY alternating between fractured rock. Clay, brown, soft, plastic, with gravels mixed in H/C odor	H20483-4	<0.100	<0.100	<10.0	<10.0	<100
35				31 ft. Auger refusal						
40										

Notes:

Location: North side of excavated battery, 25 ft. north of BSB-1
 Backfilled with 3 bags QuikGrout
 H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING BSB-6

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Penasco Compressor Station Investigation
 Agave Energy
 Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/28/10, 1300
 Date, Time Complete : 07/28/10, 1410
 Hole Diameter : 9 1/2 in.
 Drilling Method : Hollow Stem Auger
 Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
 Sampling Method : 24-in. Splitspoon with downhole hammer
 Logged By : David Boyer, PG
 Company Rep. : Jennifer Knowlton, Agave

Tank Battery Excavation BSB-6
 N32° 42' 45.8", W104° 26' 55.9"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				SS Split Spoon (18" or 24") CB Core Barrel (2.5' or 5') CT Auger Cuttings NR No recovery						
0-5				0-5 feet. No sampling - excavation south sidewall is clean. Knifed hole to 5 ft. for utility check						
5-10	SS	ML		GRAVELLY CLAYEY SILT, light brown, dry, no H/C staining or odor	H20513-1	<0.100	<0.100	<10.0	<10.0	<100
10-15	NR			15 ft. Gravel, no returns						
15-20	SS	CL		Second try at 15 ft. CLAY with minor caliche and small gravels, mottled light brown to creme white, very stiff, dry, no H/C staining or odor	H20513-2	<0.100	<0.100	<10.0	<10.0	<100
20-25	SS	CL		CLAY, as above with more gravel and caliche, mottled light brown to creme white, very stiff, dry, no H/C staining or odor	H20513-3	<0.100	<0.100	<10.0	<10.0	<100
25-30	SS	CL/CA		CLAY and CALICHE, clay mottled brown with white streaks, dry, very stiff. Caliche white, soft, friable, no H/C staining or odor 27 ft. Hard drilling, gravels	H20513-4	<0.100	<0.100	<10.0	<10.0	<100
30-35	SS	CL/GW		CLAY, gravelly, mottled as above, dry, very stiff, some soft caliche, no H/C staining or odor	H20513-5	<0.100	<0.100	<10.0	<10.0	<100
35-40	SS	GW		30-35 ft. Alternating CLAY and GRAVEL, no H/C staining or odor on cuttings, 35 ft. Fractured limestone gravels in tip, nothing to sample, possible H/C odor on cuttings 35-40 ft. Rock. Tried splitspoon but broke threads. Tried to drill from 40 to a softer spot but auger refusal at 40-41 ft.						
40-45	SS									

Notes:
 Location: South of excavated battery outside fence, 30 ft. south of BSB-2
 Backfilled with 6 bags QuikGrout
 H/C - hydrocarbon



Penasco Compressor Station Investigation
 Agave Energy
 Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/28/10, 1430
 Date, Time Complete : 07/29/10, 1550
 Hole Diameter : 9 1/2 in.
 Drilling Method : Hollow Stem Auger
 Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
 Sampling Method : 24-in. Splitspoon with downhole hammer
 Logged By : David Boyer, PG
 Company Rep. : Jennifer Knowlton, Agave

Tank Battery Excavation BSB-7
 N32° 42' 46.3", W104° 26' 57.0"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)	
				DESCRIPTION							
0				SS Split Spoon (18" or 24") CB Core Barrel (2.5' or 5') CT Auger Cuttings NR No recovery							
0-6				0-6 feet. No sampling - knifed to 6 ft. for utility check							
10	SS	CL		10 ft. SILTY CLAY, light brown, soft, no H/C staining or odor	H20514-1	<0.100	<0.100	<10.0	<10.0	<100	
15	SS	CL		15 ft. GRAVELLY SILTY CLAY, brown, soft, with soft limestone gravels. No H/C staining or odor in spoon but in cuttings.	H20514-2	<0.100	<0.100	<10.0	11.1	<100	
20	SS										
20	SS	CL		20 ft. GRAVELLY SILTY CLAY, clay mottled, dry, plastic. No H/C staining, possible slight odor	H20514-3	<0.100	<0.100	<10.0	<10.0	<100	
25	SS										
25	NR	GW		No recovery, gravels							
30	NR			No recovery, gravels							
35	SS			Stop drilling at 33 ft. Took sample. Rig down and offsite 1600 due to lightning. Resume 1500 7/29. Water in hole and after drilling out, likely in gravels saturated from rain.	H20514-4	<0.100	<0.100	<10.0	<10.0	<10.0	<100
35	SS	CL		35 ft. CLAY, light brown with white streaks, dry, very stiff, occasional H/C staining, no H/C odor	H20514-5	<0.100	<0.100	<10.0	<10.0	<100	
40	SS	CL		40 ft. SILTY CLAY, brown, soft, slightly damp, no H/C staining or odor	H20514-6	<0.100	<0.100	<10.0	<10.0	<100	
45	SS	CL		CLAY, light brown, stiff, plastic, no H/C staining or odor	H20514-7	<0.100	<0.100	<10.0	<10.0	<100	

Notes:
 Location: West of excavated battery outside fence, 25 ft. south of BSB-4
 Backfilled with 7 bags QuikGrout
 H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING S2SB-2

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Penasco Compressor Station Investigation
Agave Energy
Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/27/10, 1430
Date, Time Complete : 07/27/10, 1600
Hole Diameter : 9 1/2 in.
Drilling Method : Hollow Stem Auger
Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
Sampling Method : 24-in. Splitspoon with downhole hammer
Logged By : David Boyer, PG
Company Rep. : Jennifer Knowlton, Agave

Sump 2 S2SB-2
N32° 42' 48.5", W104° 26' 55.2"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				SS Split Spoon (18" or 24") CB Core Barrel (2.5' or 5') CT Auger Cuttings NR No recovery						
0-20		AR		0-20 feet. No sampling May have excavated and backfilled to approx. 23 ft.						
20	SS	CL		20 ft. SILTY CLAY, brown, soft, moist, rock at base, may be backfill, H/C odor	H20486-1	<0.100	<0.100	<10.0	<10.0	855
25	SS	CL		25 ft. GRAVELLY CLAY, brown, dry, slight H/C odor	H20486-2	<0.100	<0.100	<10.0	<10.0	182
27-30		LS		~27-30 ft. Rock, likely LIMESTONE, hard drilling entire length						
30	SS	GC		30 ft. CLAYEY GRAVEL, light brown, strong H/C odor	H20486-3	<0.100	<0.100	<10.0	55.2	357
32-35		GW		~32-35 ft. Very hard drilling, almost auger refusal						
35	SS	GM/CL		35 ft. Cuttings, GRAVELLY SILT with CLAY, light brown, strong H/C odor, no H/C staining						
37-40		GP		~37-40 ft. Very hard drilling, large rounded 2-4 in. river GRAVEL on auger flights						
40				40 ft. Sample from cuttings. TPH from cuttings 628 ppm, TPH from spoon 191 ppm Auger refusal at 40 ft.	H20486-4	<0.100	<0.100	<10.0	<10.0	<100

Notes:

Location: Center of excavated/backfilled sump S2
Backfilled with 5 bags QuikGrout
H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING S2SB-3

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Penasco Compressor Station Investigation
 Agave Energy
 Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/28/10, 0745
 Date, Time Complete : 07/27/10, 0900
 Hole Diameter : 9 1/2 in.
 Drilling Method : Hollow Stem Auger
 Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
 Sampling Method : 24-in. Splitspoon with
 : downhole hammer
 Logged By : David Boyer, PG
 Company Rep. : Jennifer Knowlton, Agave

Sump 2 S2SB-3
 N32° 42' 48.3", W104° 26' 55.2"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				0-5 feet. No sampling - Knifed hole to 5 ft. for utility check						
5	SS	GC		10 ft. CLAYEY GRAVEL, light brown, no H/C staining or odor dry	H20508-1	<0.100	<0.100	<10.0	<10.0	<100
10	SS	ML/GM		15 ft. GRAVELLY SANDY SILT, light brown, dry, sand very fine grained, limestone gravels and pieces, possible slight odor, no staining	H20508-2	<0.100	<0.100	<10.0	<10.0	<100
15	SS	CA/CL		20 ft. CALICHE and CLAY, white, soft, dry, no H/C staining or odor	H20508-3	<0.100	<0.100	<10.0	<10.0	<100
20	NR			25 ft. No recovery						
25	NR	GW		26 ft. Rock or cobbles 26-30 ft.						
30	NR			30 ft. No recovery except small clayey silt for TPH test, TPH=32 ppm						
30	SS	CL		32 ft. CLAY, brown, stiff, no H/C staining or odor Stopped at 32 ft. and took sample	H20508-4	<0.100	<0.100	<10.0	<10.0	<100
35										
40										
45										
50										

Notes:
 Location: 19.5 ft. southeast of excavated/backfilled sump and S2SB-2
 Backfilled with QuikGrout
 H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING S2SB-4

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Penasco Compressor Station Investigation
Agave Energy
Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/28/10, 0900
Date, Time Complete : 07/28/10, 1030
Hole Diameter : 9 1/2 in.
Drilling Method : Hollow Stem Auger
Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
Sampling Method : 24-in. Splitspoon with
downhole hammer
Logged By : David Boyer, PG
Company Rep. : Jennifer Knowlton, Agave

Sump 2 S2SB-4
N32° 42' 48.4", W104° 26' 55.4"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				0-5 feet. No sampling - Knifed hole to 5 ft. for utility check						
5	SS	GM		10 ft. SILTY CLAYEY GRAVEL, little sample in splitspoon barrel, no H/C staining or odor	H20509-5	<0.100	<0.100	<10.0	64.5	937
10	SS	CL		15 ft. CLAY, with small caliche gravel, light brown with white streaks and mottling, dry, very stiff, no H/C staining or odor	H20509-1	<0.100	<0.100	<10.0	<10.0	<100
15	SS	CA/CL		20 ft. CALICHE and CLAY, chalk white, dry, very stiff, no H/C staining or odor	H20509-2	<0.100	<0.100	<10.0	<10.0	<100
20	SS	CA/CL		20-25 ft. Alternating gravels and clay	H20509-3	<0.100	<0.100	<10.0	<10.0	<100
25	NR			25 ft. CALICHE CLAY, with small gravels, very light brown, dry, no H/C staining or odor						
30	SS	GW		30 ft. GRAVEL frags, limestone grayish, limestone matrix, too little to sample for analysis 30-35 ft. GRAVELs, odor in returned cuttings.						
35	SS	CL		35 ft. CLAY, light brown with some mottling, dry, very stiff (fat clay), no H/C staining or odor	H20509-4	<0.100	<0.100	<10.0	<10.0	<100

Notes:
Location: 19.5 ft. southwest of excavated/backfilled sump and S2SB-2
Backfilled with 4 bags QuikGrout
H/C - hydrocarbon

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LOG OF BORING S2SB-5

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Penasco Compressor Station Investigation
Agave Energy
Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/28/10, 1100
Date, Time Complete : 07/28/10, 1200
Hole Diameter : 9 1/2 in.
Drilling Method : Hollow Stem Auger
Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
Sampling Method : 24-in. Splitspoon with downhole hammer
Logged By : David Boyer, PG
Company Rep. : Jennifer Knowlton, Agave

Sump 2 S2SB-5
N32° 42' 48.7", W104° 26' 55.4"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				0-5 feet. No sampling - Knifed hole to 5 ft. for utility check						
5	SS			5 ft. GRAVELLY SILT, light brown, limestone gravel fragments, no H/C staining or odor	H20512-1	<0.100	<0.100	<10.0	<10.0	<100
10	SS	ML		10 ft. GRAVELLY SILT, light brown, limestone gravel fragments, dry, no H/C staining or odor	H20512-2	<0.100	<0.100	<10.0	<10.0	<100
15	SS			15 ft. GRAVELLY SILT, light brown, limestone gravel fragments, dry, no H/C staining or odor	H20512-3	<0.100	<0.100	<10.0	<10.0	<100
20	NR	CL/ML		20 ft. CLAY and GRAVELLY SILT, clay light brown to white, silt light brown, no H/C staining or odor	H20512-4	<0.100	<0.100	<10.0	<10.0	<100
25	NR	GW		22-25 ft. Gravels and cobbles, too little recovery to sample, no H/C staining or odor , 25-27 ft. Cobbles and gravels 27 ft. Soft drilling 27.5-28 ft.						
30	SS	CL		28-30 ft. Gravels 30 ft. CLAY, mottled light brown to chalk color, stiff, dry, occasional small gravel, no H/C staining or odor	H20512-5	<0.100	<0.100	<10.0	<10.0	<100
35		GW		31-34 ft. More hard drilling, no H/C staining or odor in cuttings	H20512-6	<0.100	<0.100	<10.0	<10.0	<100
		CL		34 ft. CLAY, mottled brown and chalk color, very stiff, dry, no H/C staining or odor						
40										

Notes:

Location: East of fence 18 ft. northeast of excavated/backfilled sump and S2SB-2
Backfilled with 5 bags QuikGrout
H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING S23SB-1

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Penasco Compressor Station Investigation
 Agave Energy
 Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/29/10, 0745
 Date, Time Complete : 07/29/10, 0930
 Hole Diameter : 9 1/2 in.
 Drilling Method : Hollow Stem Auger
 Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
 Sampling Method : 24-in. Splitspoon with
 : downhole hammer
 Logged By : David Boyer, PG
 Company Rep. : Jennifer Knowlton, Agave

Sump 23 S23SB-1
 N32° 42' 49.6", W104° 26' 59.7"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				SS Split Spoon (18" or 24") CB Core Barrel (2.5' or 5') CT Auger Cuttings NR No recovery						
0-6				0-6 feet. No sampling - Knifed hole to 6 ft. for utility check						
10	NR	GW		10 ft. No recovery, GRAVEL						
11	SS	CL		11 ft. CLAY, soft drilling						
15	SS	CL		15 ft. SILTY CLAY, brown, soft, plastic, slightly damp, no H/C staining or odor	H20505-1	<0.100	<0.100	<10.0	<10.0	<100
20	SS	CL		20 ft. SILTY CLAY with alternating clay/silty clay, brown, no H/C staining or odor	H20505-2	<0.100	<0.100	<10.0	<10.0	<100
23		GW		23 ft. Begin gravels						
25	SS	CA/CL		25 ft. CALICHE and CLAY, mixed, white to light brown, crumbly, small gravels, no H/C staining or odor	H20505-3	<0.100	<0.100	<10.0	<10.0	<100
30		CL/CA		30 ft. SILTY CLAY and CALICHE, clay brown, damp, caliche white with pebbles. Clay and top of sample saturated, possible perched water in thin sand layer.	H20505-4	<0.100	<0.100	<10.0	<10.0	<100
30-35	NR	GW		Cuttings are dry, no H/C staining or odor 30-35 ft. GRAVELS, no odor on cuttings						
35				35 ft. No recovery						
35-40	SS			35-40 ft. Soft drilling						
40	SS	CL		40 ft. SILTY CLAY, light brown, some mottling, dry, soft, crumbly, no H/C staining or odor	H20505-5	<0.100	<0.100	<10.0	<10.0	<100
45		CA/CI		45 ft. CALICHE and CLAY, mixed, white to light brown, dry, crumbly, yellowish rust-colored staining, no H/C staining or odor	H20505-6	<0.100	<0.100	<10.0	<10.0	<100

Notes:

Location: 20 ft. northeast of excavated/backfilled sump and S23SB-2
 Backfilled with 6 bags QuikGrout
 H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING S23SB-2

(Page 1 of 1)

Penasco Compressor Station Investigation
 Agave Energy
 Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/29/10, 1000
 Date, Time Complete : 07/29/10, 1130
 Hole Diameter : 9 1/2 in.
 Drilling Method : Hollow Stem Auger
 Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
 Sampling Method : 24-in. Splitspoon with downhole hammer
 Logged By : David Boyer, PG
 Company Rep. : Jennifer Knowlton, Agave

Sump 23 S23SB-2
 N32° 42' 49.3", W104° 26' 59.8"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				0-6 feet. No sampling - Knifed hole to 6 ft. for utility check						
10	NR	AR		10 ft. Backfill, clean fill						
15	SS	CL		15 ft. SILTY CLAY, brown, some staining, strong odor (not crude petroleum)	H20506-1	<0.100	4.93	36.2	47.5	4,870
20	SS	CL		20 ft. SILTY CLAY, brown with black staining, soft, plastic, strong odor	H20506-2	<0.100	0.803	17.9	27.1	9,040
25	SS	CL/CA		24 ft. GRAVELS, 25 ft. SILTY CLAY with CALICHE and limestone gravels. Clay brown, soft, some staining, strong odor	H20506-3	<0.100	1.40	15.5	20.9	9,500
30	NR	CA/GW		30 ft. CALICHE and GRAVELS, no recovery for sample						
35	NR	CA/GW		35 ft. CALICHE and GRAVEL as above, too little to sample, strong odor in gravel fragments						
40	SS	CL/CA		40 ft. CLAY with CALICHE, mottled, soft, some limestone fragments, no staining, strong odor	H20506-4	<0.100	1.90	25.8	51.7	9,450
45	SS	CL		45 ft. Gravels						
50	SS	GW		45.5 ft. Soft drilling. CLAY, brown, mottled with white streaks and yellowish rust streaks, dry, stiff, some odor, no staining. Took sample 45.5-46.5 ft. Field TPH 34 ppm.	H20506-5	<0.100	<0.100	<10.0	<10.0	<100
55				47-50 ft. GRAVELS, increasingly hard drilling. Auger refusal at 50 ft.						

Notes:
 Location: Center of excavated/backfilled sump 23
 Backfilled with 5 bags QuikGrout
 H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING S23SB-3

(Page 1 of 1)

Penasco Compressor Station Investigation
 Agave Energy
 Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/29/10, 1245
 Date, Time Complete : 07/29/10, 1445
 Hole Diameter : 9 1/2 in.
 Drilling Method : Hollow Stem Auger
 Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
 Sampling Method : 24-in. Splitspoon with
 : downhole hammer
 Logged By : David Boyer, PG
 Company Rep. : Jennifer Knowlton, Agave

Sump 23 S23SB-3
 N32° 42' 49.1", W104° 27' 00.2"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0	SS			0-6 feet. No sampling - Knifed hole to 6 ft. for utility check						
10	NR			10 ft. CLAY, light brown, soft, plastic, damp, no H/C staining or odor	H20507-1	<0.100	<0.100	<10.0	<10.0	<100
15	SS	CL		15 ft. CLAY, light brown, soft, plastic, damp, no H/C staining or odor	H20507-2	<0.100	<0.100	<10.0	<10.0	<100
20	SS			20 ft. CLAY, light brown, dry, stiff, with white caliche flakes in matrix, caliche in core also. no H/C staining or odor	H20507-3	<0.100	<0.100	<10.0	<10.0	<100
25	SS	CA		25 ft. CLAYEY CALICHE, white to light brown, old H/C staining, dry, crumbly, no H/C odor	H20507-4	<0.100	<0.100	<10.0	<10.0	<100
27-29		LS		27-29 ft. Rock						
30	SS	CA		30 ft. CALICHE, white, dry, crumbly, some clay, no H/C staining or odor	H20507-5	<0.100	<0.100	<10.0	<10.0	<100
36	NR	GW/LS		36 ft. Heavy GRAVEL or LIMESTONE Rock, auger refusal						

Z:\Company Files\Agave Energy\AGA-10-001 Penasco Yard\Boring logs\S23SB-3.bor

Notes:
 Location: 24 ft. southwest of excavated/backfilled sump and S23SB-2
 Backfilled with 4 bags QuikGrout
 H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING S23SB-4

(Page 1 of 1)

Penasco Compressor Station Investigation
Agave Energy
Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/30/10, 0730
Date, Time Complete : 07/30/10, 0900
Hole Diameter : 9 1/2 in.
Drilling Method : Hollow Stem Auger
Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
Sampling Method : 24-in. Splitspoon with downhole hammer
Logged By : David Boyer, PG
Company Rep. : Jennifer Knowlton, Agave

Sump 23 S23SB-4
N32° 42' 49.5", W104° 26' 59.8"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				0-6 feet. No sampling - Knifed hole to 6 ft. for utility check, pumped rain water out of hole						
10	SS	CL		10 ft. SILTY CLAY, with small gravels/coarse sand. Clay brown, soft, no H/C staining or odor	H20510-1	<0.100	<0.100	<10.0	<10.0	<100
15	SS	CL/CA		15 ft. CLAY mixed with CALICHE, Caliche white, soft. Clay brown, dry, very stiff, no H/C staining or odor	H20510-2	<0.100	<0.100	<10.0	<10.0	<100
20	SS	CL		20 ft. CLAY, brown with white streaks and speckling, very stiff, no H/C staining or odor	H20510-3	<0.100	<0.100	<10.0	<10.0	<100
25	SS	CA		25 ft. CLAYEY CALICHE, dry, crumbly, white, no H/C staining or odor	H20510-4	<0.100	<0.100	<10.0	<10.0	<100
30	SS	GC/CA		30 ft. GRAVELLY CLAYEY CALICHE, light brown to white, stiff, crumbly, no H/C staining or odor	H20510-5	<0.100	<0.100	<10.0	<10.0	<100
35	SS	CA		35 ft. CLAYEY CALICHE, white, gravelly, no H/C staining or odor. Partial sample due to hard drilling in gravels	H20510-6	<0.100	<0.100	<10.0	<10.0	<100
40	SS	GC/CA		40 ft. GRAVELLY CLAYEY CALICHE, light brown to white. no H/C staining or odor. Hard drilling as above, partial sample.	H20510-7	<0.100	<0.100	<10.0	<10.0	<100
45	SS	CL		SILTY CLAY, light brown, soft, with limestone gravels and some soft caliche. No H/C staining or odor	H20510-8	<0.100	<0.100	<10.0	<10.0	<100

Notes:
Location: 41 ft. northwest of excavated/backfilled sump and S23SB-2
Backfilled with 6 bags QuikGrout
H/C - hydrocarbon

Z:\Company Files\Agave Energy\AGA-10-001 Penasco Yard\Boring logs\S23SB-4.bor



Safety & Environmental Solutions, Inc.

LOG OF BORING S23SB-5

(Page 1 of 1)

Penasco Compressor Station Investigation
Agave Energy
Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/30/10, 0730
Date, Time Complete : 07/30/10, 0900
Hole Diameter : 9 1/2 in.
Drilling Method : Hollow Stem Auger
Drilling Equipment : CME-85

Drilled By : WDC Drilling and Wells
Sampling Method : 24-in. Splitspoon with downhole hammer
Logged By : David Boyer, PG
Company Rep. : Jennifer Knowlton, Agave

Sump 23 S23SB-5
N32° 42' 48.8", W104° 26' 59.6"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				SS Split Spoon (18" or 24") CB Core Barrel (2.5' or 5') CT Auger Cuttings NR No recovery						
0-6				0-6 feet. No sampling - Knifed hole to 6 ft. for utility check, pumped rain water out of hole						
6-10	NR	GW		10 ft. GRAVELs, no recovery						
10-15	SS									
15-20	SS	CL		15 ft. SILTY CLAY, brown, soft, plastic, slightly damp, no H/C staining or odor	H20511-1	<0.100	<0.100	<10.0	<10.0	<100
20-25	SS	CL/CA		20 ft. SILTY CLAY with CALICHE, chalk color, small limestone fragments, some minor clay, dry, no H/C staining or odor	H20511-2	<0.100	<0.100	<10.0	<10.0	<100
25-26	NR			CLAY and CALICHE, mixed, very light brown to chalk white, some small limestone fragments, dry, crumbly, no H/C staining or odor	H20511-3	<0.100	<0.100	<10.0	<10.0	<100
26-30	NR	GW		26 ft. Heavy GRAVELS						
30-32	NR			30 ft. No recovery, gravels, very hard drilling						
32-35				32 ft. Auger refusal						

Notes:

Location: 40 ft. southeast of excavated/backfilled sump and S23SB-2
Backfilled with 4 bags QuikGrout
H/C - hydrocarbon



Safety & Environmental Solutions, Inc.

LOG OF BORING S2SB-1

(Page 1 of 1)

Penasco Compressor Station Investigation
 Agave Energy
 Sec 26, T18S R25E, Eddy County, NM

Date, Time Started : 07/27/10, 1250
 Date, Time Complete : 07/27/10, 1400
 Hole Diameter : 9 1/2 in.
 Drilling Method : Hollow Stem Auger
 Drilling Equipment : CME-85

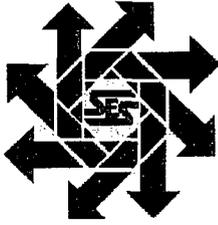
Drilled By : WDC Drilling and Wells
 Sampling Method : 24-in. Splitspoon with
 : downhole hammer
 Logged By : David Boyer, PG
 Company Rep. : Jennifer Knowlton, Agave

Sump 2 S2SB-1
 N32° 42' 48.7", W104° 26' 55.6"

Depth in Feet	Sample Type	USCS	GRAPHIC	Sample Type	Lab No.	Benzene (mg/Kg)	Total BTEX (mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	TPH 418.1 (mg/Kg)
				DESCRIPTION						
0				0-5 feet. No sampling - Knifed hole to 5 ft. for utility check						
5	SS	CL		5 ft. GRAVELLY CLAY, light brown to brown, moist, soft, no H/C staining or odor	H20485-1	<0.100	<0.100	<10.0	<10.0	<100
10	SS	LS		10 ft. GRAVELLY CLAY, brown, slightly moist, small limestone fragments	H20485-2	<0.100	0.255	<10.0	<10.0	<100
15	SS	LS		Approx 12 ft. LIMESTONE zone with very hard rock						
16	NR	CL		LIMESTONE rock with minimal clay,						
17	NR	LS		16-17 ft. Clay then rock						
18	NR	LS		17 ft. LIMESTONE rock						
20	SS	CL/CA		20 ft. CLAY and soft CALICHE. Clay, brown, mottled, stiff, dry. Caliche white, no H/C staining or odor	H20485-3	<0.100	<0.100	<10.0	<10.0	<100
25	SS	LS/CL		25 ft. LIMESTONE fragments with some CLAY, no H/C staining or odor	H20485-7	<0.100	<0.100	<10.0	<10.0	<100
30	SS	LS/CL		30 ft. As above, LIMESTONE fragments with some CLAY, no H/C staining or odor	H20485-4	<0.100	<0.100	<10.0	<10.0	<100
35	SS	CL		35 ft. CLAY, brown, soft, plastic, no H/C staining or odor	H20485-5	<0.100	<0.100	<10.0	<10.0	<100
37	SS	LS		37 ft. LIMESTONE rock						
40	SS	CL		40 ft. SILTY CLAY, brown, crumbly, yellowish-rust colored spots, slight H/C odor	H20485-6	<0.100	<0.100	<10.0	<10.0	<100
45	SS	LS		45 ft. Rock fragments with clay, too little to sample						
47				45-47 ft. Rock, very hard drilling. At 47 ft. auger refusal. Cuttings light brown, dry, no discoloration, slight odor						
50										

Notes:

Location: 21 ft. northwest of excavated/backfilled sump and S2SB-2
 Backfilled with 6 bags QuikGrout
 H/C - hydrocarbon



P.O. Box 1613
703 E. Clinton
Hobbs, New Mexico 88240
575/397-0510
Fax 575/393-4388
www.sesi-nm.com

Safety & Environmental Solutions, Inc.

October 11, 2010

Ms. Jennifer Knowlton
Agave Energy Company
105 S 4th Street
Artesia, NM 88210

Re: Penasco Yard Subsurface Investigation

Dear Ms. Knowlton:

Attached with this letter is our investigation report conducted at the above location. We investigated hydrocarbon releases at three locations at the site which were at a former tank battery and locations identified as sump S2 and sump S23.

The investigation established vertical and horizontal extent of the releases at all three locations with the exception of two borings at the tank battery site where auger refusal prevented deeper drilling. The hydrocarbon concentrations at total depth at these two borings are relatively low compared to those higher up in the boring (see report Table 3).

Groundwater within 1.5 miles of the site averages 182 feet below the surface. The closest well is the Penasco yard water well several hundred feet to the north of sump 2. The depth to water reported by the NM State Engineer for this well was 200 feet below ground surface. The proximity of water wells within 1,000 feet of the yard requires a TPH cleanup goal of 100 mg/Kg for impacted soils.

