NM1 - 10B

GENERAL CORRESPONDENCE

YEAR(S):

Industrial Ecosystems Inc.
Soil Reclamation Center

P.O. Box 2043
Farmington, NM 87499

Phone: (505) 632-1782
Fax: (505) 632-1876

#49 CR 3150
Aztec, NM 87410

August 6, 2008

Brad Jones, Environmental Engineer
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: Permit # NM01-0010B IEI/JFJ Landfarm
Point of Contact Change

Dear Brad:

This letter is being sent to you as a request to change your records regarding the point of contact for IEI/JFJ Landfarm as follows:

- Remove James (Jake) Hatcher (retired)
- Add myself (Marcella Marquez) as the new point of contact

All future correspondence for JFJ Landfarm should be sent to my attention.

If you have any questions or problems with this request, please contact me directly at the above listed telephone number.

Sincerely,

Marcella Marquez
Administrative Officer

Industrial Ecosystems Inc.
Soil Reclamation Center

P.O. Box 2043
Farmington, NM 87499

Phone: (505) 632-1782
Fax: (505) 632-1876

#49 CR 3150
Aztec, NM 87410

RECEIVED
2008 AUG 7 PM 3 49

August 6, 2008

Brad Jones, Environmental Engineer
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: JFJ Landfarm Permit # NM01-0010B
Reply to OCD Letter Dated 07/16/08

Dear Brad:

This letter is being submitted to you as a reply to your concerns regarding the following:

- Analytical test methods being used for demonstration for chlorides – *Effective immediately, soil samples submitted for analytical testing will be tested for chloride content by use of the approved EPA Method 300.0 or Standard Method of 4500B.*
- Chloride concentrations of remediated material proposed for reuse – *In the future, only material that has passed analytical requirements and has a chloride content of 800 mg/kg or less will be requested for reuse.*
- Excessive accumulation of soils within the facility boundary – *Soil samples have been submitted for testing according to closure performance standards and we are awaiting receipt of the analytical results. Upon achieving closure performance standards, IEI/JFJ Landfarm will obtain approval from the various pipeline operators to spread eight inch lifts of remediated soil above pipelines located within the facility.*

If you have any additional concerns with this matter, please feel free to contact me at the above listed telephone number.

Sincerely,

Marcella Marquez
Administrative Officer

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division

July 16, 2008

Mr. Jake Hatcher
JFJ Landfarm, L.L.C.
Industrial Ecosystems Inc.
Soil Reclamation Center
P.O. Box 2043
Farmington, New Mexico 87499

RE: Request for Approval to Reuse Remediated Biopile Soils for the Stabilization/Solidification of Drilling Mud and Tank Bottoms and Sludge
JFJ Landfarm, LLC - Industrial Ecosystems Inc.
JFJ Landfarm – Permit # NM01-0010B
NW/4, SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has reviewed JFJ Landfarm, LLC's (JFJ) supplemental email request, dated May 29, 2008, and the additional chloride analytical results to reuse the remediated soils in the following biopiles for the stabilization and/or solidification of incoming drilling mud and tank bottoms and sludge:

Pure # 19	Red Willow # 30
Elm Ridge # 24	Burlington # 38
Williams # 37	Red Willow # 34
Basin # 35	Pile # 25 Basin

Based upon the information provided, the above-referenced biopiles are hereby approved for the addition of another lift of contaminated soils. Please note that the analytical test method (EPA Method 9056A) used for this demonstration for chlorides is not the OCD prescribed method (EPA Method 300.1), as specified in 19.15.36 NMAC. OCD will not consider the approval of any future similar requests, if JFJ does not comply with the specified test methods identified in 19.15.36 NMAC or does not receive prior approval of the alternative test method.

Also based upon our meeting at the facility on May 19, 2008, OCD is awaiting the submittal of a proposal to address the excessive accumulation of soils within the facility boundary. OCD wishes to remind JFJ that the facility is permitted as a landfarm, not a landfill. As such, there are limitations to the amount of remediated soils allowed at the facility. Please refer to operational requirements of 19.15.36.15 NMAC regarding landfarms. OCD is also concerned about the

chloride concentrations of the remediated material proposed for reuse. The results of some of the biopiles under this approval demonstrated chloride concentrations above 800 mg/kg. As this material is utilized for the stabilization and/or solidification of incoming drilling mud and tank bottoms and sludge, the concentration will continue to increase. If the chloride concentration exceeds the closure performance standard, the remediated soils may have to be removed and disposed into an OCD permitted landfill.