As a result of our work we are providing the below recommendations for remediation at the location:

1. Additional soil removal in the tank battery excavation is recommended, specifically in the area of BSB-1 and BSB-4. BSB-1 has highly elevated values of Total BTEX, GRO and TPH at a depth 20 feet below land surface. BSB-4 has highly elevated values of Total BTEX and GRO at depth from 10.5 feet to 35 feet. However, due to practicality, excavation to a depth of just 25.5 feet (20.5 feet below the current bottom) is suggested for the highly contaminated soils. We suggest that the excavation be left open for at least a few days for natural aeration.
2. Provided that air quality issues and/or permitting are not a restrictive consideration, installation of a grid of passive wind ventilation turbines is recommended with a grid pattern defined by battery soil boring locations BSB-1, BSB-2, BSB-4 and the sides of the existing excavation (report Figure 4). Installation would be performed following backfill to the original surface to prevent water ponding in the excavation.
3. Installation of a passive wind ventilation turbine is recommended at the center of sump 2 and the center of sump 23 provided that air quality issues and/or permitting are not a restrictive consideration.

Installation of a protective cover liner is generally not recommended when only hydrocarbons

are present. Unlike chlorides, these can be remediated with active or passive remediation methods and do not require long term isolation to prevent migration.

If you have any questions please call me or Bob Allen at 575 397-0510.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Boyer', with a large, sweeping flourish extending to the right.

David Boyer, P.G.

Attachment

MARTIN YATES, III

1912-1985

FRANK W. YATES

1936-1986

S.P. YATES

1914-2008



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 78880-2318 12:50
TELEPHONE (575) 748-1471

JOHN A. YATES
CHAIRMAN OF THE BOARD
PRESIDENT

JOHN A. YATES JR.
ASSISTANT TO THE PRESIDENT

JAMES S. BROWN
CHIEF OPERATING OFFICER

JOHN D. PERINI
CHIEF FINANCIAL OFFICER

October 12, 2010

Jim Griswold
Senior Hydrologist
Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Penasco Compressor Station

Dear Jim:

Enclosed please find the results of the contamination delineation at the Penasco Compressor Station. Based on the results of the extensive soil sampling that was done, we have two recommendations for proceeding with Phase II of the cleanup:

- 1) Remove an additional 2200 cubic yards (approximate) of highly contaminated soil from the south and west sides of the south tank battery. Field samples will be taken to ensure that the most highly contaminated areas are removed.
- 2) The installation of four passive wind vents. These would be located in the center of Sump 2, the center of Sump 23, the west side of the south tank battery and the south side of the south tank battery. We recommend testing the passive vents on a monthly basis. When the vents show three consecutive months of adequate samples, a whole air sample will be sent to the lab. At this time, the results of the monthly analysis and the lab analysis will be submitted to the OCD.

We are ready to proceed with the soil excavation as soon as possible. Once the highly contaminated soil has been removed, the south tank battery area will need to be back filled in preparation for the installation of the passive wind vents. Agave is requesting permission to proceed with the additional evacuation. We can discuss the installation location and numbers of the passive vents while this work is on going if necessary.

If you have any questions or comments on this information, please contact me via email at jknowlton@yatespetroleum.com.

Sincerely,

Jennifer Knowlton
Environmental Engineer

Swazo, Sonny, EMNRD

From: Griswold, Jim, EMNRD
Sent: Monday, October 18, 2010 9:17 AM
To: Swazo, Sonny, EMNRD
Subject: FW: Penasco CS

From: Jennifer Knowlton [<mailto:jenniferk@yatespetroleum.com>]
Sent: Monday, October 18, 2010 8:53 AM
To: Griswold, Jim, EMNRD
Subject: RE: Penasco CS

Thanks. We are scheduled to have some rain later this week. I am not sure what the exact plans are given that situation but will keep you informed.

Jennifer Knowlton, PE
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210
575-748-4471 (work)
505-238-3588 (cell)

Note NEW EMAIL: jknowlton@yatespetroleum.com
Please change your address book!

-----Original Message-----

From: Griswold, Jim, EMNRD [<mailto:Jim.Griswold@state.nm.us>]
Sent: Monday, October 18, 2010 8:49 AM
To: Jennifer Knowlton
Subject: Penasco CS

Jennifer,

I received a copy of SESI's 10/8/10 investigation report for the Penasco Compressor Station along with your cover letter late last week and am in the process of reviewing. Your letter requests permission to proceed with additional soil excavation. You may proceed. Please retain a copy of this email for your files as no other confirmation will be sent. Once I have fully reviewed the information, we can discuss additional actions which may be required. Thanks.

Jim Griswold
Senior Hydrologist
Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

direct: 505.476.3465

email: jim.griswold@state.nm.us

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Griswold, Jim, EMNRD

From: Jennifer Knowlton [jenniferk@yatespetroleum.com]
Sent: Thursday, November 04, 2010 9:02 AM
To: Griswold, Jim, EMNRD
Cc: 'David Boyer'; 'Bob Allen'
Subject: RE: Update on Penasco

Thanks, Jim. As soon as we have lab results and the manifests, we will send in an updated report with additional (or not) recommendations for the site!

Jennifer Knowlton, PE
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210
575-748-4471 (work)
505-238-3588 (cell)

Note NEW EMAIL: jknowlton@yatespetroleum.com
Please change your address book!

-----Original Message-----

From: Griswold, Jim, EMNRD [mailto:Jim.Griswold@state.nm.us]
Sent: Thursday, November 04, 2010 8:59 AM
To: Jennifer Knowlton
Subject: RE: Update on Penasco

Begin the backfilling as you see fit.

Jim

From: Jennifer Knowlton [mailto:jenniferk@yatespetroleum.com]
Sent: Thursday, November 04, 2010 8:31 AM
To: Griswold, Jim, EMNRD
Cc: Bob Allen; 'David Boyer'; Ivan Villa
Subject: Update on Penasco

Jim,

I just wanted to give you an update on Penasco and what has been done there:

We have a very large hole and have removed a lot of dirt. As soon as we review the manifests, I will have an updated report that includes a more accurate assessment of the total amount of soils that we have removed. However, based on a rough count of the trucks, we have removed approximately 2160 cubic yards.

SESI will be taking samples of the sides and bottom of the excavation on Friday if you or someone else wishes to witness the samples. Just let me know and I will coordinate.

I don't think we can excavate much more but these soil samples will tell us what is left onsite.

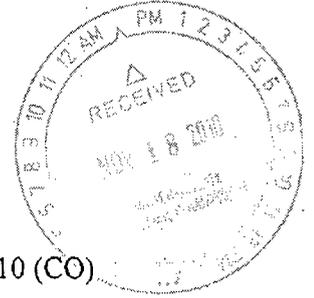
We have some backfill on site and can start on that with your permission next week. Please advise.

Jennifer Knowlton, PE
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210
575-748-4471 (work)
505-238-3588 (cell)

Note NEW EMAIL: jknowlton@yatespetroleum.com
Please change your address book!

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STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION



NEW MEXICO OIL CONSERVATION DIVISION,)
Complainant)
)
v.)
)
AGAVE ENERGY COMPANY,)
Respondent)
)

Case No. 09-10 (CO)

**Order Granting Fifth Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed a Fifth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about October 6, 2010, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until January 31, 2011 in order to allow the Parties additional time to complete settlement negotiations. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Fifth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than January 31, 2011, the Parties shall file a Status Report with the WQCC.

DATED this 18 day of November, 2010.



Agave Energy Company

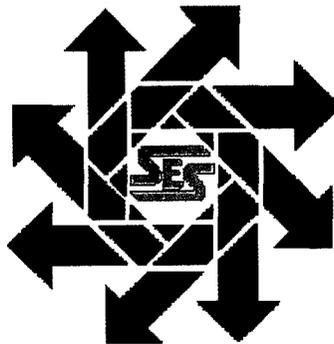
RECEIVED OCD

2010 DEC -8 A 11: 25

**Closure Report
Penasco Compressor Station**

**Section 26, Township 18S, Range 25E
Eddy County, New Mexico**

December 3, 2010



Prepared for:

**Agave Energy
105 South 4th Street
Artesia, New Mexico 88210**

Prepared by:

**Safety & Environmental Solutions, Inc.
703 East Clinton Street
Hobbs, New Mexico 88240**

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I. Contacts

Representative	Company	Telephone	E-mail
Jennifer Knowlton	Agave Energy Company	(575) 748-4471	jknowlton@yatespetroleum.com
Bob Allen	SESI	(575) 397-0510	ballen@sesi-nm.com

II. Background

Safety & Environmental Solutions, Inc. (SESI) was contracted by Agave Energy Company to propose a workplan for the investigation and remediation of three areas located within the Penasco Compressor Station yard south of Artesia, New Mexico. The site is located in E/2 SE/4 of Section 26, Township 18 South, Range 25 East, Eddy County, New Mexico (Figure 1).

Two areas originally contained sumps that were removed and contamination was found in the soil beneath the sumps. The third area originally contained above ground tanks and contamination was found after the tanks were removed. The locations of the areas investigated are shown in Figures 2 (site plan) and 3 (aerial photograph).

After sumps #2 and #23 were removed the most highly contaminated soils were removed to a depth of 20' and 13' respectively. On February 10, 2010 and February 12, 2010, the bottoms and sidewalls of the existing excavations were sampled and found to still contain hydrocarbons (TPH) in concentrations ranging from 7,000 ppm to 12,600 ppm in sump # 23, and from 711 ppm to 1,460 ppm in sump #2. BTEX analysis of these samples showed no benzene and small amounts of toluene, ethyl-benzene and xylenes*. Vertical and horizontal extents of contamination had not yet been determined in either excavation. Chloride concentrations in these samples are less than 50 ppm.

Following earlier removal of the tanks, the bermed tank battery area was sampled on December 10, 2009 and found to also contain hydrocarbons (TPH) in concentrations ranging from 593 ppm to 881 ppm with small amounts of BTEX. The vertical and horizontal extent of contamination had not yet been determined to date. Chloride concentrations in these samples are less than 120 ppm.

A soil boring investigation was conducted in June and July 2010 to determine horizontal and vertical extent of contamination at three locations at the Agave Penasco yard. At each location borings were advanced to either auger refusal or until hydrocarbon impacted material was no longer encountered. Boring locations are shown in Figures 4, 5 and 6. Borings outside the center of each excavation were advanced to determine if horizontal migration had occurred. Samples were collected from auger splitspoons for laboratory analysis of benzene, toluene, ethylbenzene and total xylene volatiles (BTEX), gasoline and diesel range organics (GRO and DRO, EPA method 8015B) and Total Petroleum Hydrocarbons (EPA method 418.1). Sampling results and analyses were previously reported and presented to Agave in a "Report of Investigation" dated October 8, 2010. The table showing the results is provided in Appendix A of the current report.

Results of the review were compared with NM Oil Conservation Division "Guidelines for Remediation of Leaks, Spills and Releases" (1993) to determine the relative threat to public health, fresh waters and the environment, and to provide guidance for remediation. The OCD uses a ranking system with depth to groundwater, wellhead

* Agave Energy Company, "Report of Investigation, Penasco Compressor Station" October 8, 2010.

protection area and distance to a surface water body to determine possible remediation scenarios.

Depth to groundwater at the site was determined from state engineer records. 32 water wells were found within a five mile radius of the Penasco yard. Depth to water averages 134 feet with values ranging from 42 feet to 270 feet. Depth to water for the five wells closest to the Peñasco yard averages 182 feet. The closest private well is used by Agave and its distance is 285 feet from the location of sump 2. The depth to water in that well was reported as 200 feet. The distance to the nearest surface water body (ephemeral Peñasco Draw) is approximately 1,560 feet.

Comparing values of depth to water, wellhead protection area and distance to a surface water body with the ranking criteria results in a ranking score of 20 and establishes recommended remediation levels of benzene at 10 ppm (mg/Kg), total BTEX of 50 ppm and TPH of 100 ppm.

Based on the above ranking criteria, four of the soil borings from the tank battery location, two borings from the sump 2 location and one boring from sump 23 exceed the ranking criteria in one or more samples from each boring (Table, Appendix A).

Of those, only two borings from the tank battery (center excavation, BSB-1, 40 feet; and southside excavation, BSB-2, 42 feet) exceeded the 100 mg/Kg standard at boring total depth. At those depths, minimal levels of benzene, total BTEX and TPH remain in these two boreholes. Auger refusal in boulders and cobbles prevented further sampling below 40-42 feet from the surface.

Vertical extent of contamination was established in all other borings other than those two shown above.

The October 8 investigation report included recommendations for removal of highly contaminated soil in the tank battery area and passive wind ventilation turbine for remediation of soil exceeding guidance standards but not able to be excavated

III. Removal of Highly Contaminated Soil

When contaminated soils exceed OCD guidelines ("Guidelines for Remediation of Leaks, Spills and Releases") and require remediation, the following methods are described in the guidance:

Highly contaminated/saturated soils and unsaturated contaminated soils exceeding the standards described in Section IV.A should be either:

a) Excavated from the ground until a representative sample from the walls and bottom of the excavation is below the contaminant specific remediation level listed in Section IV.A.2.b or an alternate approved remediation level, or;

b) Excavated to the maximum depth and horizontal extent practicable. Upon reaching this limit a sample should be taken from the walls and bottom of the excavation to determine the remaining levels of soil contaminants, or;

c) Treated in place, as described in Section VI.A.2.b.ii. - Treatment of Soil in Place, until a representative sample is below the contaminant specific remediation level listed in Section IV.A.2.b, or an alternate approved remediation level, or;

d) Managed according to an approved alternate method.

Highly contaminated soil had previously been removed to a depth of 20 and 13 feet at Sump 2 and Sump 23, respectively, which was the maximum practical depth at these locations, and to between 5 and 7 feet at the Tank Battery. Based on the results of the soil borings, additional excavation was a practical remedy for the former Tank Battery location.

On Monday, October 25, 2010, Safety and Environmental Solutions, Inc. (SESI) and Watson Construction were onsite to begin excavation at the tank battery area. Excavated soils were stockpiled on site for subsequent transfer to Jay-Dan Land Farm, an OCD approved disposal facility. Returning trucks contained clean caliche for later backfill of the excavation.

Excavation continued daily through Friday, October 29. Transport of materials for disposal, and stockpiling of clean caliche backfill on site continued through Wednesday, November 3. Approximately 3,300 yards of contaminated soils were transported to the approved disposal facility.

In addition several hundred yards of unsaturated, non-stained material were removed from the excavation and stockpiled on site for later return to the excavation. This material was tested on October 26 with results of the analysis shown below. This material was directed to be blended with the caliche before placement in the excavation.

The location was excavated to a depth of twenty-four (24) feet below grade surface and the surface area was approximately 80 feet by 60 feet for a total volume of 4,267 cubic yards. Approximately five (5) feet (889 cubic yards) had been previously removed leaving a difference of about 3,378 cubic yards. Therefore the estimated yards excavated and stockpiled or removed for disposal are close to the calculated volume.

SESI was onsite on November 5 to obtain samples from excavated area bottom and side walls. A three-point composite sample was obtained from each side wall and a five-point sample was obtained from the bottom floor of excavation. Samples were then transported to Cardinal Laboratories in Hobbs, NM under Chain-of-Custody to be analyzed for Total Petroleum Hydrocarbons (TPH EPA Method 418.1 and TPH EPA Method 8015) and Benzene, Toluene, Ethyl Benzene, and Total Xylene (BTEX EPA Method 8021B).

The results of the sample analyses are as follows:

Soil Sample ID	Benzene (mg/Kg)	Toluene (mg/Kg)	Ethyl-benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (mg/Kg)	GRO C6-C10 (mg/Kg)	DRO C10-C28 (mg/Kg)	Method 418.1 TPH (mg/Kg)
Non-stained stockpile	<0.100	0.100	<0.100	<0.100	<0.100	<10.0	25.1	110
Bottom (24'bgs)	<0.050	0.181	<0.050	<0.150	0.181	<10.0	89.4	170
West Wall	<0.050	0.054	<0.050	<0.150	0.054	<10.0	<10.0	<10.0
East Wall	<0.050	0.117	<0.050	<0.150	0.117	<10.0	<10.0	12.0
North Wall	<0.050	0.070	<0.050	<0.150	0.070	<10.0	22.9	100
South Wall	<0.050	0.155	<0.050	<0.050	0.155	<10.0	<10.0	10.0

NMOCD approved backfill of the excavation on November 4, 2010. SESI and Watson Construction began backfilling with clean caliche from an offsite location on November 10, 2010. Backfill continued on November 11-12. Approximately 3,536 cubic yards of caliche plus the non-stained stockpiled material were used as backfill. The location area was then contoured to its natural earth form.

IV. Recommendations

With the completion of the excavation of the highly contaminated soil material, the following recommendations from the October 8 report remain:

1. Provided that air quality issues and/or permitting are not a restrictive consideration, installation of a grid of passive wind ventilation turbines is recommended with a grid pattern defined by battery soil boring locations BSB-1, BSB-2, BSB-4 and the sides of the existing excavation.
2. Installation of a passive wind ventilation turbine is recommended at the center of sump 2 and the center of sump 23 provided that air quality issues and/or permitting are not a restrictive consideration.

Not recommended is the installation of a protective cover liner when only hydrocarbons are present. Unlike chlorides, these can be remediated with active or passive remediation methods and do not require long term isolation to prevent migration.

V. Figures & Appendices

Figure 1- Vicinity Map

Figure 2- Site Plan

Figure 3- Aerial Photograph of Penasco Yard

Figure 4- Location of Tank Battery Soil Borings

Figure 5- Location of Sump 2 Soil Borings

Figure 6- Location of Sump 23 Soil Borings

Appendix A- Soil Boring Analytical Results, June-July 2010, Agave Penasco Yard Investigation

Appendix B- Site Photographs

Appendix C- Copy of Laboratory Analytical Results

Figure 1- Vicinity Map

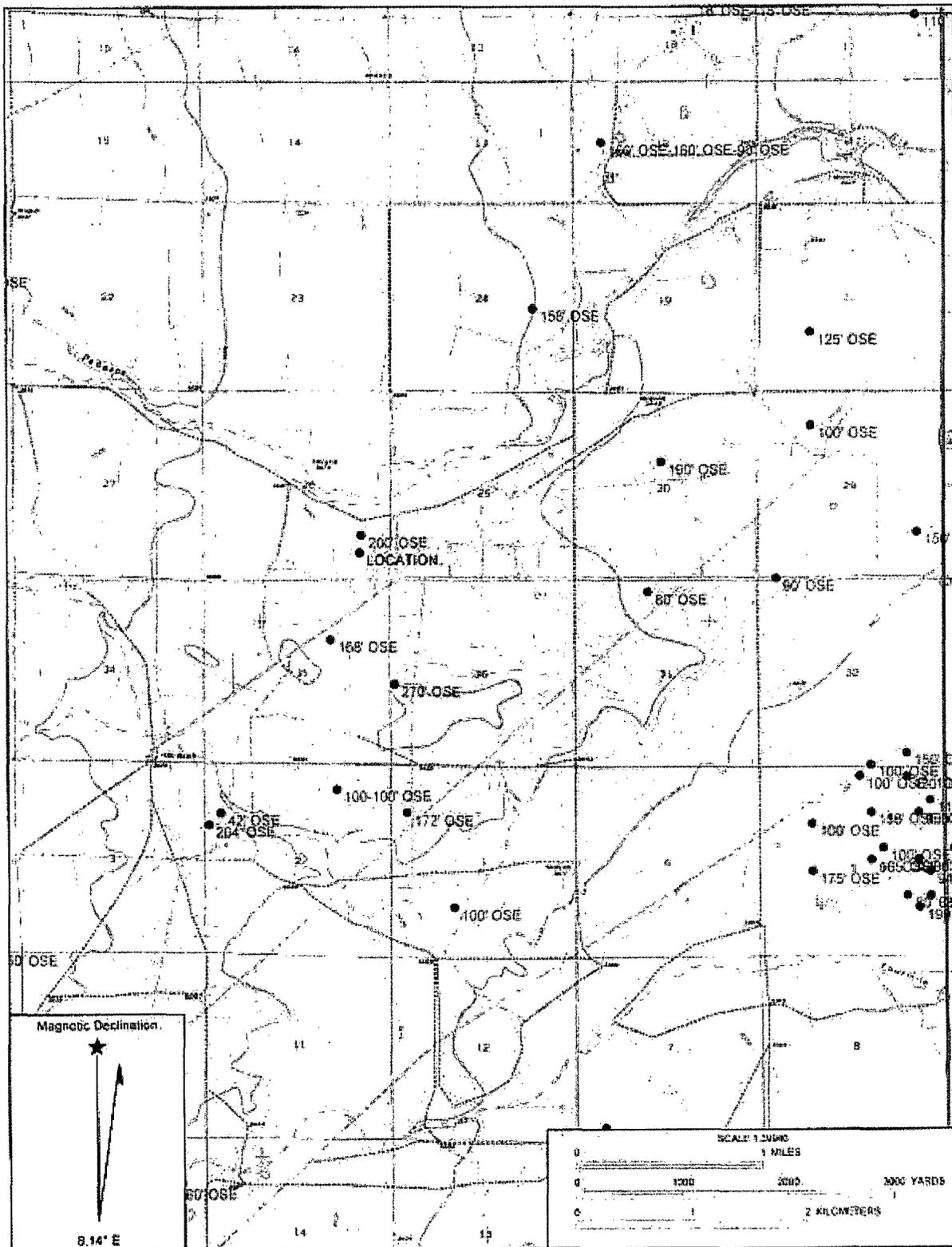
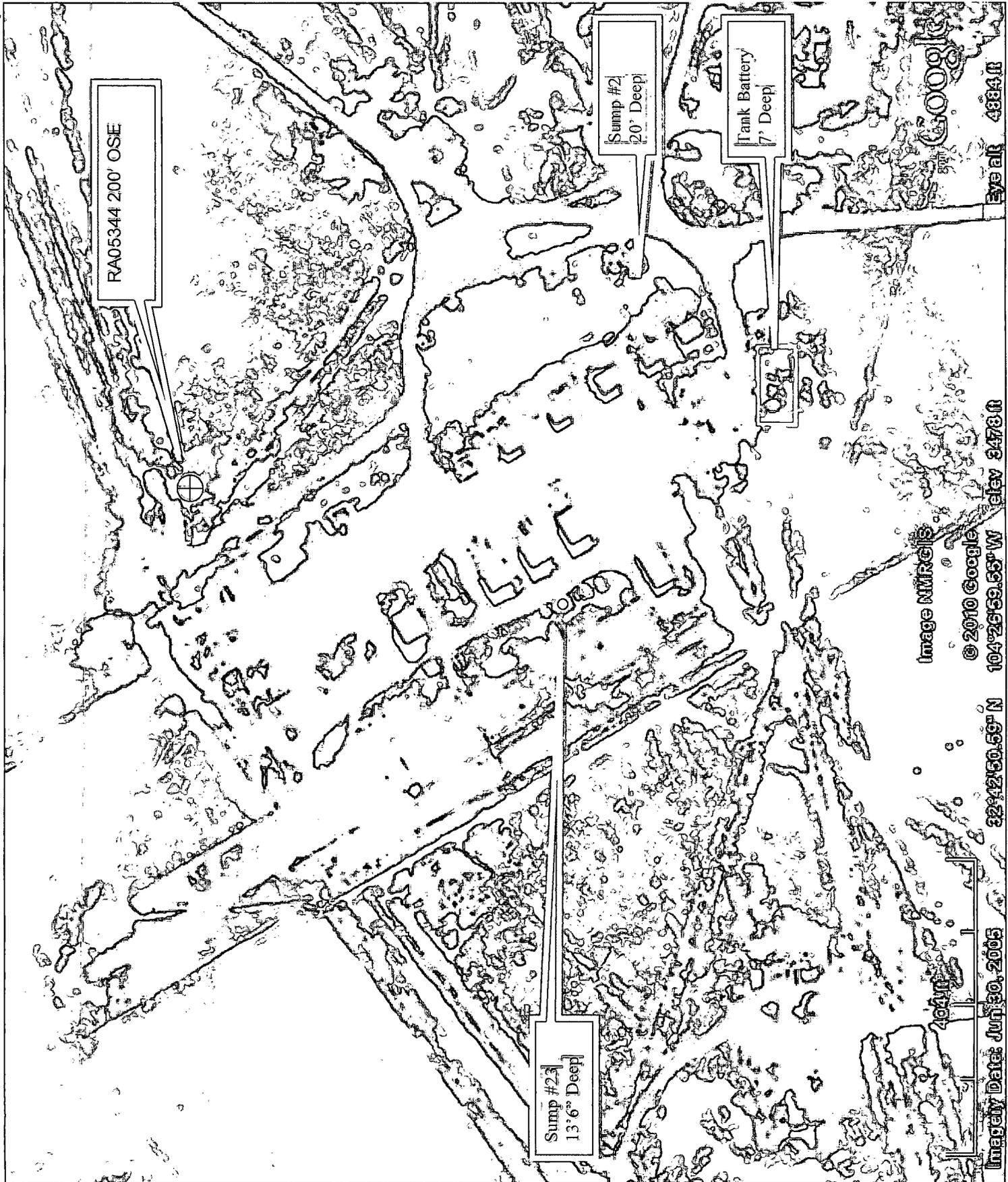