Please be advised that approval of this request does not relieve the JFJ of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve JFJ of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3487 or brad.a.jones@state.nm.us.

Sincerely,

Brad A. Jones
Environmental Engineer

BAJ/baj

cc: OCD District III Office, Aztec

Jones, Brad A., EMNRD

From: Marcella Marquez [marcella@industrialecosystems.com]
Sent: Thursday, May 29, 2008 1:31 PM
To: Jones, Brad A., EMNRD
Subject: Chloride Testing
Importance: High
Attachments: 1BLANK Request to Reuse Soil 1.doc; chloride analytical results 052808.doc

Brad:

Attached please find chloride test results and request letter for the following piles:

- Pure # 19
- Elm Ridge # 24
- Williams # 37
- Basin # 35
- Red Willow # 30
- Burlington # 38
- Red Willow # 34

We will be submitting additional samples to Hall Environmental for chloride testing and I will forward the results to you as I receive them.

If you have any questions or if additional information is needed, please contact me by email or by phone at (505) 632-1782.

Thanks,

Marcella

Industrial Ecosystems Inc.
Soil Reclamation Center

P.O. Box 2043
Farmington, NM 87499

Phone: (505) 632-1782
Fax: (505) 632-1876

#49 CR 3150
Aztec, NM 87410

July 10, 2008

Brad A. Jones
Environmental Engineer
Environmental Bureau
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

RE: Use of reclaimed soil

Dear Brad:

Recent analytical results show the following biopiles have reached acceptable levels as required by the NMOCD:

- Pure # 19
- Elm Ridge # 24
- Williams # 37
- Basin # 35
- Red Willow # 30
- Burlington # 38
- Red Willow # 34

We are seeking your approval to recycle this soil by using it to mix/solidify incoming liquid waste.

Attached you will find copies of the analytical reports (chloride levels) for each of these biopiles. Analytical reports showing acceptable DRO, GRO, and BTEX levels were submitted to you on 05/14/07.

Please contact me at the above listed number with any questions or concerns with this request.

Sincerely,

Marcella Marquez

Marcella Marquez
Administrative Officer

HALL
ENVIRONMENTAL
ANALYSIS
LABORATORY

COVER LETTER

Wednesday, May 28, 2008

Jake Hatcher
Industrial Ecosystems, Inc.
#81 County Road 3150
Aztec, NM 87410

TEL: (505) 632-1782
FAX (505) 632-1876

RE: JFJ Land Farm

Order No.: 0805266

Dear Jake Hatcher:

Hall Environmental Analysis Laboratory, Inc. received 12 sample(s) on 5/19/2008 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent.

Reporting limits are determined by EPA methodology. No determination of compounds below these (denoted by the ND or < sign) has been made.

Please don't hesitate to contact HEAL for any additional information or clarifications.

Sincerely,

Andy Freeman, Business Manager
Nancy McDuffie, Laboratory Manager

NM Lab # NM9425
AZ license # AZ0682
ORELAP Lab # NM100001

4901 Hawkins NE ▪ Suite D ▪ Albuquerque, NM 87109
505.345.3975 ▪ Fax 505.345.4107
www.hallenvironmental.com

CHAIN-OF-CUSTODY RECORD

QA/QC Package: Std ☐ Level 4 ☐ Other:

Client: Industrial Ecosystems

Project Name: JFJ Landfarm

Address: #49 CR 3150

Aztec N.M. 87410

Project #:

email: truck login@industrialecosystems.com

Project Manager: Jake Hatcher

Phone #: 505-632-1782

Sampler: Steven Abeyta

Fax #: 505-632-1876

Sample Temperature: 15°

HALL ENVIRONMENTAL ANALYSIS LABORATORY
4901 Hawkins NE, Suite D
Albuquerque, New Mexico 87109
Tel. 505.345.3975 Fax 505.345.4107
www.hallenvironmental.com