Figure 2- Site Plan

Figure 3- Aerial Photograph of Penasco Yard



RA05344 200' OSE

Sump #23
13' 6" Deep

Sump #21
20' Deep

Tank Battery
7' Deep

Image NR0615

© 2010 Google

104°26'59.65\"/>

32°42'50.69\"/>

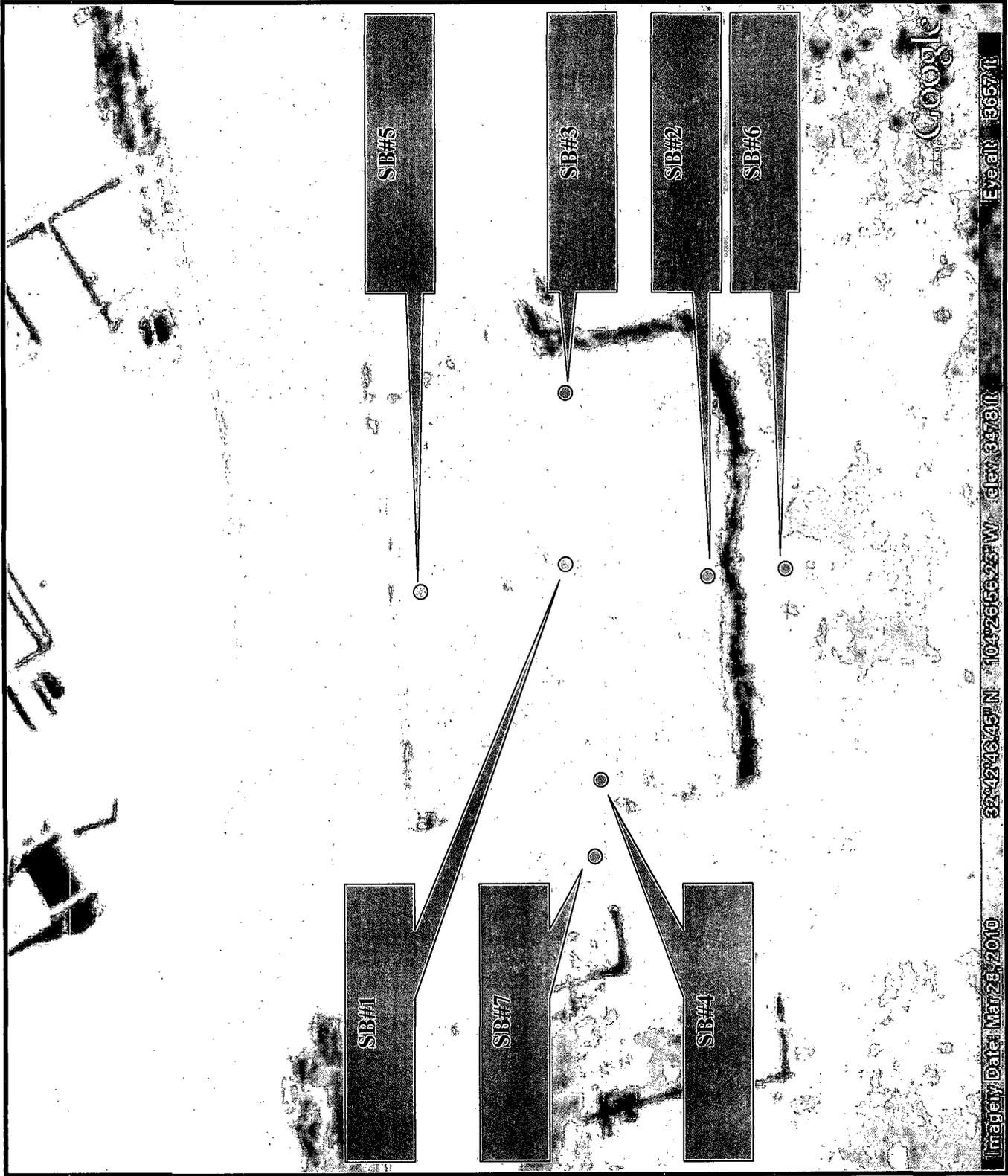
Imagery Date: Jun 30, 2005

Altay 3478 ft

Eye alt 4884 ft

Google

**Figure 4- Location of Tank Battery Soil
Borings**



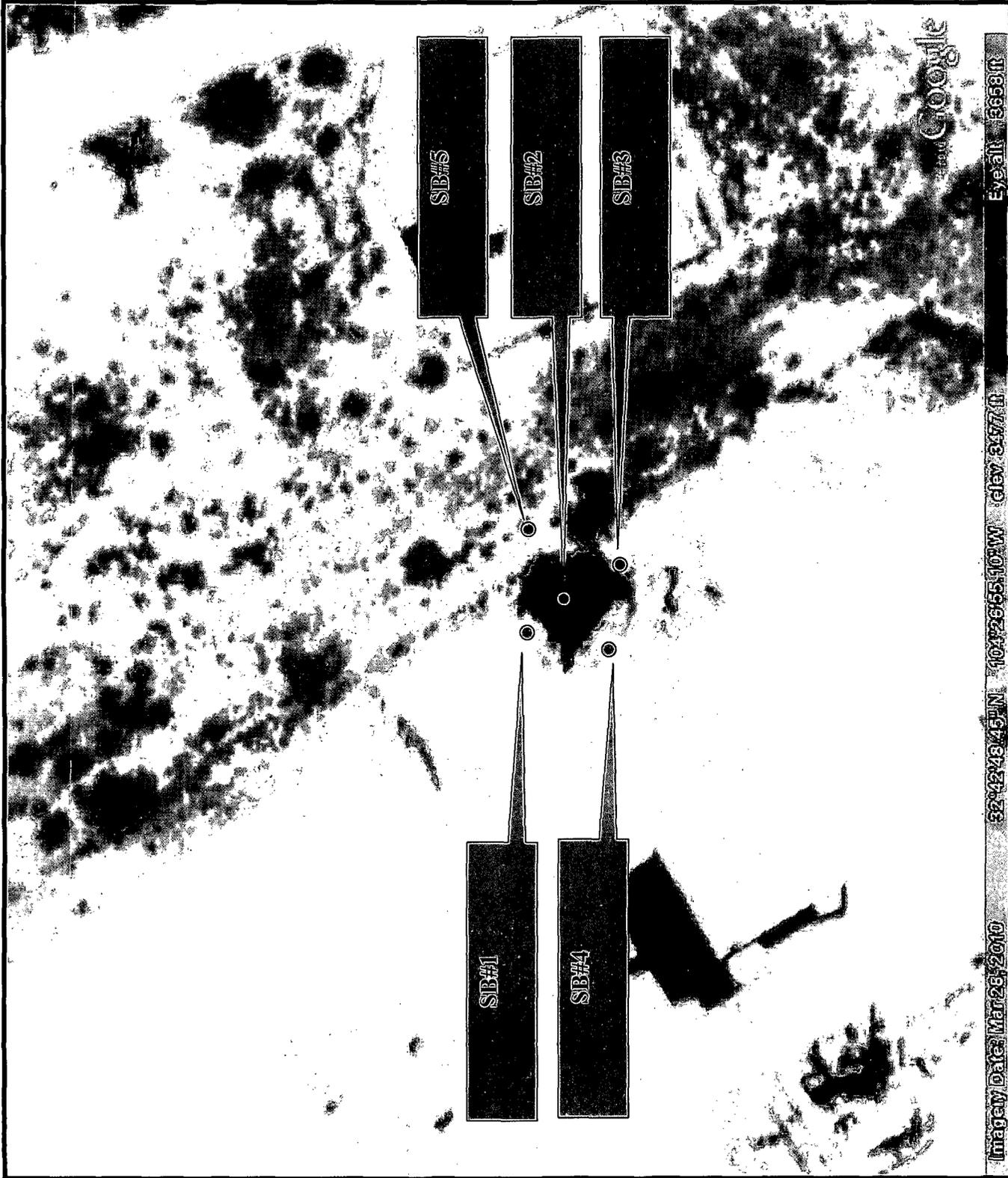
Eyealt 3657 ft

32°42'18.45"N 104°26'58.25"W elev 3478 ft

Image Date: Mar 28, 2010

Tank Battery Soil Boring Locations

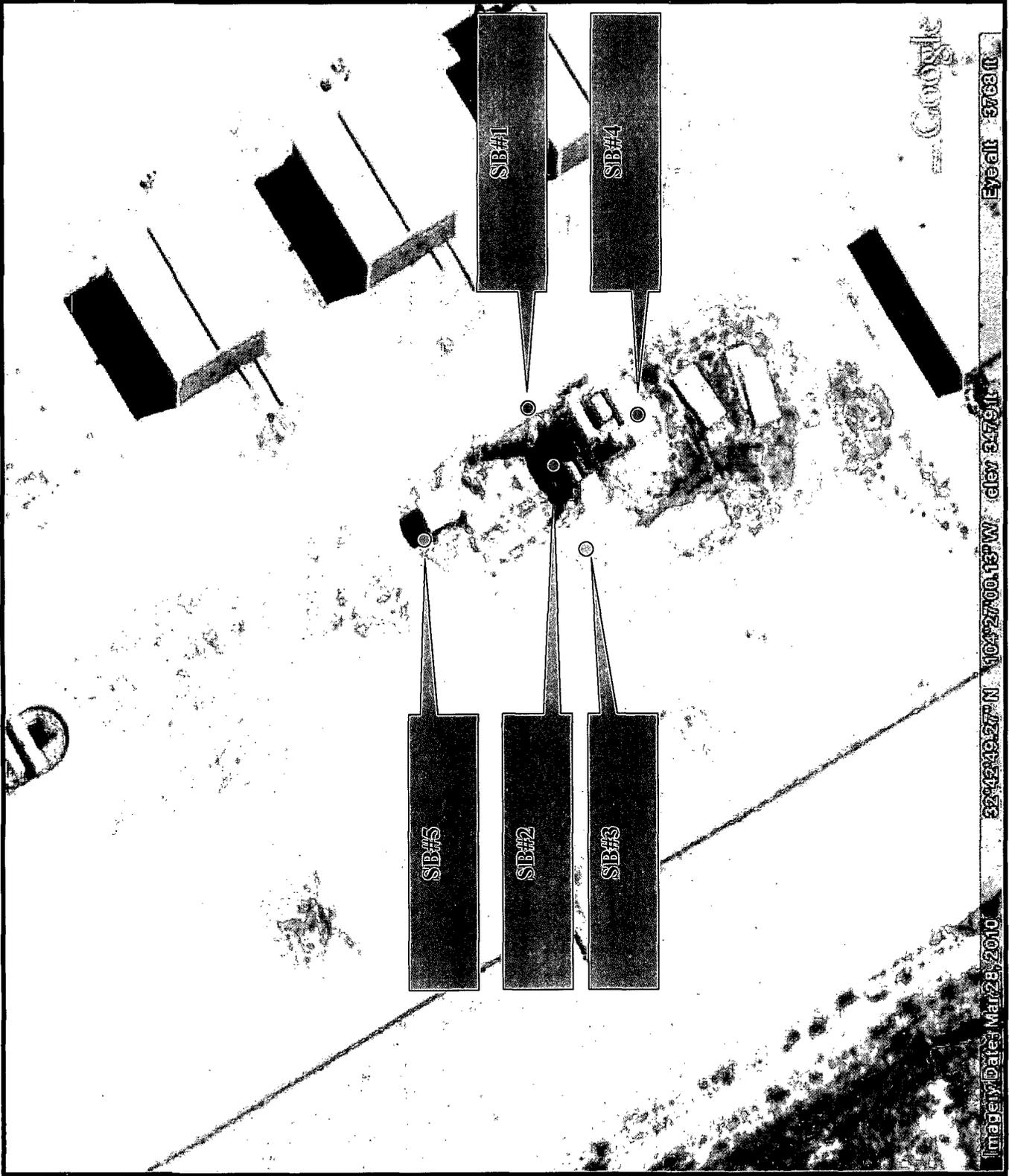
Figure 5- Location of Sump 2 Soil Borings



Imagery Date: Mar 28, 2010 32°42'43.45"N 104°26'55.10"W elev: 3177 ft Eye alt: 3653 ft

Sump 2 Soil Boring Locations

Figure 6- Location of Sump 23 Soil Borings



Imagery Date: Mar 28, 2010 32°42'49.27" N 104°27'00.15" W elev 3479 ft Eyealt 3763 ft

Sump 23 Soil Boring Locations

**Appendix A- Soil Boring Analytical Results,
June-July 2010, Agave Penasco Yard
Investigation**

Location	Boring ID and Corrected Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Toluene (mg/Kg)	Ethyl Benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	TPH (418.1) (<100 mg/Kg)
Tank Battery										
Center excavation	BSB-1, 10 ft.*	06/29/10	<0.050	<0.050	<0.050	<0.300	<0.050	13.3	104	1,580
Center excavation	BSB-1, 15 ft.*	06/29/10	<0.050	<0.050	5.61	17.5	23.1	305	424	1,500
Center excavation	BSB-1, 20 ft.*	06/29/10	1.68	5.02	24.2	87.2	118	1,420	1,240	7,030
Center excavation	BSB-1, 25 ft.*	06/29/10	0.234	0.667	3.21	11.9	16.0	13.0	<10.0	<100
Center excavation	BSB-1, 30 ft.*	06/29/10	0.134	0.132	1.05	3.69	5.01	<10.0	<10.0	<100
Center excavation	BSB-1, 35 ft.*	06/29/10	0.081	0.071	1.76	7.66	9.57	238	301	1,290
Center excavation	BSB-1, 40 ft.*	06/29/10	0.084	<0.050	0.964	4.00	5.05	60.4	11.9	332
* Five feet added to lab sample ID depth to account for depth of excavation.										
S-side excavation	BSB-2, 10 ft.*	06/29/10	<0.050	<0.050	0.845	6.36	7.21	33.5	28.3	1,690
S-side excavation	BSB-2, 15 ft.*	06/29/10	<0.050	<0.050	0.66	3.66	4.32	47.6	10.7	<100
S-side excavation	BSB-2, 20 ft.*	06/29/10	<0.050	<0.050	0.106	0.598	0.704	<10.0	<10.0	<100
S-side excavation	BSB-2, 25 ft.*	06/29/10	<0.050	<0.050	<0.050	<0.300	<0.050	80.8	57.1	255
S-side excavation	BSB-2, 30 ft.*	06/29/10	<0.050	0.104	0.201	1.35	1.66	41.0	56.2	<100
S-side excavation	BSB-2, 35 ft.*	06/29/10	0.156	0.326	2.30	19.0	21.8	479	387	1,470
S-side excavation	BSB-2, 40 ft.*	06/29/10	0.235	0.758	2.17	14.1	17.3	180	124	530
S-side excavation	BSB-2, 42 ft.*	06/29/10	<0.050	<0.050	0.128	0.788	0.916	33.6	71.7	163
* Five feet added to lab sample ID depth to account for depth of excavation.										
E-side excavation	BSB-3, 3-8 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
E-side excavation	BSB-3, 13 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
E-side excavation	BSB-3, 18 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
E-side excavation	BSB-3, 23 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
E-side excavation	BSB-3, 28 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
E-side excavation	BSB-3, 33 ft.	07/26/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100

10

50

100

Location	Boring ID and Corrected Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Toluene (mg/Kg)	Ethyl Benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	TPH (418.1) (<100 mg/Kg)
Tank Battery (continued)										
W-side excavation	BSB-4, 10.5 ft.	07/27/10	1.92	31.6	20.0	69.9	123	1,140	994	3,240
W-side excavation	BSB-4, 15.5 ft.	07/27/10	3.84	39.8	23.5	80.9	148	445	743	3,070
W-side excavation	BSB-4, 20.5 ft.	07/27/10	1.67	28.0	16.6	77.9	124	306	619	2,870
W-side excavation	BSB-4, 25.5 ft.	07/27/10	4.24	9.87	16.5	69.0	100	440	351	1,620
W-side excavation	BSB-4, 30.5 ft.	07/27/10	2.71	24.9	19.9	84.4	132	608	570	2,740
W-side excavation	BSB-4, 35.5 ft.	07/27/10	0.278	7.05	7.40	48.0	62.7	295	388	1,430
W-side excavation	BSB-4, 40.5 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
W-side excavation	BSB-4, 45.5 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
N-side excavation	BSB-5, 10.5 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	580
N-side excavation	BSB-5, 20.5 ft.	07/27/10	<0.100	<0.100	0.258	1.11	1.37	<10.0	<10.0	<100
N-side excavation	BSB-5, 25.5 ft.	07/27/10	<0.100	<0.100	<0.100	1.96	1.96	<10.0	<10.0	<100
N-side excavation	BSB-5, 30.5 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' S. of excavation	BSB-6, 10 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' S. of excavation	BSB-6, 15 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' S. of excavation	BSB-6, 20 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' S. of excavation	BSB-6, 25 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' S. of excavation	BSB-6, 30 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 10 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 15 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	11.1	<100
20' W. of excavation	BSB-7, 20 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 33 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 35 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 40 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' W. of excavation	BSB-7, 45 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100

Location	Boring ID and Corrected Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Toluene (mg/Kg)	Ethyl Benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	TPH (418.1) (<100 mg/Kg)
Sump 2										
21' NW. of center S2	S2SB-1, 5 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 10 ft.	07/27/10	<0.100	<0.100	<0.100	0.255	0.255	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 20 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 25 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 30 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 35 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
21' NW. of center S2	S2SB-1, 40 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
Center sump 2	S2SB-2, 20 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	855
Center sump 2	S2SB-2, 25 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	182
Center sump 2	S2SB-2, 30 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	55.2	357
Center sump 2	S2SB-2, 40 ft.	07/27/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SE. of center S2	S2SB-3, 10 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SE. of center S2	S2SB-3, 15 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SE. of center S2	S2SB-3, 20 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SE. of center S2	S2SB-3, 32 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SW. of center S2	S2SB-4, 10 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	64.5	937
19.5' SW. of center S2	S2SB-4, 15 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SW. of center S2	S2SB-4, 20 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SW. of center S2	S2SB-4, 25 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
19.5' SW. of center S2	S2SB-4, 35 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100

Location	Boring ID and Corrected Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Toluene (mg/Kg)	Ethyl Benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	TPH (418.1) (<100 mg/Kg)
Sump 2 (continued)										
18' NE. of center S2	S2SB-5, 5 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 10 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 15 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 20 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 30 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
18' NE. of center S2	S2SB-5, 34 ft.	07/28/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
Sump 23										
20' NE. of center S23	S23SB-1, 15 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' NE. of center S23	S23SB-1, 20 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' NE. of center S23	S23SB-1, 25 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' NE. of center S23	S23SB-1, 30 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' NE. of center S23	S23SB-1, 40 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
20' NE. of center S23	S23SB-1, 45 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
Center sump 23	S23SB-2, 15 ft.	07/29/10	<0.100	0.683	0.572	3.67	4.93	36.2	47.5	4,870
Center sump 23	S23SB-2, 20 ft.	07/29/10	<0.100	0.101	0.105	0.597	0.803	17.9	27.1	9,040
Center sump 23	S23SB-2, 25 ft.	07/29/10	<0.100	0.247	0.18	0.968	1.40	15.5	20.9	9,500
Center sump 23	S23SB-2, 40 ft.	07/29/10	<0.100	0.27	0.217	1.41	1.90	25.8	51.7	9,450
Center sump 23	S23SB-2, 45.5 - 46.5 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
24' SW. of center S23	S23SB-3, 10 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
24' SW. of center S23	S23SB-3, 15 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
24' SW. of center S23	S23SB-3, 20 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
24' SW. of center S23	S23SB-3, 25 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
24' SW. of center S23	S23SB-3, 30 ft.	07/29/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100

Location	Boring ID and Corrected Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Toluene (mg/Kg)	Ethyl Benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	TPH (418.1) (<100 mg/Kg)
Sump 23 (continued)										
41' NW. of center S23	S23SB-4, 10 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 15 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 20 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 25 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 30 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 35 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 40 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
41' NW. of center S23	S23SB-4, 44 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
40' SE. of center S23	S23SB-5, 15 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
40' SE. of center S23	S23SB-5, 20 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100
40' SE. of center S23	S23SB-5, 25 ft.	07/30/10	<0.100	<0.100	<0.100	<0.300	<0.100	<10.0	<10.0	<100

Table Note:

Bold – exceeds NMOCD guideline value for this facility as shown on the top of each table column.

Appendix B- Site Photographs

Site photos 10-25-10



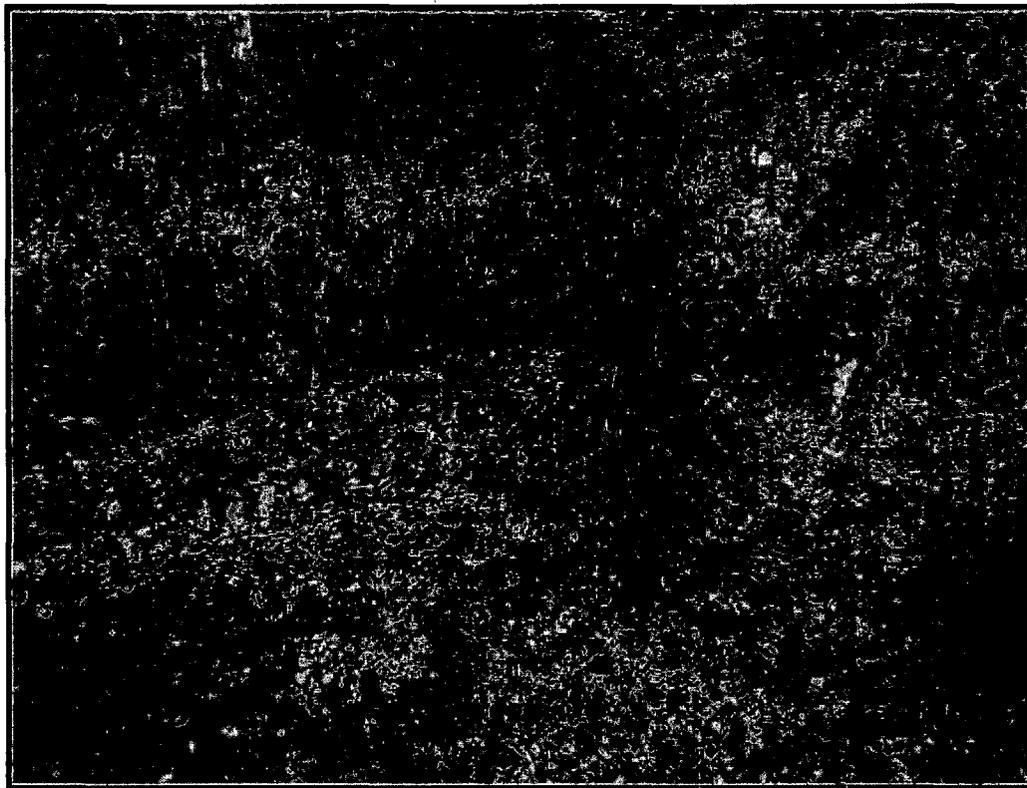
Excavated soils facing west



Highly stained soils stockpiled facing west



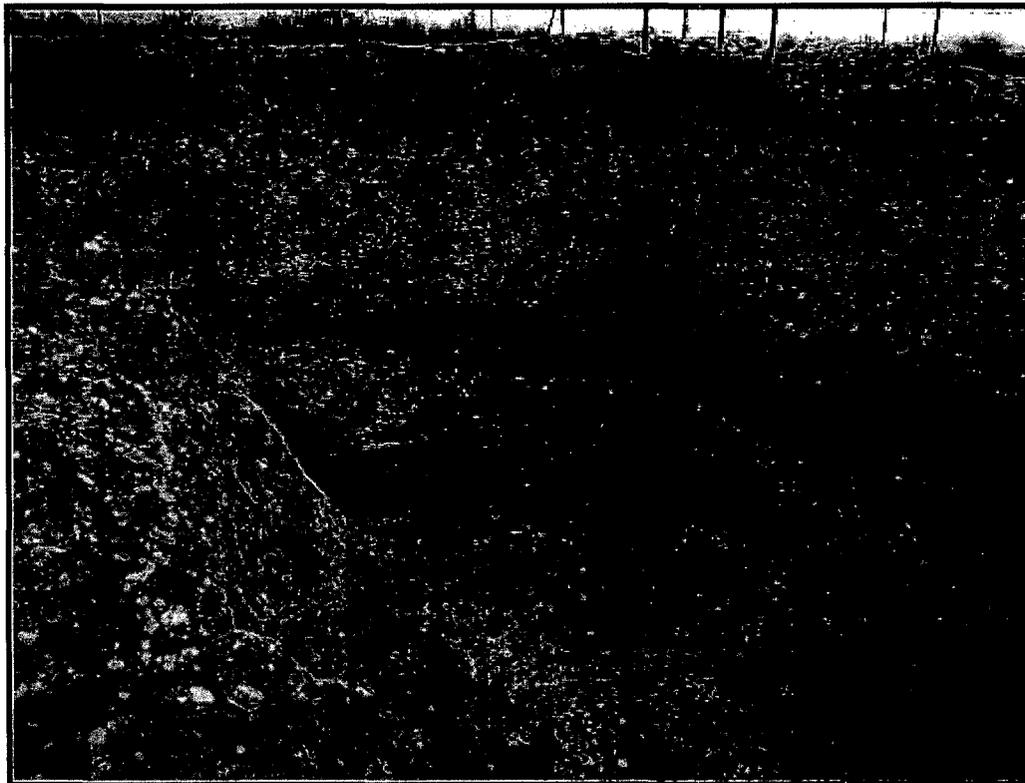
Non stained soils stockpiled southeast corner of excavation