Date	Time	Matrix	Sample I.D. No.	Number/Volume	Preservative: $HgCl_2$	Preservative: HNO_3	Preservative: Ice	HEAL No. 0805266
AT 5/19/08 4/15/08	11:00Am	Soil	Pure #19	1				1
	11:15Am		Elmridge #24					2
	11:25 Am		Basin #25					3
	11:40 Am		Red willow #30					4
	11:50 Am		Red willow #34					5
	12:05 Pm		Basin #35					6
	12:15 Pm		Williams #37					7
	12:24 Pm		Burlington #38					8
	1:10 Pm		Basin #559					9
	1:22 Pm		Basin #580					10
	1:36 Pm		Community #599					11
AT 5/19/08 5/16/08	1:45 Pm		Community #624					12

ANALYSIS REQUEST

	BTEX + MTBE + TMB's (8021)	BTEX + MTBE + TPH (Gasoline Only)	TPH Method 8015B (Gas/Diesel)	TPH (Method 418.1)	EDB (Method 504.1)	EDC (Method 8021)	8310 (PNA or PAH)	RCRA 8 Metals	Anions (F, Cl, NO_3, NO_2, PO_4, SO_4)	8081 Pesticides / PCB's (8082)	8260B (VOA)	8270 (Semi-VOA)	Chlorides				Air Bubbles or Headspace (Y or N)
1													X				
2													X				
3													X				
4													X				
5													X				
6													X				
7													X				
8													X				
9	X		X										X				
10	X		X										X				
11	X		X										X				
12	X		X										X				

Date:	Time:	Relinquished By: (Signature)	Received By: (Signature)	Date:	Time:
4/16/08	1:20	Steven Abeyta		5/19/08	1255
		Relinquished By: (Signature)	Received By: (Signature)		

Remarks: Send more Jars AT 5/19/08

per SA collection date is 5/19/08

Hall Environmental Analysis Laboratory, Inc.

Date: *28-May-08*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Pure #19
Lab Order:	0805266	**Collection Date:**	5/15/2008 11:00:00 AM
Project:	JFJ Land Farm	**Date Received:**	5/19/2008
Lab ID:	0805266-01	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 9056A: ANIONS						Analyst: **SLB**
Chloride	820	3.0		mg/Kg	10	5/21/2008 8:56:18 PM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-May-08*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Elmridge #24
Lab Order:	0805266	**Collection Date:**	5/15/2008 11:15:00 AM
Project:	JFJ Land Farm	**Date Received:**	5/19/2008
Lab ID:	0805266-02	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 9056A: ANIONS						Analyst: **SLB**
Chloride	720	3.0		mg/Kg	10	5/21/2008 9:13:42 PM

Qualifiers:				
	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-May-08*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Williams #37
Lab Order:	0805266	**Collection Date:**	5/15/2008 12:15:00 PM
Project:	JFJ Land Farm	**Date Received:**	5/19/2008
Lab ID:	0805266-07	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 9056A: ANIONS						Analyst: **SLB**
Chloride	330	3.0		mg/Kg	10	5/21/2008 10:23:20 PM

Qualifiers:				
	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-May-08*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin #35
Lab Order:	0805266	**Collection Date:**	5/15/2008 12:05:00 PM
Project:	JFJ Land Farm	**Date Received:**	5/19/2008
Lab ID:	0805266-06	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 9056A: ANIONS						Analyst: **SLB**
Chloride	790	3.0		mg/Kg	10	5/21/2008 10:05:55 PM

Qualifiers:				
	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-May-08*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Red Willow #30
Lab Order:	0805266	**Collection Date:**	5/15/2008 11:40:00 AM
Project:	JFJ Land Farm	**Date Received:**	5/19/2008
Lab ID:	0805266-04	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 9056A: ANIONS						Analyst: **SLB**
Chloride	99	0.30		mg/Kg	1	5/20/2008 7:43:40 PM