Northwest corner wall facing northwest



West wall facing west

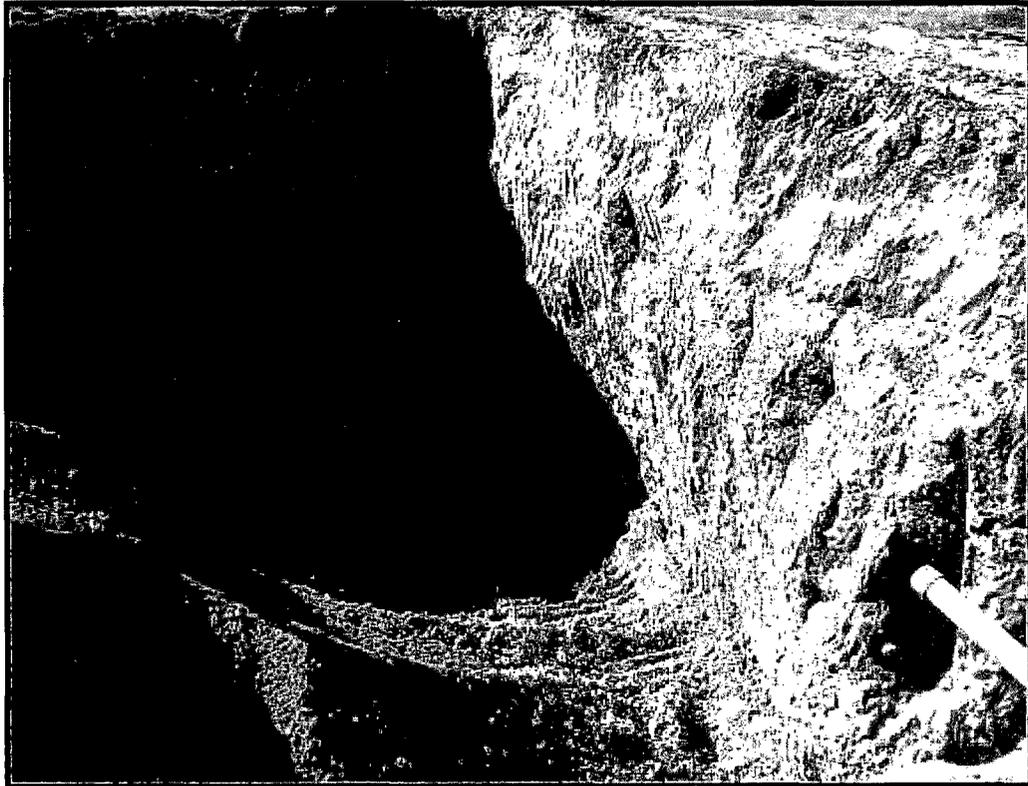


Southwest corner wall facing southwest

Site Photos 10-27-10



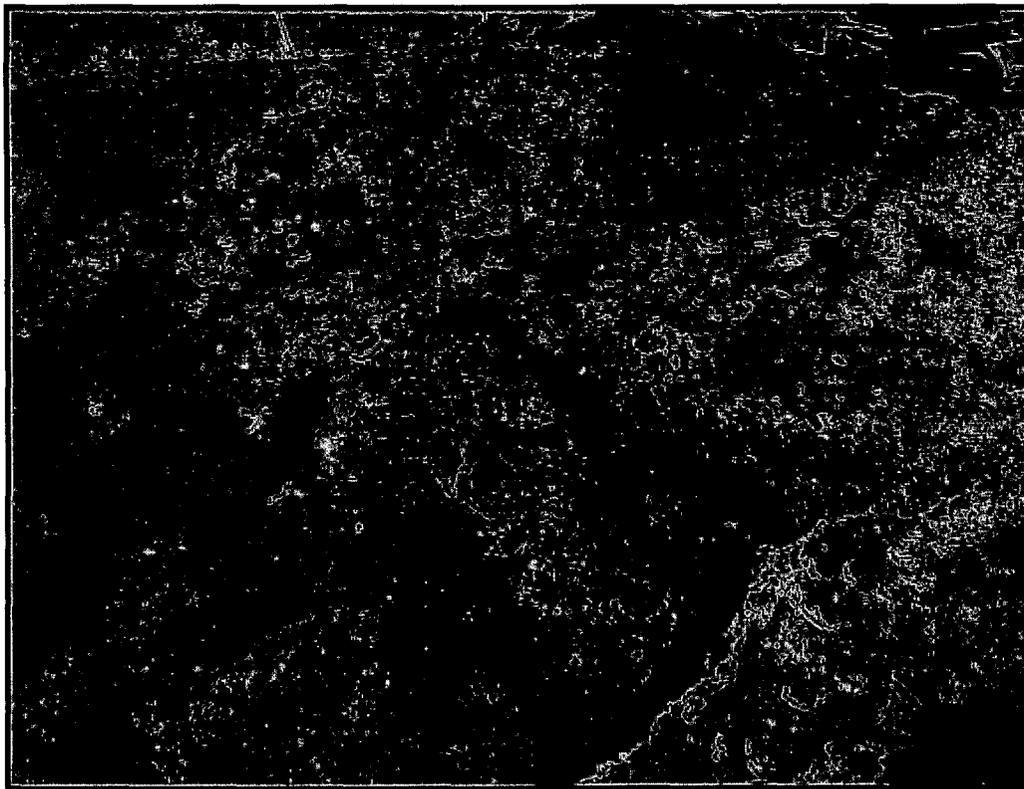
Bottom hole facing east



Southwest corner facing southwest



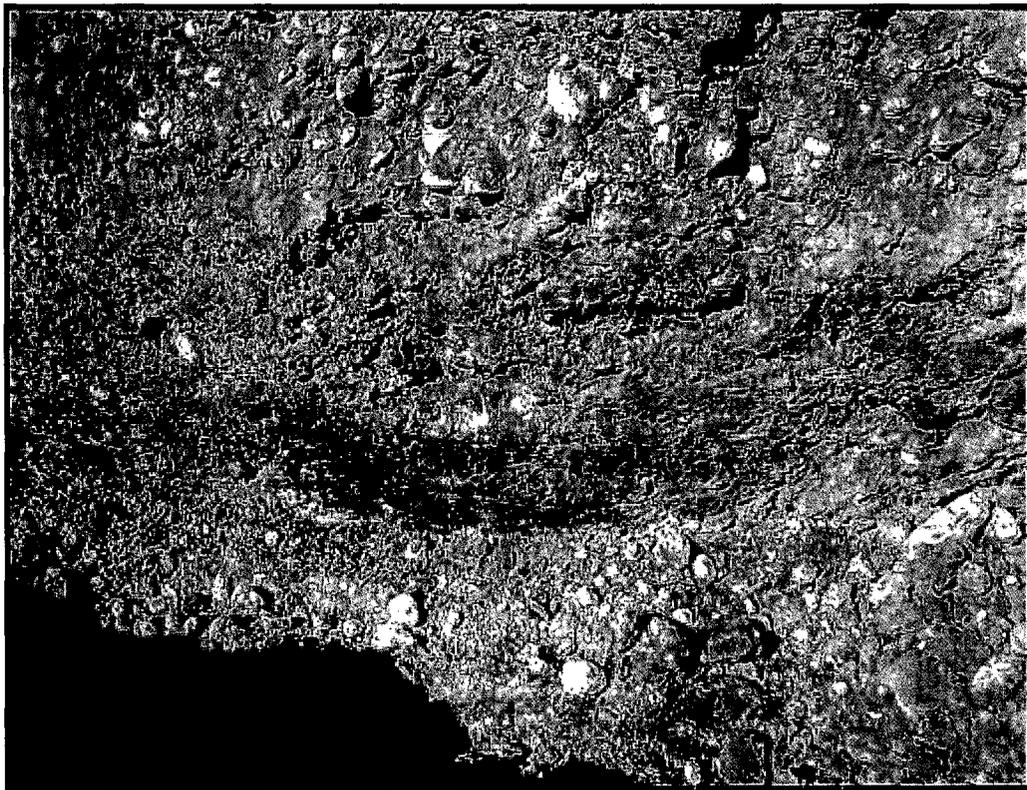
West wall facing southwest



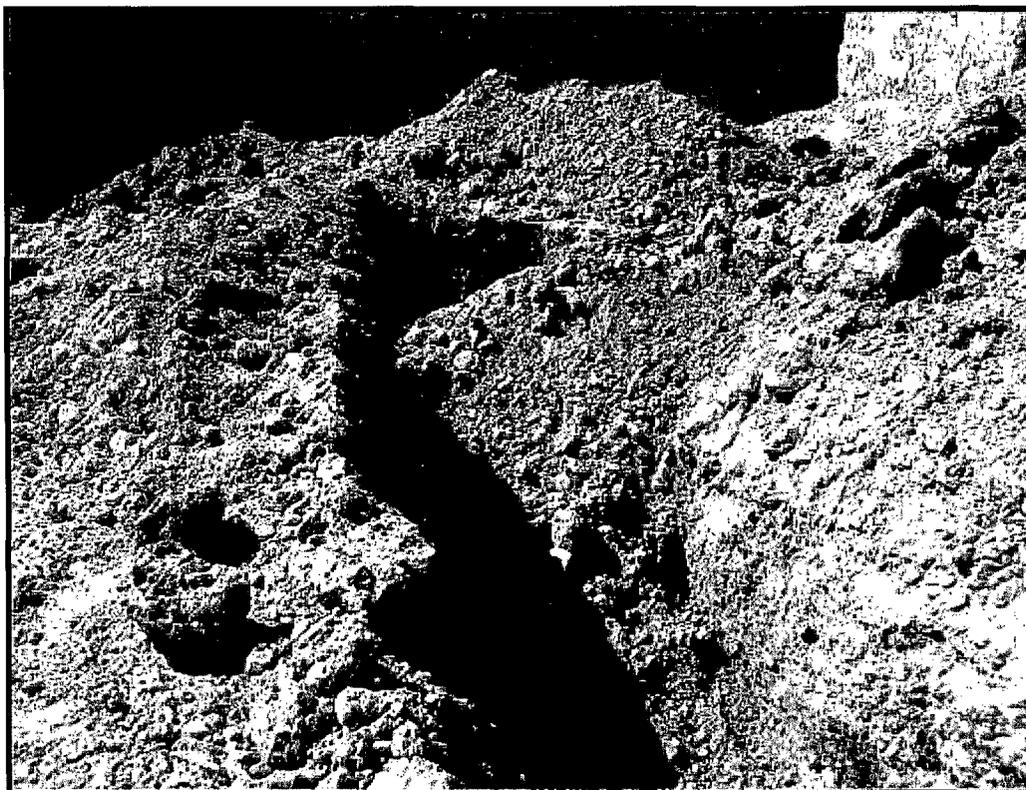
East section facing east



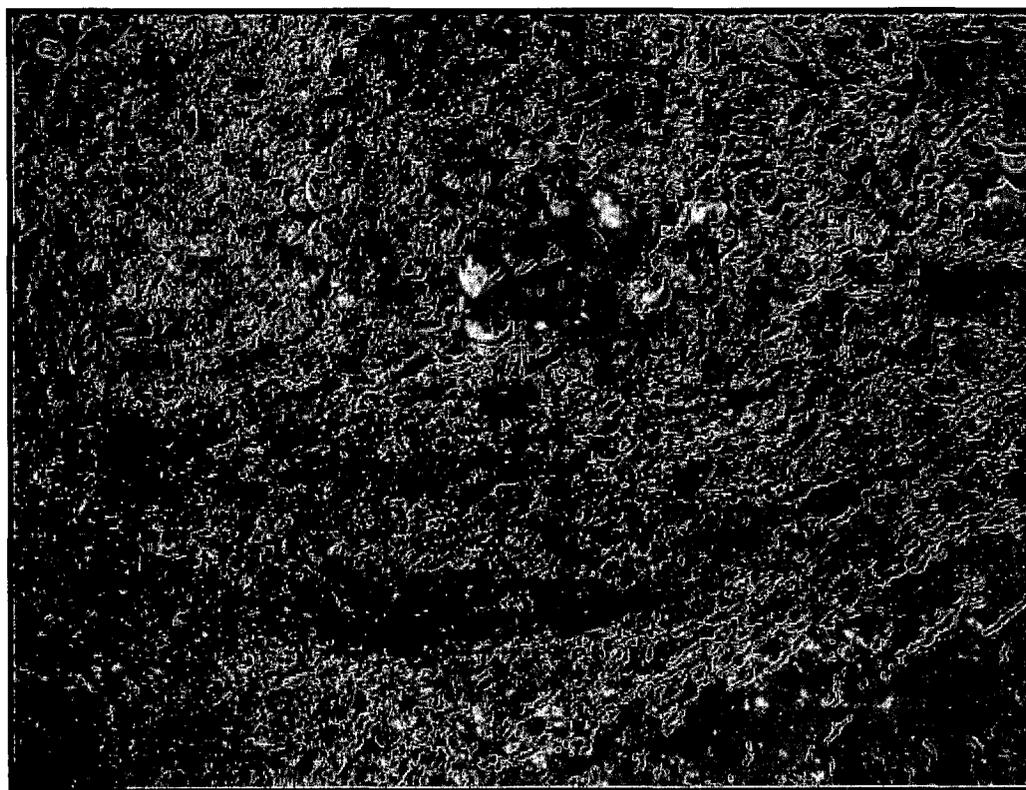
Trench with staining 30' from desire stop point facing east