Qualifiers:				
	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-May-08*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington #38
Lab Order:	0805266	**Collection Date:**	5/15/2008 12:24:00 PM
Project:	JFJ Land Farm	**Date Received:**	5/19/2008
Lab ID:	0805266-08	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 9056A: ANIONS						Analyst: **SLB**
Chloride	590	3.0		mg/Kg	10	5/21/2008 10:40:45 PM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-May-08*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Red Willow #34
Lab Order:	0805266	**Collection Date:**	5/15/2008 11:50:00 AM
Project:	JFJ Land Farm	**Date Received:**	5/19/2008
Lab ID:	0805266-05	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 9056A: ANIONS						Analyst: SLB
Chloride	390	3.0		mg/Kg	10	5/21/2008 9:48:31 PM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Jones, Brad A., EMNRD

From: Marcella Marquez [marcella@industrialecosystems.com]
Sent: Thursday, May 29, 2008 1:58 PM
To: Jones, Brad A., EMNRD
Subject: Request to Reuse Soil
Importance: High
Attachments: 1BLANK Request to Reuse Soil.doc; analyticals pile 25.doc

Brad:

Attached you will find another request to reuse soil and analyticals for Pile #25-Basin.

Thanks,
Marcella

Industrial Ecosystems Inc.
Soil Reclamation Center

P.O. Box 2043
Farmington, NM 87499

Phone: (505) 632-1782
Fax: (505) 632-1876

#49 CR 3150
Aztec, NM 87410

July 10, 2008

Brad A. Jones
Environmental Engineer
Environmental Bureau
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

RE: Use of reclaimed soil

Dear Brad:

Recent analytical results show that the following biopiles(s) have reached acceptable levels as required by the N.M.O.C.D.

- Pile # 25 Basin

We are seeking your approval to recycle this soil by using it to mix/solidify incoming liquid waste.

Sincerely,

Marcella Marquez

Marcella Marquez
Administrative Officer

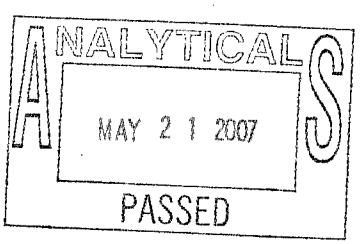
Enclosure(s) – Analytical Reports

Hall Environmental Analysis Laboratory, Inc.

Date: *21-May-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin #25
Lab Order:	0705249	**Collection Date:**	5/15/2007 11:15:00 AM
Project:	JFJ Land Farm	**Date Received:**	5/17/2007
Lab ID:	0705249-07	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	5/18/2007 7:06:25 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	5/18/2007 7:06:25 PM
Surr: DNOP	85.0	61.7-135		%REC	1	5/18/2007 7:06:25 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	5/18/2007 9:10:30 PM
Surr: BFB	110	84-138		%REC	1	5/18/2007 9:10:30 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	5/18/2007 9:10:30 PM
Benzene	ND	0.050		mg/Kg	1	5/18/2007 9:10:30 PM
Toluene	ND	0.050		mg/Kg	1	5/18/2007 9:10:30 PM
Ethylbenzene	ND	0.050		mg/Kg	1	5/18/2007 9:10:30 PM
Xylenes, Total	ND	0.10		mg/Kg	1	5/18/2007 9:10:30 PM
Surr: 4-Bromofluorobenzene	85.9	68.2-109		%REC	1	5/18/2007 9:10:30 PM



Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-May-08*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin #25
Lab Order:	0805266	**Collection Date:**	5/15/2008 11:25:00 AM
Project:	JFJ Land Farm	**Date Received:**	5/19/2008
Lab ID:	0805266-03	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 9056A: ANIONS						Analyst: **SLB**
Chloride	690	3.0		mg/Kg	10	5/21/2008 9:31:06 PM

Qualifiers:		
	*	Value exceeds Maximum Contaminant Level
	E	Value above quantitation range
	J	Analyte detected below quantitation limits
	ND	Not Detected at the Reporting Limit
	S	Spike recovery outside accepted recovery limits
	B	Analyte detected in the associated Method Blank
	H	Holding times for preparation or analysis exceeded
	MCL	Maximum Contaminant Level
	RL	Reporting Limit

Industrial Ecosystems Inc.
Soil Reclamation Center

P.O. Box 2043
Farmington, NM 87499

Phone: (505) 632-1782
Fax: (505) 632-1876

#81 CR 3150
Aztec, NM 87410

May 8, 2007

Brad Jones, New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Use of reclaimed soil

Dear Brad:

Recent analytical results show that the following biopiles have reached acceptable levels as required by the N.M.O.C.D.

Pile # 571 Burlington Resources
Pile # 505 XTO Energy
Pile # 569 Burlington Resources
Pile # 313 Basin Disposal
Pile # 557 Dugan Productions
Pile # 312 Energen Resources
Pile # 518 Burlington Resources
Pile # 105 Graves
Pile # 101 Basin Disposal
Pile # 34 Red Willow
Pile # 38 Burlington Resources
Pile # 30 Red Willow
Pile # 35 Basin Disposal
Pile # 19 Pure
Pile # 521 Burlington Resources
Pile # 46 Basin Disposal
Pile # 65 Duke
Pile # 60 Red Willow
Pile # 42 Delta
Pile # 37 Williams
Pile # 104 Red Cedar
Pile # 577 Burlington Resources
Pile # 24 Elm Ridge

We are seeking your approval to recycle this soil by using it as mix material to solidify incoming tank bottom sludge, on the JFJ Facility. Please find enclosed the analytical reports for each of these biopiles.

Sincerely,

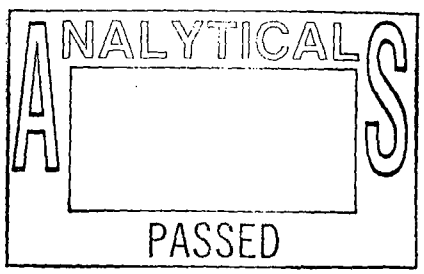
Marcella Marquez
Administrative Officer

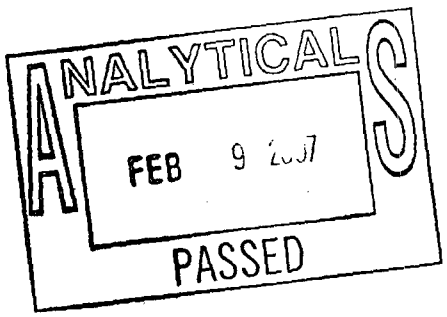
Hall Environmental Analysis Laboratory, Inc.

Date: *09-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington 571
Lab Order:	0701333	**Collection Date:**	1/25/2007 1:20:00 PM
Project:	JFJ Land Farm	**Date Received:**	1/29/2007
Lab ID:	0701333-05	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	33	10		mg/Kg	1	2/6/2007 11:58:36 PM
Motor Oil Range Organics (MRO)	55	50		mg/Kg	1	2/6/2007 11:58:36 PM
Surr: DNOP	102	61.7-135		%REC	1	2/6/2007 11:58:36 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	1/30/2007 3:30:22 PM
Surr: BFB	107	84-138		%REC	1	1/30/2007 3:30:22 PM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	1/30/2007 3:30:22 PM
Benzene	ND	0.050		mg/Kg	1	1/30/2007 3:30:22 PM
Toluene	ND	0.050		mg/Kg	1	1/30/2007 3:30:22 PM
Ethylbenzene	ND	0.050		mg/Kg	1	1/30/2007 3:30:22 PM
Xylenes, Total	ND	0.15		mg/Kg	1	1/30/2007 3:30:22 PM
Surr: 4-Bromofluorobenzene	87.9	68.2-109		%REC	1	1/30/2007 3:30:22 PM





Qualifiers:

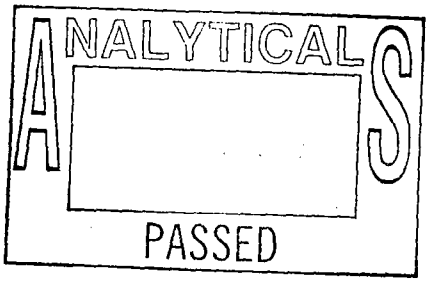
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

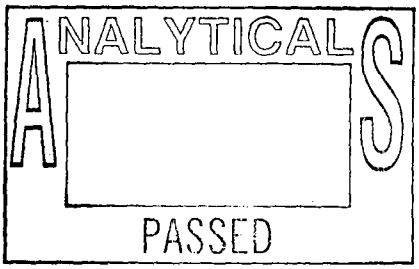
Hall Environmental Analysis Laboratory, Inc.