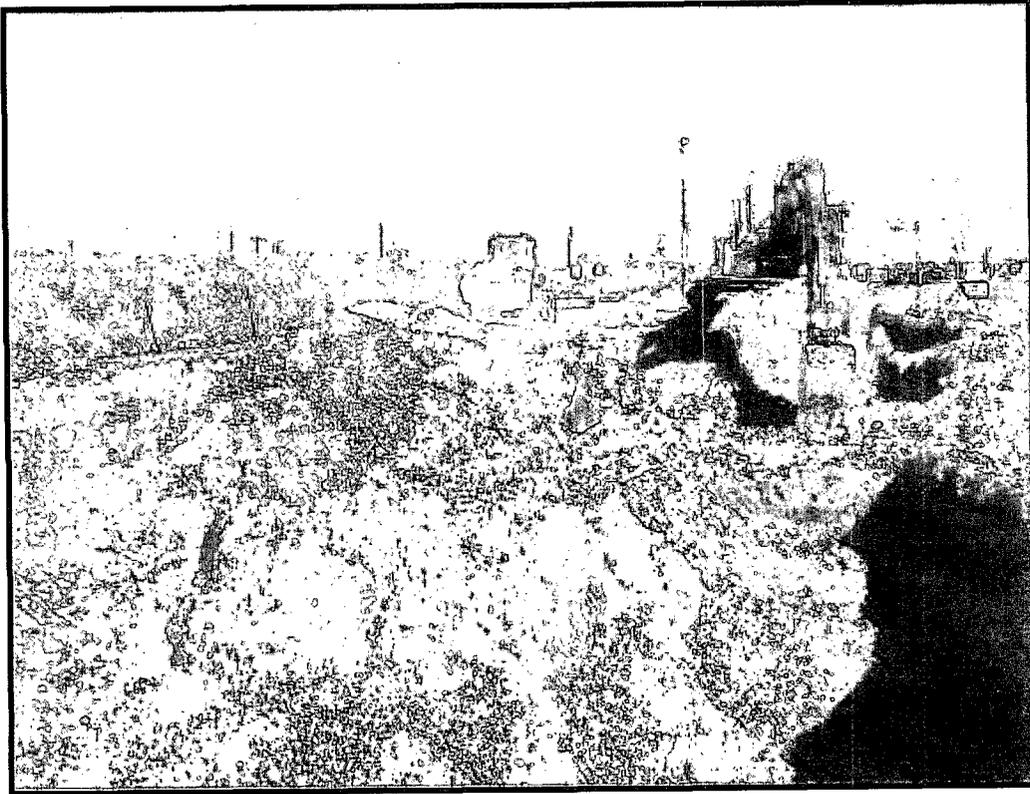
Test trench north wall



Test trench facing west



Test trench with staining on north wall



Desire stopping point with test trench facing east



North wall facing north

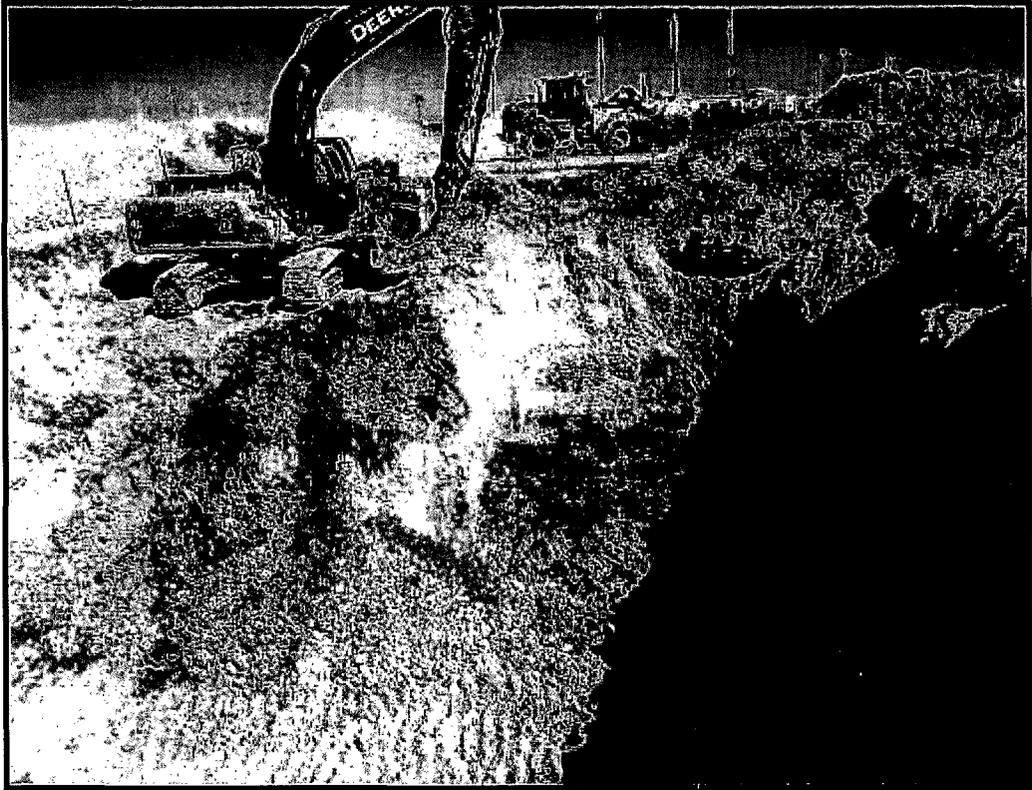


South wall facing south



West wall facing southwest

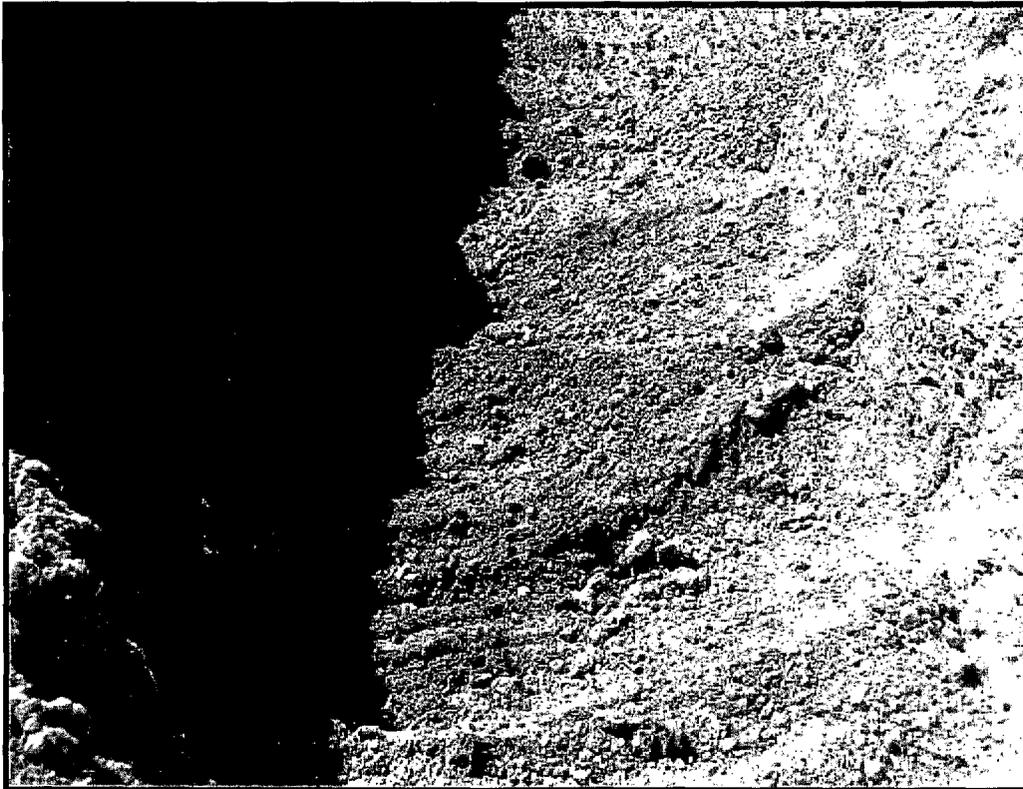
Agave Penasco Yard Site Photos 10-28-10



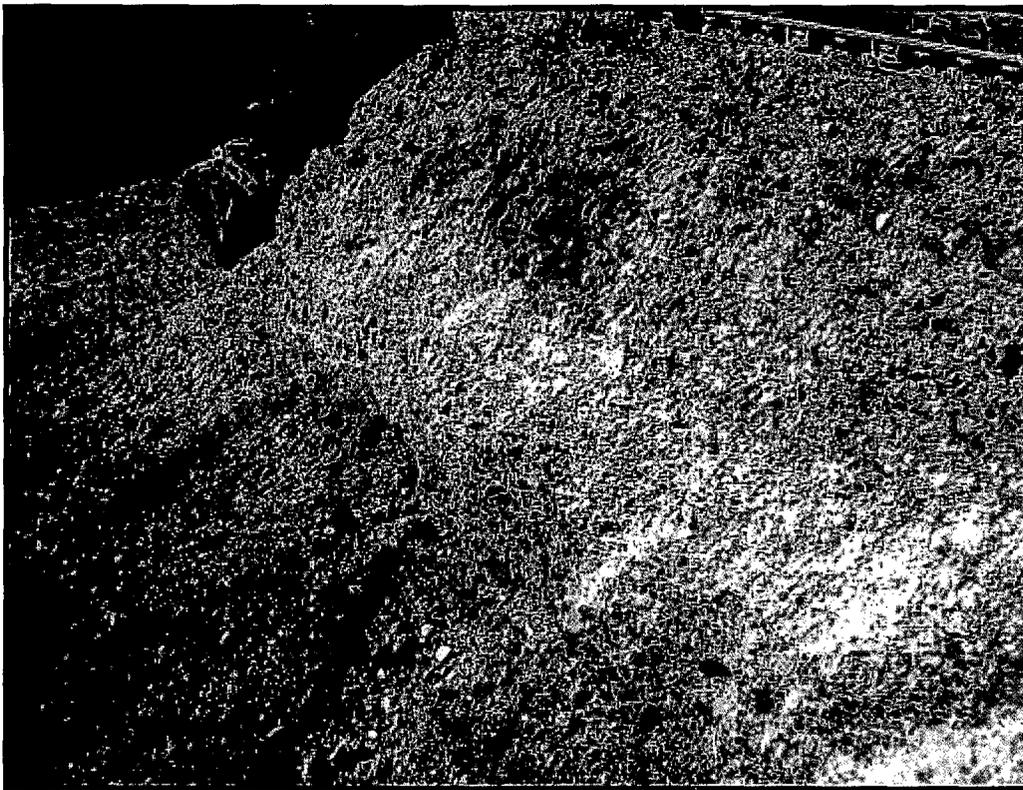
Excavated area facing east



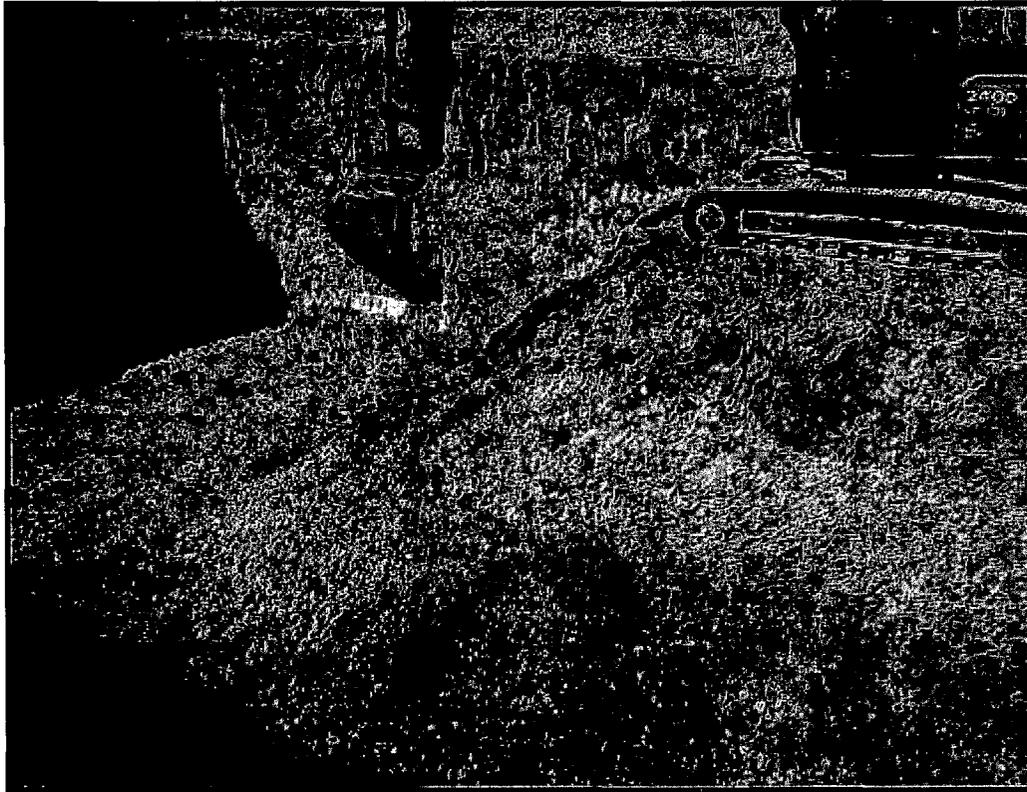
Excavated area facing northeast



South side excavation bottom facing west



Excavated area facing southwest

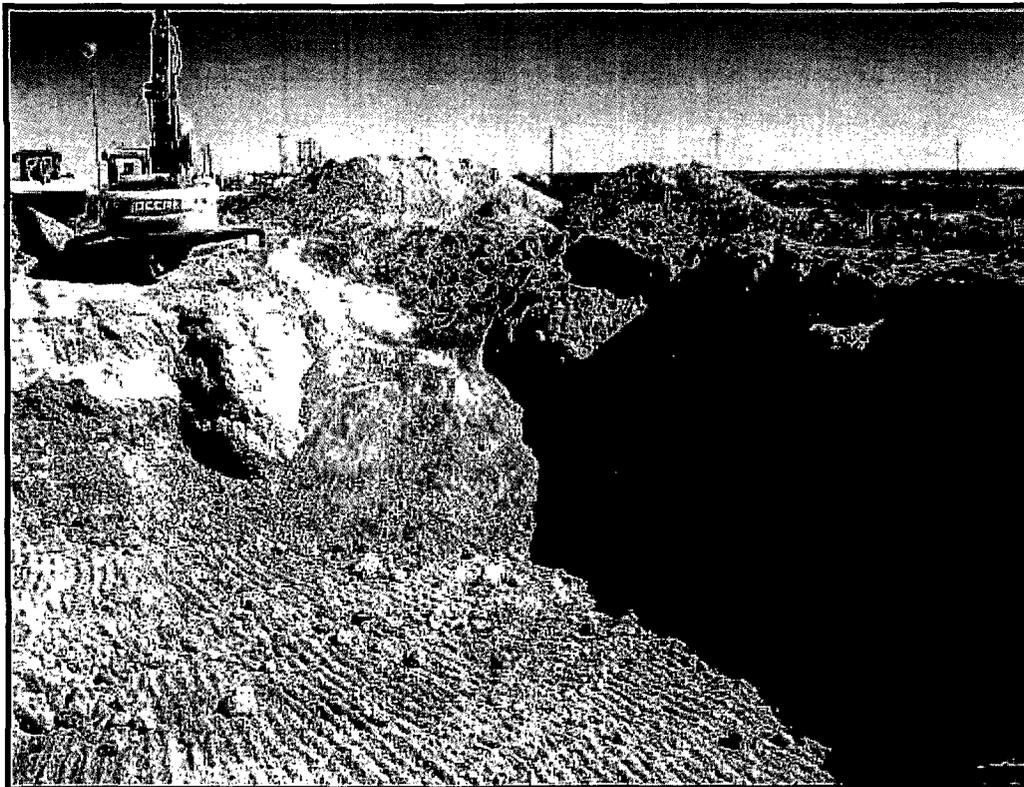


Excavated area facing north

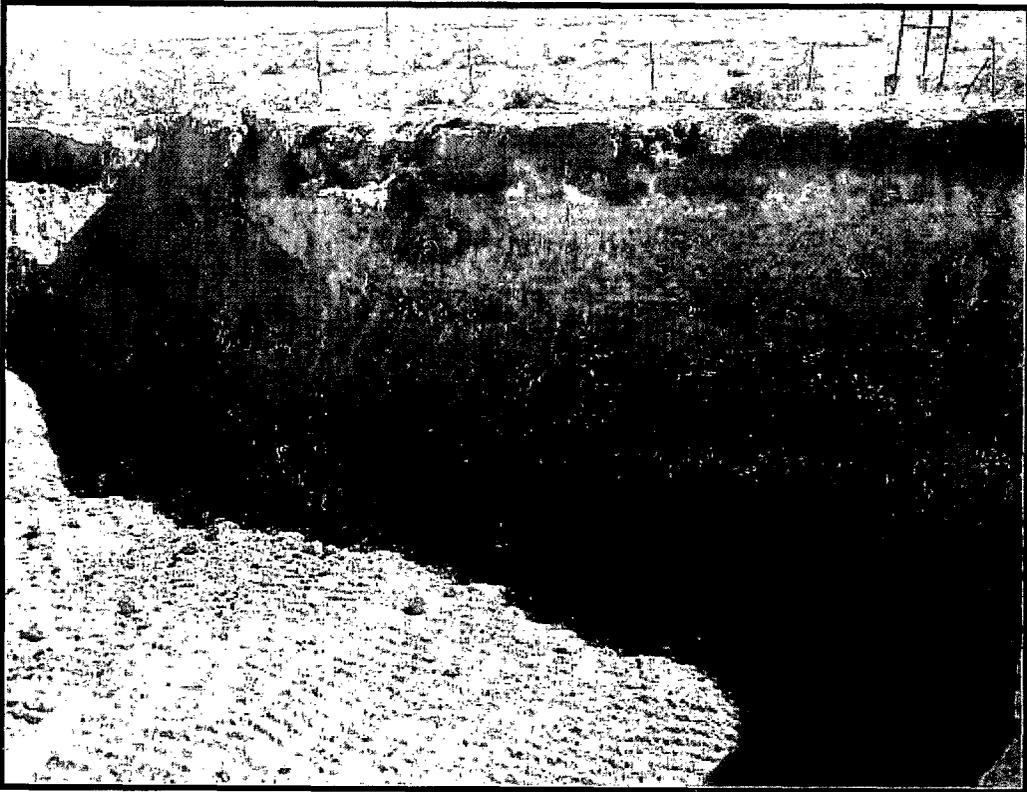
Agave Site Photos 10-29-10



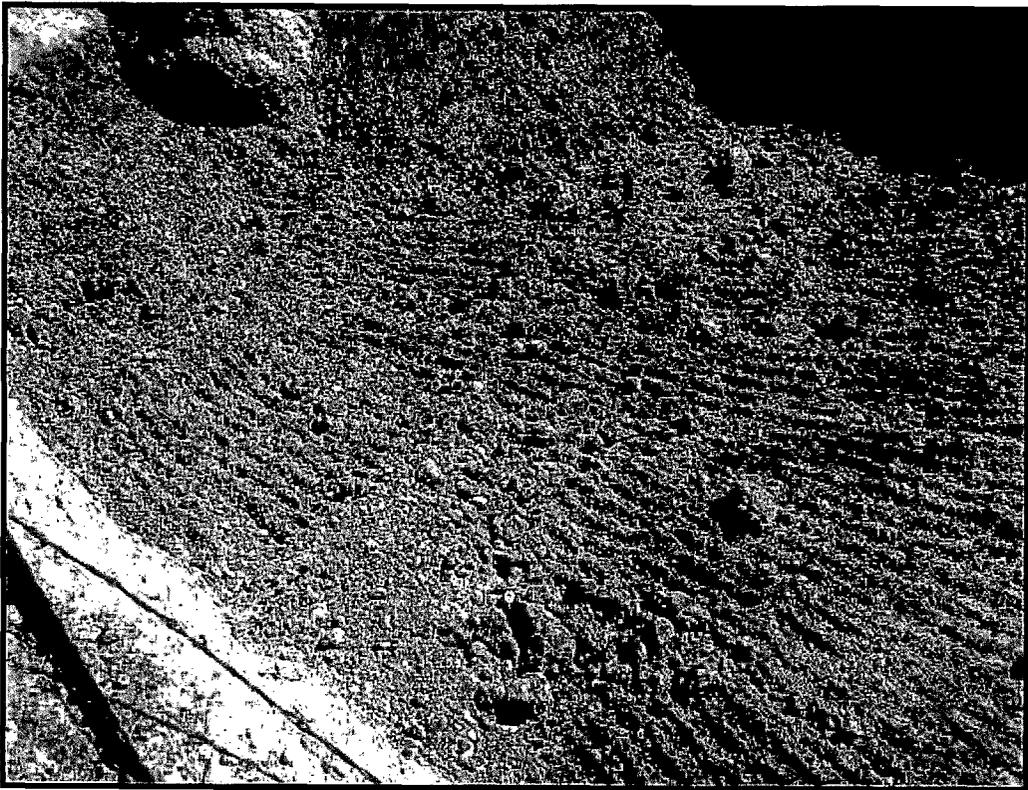
Excavated area facing east



Excavated area facing southeast



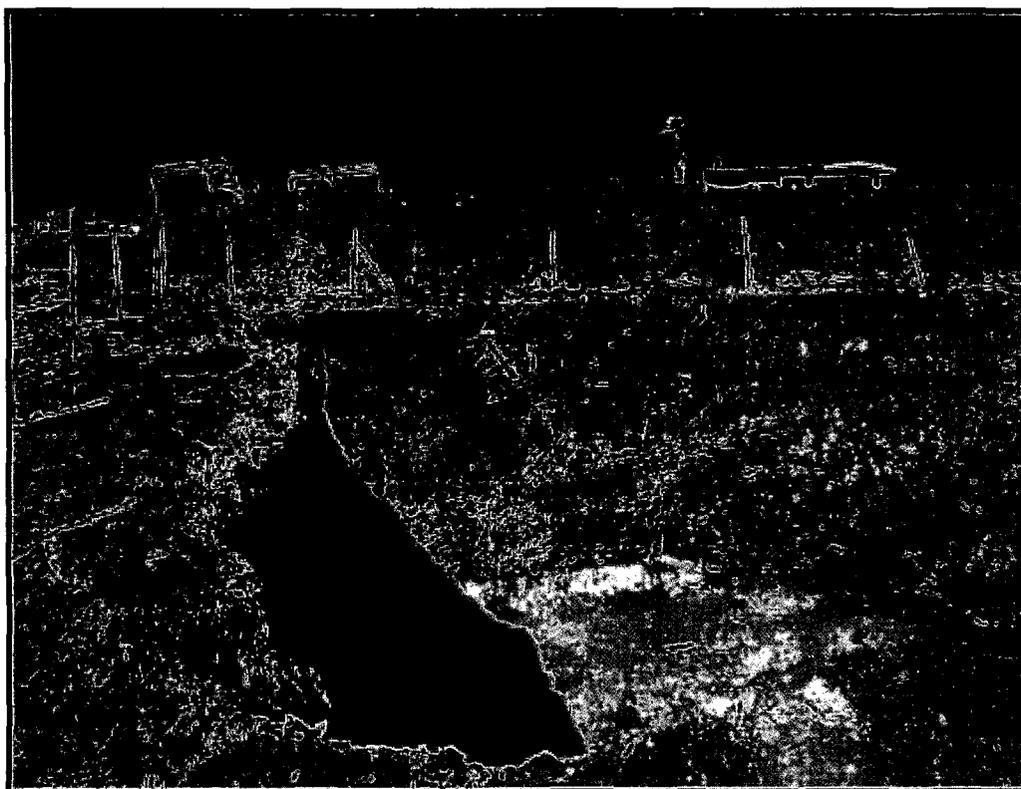
Excavated area facing south



Excavated area bottom floor



Excavated area facing southwest

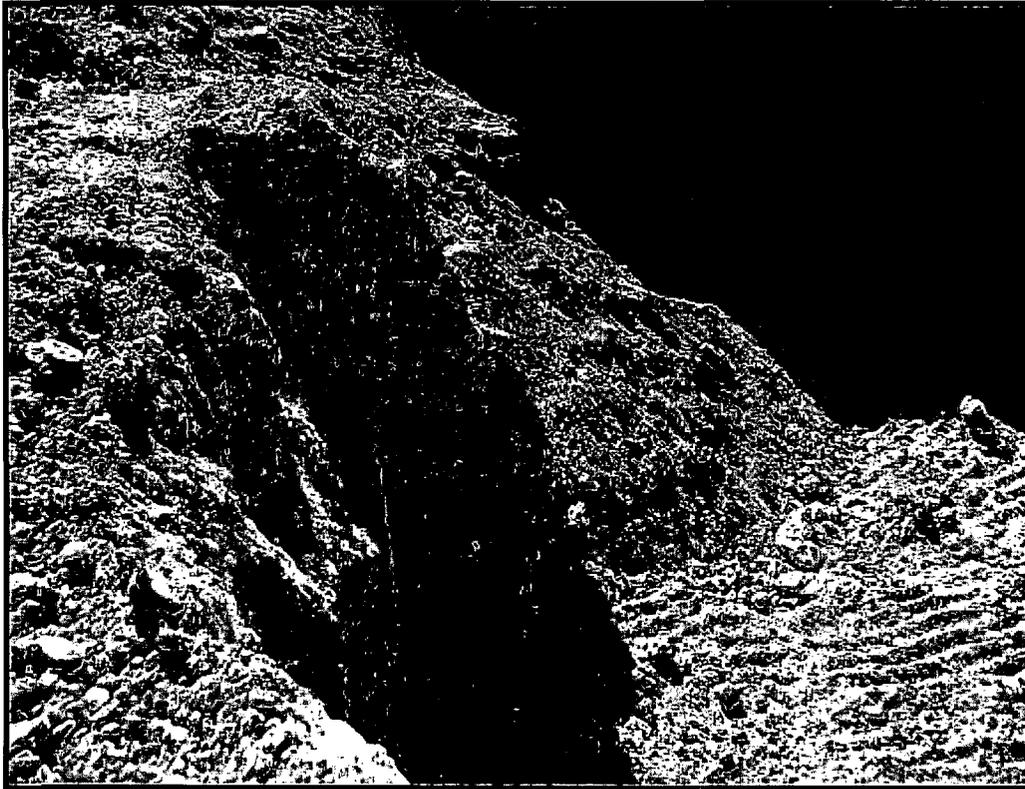


Excavated area facing north

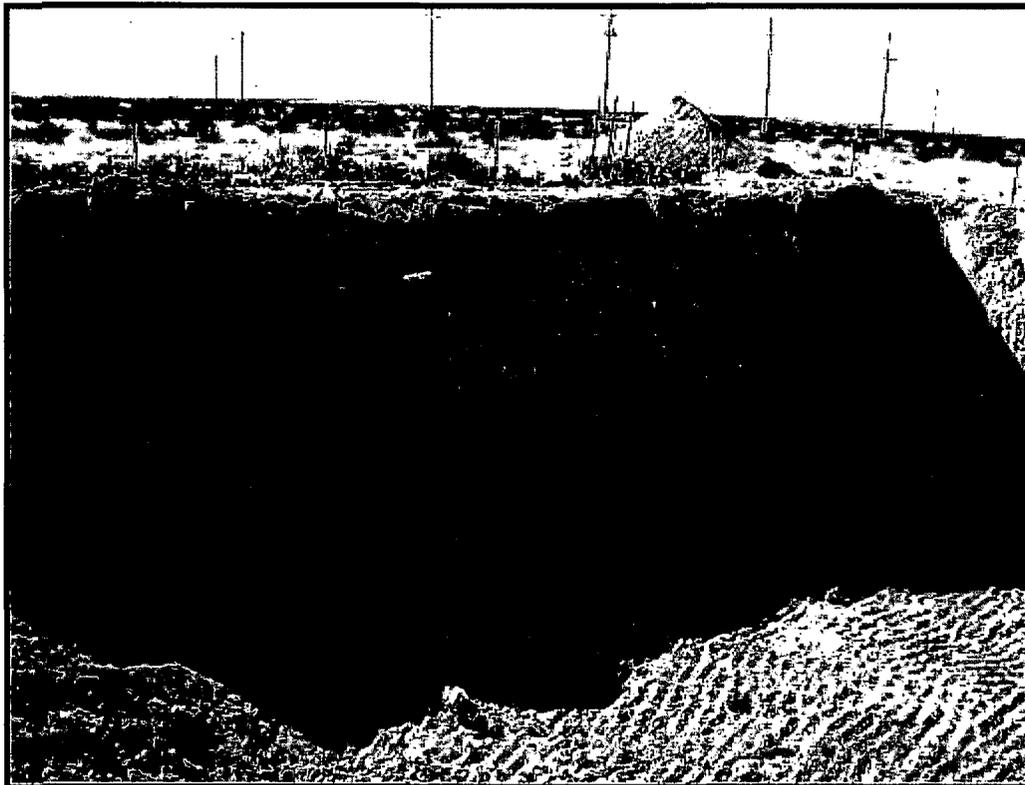


Excavated area facing northeast

Site photos 11-5-10



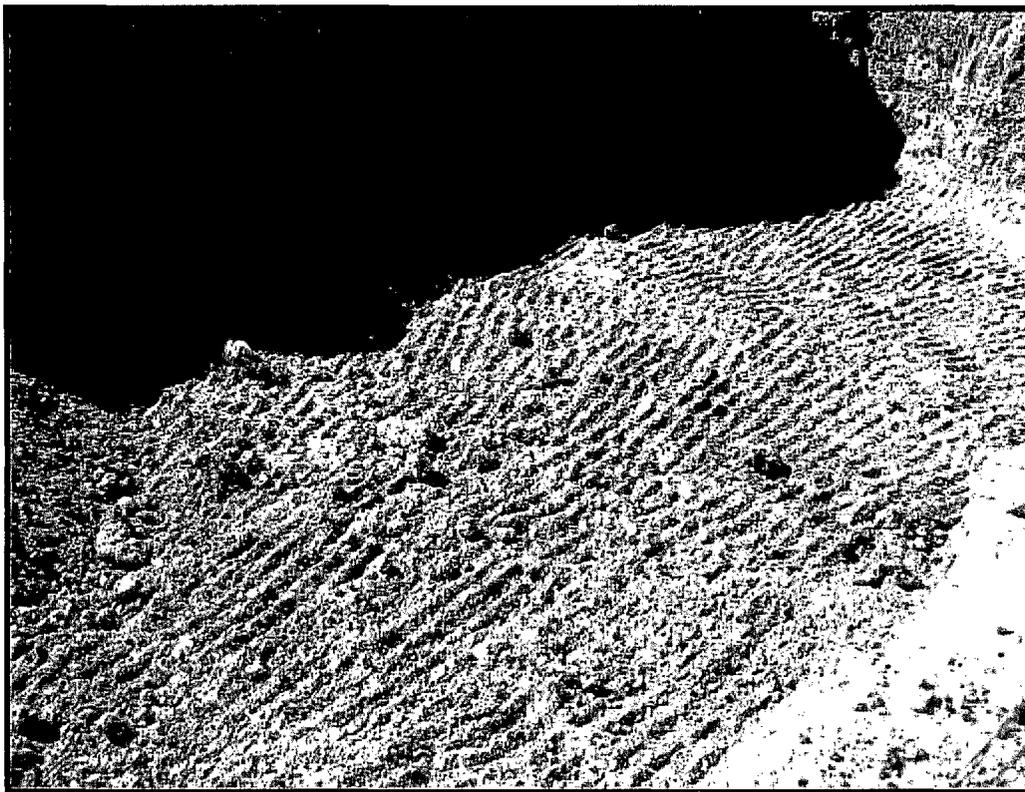
Excavation east side bottom facing south



Excavation south wall facing southwest



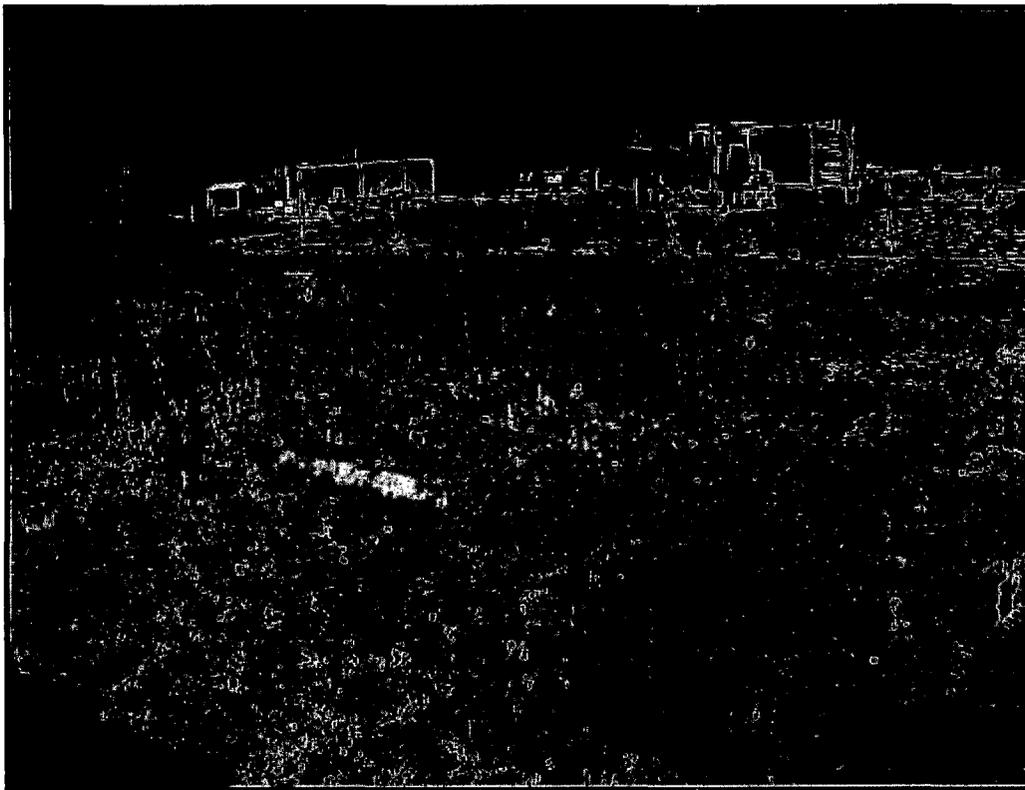
Excavation west wall facing west



Excavation bottom floor at 24' bgs



Excavation area facing west

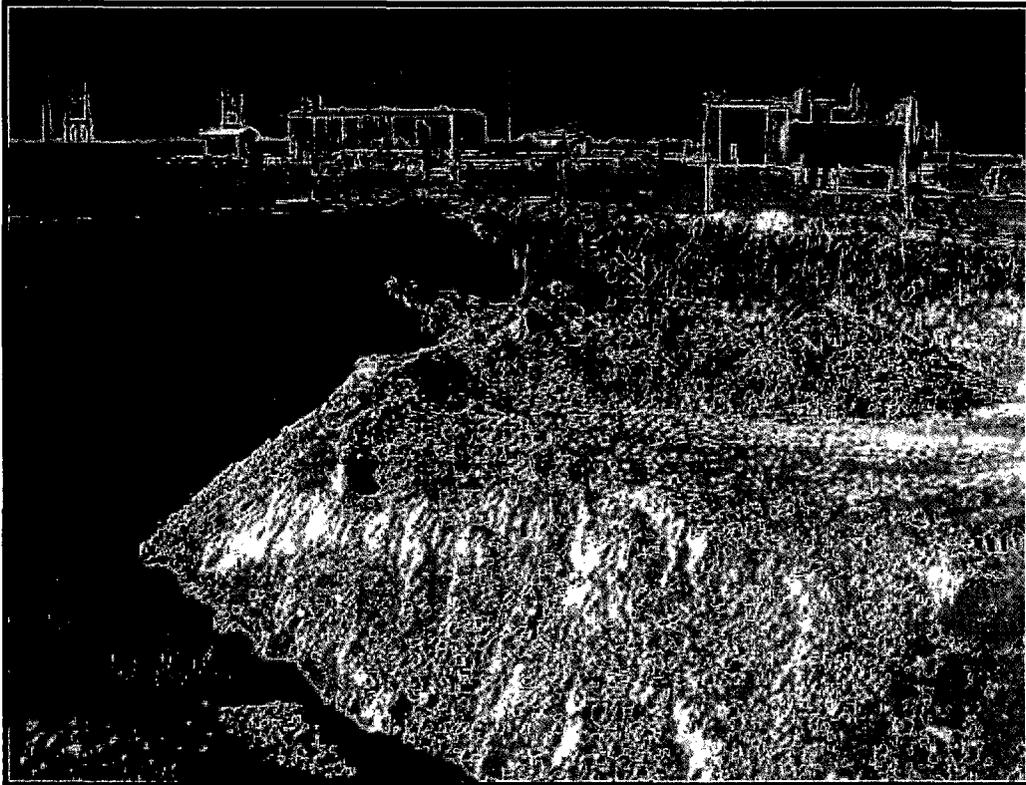


Excavation north wall facing north

Aga-10-001 Site Photos 11-11-10



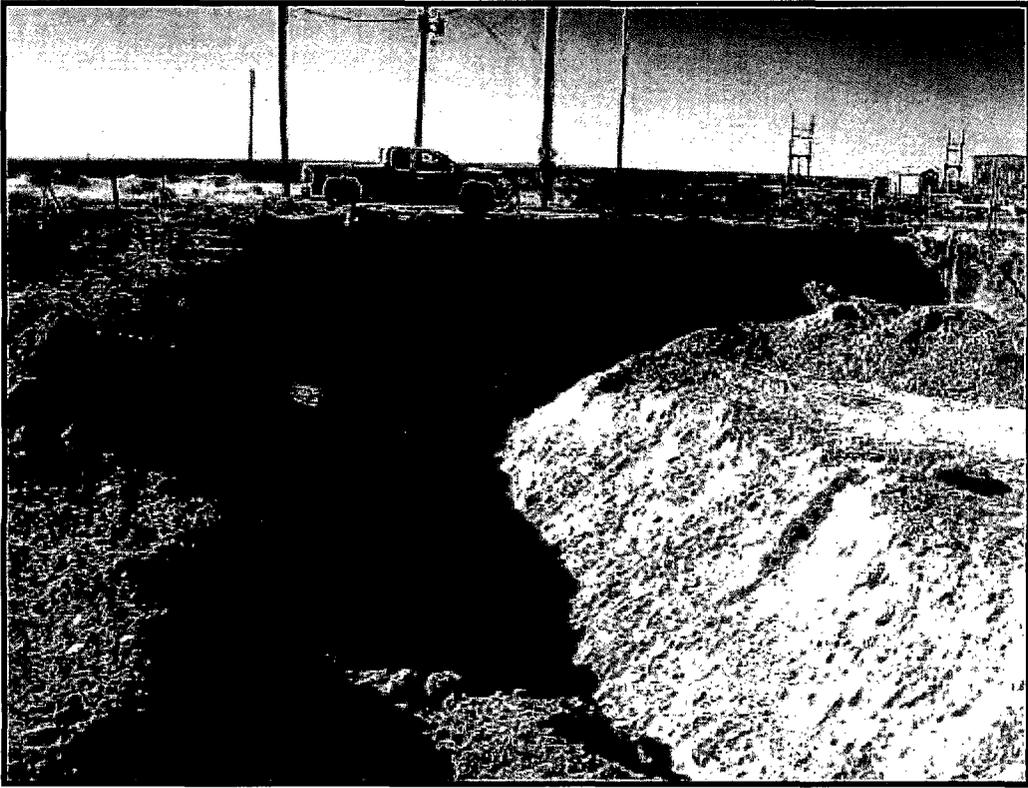
Excavated area backfilled facing east



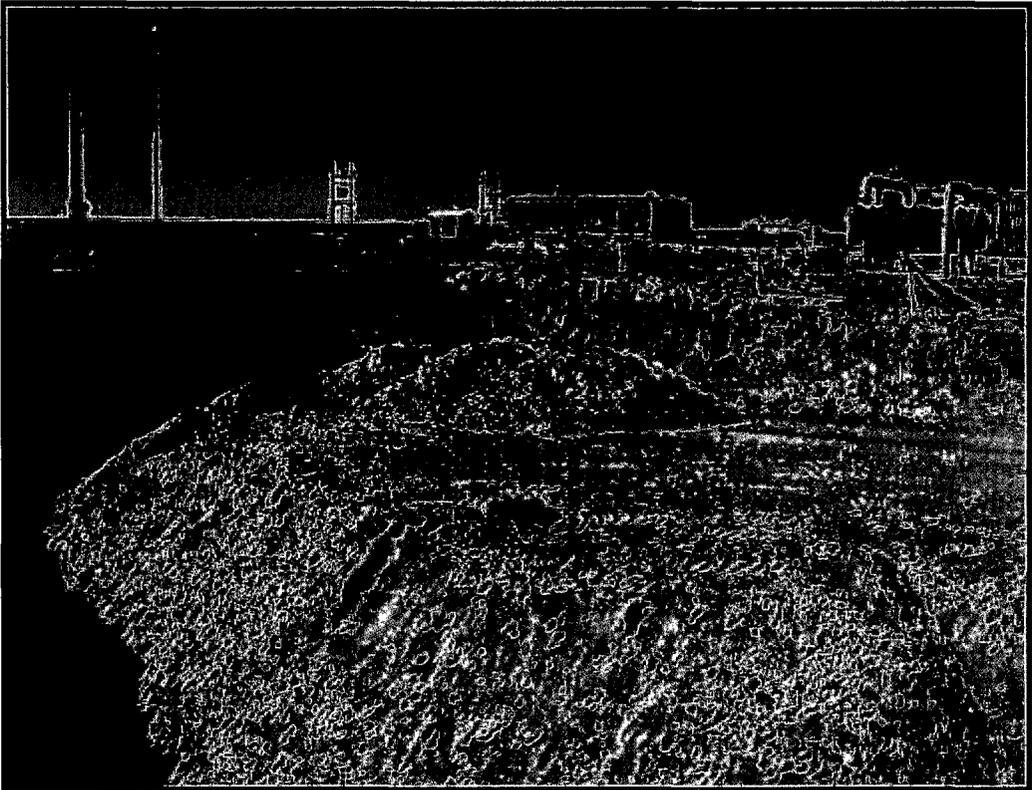
Excavated area backfilled facing north



Excavated area backfilled facing north



Excavated area backfilled facing west

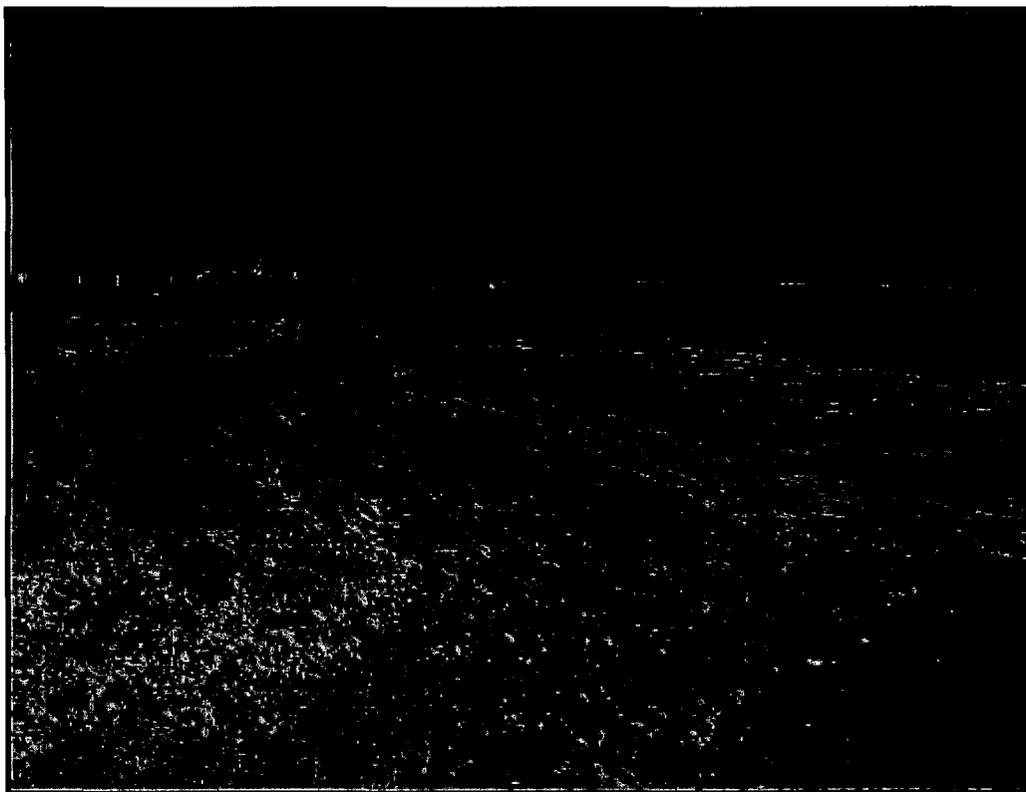


Excavated area backfilled facing northwest

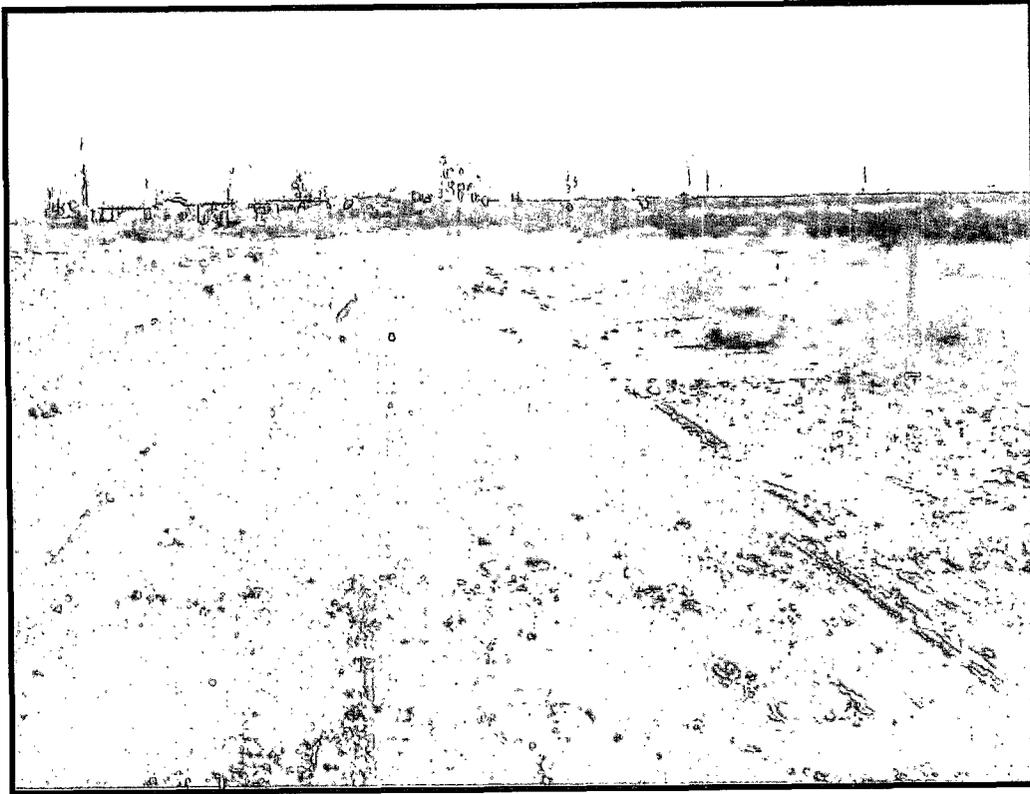
Site Photos 11-16-10



Location area backfilled facing east



Location area backfilled facing east



Location area backfilled facing east



Location area backfilled facing north



Location area backfilled facing northeast



Location area backfilled facing west



Location area backfilled facing northwest

**Appendix C- Copy of Laboratory Analytical
Results**



October 27, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 10/26/10 16:10.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

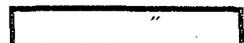
This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

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

Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	10/26/2010	Sampling Date:	10/26/2010
Reported:	10/27/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	Cool & Intact
Project Number:	PENASCO YARD EDDY CO.	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: NON-STAINED STOCKPILE (H021147-01)

BTEX 8260B		mg/kg		Analyzed By: CMS						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.100	0.100	10/27/2010	ND	1.00	100	1.00			
Toluene*	<0.100	0.100	10/27/2010	ND	0.970	97.0	1.00			
Ethylbenzene*	<0.100	0.100	10/27/2010	ND	1.04	104	1.00			
m+p - Xylene	<0.200	0.200	10/27/2010	ND	2.07	103	2.00			
o-Xylene	<0.100	0.100	10/27/2010	ND	1.02	102	1.00			
Total Xylenes*	<0.100	0.100	10/27/2010	ND	3.09	103	3.00			

Surrogate: Dibromofluoromethane 88.9 % 80-120
 Surrogate: Toluene-d8 94.6 % 80-120
 Surrogate: 4-Bromofluorobenzene 100 % 80-120

TPH 418.1		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	110	10.0	10/27/2010	ND	120	91.6	131	8.00	SUB-SS	

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	10/27/2010	ND	168	84.1	200	2.09		
DRO >C10-C28	25.1	10.0	10/27/2010	ND	221	111	200	0.403		

Surrogate: 1-Chlorooctane 104 % 70-130
 Surrogate: 1-Chlorooctadecane 99.9 % 70-130

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

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

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager





CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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

Company Name: 525 F Project Manager: Bob Allen Address: 703 E Clinton City: Hobbs State: NM Zip: 88240 Phone #: 575-397-0500 Fax #: Project #: 46A-90-01 Project Owner: Acave Energy Project Name: Pecos yard Project Location: Eddy, NM Sampler Name: ISSAC Kincaid		BILL TO P.O. #: Company: Attn: Same Address: City: State: Phone #: Fax #:		ANALYSIS REQUEST															
FOR LAB USE ONLY Lab I.D.: Sample I.D. 42147 - Non-stained stockpile		MATRIX GROUNDWATER WASTEWATER SOIL OIL SLUDGE OTHER:		PRESERV ACID/BASE ICE/COOL OTHER:		SAMPLING DATE: 10/20/10 TIME: 1400		BTEX TPH 418.1											

PLEASE NOTE: Cardiacs liability and client's exclusive remedy for any claim arising without 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 Cardiacs within 30 days after completion of the applicable services. Cardiacs shall not 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 associates, arising out of or related to the performance of services hereunder by Cardiacs, regardless of whether such claim is based upon any of the above stated theories or otherwise.

Relinquished By: [Signature] **Date:** 10/20/10
Time: 1610

Received By: [Signature] **Date:** 10/20/10
Time: 1610

Delivered By: (Circle One)
 Sampler - UPS - Bus - Other: 50

Sample Condition: Cool Intact
 Yes No

CHECKED BY: [Signature] **(Initials):** JAH

Phone Result: Yes No **Add'l Phone #:**
Fax Result: Yes No **Add'l Fax #:**

REMARKS: iKincaid@FEST-NM-Com
 Rashed

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

November 12, 2010

Bob Allen

Safety & Environmental Solutions

703 East Clinton

Hobbs, NM 88240

RE: AGA-10-001

Enclosed are the results of analyses for samples received by the laboratory on 11/05/10 15:15.

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 524.4	Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

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

Sincerely,



Celey D. Keene

Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	11/05/2010	Sampling Date:	11/05/2010
Reported:	11/12/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	Cool & Intact
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: BOTTOM 24' BGS (H021240-01)

BTEX 8021B		mg/kg		Analyzed By: cms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	11/11/2010	ND	1.65	82.7	2.00	3.82		
Toluene*	0.181	0.050	11/11/2010	0.069	1.67	83.7	2.00	24.7		
Ethylbenzene*	<0.050	0.050	11/11/2010	ND	1.51	75.3	2.00	5.21		
Total Xylenes*	<0.150	0.150	11/11/2010	ND	4.70	78.3	6.00	2.84		

Surrogate: 4-Bromofluorobenzene (PIL) 85.3 % 80-120

TPH 418.1		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	170	10.0	11/11/2010	ND	140	107	131	6.90	SUB-SS	

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	11/11/2010	ND	186	93.0	200	4.65		
DRO >C10-C28	89.4	10.0	11/11/2010	ND	173	86.4	200	8.04		

Surrogate: 1-Chlorooctane 111 % 70-130

Surrogate: 1-Chlorooctadecane 110 % 70-130

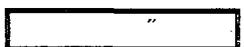
Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	11/05/2010	Sampling Date:	11/05/2010
Reported:	11/12/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	Cool & Intact
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: EAST WALL (H021240-02)

BTEX 8021B		mg/kg		Analyzed By: cms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	11/11/2010	ND	1.65	82.7	2.00	3.82		
Toluene*	0.117	0.050	11/11/2010	0.069	1.67	83.7	2.00	24.7		
Ethylbenzene*	<0.050	0.050	11/11/2010	ND	1.51	75.3	2.00	5.21		
Total Xylenes*	<0.150	0.150	11/11/2010	ND	4.70	78.3	6.00	2.84		

Surrogate: 4-Bromofluorobenzene (PII) 84.6 % 80-120

TPH 418.1		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	12.0	10.0	11/11/2010	ND	140	107	131	6.90	SUB-SS	

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	11/11/2010	ND	186	93.0	200	4.65		
DRO >C10-C28	<10.0	10.0	11/11/2010	ND	173	86.4	200	8.04		

Surrogate: 1-Chlorooctane 106 % 70-130

Surrogate: 1-Chlorooctadecane 102 % 70-130

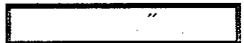
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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received:	11/05/2010	Sampling Date:	11/05/2010
Reported:	11/12/2010	Sampling Type:	Soil
Project Name:	AGA-10-001	Sampling Condition:	Cool & Intact
Project Number:	AGA-10-001	Sample Received By:	Jodi Henson
Project Location:	PENASCO S OF ARTESIA		

Sample ID: NORTH WALL (H021240-03)

BTEX 8021B		mg/kg		Analyzed By: cms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	11/11/2010	ND	1.65	82.7	2.00	3.82		
Toluene*	0.070	0.050	11/11/2010	0.069	1.67	83.7	2.00	24.7		
Ethylbenzene*	<0.050	0.050	11/11/2010	ND	1.51	75.3	2.00	5.21		
Total Xylenes*	<0.150	0.150	11/11/2010	ND	4.70	78.3	6.00	2.84		

Surrogate: 4-Bromofluorobenzene (PIL) 85.6 % 80-120

TPH 418.1		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	100	10.0	11/11/2010	ND	140	107	131	6.90	SUB-SS	

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	11/11/2010	ND	186	93.0	200	4.65		
DRO >C10-C28	22.9	10.0	11/11/2010	ND	173	86.4	200	8.04		

Surrogate: 1-Chlorooctane 93.1 % 70-130

Surrogate: 1-Chlorooctadecane 90.0 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 11/05/2010
 Reported: 11/12/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 11/05/2010
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: WEST WALL (H021240-04)

BTEX 8021B		mg/kg		Analyzed By: cms						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	11/11/2010	ND	1.65	82.7	2.00	3.82		
Toluene*	0.054	0.050	11/11/2010	0.069	1.67	83.7	2.00	24.7		
Ethylbenzene*	<0.050	0.050	11/11/2010	ND	1.51	75.3	2.00	5.21		
Total Xylenes*	<0.150	0.150	11/11/2010	ND	4.70	78.3	6.00	2.84		

Surrogate: 4-Bromofluorobenzene (PII) 90.0 % 80-120

TPH 418.1		mg/kg		Analyzed By: CK						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
TPH 418.1	<10.0	10.0	11/11/2010	ND	140	107	131	6.90	SUB-SS	

TPH 8015M		mg/kg		Analyzed By: AB						
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
GRO C6-C10	<10.0	10.0	11/11/2010	ND	186	93.0	200	4.65		
DRO >C10-C28	<10.0	10.0	11/11/2010	ND	173	86.4	200	8.04		

Surrogate: 1-Chlorooctane 92.6 % 70-130

Surrogate: 1-Chlorooctadecane 91.4 % 70-130

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Celey D. Keene, Lab Director/Quality Manager



Analytical Results For:

Safety & Environmental Solutions
 Bob Allen
 703 East Clinton
 Hobbs NM, 88240
 Fax To: (575) 393-4388

Received: 11/05/2010
 Reported: 11/12/2010
 Project Name: AGA-10-001
 Project Number: AGA-10-001
 Project Location: PENASCO S OF ARTESIA

Sampling Date: 11/05/2010
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SOUTH WALL (H021240-05)

BTEX 8021B

mg/kg

Analyzed By: cms

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	11/12/2010	ND	1.65	82.7	2.00	3.82	
Toluene*	0.155	0.050	11/12/2010	0.069	1.67	83.7	2.00	24.7	
Ethylbenzene*	<0.050	0.050	11/12/2010	ND	1.51	75.3	2.00	5.21	
Total Xylenes*	<0.150	0.150	11/12/2010	ND	4.70	78.3	6.00	2.84	

Surrogate: 4-Bromofluorobenzene (PIL) 86.7% 80-120

TPH 418.1

mg/kg

Analyzed By: CK

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
TPH 418.1	10.0	10.0	11/11/2010	ND	140	107	131	6.90	SUB-SS

TPH 8015M

mg/kg

Analyzed By: AB

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	11/11/2010	ND	186	93.0	200	4.65	
DRO >C10-C28	<10.0	10.0	11/11/2010	ND	173	86.4	200	8.04	

Surrogate: 1-Chlorooctane 98.2% 70-130

Surrogate: 1-Chlorooctadecane 97.2% 70-130

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Celey D. Keene, Lab Director/Quality Manager



Notes and Definitions

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

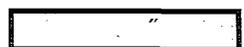
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Celey D. Keene, Lab Director/Quality Manager



Swazo, Sonny, EMNRD

From: Griswold, Jim, EMNRD
Sent: Monday, December 06, 2010 10:06 AM
To: Jennifer Knowlton
Cc: Swazo, Sonny, EMNRD
Subject: RE: Penasco CS

I look forward to seeing it.

Jim

From: Jennifer Knowlton [<mailto:jenniferk@yatespetroleum.com>]
Sent: Monday, December 06, 2010 9:59 AM
To: Griswold, Jim, EMNRD
Cc: 'Bob Allen'
Subject: RE: Penasco CS

I have an additional report that I am going to send to you this week regarding the removal of additional soil, etc. I suggest you review that second report and then we can arrange for a conference call next week. I will get you that report as soon as I can!

Jennifer Knowlton, PE
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210
575-748-4471 (work)
505-238-3588 (cell)

*Note NEW EMAIL: jknowlton@yatespetroleum.com
Please change your address book!*

-----Original Message-----

From: Griswold, Jim, EMNRD [<mailto:Jim.Griswold@state.nm.us>]
Sent: Monday, December 06, 2010 9:56 AM
To: Jennifer Knowlton
Subject: Penasco CS

Jennifer,

I finally got around to reviewing the investigation report for the Penasco station. It didn't take long. When can we get together (phone or otherwise) with SESI to talk about the future? Thanks.

Jim Griswold
Senior Hydrologist
Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

direct: 505.476.3465

email: jim.griswold@state.nm.us

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STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
)	
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

**JOINT STATUS REPORT AND SIXTH
UNOPPOSED MOTION TO STAY DEADLINES
SET FORTH IN ADMINISTRATIVE COMPLIANCE
ORDER PERTAINING TO PERMIT RENEWAL GW-125**

Come now the Respondent, Agave Energy Company (Agave) and the Oil Conservation Division (OCD) (collectively, the Parties), pursuant to the Order Granting Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order and Order Granting Request to Waive the 90-Day Hearing Deadline, dated November 13, 2009 and Water Quality Control Commission (WQCC) regulation 20.1.3.15(B) NMAC, and hereby file this Joint Status Report and Sixth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 (the Administrative Compliance Order). The Parties state to the WQCC the following:

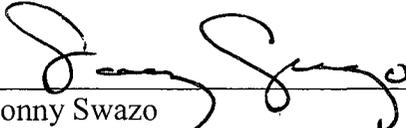
2011 FEB - 17 10:59 AM
RECEIVED OCD

1. The Respondent timely filed a Request for Order Hearing and Request for Stay of Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about November 2, 2009.
2. The Parties are working on settlement of the case and need additional time to work on the settlement.
3. Attorneys for Respondent and the Oil Conservation Division have conferred and agree that an extension of the November 16, 2009, the January 16, 2010, the April 16, 2010, the July 16, 2010, the October 18, 2010 and the January 31, 2011 extensions of the deadline set forth in the Administrative Compliance Order is warranted and both concur that the deadline should be extended to March 18, 2011.
4. Respondent and the Oil Conservation Division shall file a joint Status Report on or before March 18, 2011.
5. Respondent and the OCD are the only parties to this hearing.

WHEREFORE, Respondent and the Oil Conservation Division respectfully request that the WQCC grant the following:

1. Grant Respondent an extension to the November 16, 2009 deadline set forth in the Administrative Compliance Order, the January 16, 2010 extension, the April 16, 2010, the July 16, 2010, the October 18, 2010 and the January 31, 2011 extensions of the deadline to March 18, 2011.

Respectfully submitted this th28th day of January, 2011.



Sonny Swazo
Attorney for Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
Tel: (505) 476- 3463
Fax: (505) 476-3462



Eric L. Hiser (N.M. Bar No. 21786)
Matthew Joy
Jorden Bischoff & Hiser, P.L.C.
7272 E. Indian School Road
Suite 360
Scottsdale, AZ 85251
Tel: (480) 505-3900
Fax: (480) 505-3901
Attorneys for Agave Energy Company

CERTIFICATE OF SERVICE

I certify that on this 28th day of January, 2011, service of the foregoing Sixth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 was made as follows:

Via electronic mail on this 28th-day of January, 2011 and the original and sixteen true and complete copies delivered via overnight delivery on this 31st day of January, 2011 to the following:

Ms. Felicia Orth
WQCC Hearing Officer
Water Quality Control Commission
New Mexico Environment Department
1190 St. Francis Drive
Santa Fe, New Mexico 87502
felicia.orth@state.nm.us

With a copy of the same via overnight delivery, signature required, to:

New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

New Mexico Attorney General's Office
408 Galisteo Street
Villagra Building
Santa Fe, New Mexico 87501

Sharon E. Baker

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

**Order Granting Sixth Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed a Sixth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about January 28, 2011, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until March 18, 2011 in order to allow the Parties additional time to complete settlement negotiations. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Sixth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than March 18, 2011, the Parties shall file a Status Report with the WQCC.

DATED this ____ day of January, 2011.



P.O. Box 1613
703 E. Clinton
Hobbs, New Mexico 88240
575/397-0510
Fax 575/393-4388
www.sesi-nm.com

Safety & Environmental Solutions, Inc.

February 7, 2011

Mr. Jim Griswold
Senior Hydrologist, Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Griswold:

This letter provides specific recommendations for installation and monitoring of the passive ventilation wells at the Yates Penasco compressor station. It also summarizes the results of the work performed to date as that work supports the recommendations.

Two reports submitted to Yates in the fourth quarter of 2010 detailed the investigation conducted at the compressor station (Report of Investigation dated October 8, 2010) and the excavation and backfill of the tank battery location (Closure Report dated December 5, 2010). Copies of these reports were submitted to the Oil Conservation Division as part of the remediation process.

Background

Two areas originally contained sumps (Sump 2 and Sump 23) that were removed and contamination was found in the soil beneath the sumps. The third area originally contained above ground tanks (the tank battery) and contamination was found after the tanks were removed. The locations of the areas investigated are shown in the attached figures (site plan and aerial photograph).

At Sumps #2 and #23 the most highly contaminated soils were removed to a depth of 20' and 13' respectively. Subsequent sampling determined that neither vertical nor horizontal extent of contamination had been reached in either excavation.

Following earlier removal of the tanks, the bermed tank battery area was sampled and it too was determined that vertical and horizontal extent of contamination had not been reached.

Summary of October, 2010 Investigation Report

A soil boring investigation was conducted in June and July 2010 to determine horizontal and vertical extent of contamination at the three locations at the Yates yard. At each location borings were advanced to either auger refusal or until hydrocarbon impacted material was no longer encountered. Sampling results and analyses were previously reported and presented to Yates in the October report of Investigation.

Results of the review were compared with NM Oil Conservation Division "Guidelines for Remediation of Leaks, Spills and Releases" (1993) to determine the relative threat to public health, fresh waters and the environment, and to provide guidance for remediation.

Depth to water for the five wells closest to the Peñasco yard averages 182 feet. The closest private well is used by Yates and its distance is 285 feet from the location of Sump 2. The depth to water in that well was reported as 200 feet. Comparing values of depth to water, wellhead protection area and distance to a surface water body (ephemeral Peñasco Draw approximately 1,560 feet) with the ranking criteria results in a ranking score of 20 and establishes recommended remediation levels of benzene at 10 ppm (mg/Kg), total BTEX of 50 ppm and TPH of 100 ppm.

Based on the above ranking criteria, four of the soil borings from the tank battery location, two borings at the Sump 2 location and one boring from Sump 23 exceed the ranking criteria in one or more soil samples from each boring.

At the tank battery, two borings (center excavation, BSB-1, 40 feet; and south-side excavation, BSB-2, 42 feet) exceeded the 100 mg/Kg standard at boring total depth. At those depths, minimal levels of benzene, total BTEX and TPH remain in these two boreholes. Auger refusal in boulders and cobbles prevented further sampling below 40-42 feet from the surface. Vertical extent of contamination was established in tank battery borings other than those two shown above.

Though upper samples from both Sumps 2 and 23 showed contaminants above OCD standards, such contaminants were not detected at laboratory quantitation levels at boring depth.

The table attached with this letter presents a summary of the analytical results for those borings at the former tank battery, Sump 2 and Sump 23 not meeting the ranking criteria.

In accordance with OCD guidelines, the October 8 investigation report included recommendations for removal of highly contaminated soil in the tank battery area and passive wind ventilation turbine for remediation of soil exceeding guidance standards but not able to be excavated.

Contaminated soil had previously been removed to a depth of 20 and 13 feet at Sump 2 and Sump 23, respectively, which was the maximum practical depth at these locations, and to between 5 and 7 feet at the Tank Battery. Based on the results of the soil borings, additional excavation was a practical remedy only at the former Tank Battery location.

Summary of Closure Activities

Beginning October 25, 2010 and concluding on October 29, the tank battery location was excavated to a depth of twenty-four (24) feet below ground surface. Approximately 3,300 yards of contaminated soils were excavated from the tank battery area and transferred to Jay-Dan Land Farm, an OCD approved disposal facility. Returning trucks contained clean caliche for later backfill of the excavation.

In addition, several hundred yards of unsaturated, non-stained material were removed from the excavation and stockpiled on site for later return to the excavation. This material was tested on October 26 with results of the analysis shown in the table below. This material was directed to be blended with the caliche before placement in the excavation.

Soil Sample ID	Benzene (mg/Kg)	Toluene (mg/Kg)	Ethyl-benzene (mg/Kg)	Total Xylenes (mg/Kg)	Total BTEX (mg/Kg)	GRO C6-C10 (mg/Kg)	DRO C10-C28 (mg/Kg)	Method 418.1 TPH (mg/Kg)
Non-stained stockpile	<0.100	0.100	<0.100	<0.100	<0.100	<10.0	25.1	110
Bottom (24'bgs)	<0.050	0.181	<0.050	<0.150	0.181	<10.0	89.4	170
West Wall	<0.050	0.054	<0.050	<0.150	0.054	<10.0	<10.0	<10.0
East Wall	<0.050	0.117	<0.050	<0.150	0.117	<10.0	<10.0	12.0
North Wall	<0.050	0.070	<0.050	<0.150	0.070	<10.0	22.9	100
South Wall	<0.050	0.155	<0.050	<0.050	0.155	<10.0	<10.0	10.0

NMOCD approved backfilling of the excavation on November 4, 2010; backfill began on November 10 and concluded on November 12, 2010. Approximately 3,536 cubic yards of caliche plus the non-stained stockpiled material were used as backfill. The location area was then contoured to its natural earth form.

Subsequent Work

With the completion of the excavation of the highly contaminated soil material, the following recommendations from the October 8 report remained:

1. Provided that air quality issues and/or permitting are not a restrictive consideration, installation of a grid of passive wind ventilation turbines is recommended with a grid pattern defined by battery soil boring locations BSB-1, BSB-2, BSB-4 and the sides of the existing excavation.
2. Installation of a passive wind ventilation turbine is recommended at the center of Sump 2 and the center of Sump 23 provided that air quality issues and/or permitting are not a restrictive consideration.

The above recommendations were discussed in a January 4 conference call with Mr. Jim Griswold, Senior Hydrologist with the Oil Conservation Division. Mr. Griswold requested that we perform contaminate mass calculations at the tank battery and Sump 23 locations. The results of those calculations, as well as the calculation for Sump 2, are shown below:

Total Mass	Benzene (Kg)	Total BTEX (Kg)	GRO (Kg)	DRO (Kg)	418.1 TPH (Kg)
Tank Battery	0.377	25.1	189	183	797
Sump 23	<0.043	0.774	10.0	17.9	3,987
Sump 2	<0.008	<0.008	<0.165	4.55	59

Because the 418.1 TPH results are elevated in the analytical results, Cardinal Laboratories in Hobbs was requested to look at EPA method 8015 and 8260 chromatograms at all three locations for indications as to the hydrocarbon composition.

They reported that chromatograms at the tank battery and Sump 23 locations have the characteristics of petroleum condensate. However, neither of the two analytical methods would detect other organics such as ethylene glycol or organic soaps that might be contributing to the high 418.1 TPH in Sump 23. At Sump 2 they reported that the chromatograms were indicative of DRO hydrocarbons.

At my request they also reported results of higher range organics (MRO) not previously included in the method 8015 analytical report. For all three locations and for all sample intervals, MRO was <10.0 mg/Kg. The MRO results are included in the table at the end of this letter. The absence of heavier hydrocarbons indicates that passive venting will be highly effective in removing the lighter ends at the former tank battery and Sump 23 locations.

During the conversation with Mr. Griswold on January 4 and based on the original GRO/GRO/418.1 TPH analytical data in the attached table, he recommended that no further action be taken at Sump 2. Supplemental data from Cardinal Laboratories further supports this recommendation as no hydrocarbons above diesel range organics were detected (MRO <10.0 mg/Kg). Additionally, 8015 TPH is less than the 100 mg/Kg OCD-TPH guideline for this location. Finally, though the 418.1 TPH values exceed 100 mg/Kg, maximum vertical hydrocarbon extent was determined (30 feet) and the depth to groundwater is in the range of 200 feet.

Passive Vent Well Installation

Passive wind ventilation turbines will be installed at the former tank battery and Sump 23 locations. A passive system will be used due to the presence of lighter organics and the fact that the use of an active system would likely trigger air permitting requirements, delaying implementation of the vapor extraction system.

Eleven vents will be installed at the tank battery in a modified five-spot array. The distance between the vents will be approximately 15 feet. The pipe to be used is 3-inch PVC which will be slotted in a manner similar to pipe used in septic tank leach fields. At the tank battery the pipe will be slotted from 25 to 45 feet with blank pipe above. The annular space above 25 feet will be sealed with hydrated bentonite to prevent short circuiting of air.

At Sump 23 one vent will be installed in the center of the former sump and will be slotted from 10 to 45 feet. Again the upper area will be sealed with bentonite.

Monitoring

At both locations the individual pipes will be equipped with sample valves so that they can be monitored for vapors in the vent pipe. The vents will be shut-in for a 72 hour period and at the end of that period monitored for vapors using a PID. The vents will be sampled quarterly with the first sampling to include an analysis for BTEX. Yates may decide to take more frequent PID measurements at the start of the remediation to ensure that the passive vent system is effective.

Based on our research, we do not recommend using CO₂ as an indicator of biodegradation. One reference text* on remediation with a section on bioventing cautions that higher pH and higher alkalinity soils will exhibit little CO₂ in soil gas due to the formation of carbonates. Soil water content will also impact the measurable CO₂ due to the solubility of the gas. At the a depth of 35 feet in the center tank battery boring we observed saturated clayey gravel (likely due to the previous flooding of the partially excavated pit; no other saturation was observed in the other borings). Therefore, monitoring of CO₂ may provide little information as the results may falsely show little or no activity, or indicate completion of activity when in fact microbial-generated CO₂ is being removed downhole. Monitoring with the PID together with initial and periodic BTEX sampling will best provide progress on remediation.

* S.S. Suthersan, 1997. "Remediation Engineering, Design Concepts." Geraghty & Miller Environmental and Engineering Series, Lewis Publishers, New York.

Mr. Jim Griswold
February 7, 2011

Page 5

Closure

We propose submitting results of the vent sampling once we have two consecutive quarters with less than 100 ppm PID results. At that time we will take a BTEX sample which should provide confirmation of the results. Upon confirmation of the 100 ppm PID results, we will remove the vents or alternately, if removal is not possible, plug them by cutting off the PVC below grade and filling with bentonite which will be hydrated.

If you have any questions or I may be of further assistance, please call me at (575) 397-0510.

Sincerely,

s/DGB

David G. Boyer, P.G.

Encl.

cc. Jennifer Knowlton, Agave Energy

**Soil Boring Analytical Results (mg/Kg) Exceeding OCD Guidelines,
June-July 2010 Penasco Yard Investigation**

Location:	Boring ID and Corrected Depth (feet below original land surface)	Sample Date	Benzene (<10 mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	MRO (>C28-C35) (mg/Kg)	TPH (8015) (<100 mg/Kg)	TPH (418.1) (<100 mg/Kg)
Tank Battery									
Center excavation	BSB-1, 10 ft.*	06/29/10	<0.050	<0.050	13.3	104	<10.0	117	1,580
Center excavation	BSB-1, 15 ft.*	06/29/10	<0.050	23.1	305	424	<10.0	729	1,500
Center excavation	BSB-1, 20 ft.*	06/29/10	1.68	118	1,420	1,240	<10.0	2,660	7,030
Center excavation	BSB-1, 25 ft.*	06/29/10	0.234	16.0	13.0	<10.0	<10.0	13	<100
Center excavation	BSB-1, 30 ft.	06/29/10	0.134	5.01	<10.0	<10.0	<10.0	<10.0	<100
Center excavation	BSB-1, 35 ft.	06/29/10	0.081	9.57	238	301	<10.0	539	1,290
Center excavation	BSB-1, 40 ft.	06/29/10	0.084	5.05	60.4	11.9	<10.0	72.3	332
S-side excavation	BSB-2, 10 ft.*	06/29/10	<0.050	7.21	33.5	28.3	<10.0	61.8	1,690
S-side excavation	BSB-2, 15 ft.*	06/29/10	<0.050	4.32	47.6	10.7	<10.0	58.3	<100
S-side excavation	BSB-2, 20 ft.*	06/29/10	<0.050	0.704	<10.0	<10.0	<10.0	<10.0	<100
S-side excavation	BSB-2, 25 ft.*	06/29/10	<0.050	<0.050	80.8	57.1	<10.0	138	255
S-side excavation	BSB-2, 30 ft.	06/29/10	<0.050	1.66	41.0	56.2	<10.0	97.2	<100
S-side excavation	BSB-2, 35 ft.	06/29/10	0.156	21.8	479	387	<10.0	866	1,470
S-side excavation	BSB-2, 40 ft.	06/29/10	0.235	17.3	180	124	<10.0	304	530
S-side excavation	BSB-2, 42 ft.	06/29/10	<0.050	0.916	33.6	71.7	<10.0	105	163

Table Notes:

* Tank battery soil above 24 feet was subsequently excavated October/November 2010 and replaced with clean fill material

Bold – exceeds NMOCD guideline value for this facility as shown on the top of each table column.

**Soil Boring Analytical Results (mg/Kg) Exceeding OCD Guidelines,
June-July 2010 Penasco Yard Investigation (continued)**

Location:	Boring ID and Corrected Depth (feet below original land surface)	Sample Date	Benzene (<10 mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	MRO (>C28-C35) (mg/Kg)	TPH (8015) (<100 mg/Kg)	TPH (418.1) (<100 mg/Kg)
Tank Battery									
W-side excavation.	BSB-4, 10.5 ft.*	07/27/10	1.92	123	1,140	994	<10.0	2,134	3,240
W-side excavation.	BSB-4, 15.5 ft.*	07/27/10	3.84	148	445	743	<10.0	1,188	3,070
W-side excavation.	BSB-4, 20.5 ft.*	07/27/10	1.67	124	306	619	<10.0	925	2,870
W-side excavation.	BSB-4, 25.5 ft.*	07/27/10	4.24	100	440	351	<10.0	791	1,620
W-side excavation.	BSB-4, 30.5 ft.	07/27/10	2.71	132	608	570	<10.0	1,178	2,740
W-side excavation.	BSB-4, 35.5 ft.	07/27/10	0.278	62.7	295	388	<10.0	683	1,430
W-side excavation.	BSB-4, 40.5 ft.	07/27/10	<0.100	<0.100	<10.0	<10.0	<10.0	<10.0	<100
W-side excavation.	BSB-4, 45.5 ft.	07/27/10	<0.100	<0.100	<10.0	<10.0	<10.0	<10.0	<100
N-side excavation.	BSB-5, 10.5 ft.*	07/27/10	<0.100	<0.100	<10.0	<10.0	N/A	--	580
N-side excavation.	BSB-5, 20.5 ft.*	07/27/10	<0.100	1.37	<10.0	<10.0	N/A	--	<100
N-side excavation.	BSB-5, 25.5 ft.*	07/27/10	<0.100	1.96	<10.0	<10.0	N/A	--	<100
N-side excavation.	BSB-5, 30.5 ft.	07/27/10	<0.100	<0.100	<10.0	<10.0	N/A	--	<100

Table Notes:

* Tank battery soil above 24 feet was subsequently excavated October/November 2010 and replaced with clean fill material

Bold – exceeds NMOCD guideline value for this facility as shown on the top of each table column.