Date: *09-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	XTO 505
Lab Order:	0701333	**Collection Date:**	1/25/2007 1:35:00 PM
Project:	JFJ Land Farm	**Date Received:**	1/29/2007
Lab ID:	0701333-04	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	37	10		mg/Kg	1	2/6/2007 11:24:44 PM
Motor Oil Range Organics (MRO)	61	50		mg/Kg	1	2/6/2007 11:24:44 PM
Surr: DNOP	98.4	61.7-135		%REC	1	2/6/2007 11:24:44 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	1/30/2007 3:00:17 PM
Surr: BFB	108	84-138		%REC	1	1/30/2007 3:00:17 PM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	1/30/2007 3:00:17 PM
Benzene	ND	0.050		mg/Kg	1	1/30/2007 3:00:17 PM
Toluene	ND	0.050		mg/Kg	1	1/30/2007 3:00:17 PM
Ethylbenzene	ND	0.050		mg/Kg	1	1/30/2007 3:00:17 PM
Xylenes, Total	ND	0.15		mg/Kg	1	1/30/2007 3:00:17 PM
Surr: 4-Bromofluorobenzene	88.6	68.2-109		%REC	1	1/30/2007 3:00:17 PM





Qualifiers:

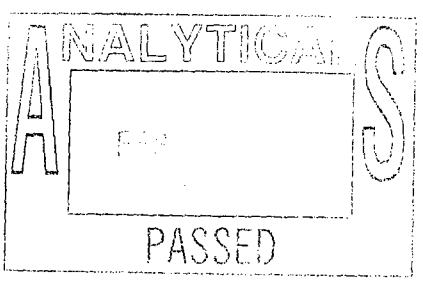
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington 569
Lab Order:	0702228	**Collection Date:**	2/20/2007 10:00:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-12	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	17	10		mg/Kg	1	2/21/2007 11:24:28 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	2/21/2007 11:24:28 PM
Surr: DNOP	89.4	61.7-135		%REC	1	2/21/2007 11:24:28 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/22/2007 2:32:23 AM
Surr: BFB	107	84-138		%REC	1	2/22/2007 2:32:23 AM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/22/2007 2:32:23 AM
Benzene	ND	0.050		mg/Kg	1	2/22/2007 2:32:23 AM
Toluene	ND	0.050		mg/Kg	1	2/22/2007 2:32:23 AM
Ethylbenzene	ND	0.050		mg/Kg	1	2/22/2007 2:32:23 AM
Xylenes, Total	ND	0.10		mg/Kg	1	2/22/2007 2:32:23 AM
Surr: 4-Bromofluorobenzene	89.6	68.2-109		%REC	1	2/22/2007 2:32:23 AM



Qualifiers:

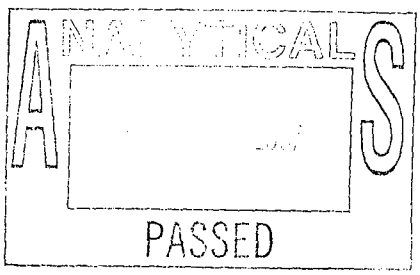
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin 313
Lab Order:	0702228	**Collection Date:**	2/20/2007 10:20:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-11	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	2/21/2007 10:50:35 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	2/21/2007 10:50:35 PM
Surr: DNOP	84.2	61.7-135		%REC	1	2/21/2007 10:50:35 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/22/2007 2:02:19 AM
Surr: BFB	106	84-138		%REC	1	2/22/2007 2:02:19 AM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/22/2007 2:02:19 AM
Benzene	ND	0.050		mg/Kg	1	2/22/2007 2:02:19 AM
Toluene	ND	0.050		mg/Kg	1	2/22/2007 2:02:19 AM
Ethylbenzene	ND	0.050		mg/Kg	1	2/22/2007 2:02:19 AM
Xylenes, Total	ND	0.10		mg/Kg	1	2/22/2007 2:02:19 AM
Surr: 4-Bromofluorobenzene	89.2	68.2-109		%REC	1	2/22/2007 2:02:19 AM