**Soil Boring Analytical Results (mg/Kg) Exceeding OCD Guidelines,
June-July 2010 Penasco Yard Investigation (concluded)**

Location:	Boring ID and Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	MRO (>C28-C35) (mg/Kg)	TPH (8015) (<100 mg/Kg)	TPH (418.1) (<100 mg/Kg)
Sump 2									
Center	S2SB-2, 20 ft.*	07/27/10	<0.100	<0.100	<10.0	<10.0	<10.0	<10.0	855
Center	S2SB-2, 25 ft.	07/27/10	<0.100	<0.100	<10.0	<10.0	<10.0	<10.0	182
Center	S2SB-2, 30 ft.	07/27/10	<0.100	<0.100	<10.0	55.2	<10.0	55.2	357
Center	S2SB-2, 40 ft.	07/27/10	<0.100	<0.100	<10.0	<10.0	<10.0	<10.0	<100
19.5' SW of center	S2SB-4, 10 ft.	07/28/10	<0.100	<0.100	<10.0	64.5	<10.0	64.5	937
19.5' SW of center	S2SB-4, 15 ft.	07/28/10	<0.100	<0.100	<10.0	<10.0	N/A	--	<100
19.5' SW of center	S2SB-4, 20 ft.	07/28/10	<0.100	<0.100	<10.0	<10.0	N/A	--	<100
19.5' SW of center	S2SB-4, 25 ft.	07/28/10	<0.100	<0.100	<10.0	<10.0	N/A	--	<100
19.5' SW of center	S2SB-4, 35 ft.	07/28/10	<0.100	<0.100	<10.0	<10.0	N/A	--	<100

Table Notes:

* Center sump soil above 20 feet was previously excavated and replaced with clean fill material

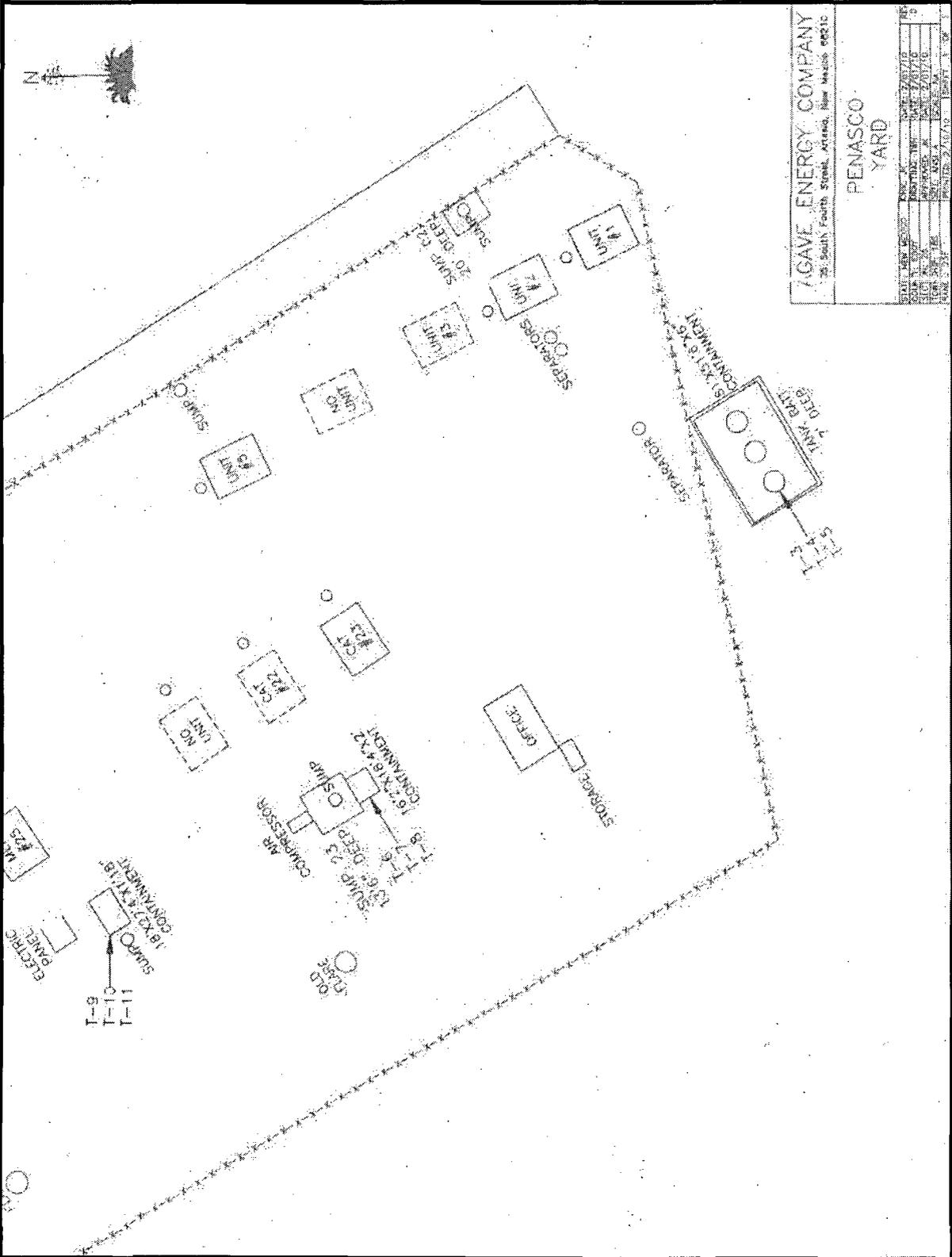
Bold – exceeds NMOCD guideline value for this facility as shown on the top of each table column.

Location:	Boring ID and Depth (feet below land surface)	Sample Date	Benzene (<10 mg/Kg)	Total BTEX (<50/mg/Kg)	GRO (C6-C10) (mg/Kg)	DRO (>C10-C28) (mg/Kg)	MRO (>C28-C35) (mg/Kg)	TPH (8015) (<100 mg/Kg)	TPH (418.1) (<100 mg/Kg)
Sump 23									
Center	S23SB-2, 15 ft.*	07/29/10	<0.100	4.93	36.2	47.5	<10.0	83.7	4,870
Center	S23SB-2, 20 ft.	07/29/10	<0.100	0.803	17.9	27.1	<10.0	45.0	9,040
Center	S23SB-2, 25 ft.	07/29/10	<0.100	1.40	15.5	20.9	<10.0	36.4	9,500
Center	S23SB-2, 40 ft.	07/29/10	<0.100	1.90	25.8	51.7	<10.0	77.5	9,450
Center	S23SB-2, 45.5 - 46.5 ft.	07/29/10	<0.100	<0.100	<10.0	<10.0	<10.0	<10.0	<100

Table Notes:

* Center sump soil above 14 feet was previously excavated and replaced with clean fill material

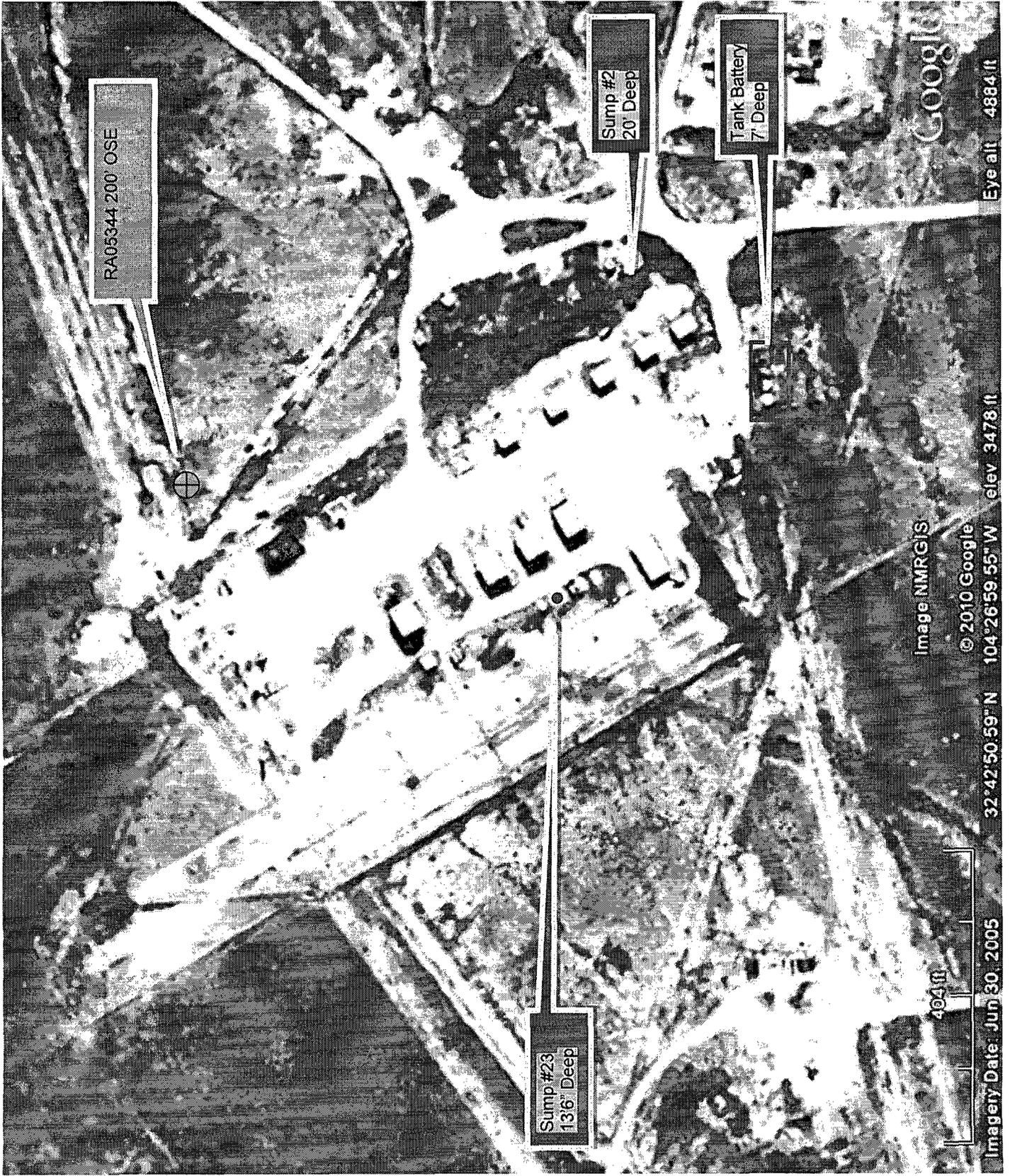
Bold – exceeds NMOCD guideline value for this facility as shown on the top of each table column.



7 GAVE ENERGY COMPANY
 25 South Fourth Street, Arcata, Humboldt County, CA 95521

PENASCO YARD

DATE	10/11/00
BY	J. W. BROWN
PROJECT	7 GAVE ENERGY COMPANY
SCALE	AS SHOWN
DATE	10/11/00
BY	J. W. BROWN
PROJECT	7 GAVE ENERGY COMPANY
SCALE	AS SHOWN
DATE	10/11/00
BY	J. W. BROWN
PROJECT	7 GAVE ENERGY COMPANY
SCALE	AS SHOWN



RA05344 200' OSE

Sump #2
20' Deep

Tank Battery
7' Deep

Sump #23
13'6" Deep

404 ft

Image NMRGIS

© 2010 Google

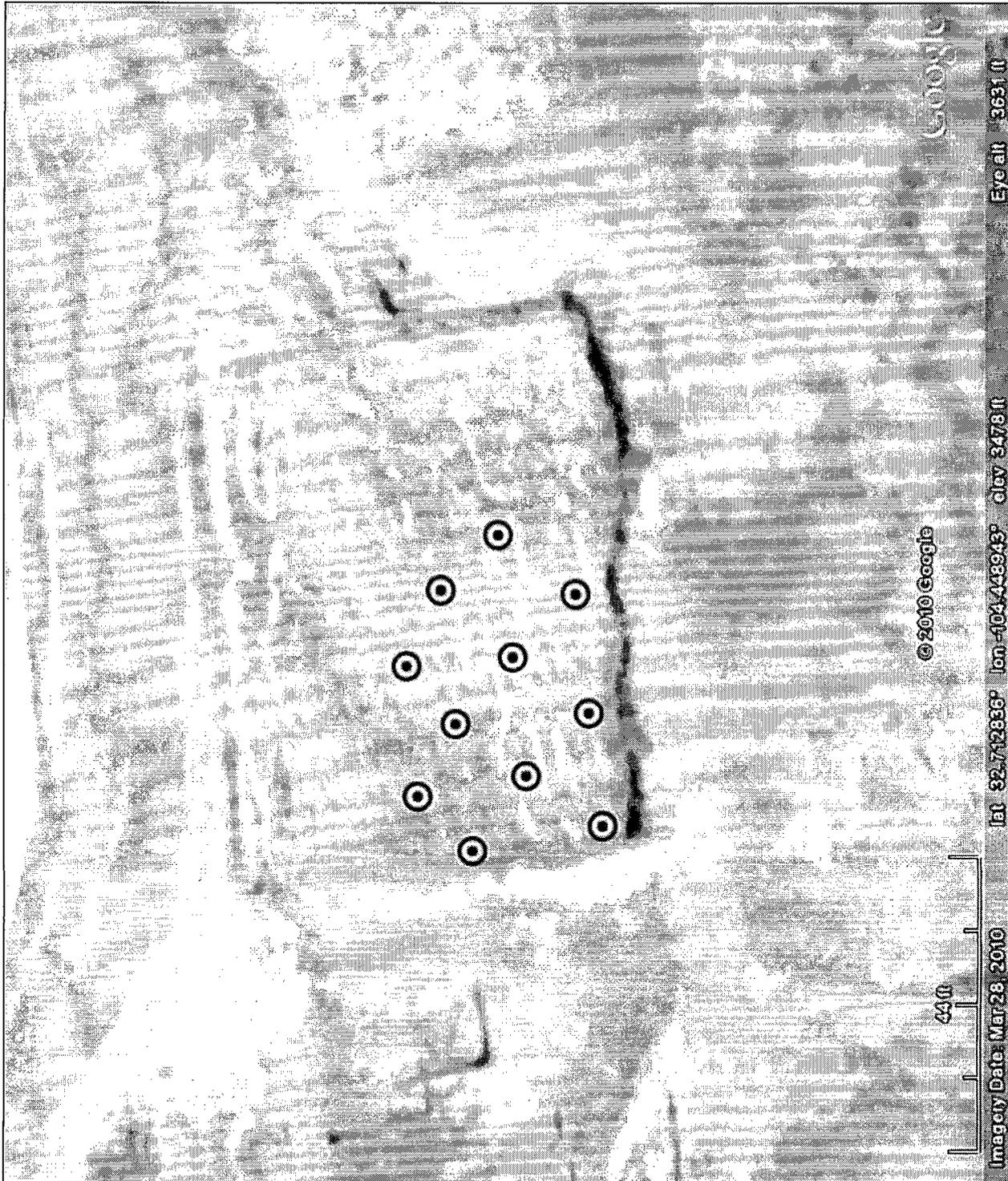
104°26'59.55" W elev 3478.1ft

32°42'50.59" N

Imagery Date: Jun 30, 2005

Eye alt 4884.1ft

Google



Google

© 2010 Google

44.0

Eye alt 3631 ft

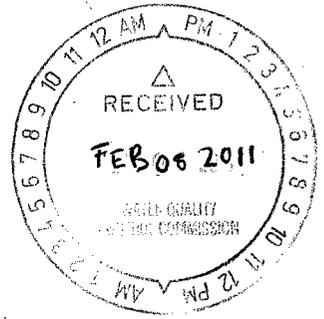
Elev 3478 ft

Lon -104.448943°

Lat 32.742836°

Imagery Date: Mar 28, 2010

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION



RECEIVED OCD

NEW MEXICO OIL CONSERVATION DIVISION,)
2011 FEB -9 P 8:20 Complainant)
)
)
v.)
)
)
AGAVE ENERGY COMPANY,)
Respondent)
)
)

Case No. 09-10 (CO)

**Order Granting Sixth Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed a Sixth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about January 28, 2011, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until March 18, 2011 in order to allow the Parties additional time to complete settlement negotiations. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Sixth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than March 18, 2011, the Parties shall file a Status Report with the WQCC.

DATED this ____ day of January, 2011.

Griswold, Jim, EMNRD

From: Jennifer Knowlton [jenniferk@yatespetroleum.com]
Sent: Thursday, February 24, 2011 9:12 AM
To: 'David Boyer'; Griswold, Jim, EMNRD
Cc: 'Bob Allen'; 'Matt Joy'
Subject: RE: Agave's Penasco CS

Mr. Griswold,

Agave would like to see a draft of the conditions of approval if OCD is going to add monitoring and closure requirements that we haven't we yet. We will make every effort to turn around any drafts in as short a time as possible.

Jennifer Knowlton, PE
Agave Energy Company
105 South Fourth Street
Artesia, NM 88210
575-748-4471 (work)
505-238-3588 (cell)

Note NEW EMAIL: jknowlton@yatespetroleum.com
Please change your address book!

-----Original Message-----

From: David Boyer [mailto:dgboyer@sesi-nm.com]
Sent: Thursday, February 24, 2011 9:10 AM
To: Griswold, Jim, EMNRD
Cc: Bob Allen; Jennifer Knowlton
Subject: RE: Agave's Penasco CS

Jim,
Thanks for the note. Will be looking for your comments.
Dave

David G. Boyer, P.G.
Hydrogeologist
Safety and Environmental Solutions, Inc.
P.O. Box 1613
703 E. Clinton
Hobbs, NM 88241
office: 575-397-0510
fax: 575-393-4388
cell: 575-390-7067
email: dgboyer@sesi-nm.com

-----Original Message-----

From: Griswold, Jim, EMNRD [mailto:Jim.Griswold@state.nm.us]
Sent: Thursday, February 24, 2011 8:57 AM
To: dgboyer@sesi-nm.com
Subject: Agave's Penasco CS

David,

Got your voicemail. Sorry I haven't been able to respond. Eyeballs and alligators, I'm sure you know the situation. I'm booked solid today, but am scheduled to speak with Sonny Swazo about the project tomorrow morning, so I will be in touch thereafter. My cursory review indicates we are going to need more specifics regarding monitoring and closure but those can be handled as conditions of approval rather than requiring resubmission (with Agave's agreement, of course). Thanks for your patience.

Jim Griswold
Senior Hydrologist
EMNRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
direct: 505.476.3465
email: jim.griswold@state.nm.us

Swazo, Sonny, EMNRD

From: Griswold, Jim, EMNRD
Sent: Tuesday, March 01, 2011 3:14 PM
To: Swazo, Sonny, EMNRD
Subject: Draft comments for Agave

Jennifer,

In an effort to expedite our planned teleconference of Thursday, I am sending you my current comments regarding the 2/7/11 submission by SESI regarding the installation of passive vents to deal with remaining soil contamination at Agave's Penasco CS west of Atoka. I will leave it to you to forward these comments to others as you see fit.

On Page 4 of the document discussing the well installation it states, "*A passive system will be used due to the presence of lighter organics and the fact that the use of an active system would likely trigger air permitting requirements, delaying implementation of the vapor extraction system.*" To reiterate my past statements on the use of passive vs. active venting, in this instance with what appears to be a relatively modest volume of remaining contaminant mass, I have no problem with a passive system other than it would almost invariably require a longer time to reach closure. However, I am surprised Agave and SESI feel that emissions from even a passive system would not be of some concern to the NMED's Air Quality Bureau. I would think this would constitute only a minor modification to whatever permit you may have and can be dealt with quickly with a simple administrative approval. Nonetheless, they should be informed. I am willing to speak with them if you think it'll help.

Also on Page 4 in the section discussing monitoring, it basically says that every quarter each of the vents will be shut in for 3 days prior to sampling to allow for vapors to accumulate. Then a sample would be gathered for BTEX analysis. PID readings would be taken on a more frequent basis to evaluate the effectiveness of the system. Carbon dioxide will not be monitored as y'all feel the soil chemistry is such that it might lead to false conclusions as to the pace of remediation. Given that the probable released hydrocarbon was condensate, my concern is that SESI should analyze the laboratory samples by Method 8260 full list, at least at the start, rather than just for BTEX. However, all 11 of the proposed vents within the tank battery area do not need to be regularly sampled for lab analysis. Maybe just 3 or 4, but all should be monitored with the PID.

On Page 5 discussing system closure, Agave and SESI propose not submitting sampling data until 2 consecutive quarters with less than 100 ppm PID readings are achieved. A BTEX sample would also be taken at that time for lab confirmation. Furthermore, if the BTEX and PID data are both less than 100 ppm, you would either remove or plug the vents. Bless your heart for not wanting to trouble me any more than necessary. However, I respectfully suggest you get OCD concurrence before you go to all the expense of taking the vents permanently out of service. We need to consider advancing confirmation borings before implementing closure. Furthermore, annual reporting is justified.

Jim Griswold
Senior Hydrologist
EMNRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
direct: 505.476.3465
email: jim.griswold@state.nm.us



P.O. Box 1613
703 E. Clinton
Hobbs, New Mexico 88240
575/397-0510
Fax 575/393-4388
www.sesi-nm.com

Safety & Environmental Solutions, Inc.

March 4, 2011

Mr. Jim Griswold
Senior Hydrologist, Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Yates Penasco Compressor station, Passive Vent Well Installation

Dear Mr. Griswold:

This letter is an addendum to my correspondence of February 11, 2011 which provided recommendations for installation and monitoring of the passive ventilation wells at the Yates Penasco compressor station. It is submitted following yesterday's telephone conference call between OCD, Yates and myself that discussed monitoring and closure provisions in the letter. As a result of that conversation Yates is revising those sections of the February 11 letter and substituting the provisions below. For continuity, the description of the passive vent well installation is included.

Passive Vent Well Installation

Passive wind ventilation turbines will be installed at the former tank battery and Sump 23 locations. A passive system will be used due to the presence of lighter organics and the fact that the use of an active system would likely trigger air permitting requirements, delaying implementation of the vapor extraction system. The New Mexico Environment Department's Air Quality Bureau has been notified of the pending installation.

Eleven vents will be installed at the tank battery in a modified five-spot array. The distance between the vents will be approximately 15 feet. The pipe to be used is 3-inch PVC which will be slotted in a manner similar to pipe used in septic tank leach fields. At the tank battery the pipe will be slotted from 25 to 45 feet with blank pipe above. The annular space above 25 feet will be sealed with hydrated bentonite to prevent short circuiting of air.

At Sump 23 one vent will be installed in the center of the former sump and will be slotted from 10 to 45 feet. Again the upper area will be sealed with bentonite.

Monitoring

At both the former tank battery and sump 23 locations the individual pipes will be equipped with sample valves so that they can be monitored for vapors in the vent pipe. The vents will be shut-in monthly for a 72 hour period and at the end of that period monitored for vapors using a PID. Additionally, the vent well at sump 23 and a representative sample of four vents at the tank battery location will be sampled quarterly with the first quarterly sampling to include an analysis for BTEX and other volatile hydrocarbons using EPA Method 8260. If the results of the first sampling do not show the presence of regulated volatile hydrocarbons other than BTEX,

Mr. Jim Griswold
March 4, 2011

Page 2

subsequent quarterly samples may be analyzed using EPA Method 8021. The results of the PID measurement and laboratory testing will be submitted to the OCD in an annual report.

Based on our research, we do not recommend using CO₂ as an indicator of biodegradation. One reference text* on remediation with a section on bioventing cautions that higher pH and higher alkalinity soils will exhibit little CO₂ in soil gas due to the formation of carbonates. Soil water content will also impact the measurable CO₂ due to the solubility of the gas. At the a depth of 35 feet in the center tank battery boring we observed saturated clayey gravel (likely due to the previous flooding of the partially excavated pit; no other saturation was observed in the other borings). Therefore, monitoring of CO₂ may provide little information as the results may falsely show little or no activity, or indicate completion of activity when in fact microbial-generated CO₂ is being removed downhole. Monitoring with the PID together with initial and periodic BTEX sampling will best provide progress on remediation.

Closure

We propose closure of the passive ventilation system once we have two consecutive quarters with less than 100 ppm PID results and BTEX sampling provides confirmation of the results. At that time OCD will be advised of our intent to close the system and Yates will be requesting OCD approval. Upon approval by the agency, Yates will remove the vents or alternately, if removal is not possible, plug them by cutting off the PVC below grade and filling with bentonite which will be hydrated.

If you have any questions or I may be of further assistance, please call me at (575) 397-0510.

Sincerely,

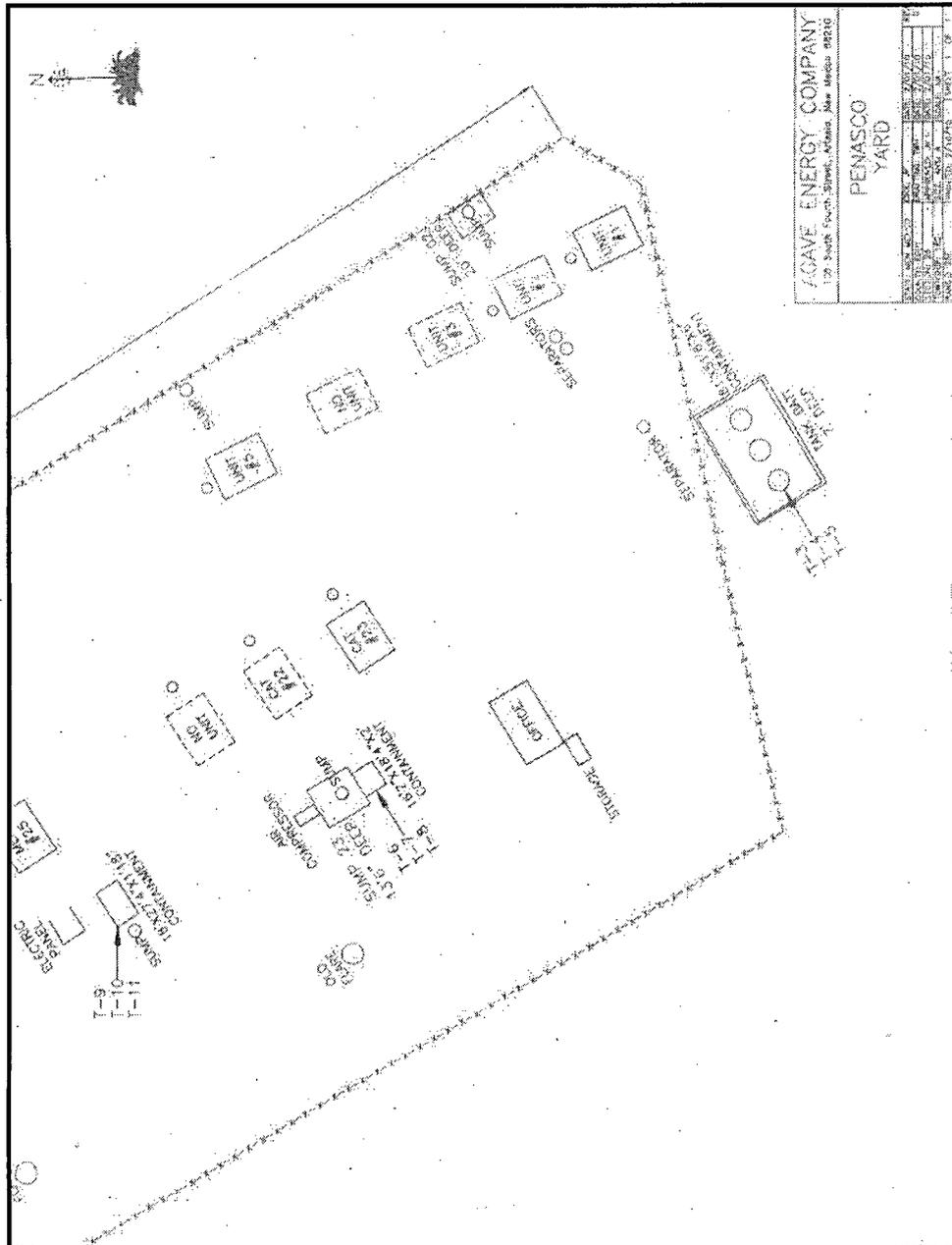
s/DGB

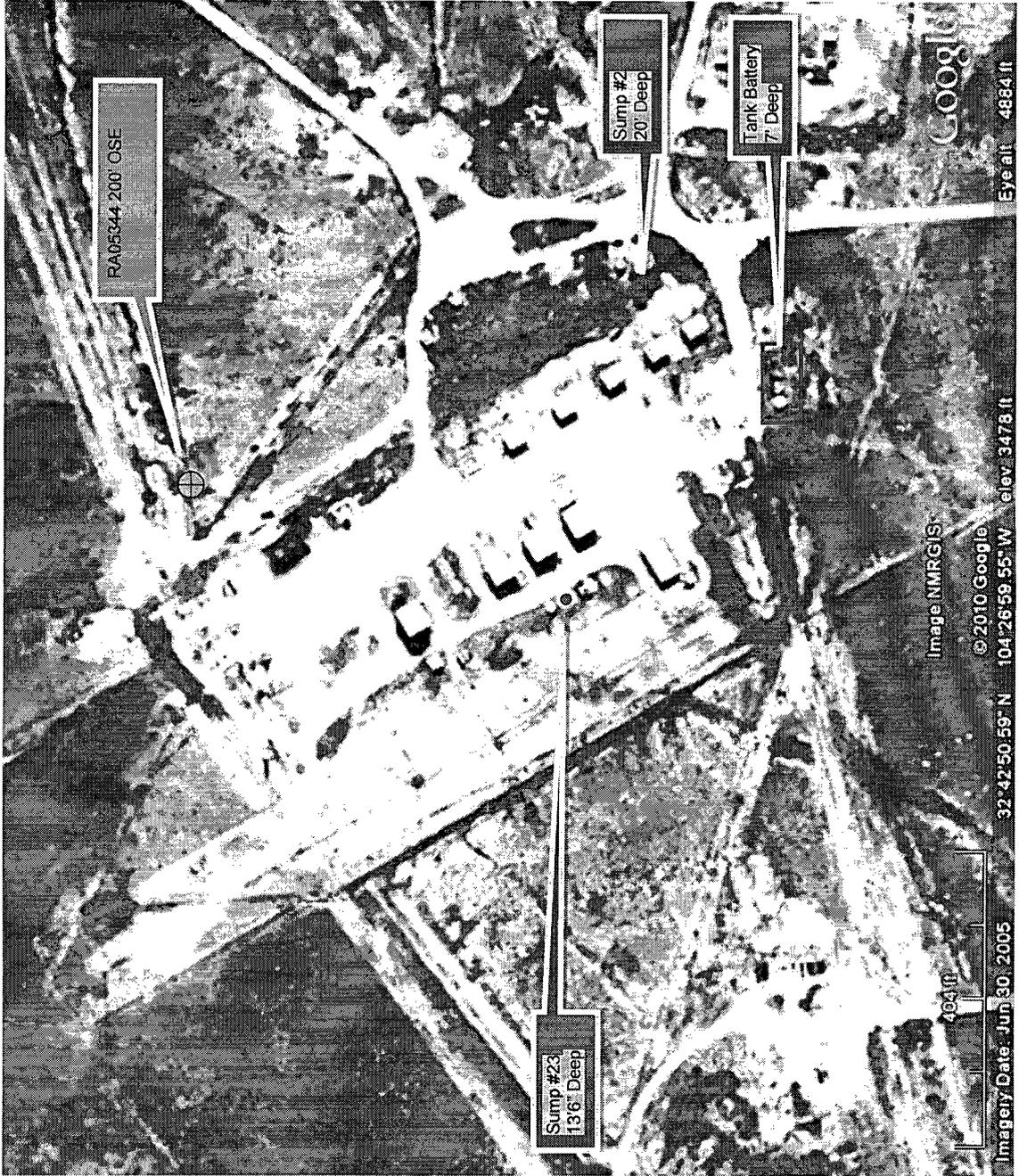
David G. Boyer, P.G.

Encl.

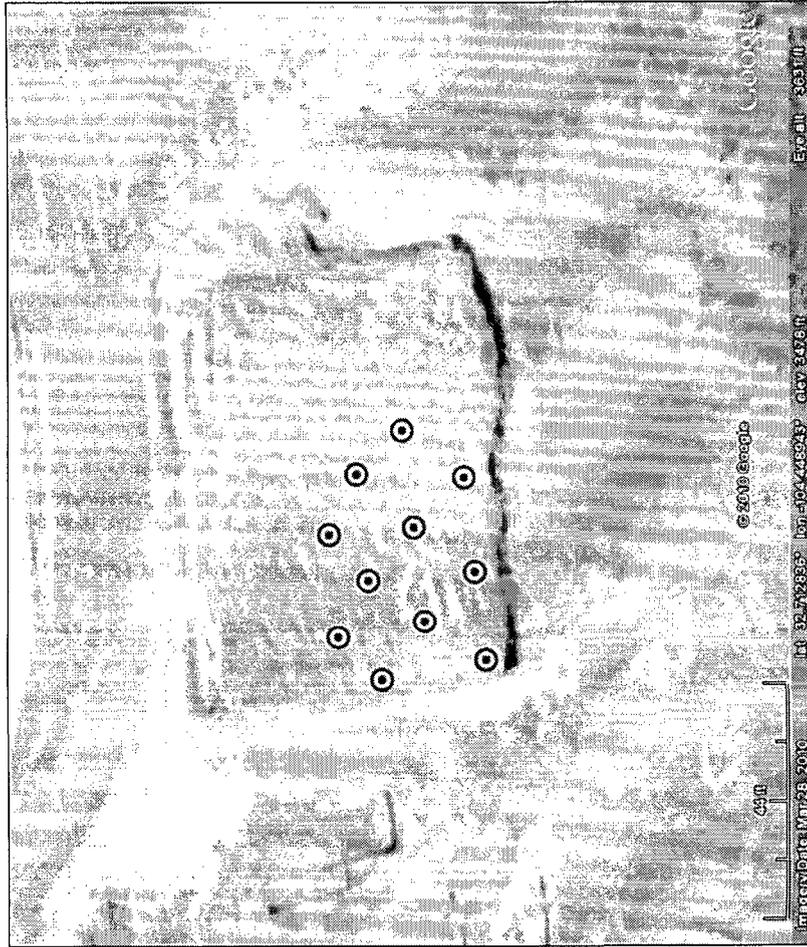
cc. Jennifer Knowlton, Agave Energy

*S.S. Suthersan, 1997. "Remediation Engineering, Design Concepts." Geraghty & Miller Environmental and Engineering Series, Lewis Publishers, New York.





Proposed locations of passive ventilation wells within the former tank battery site (not to scale):



Formatted: Centered

Swazo, Sonny, EMNRD

From: Griswold, Jim, EMNRD
Sent: Tuesday, March 08, 2011 9:36 AM
To: jknowlton@yatespetroleum.com
Cc: jenniferk@yatespetroleum.com; Swazo, Sonny, EMNRD
Subject: Penasco CS

Jennifer,

I have reviewed the recommendations for installation and monitoring of passive soil ventilation at Agave's Penasco Compressor Station as provided by SESI in their letters of 2/7/11 and 3/4/11. Those efforts are hereby approved and you may begin installation of the vents as soon as possible. Please retain a copy of this email for your files as no hardcopy will be mailed. Thank you as always for your efforts and good luck. Please keep me apprised of your progress.

Jim Griswold
Senior Hydrologist
EMNRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
direct: 505.476.3465
email: jim.griswold@state.nm.us

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

RECEIVED OCD

2011 MAR 22 A 10: 12

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

**JOINT STATUS REPORT AND SEVENTH
UNOPPOSED MOTION TO STAY DEADLINES
SET FORTH IN ADMINISTRATIVE COMPLIANCE
ORDER PERTAINING TO PERMIT RENEWAL GW-125**

Come now the Respondent, Agave Energy Company (Agave) and the Oil Conservation Division (OCD) (collectively, the Parties), pursuant to the Order Granting Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order and Order Granting Request to Waive the 90-Day Hearing Deadline, dated November 13, 2009 and Water Quality Control Commission (WQCC) regulation 20.1.3.15(B) NMAC, and hereby file this Joint Status Report and Seventh Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 (the Administrative Compliance Order). The Parties state to the WQCC the following:

1. The Respondent timely filed a Request for Order Hearing and Request for Stay of Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about November 2, 2009.
2. The Parties are working on settlement of the case and need additional time to work on the settlement.
3. Attorneys for Respondent and the Oil Conservation Division have conferred and agree that an extension of the November 16, 2009, the January 16, 2010, the April 16, 2010, the July 16, 2010, the October 18, 2010, the January 31, 2011 and the March 18, 2011 extensions of the deadline set forth in the Administrative Compliance Order is warranted and both concur that the deadline should be extended to April 18, 2011.
4. Respondent and the Oil Conservation Division shall file a joint Status Report on or before April 18, 2011.
5. Respondent and the OCD are the only parties to this hearing.

WHEREFORE, Respondent and the Oil Conservation Division respectfully request that the WQCC grant the following:

1. Grant Respondent an extension to the November 16, 2009 deadline set forth in the Administrative Compliance Order, the January 16, 2010 extension, the April 16, 2010, the July 16, 2010, the October 18, 2010, the January 31, 2011 and the March 18, 2011 extensions of the deadline to April 18, 2011.

Respectfully submitted this 21st day of March, 2011.



Sonny Swazo
Attorney for Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
Tel: (505) 476- 3463
Fax: (505) 476-3462



Eric L. Hiser (N.M. Bar No. 21786)
Matthew Joy
Jorden Bischoff & Hiser, P.L.C.
7272 E. Indian School Road
Suite 360
Scottsdale, AZ 85251
Tel: (480) 505-3900
Fax: (480) 505-3901
Attorneys for Agave Energy Company

CERTIFICATE OF SERVICE

I certify that on this 21st day of March, 2011, service of the foregoing Seventh Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 was made as follows:

Via electronic mail on this 17th day of March, 2011 and the original and sixteen true and complete copies delivered via overnight delivery on this 21st day of March, 2011 to the following:

Ms. Felicia Orth
WQCC Hearing Officer
Water Quality Control Commission
New Mexico Environment Department
1190 St. Francis Drive
Santa Fe, New Mexico 87502
felicia.orth@state.nm.us

With a copy of the same via overnight delivery, signature required, to:

New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

New Mexico Attorney General's Office
408 Galisteo Street
Villagra Building
Santa Fe, New Mexico 87501



STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

**Order Granting Seventh Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed a Seventh Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about March 17, 2011, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until April 18, 2011 in order to allow the Parties additional time to complete settlement negotiations. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Seventh Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than April 18, 2011, the Parties shall file a Status Report with the WQCC.

DATED this ____ day of March, 2011.

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

**JOINT STATUS REPORT AND EIGHTH
UNOPPOSED MOTION TO STAY DEADLINES
SET FORTH IN ADMINISTRATIVE COMPLIANCE
ORDER PERTAINING TO PERMIT RENEWAL GW-125**

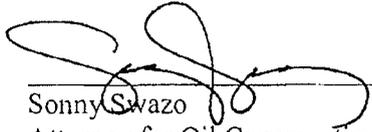
Come now the Respondent, Agave Energy Company (Agave) and the Oil Conservation Division (OCD) (collectively, the Parties), pursuant to the Order Granting Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order and Order Granting Request to Waive the 90-Day Hearing Deadline, dated November 13, 2009 and Water Quality Control Commission (WQCC) regulation 20.1.3.15(B) NMAC, and hereby file this Joint Status Report and Eighth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 (the Administrative Compliance Order). The Parties state to the WQCC the following:

1. The Respondent timely filed a Request for Order Hearing and Request for Stay of Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about November 2, 2009.
2. The Parties are working on settlement of the case and need additional time to work on the settlement.
3. Attorneys for Respondent and the Oil Conservation Division have conferred and agree that an extension of the November 16, 2009, the January 16, 2010, the April 16, 2010, the July 16, 2010, the October 18, 2010 and the January 31, 2011 extensions and the March 18, 2011 Unopposed Motion to Stay Deadlines set forth in the Administrative Compliance Order is warranted and both concur that the deadline should be extended to May 18, 2011.
4. Respondent and the Oil Conservation Division shall file a joint Status Report on or before May 18, 2011.
5. Respondent and the OCD are the only parties to this hearing.

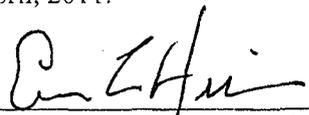
WHEREFORE, Respondent and the Oil Conservation Division respectfully request that the WQCC grant the following:

1. Grant Respondent an extension to the November 16, 2009 deadline set forth in the Administrative Compliance Order, the January 16, 2010 extension, the April 16, 2010, the July 16, 2010, the October 18, 2010 and the January 31, 2011 extensions and the March 18, 2011 Unopposed Motion to Stay Deadlines to May 18, 2011.

Respectfully submitted this 14th day of April, 2011.



Sonny Swazo
Attorney for Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
Tel: (505) 476- 3463
Fax: (505) 476-3462



Eric L. Hiser (N.M. Bar No. 21786)
Matthew Joy
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7272 E. Indian School Road.
Suite 360
Scottsdale, AZ 85251
Tel: (480) 505-3900
Fax: (480) 505-3901
Attorneys for Agave Energy Company

CERTIFICATE OF SERVICE

I certify that on this 14th day of April, 2011, service of the foregoing Eighth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 was made as follows:

Via electronic mail on this 14th day of April, 2011 and the original and sixteen true and complete copies delivered via overnight delivery on this ___ day of April, 2011 to the following:

Ms. Felicia Orth
WQCC Hearing Officer
Water Quality Control Commission
New Mexico Environment Department
1190 St. Francis Drive
Santa Fe, New Mexico 87502
felicia.orth@state.nm.us

With a copy of the same via overnight delivery, signature required, to:

New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

New Mexico Attorney General's Office
408 Galisteo Street
Villagra Building
Santa Fe, New Mexico 87501

Sharon E. Baker

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

**Order Granting Eighth Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed an Eighth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about April 14, 2011, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until May 18, 2011 in order to allow the Parties additional time to complete settlement negotiations. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Eighth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than May 18, 2011, the Parties shall file a Status Report with the WQCC.

DATED this ____ day of April, 2011.

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)	
Complainant)	
	)	Case No. 09-10 (CO)
v.)	
)	
AGAVE ENERGY COMPANY,)	
Respondent)	
)	

**Order Granting Eighth Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed an Eighth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about April 14, 2011, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until May 18, 2011 in order to allow the Parties additional time to complete settlement negotiations. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Eighth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than May 18, 2011, the Parties shall file a Status Report with the WQCC.

DATED this ____ day of April, 2011.

STATE OF NEW MEXICO
WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,)
Complainant)
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)
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)
AGAVE ENERGY COMPANY,)
Respondent)
)
)

Case No. 09-10 (CO)



**Order Granting Eighth Unopposed Motion to Stay Deadlines
Set Forth in Administrative Compliance Order**

Respondent, Agave Energy Company (Agave), after conferring with the Oil Conservation Division (OCD), the only Parties to this Request for Order Hearing, filed an Eighth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 on or about April 14, 2011, requesting that the Water Quality Control Commission (WQCC) stay the deadline set forth in the Administrative Compliance Order for Discharge Permit Renewal GW-125 until May 18, 2011 in order to allow the Parties additional time to complete settlement negotiations. Having considered the Unopposed Motion and, in reliance thereon, finding good cause for the requested stay and waiver,

IT IS HEREBY ORDERED that the Eighth Unopposed Motion to Stay Deadlines Set Forth in Administrative Compliance Order Pertaining to Permit Renewal GW-125 is granted, and not later than May 18, 2011, the Parties shall file a Status Report with the WQCC.

DATED this 14 day of April, 2011.

A handwritten signature in black ink, appearing to be 'J. P. ...', written over a horizontal line.

STATE OF NEW MEXICO
BEFORE THE WATER QUALITY CONTROL COMMISSION

NEW MEXICO OIL CONSERVATION DIVISION,

Complainant,

v.

AGAVE ENERGY COMPANY,

Respondent.

WQCC CASE NO. 09-10 (CO)



SETTLEMENT AGREEMENT AND STIPULATED FINAL ORDER

The New Mexico Oil Conservation Division (“OCD”) and Agave Energy Company (“Agave”) agree to resolve the Administrative Compliance Order issued to Yates Petroleum Corporation (“Yates”) and Agave on October 7, 2009 for alleged violations of Discharge Permit GW-125 for the Penasco Compressor Station, based on the terms and conditions specified in this Settlement Agreement and Stipulated Final Order (“Final Order”). For purposes of this Final Order, Agave admits the jurisdictional allegations of this Final Order and consents to the relief specified herein.

I. BACKGROUND OF DISPUTE

A. Parties

1. The OCD is a division of the New Mexico Energy, Minerals and Natural Resources Department charged with enforcing the Oil and Gas Act (“OGA”), Chapter 70 Article 2 NMSA 1978. See NMSA 1978, Section 70-2-6(A). In addition to its duties under the OGA, the OCD is authorized to make rules, regulations and orders with respect to the Water Quality Act (“WQA”). NMSA 1978, Section 70-2-12(B)(22).

2. The Oil Conservation Commission (“OCC”) is an entity created by NMSA 1978, Section 70-2-4 to enforce the OGA, and has concurrent jurisdiction and authority with the OCD. See NMSA 1978, Section 70-2-6(B). In addition to its duties under the OGA, the OCC is a “constituent agency” under the WQA. NMSA 1978, Section 74-6-2(K)(4).

3. Yates is an active domestic corporation doing business in New Mexico under SCC No. 0425736. According to New Mexico Public Regulation Commission documents, Yates’s stated purpose is oil and gas exploration and production.

4. Agave is an active domestic corporation doing business in New Mexico under SCC No. 1720713. According to New Mexico Public Regulation Commission documents, Agave’s stated purpose is marketing and transportation of petroleum products.

5. Agave is a wholly owned subsidiary of Yates.

B. Discharge Permit GW-125

6. On September 4, 2002, the OCD issued Discharge Plan Renewal GW-125 (“GW-125”) to Yates for the Penasco Compressor Station pursuant to the WQA and the Water Quality Control Commission (“WQCC”) rules.

7. Yates owns the Penasco Compressor Station. The Penasco Compressor Station is a natural gas compressor station. The Penasco Compressor Station is located in the SE/4 SE/4 of Section 26, Township 18 South, Range 25 East, Eddy County, New Mexico.

8. Agave operates the Penasco Compressor Station.

C. Alleged Violations of Discharge Permit GW-125

9. Condition 5 of GW-125 states:

All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.

10. During an inspection of the Penasco Compressor Station on April 23, 2009, OCD inspector Leonard Lowe observed several areas where releases had allegedly reached the ground surface. Some locations had catch pans but releases were reaching the ground surface because the catch pans were not being properly managed.

11. Condition 9 of GW-125 states in relevant part:

All below grade tanks, . . . must incorporate secondary containment and leak-detection into the design.

12. During the April 23, 2009 inspection, OCD inspector Leonard Lowe observed two below-grade tanks allegedly being operated as a single wall vessel with no secondary containment and leak detection system.

13. The OCD identified the alleged violations to Yates and Agave in the initial draft discharge permit renewal that the OCD sent Yates and Agave on May 29, 2009.

D. Administrative Compliance Order

14. When a constituent agency determines that a person violated or is violating a requirement, regulation or water quality standard adopted pursuant to the WQA or a condition of a permit issued pursuant to that Act, the constituent agency may issue a compliance order requiring compliance immediately or within a specific time period, or issue a compliance order assessing a civil penalty, or both. NMSA 1978, Section 74-6-10(A)(1).

15. For purposes of the WQA, "person" is defined to include corporations. NMSA 1978, Section 74-6-2(I).

16. On October 7, 2009, the OCD issued an Administrative Compliance Order to Yates and Agave for alleged violations of Condition 5 and Condition 9 of Discharge Permit GW-125.

17. The Administrative Compliance Order alleged that Yates and/or Agave violated Condition 5 of GW-125 by allowing leaks and spills to reach the ground surface. The Administrative Compliance Order required Yates and/or Agave to immediately pave, curb or utilize some type of spill collection device to prevent leaks and spills from reaching the ground surface. The Administrative Compliance Order required Yates and/or Agave to clean up all discharges as specified in the Contingency Plan attached to the Discharge Plan Application dated April 5, 2002 and dispose of the contaminated soil in accordance with OCD Rule 19.15.35.8 NMAC or at an OCD permitted surface waste management facility. The Administrative Compliance Order required Yates and/or Agave to complete these requirements by November 16, 2009.

18. The Administrative Compliance Order alleged that Yates and/or Agave violated Condition 9 of GW-125 by using two below-grade tanks as a single wall vessel with no secondary containment and leak detection system. The Administrative Compliance Order required Yates and/or Agave to immediately close the below-grade tanks in accordance with OCD Rule 19.15.17.13.E NMAC. The Administrative Compliance Order provided that in lieu of closure, Yates and/or Agave may submit a workplan to retrofit the below-grade tanks to meet the standards specified at OCD Rule 19.15.17.11 NMAC. The Administrative Compliance Order required Yates and/or Agave to complete this requirement by November 16, 2009.

19. The Administrative Compliance Order provided that if Yates or Agave failed to timely comply with the requirements of the Administrative Compliance Order, the OCC may seek, pursuant to NMSA 1978, Section 74-6-10(F), to assess a civil penalty of not more than twenty-five thousand (\$25,000) for each day of continued noncompliance with the compliance order, and suspend or terminate Discharge Permit GW-125.

20. Agave timely filed a Request for Order Hearing on the Administrative Compliance Order.

21. At the request of the OCD and Agave, the WQCC has stayed the deadline for corrective action under the Administrative Compliance Order to at least May 18, 2011, to allow the OCD and Agave to settle the alleged violations through this Final Order.

22. If a person fails to take corrective actions within the time specified in a compliance order, the constituent agency may assess a civil penalty of not more than twenty-five thousand dollars (\$25,000) for each day of continued noncompliance with the compliance order and suspend or terminate the permit violated by the person. NMSA 1978, Section 74-6-10(F).

23. Any person who does not comply with the provisions of NMSA 1978, Section 74-6-5, including any regulation adopted pursuant to that section, or any permit issued pursuant to that section, shall be assessed civil penalties up to the amount of fifteen thousand dollars (\$15,000) per day of noncompliance for each violation. NMSA 1978, Section 74-6-10.1(A).

24. Any person who violates any provision of the WQA other than Section 74-6-5 NMSA 1978, or any person who violates any regulation, water quality standard or compliance order adopted pursuant to that act shall be assessed civil penalties up to the amount of ten thousand dollars (\$10,000) per day for each violation. NMSA 1978, Section 74-6-10.1(B).

E. Mitigating Factors

25. Agave timely cleaned up most of the releases, removing as much of the soil as it could remove without compromising the integrity of nearby structures. Agave continued soil remediation as part of the remediation and closure plan, dated February 7, 2011 and the addendum of March 4, 2011. Agave properly disposed of the soil it removed. The OCD has approved Agave's use of a passive ventilation system to remediate the remaining contaminants in

the soil. Agave removed the equipment where releases had reached the ground surface. Agave removed the below-grade tanks.

II. COMPROMISE AND SETTLEMENT

26. The OCD has jurisdiction pursuant to the WQA, WQCC Regulations and NMSA 1978, Section 70-2-12(B)(22) to issue the Administrative Compliance Order and to enter into this Final Order.

27. The parties have engaged in good faith settlement discussions to resolve the alleged violations.

28. The parties agree to this Final Order for the sole purpose of settling the alleged violations.

29. The OCD has approved Agave's use of a passive ventilation system to remediate the soil to acceptable levels. Agave may propose closure of the passive ventilation system once it shows two consecutive quarters with air samples taken at the passive vents less than 100 ppm PID. However, in order for the OCD to approve closure, Agave must verify that the soil has been remediated to acceptable levels by performing the following tests. Agave shall cap all vents and individually connect each vent to a regenerative blower or other appropriate pump. Soil vapors shall be extracted from each well for a minimum period of one hour at a flow rate not less than 10 cfm at an applied vacuum level of not less than 20 inches of water. After this purging period, the undiluted soil vapor concentration shall be measured using a PID equipped with a 10 eV lamp, set with a 1.0 benzene response factor, and calibrated at least daily using a 100 ppm-v isobutylene-in-air standard. A vent must yield a vapor concentration of less than 100 ppm before it may be permanently removed from service. If Agave wants to permanently remove a vent from service, it shall contact the OCD and demonstrate its compliance with the

requirements of this paragraph. The OCD shall allow Agave to permanently remove a vent from service once Agave demonstrates its compliance with the requirements of this paragraph to the OCD. The corrective action requirements of this Order will be considered completed once Agave demonstrates to the OCD its compliance with the requirements of this paragraph.

30. Agave's failure to comply with the corrective action requirements set forth in Paragraph 29, above, may result in the assessment of a civil penalty. The WQA, NMSA 1978, Section 74-6-10(F), authorizes the assessment of a civil penalty of not more than twenty-five thousand (\$25,000) for each day of noncompliance with the corrective action specified in this Order.

31. Agave denies the alleged facts and conclusions of law identified in Paragraphs 10, 12 and 13, above, and set forth in the Administrative Compliance Order, and does not admit any liability, fact or conclusion of law by entering into or complying with this Final Order.

32. Contemporaneous with the execution of this Final Order by the OCD Director, as provided for by Paragraph 43 below, Agave shall execute a Notice of Withdrawal of Request for Compliance Order Hearing ("Notice of Withdrawal") in the form attached hereto as Exhibit A and shall file the Notice of Withdrawal with the WQCC. Agave, by executing and filing the Notice of Withdrawal, agrees to waive all rights and claims to further challenge the allegations in the Compliance Order and acknowledges that it may not re-file its Request for Compliance Order Hearing or file another Request for Compliance Order Hearing challenging the allegations in the Compliance Order.

33. Except as set forth in Paragraph 30, above, the OCD will not seek the civil penalties that it may have sought under the Administrative Compliance Order.

III. OTHER TERMS AND CONDITIONS

34. Enforcement. The OCD retains the right to pursue any relief authorized by the WQA or WQCC Regulations for any violation not addressed herein. The OCD retains the right to enforce the Final Order by administrative or judicial action, which decision shall be in its sole discretion. In the event that the OCD elects to file a judicial action to enforce the Final Order, the parties agree that the action shall be heard by the district court for Santa Fe County, which shall have exclusive jurisdiction over the parties and Final Order, and they waive any right to challenge such jurisdiction in any forum. The laws of New Mexico shall govern the construction and interpretation of the Final Order.

35. Binding Effect. The Final Order shall be binding on the parties and their officers, directors, employees, agents, subsidiaries, successors, assigns, trustees, or receivers.

36. Duration. The Final Order shall remain in effect until the OCD issues a written determination that Agave has complied with all of the corrective action requirements of Paragraph 29 of the Final Order.

37. Integration. The Final Order merges all prior written and oral communications between the parties concerning the subject matter of the Final Order, and contains the entire agreement between the parties. The Final Order shall not be modified without the express written consent of the parties.

38. Reservation of Rights and Defenses. The Final Order shall not be construed to prohibit or limit in any way the OCD from requiring Agave to comply with any applicable state or federal requirement. The Final Order shall not be construed to prohibit or limit in any way the OCD from seeking any relief authorized by the WQA for violation of any state or federal requirement applicable to Agave not resolved herein. The Final Order shall not be construed to

prohibit or limit in any way Agave from raising any defense to an OCD action seeking such relief.

39. Mutual Release. The parties mutually release each other from all claims that each party raised or could have raised against the other regarding the facts and legal conclusions alleged above.

40. Waiver of State Liability. Agave shall assume all costs and liabilities incurred in performing any obligation under the Final Order. The OCD, on its own behalf or on the behalf of the State of New Mexico or any other state agency, shall not assume any liability for Agave's performance of any obligation under the Final Order.

41. Authority to Bind. The person executing this Final Order on behalf of Agave represents that s/he has the authority to execute this Final Order on behalf of Agave.

42. Disclosure to Successor-In-Interests. Agave shall disclose the Final Order to any successor-in-interest and shall advise such successor-in-interest that the Final Order is binding on the successor-in-interest until such time as Agave complies with its terms and conditions or it is terminated by written agreement of the parties.

43. Effective Date. The Final Order shall become effective upon the execution by the duly authorized representatives of both parties.

AGAVE ENERGY COMPANY


By: J.B. Smith
President, Agave

May 18, 2011
Date


Jami Bailey
Director
New Mexico Oil-Conservation Division

May 18, 2011
Date

STATE OF NEW MEXICO
BEFORE THE WATER QUALITY CONTROL COMMISSION



NEW MEXICO OIL CONSERVATION DIVISION,

Complainant,

v.

WQCC CASE NO. 09-10 (CO)

AGAVE ENERGY COMPANY,

Respondent.

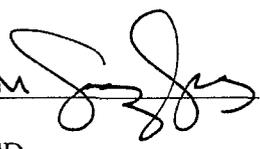
NOTICE OF WITHDRAWAL OF REQUEST FOR ORDER HEARING

Pursuant to 20.1.3.22(C)(1) NMAC, Agave Energy Company hereby withdraws its Request for Order Hearing filed with the Water Quality Control Commission on November 2, 2009 in the above referenced matter.


Eric L. Hiser
Matthew Joy
Attorneys for Agave Energy Company

RECEIVED OCD
2011 MAY 20 A 10:12

Approved:


Sonny Swazo
Attorney for OCD