Qualifiers:

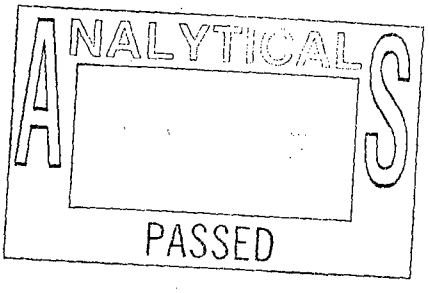
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Dugan 557
Lab Order:	0702228	**Collection Date:**	2/20/2007 9:48:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-10	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	2/21/2007 10:16:46 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	2/21/2007 10:16:46 PM
Surr: DNOP	70.0	61.7-135		%REC	1	2/21/2007 10:16:46 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/22/2007 1:32:12 AM
Surr: BFB	108	84-138		%REC	1	2/22/2007 1:32:12 AM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/22/2007 1:32:12 AM
Benzene	ND	0.050		mg/Kg	1	2/22/2007 1:32:12 AM
Toluene	ND	0.050		mg/Kg	1	2/22/2007 1:32:12 AM
Ethylbenzene	ND	0.050		mg/Kg	1	2/22/2007 1:32:12 AM
Xylenes, Total	ND	0.10		mg/Kg	1	2/22/2007 1:32:12 AM
Surr: 4-Bromofluorobenzene	90.8	68.2-109		%REC	1	2/22/2007 1:32:12 AM



Qualifiers:

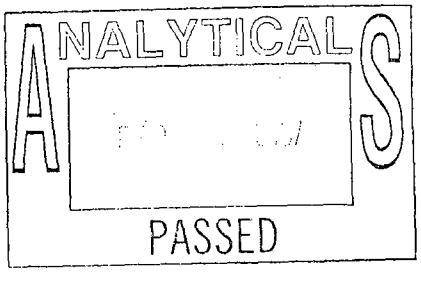
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Energen 312
Lab Order:	0702228	**Collection Date:**	2/20/2007 9:30:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-09	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	2/21/2007 9:42:56 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	2/21/2007 9:42:56 PM
Surr: DNOP	93.0	61.7-135		%REC	1	2/21/2007 9:42:56 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/22/2007 1:02:14 AM
Surr: BFB	107	84-138		%REC	1	2/22/2007 1:02:14 AM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/22/2007 1:02:14 AM
Benzene	ND	0.050		mg/Kg	1	2/22/2007 1:02:14 AM
Toluene	ND	0.050		mg/Kg	1	2/22/2007 1:02:14 AM
Ethylbenzene	ND	0.050		mg/Kg	1	2/22/2007 1:02:14 AM
Xylenes, Total	ND	0.10		mg/Kg	1	2/22/2007 1:02:14 AM
Surr: 4-Bromofluorobenzene	90.2	68.2-109		%REC	1	2/22/2007 1:02:14 AM



Qualifiers:

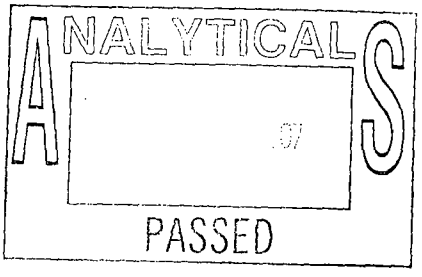
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington 518
Lab Order:	0702228	**Collection Date:**	2/20/2007 9:15:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-08	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	23	10		mg/Kg	1	2/21/2007 9:08:53 PM
Motor Oil Range Organics (MRO)	60	50		mg/Kg	1	2/21/2007 9:08:53 PM
Surr: DNOP	90.0	61.7-135		%REC	1	2/21/2007 9:08:53 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/22/2007 12:32:09 AM
Surr: BFB	107	84-138		%REC	1	2/22/2007 12:32:09 AM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/22/2007 12:32:09 AM
Benzene	ND	0.050		mg/Kg	1	2/22/2007 12:32:09 AM
Toluene	ND	0.050		mg/Kg	1	2/22/2007 12:32:09 AM
Ethylbenzene	ND	0.050		mg/Kg	1	2/22/2007 12:32:09 AM
Xylenes, Total	ND	0.10		mg/Kg	1	2/22/2007 12:32:09 AM
Surr: 4-Bromofluorobenzene	90.1	68.2-109		%REC	1	2/22/2007 12:32:09 AM



Qualifiers:

*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Graves 105
Lab Order:	0702228	**Collection Date:**	2/20/2007 9:00:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-07	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	2/21/2007 8:00:38 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	2/21/2007 8:00:38 PM
Surr: DNOP	86.1	61.7-135		%REC	1	2/21/2007 8:00:38 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/21/2007 10:01:55 PM
Surr: BFB	107	84-138		%REC	1	2/21/2007 10:01:55 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/21/2007 10:01:55 PM
Benzene	ND	0.050		mg/Kg	1	2/21/2007 10:01:55 PM
Toluene	ND	0.050		mg/Kg	1	2/21/2007 10:01:55 PM
Ethylbenzene	ND	0.050		mg/Kg	1	2/21/2007 10:01:55 PM
Xylenes, Total	ND	0.10		mg/Kg	1	2/21/2007 10:01:55 PM
Surr: 4-Bromofluorobenzene	90.6	68.2-109		%REC	1	2/21/2007 10:01:55 PM

ANALYTICAL [illegible]07 PASSED

Qualifiers:

*	Value exceeds Maximum Contaminant Level
E	Value above quantitation range
J	Analyte detected below quantitation limits
ND	Not Detected at the Reporting Limit
S	Spike recovery outside accepted recovery limits

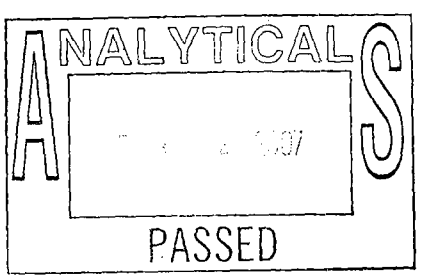
B	Analyte detected [illegible]
H	Holding [illegible]
MCL	Maximum Contaminant [illegible]
RL	Reporting Limit

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin 101
Lab Order:	0702228	**Collection Date:**	2/20/2007 8:46:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-06	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	2/21/2007 7:26:29 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	2/21/2007 7:26:29 PM
Surr: DNOP	94.7	61.7-135		%REC	1	2/21/2007 7:26:29 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/21/2007 9:31:53 PM
Surr: BFB	107	84-138		%REC	1	2/21/2007 9:31:53 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/21/2007 9:31:53 PM
Benzene	ND	0.050		mg/Kg	1	2/21/2007 9:31:53 PM
Toluene	ND	0.050		mg/Kg	1	2/21/2007 9:31:53 PM
Ethylbenzene	ND	0.050		mg/Kg	1	2/21/2007 9:31:53 PM
Xylenes, Total	ND	0.10		mg/Kg	1	2/21/2007 9:31:53 PM
Surr: 4-Bromofluorobenzene	90.0	68.2-109		%REC	1	2/21/2007 9:31:53 PM



Qualifiers:

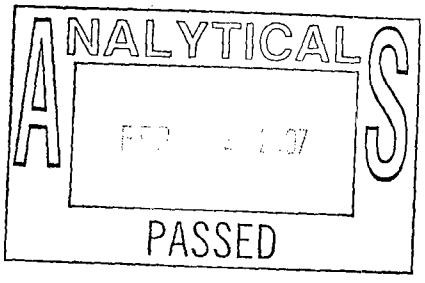
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Red willow 34
Lab Order:	0702228	**Collection Date:**	2/20/2007 8:30:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-05	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	17	10		mg/Kg	1	2/21/2007 6:52:25 PM
Motor Oil Range Organics (MRO)	54	50		mg/Kg	1	2/21/2007 6:52:25 PM
Surr: DNOP	89.1	61.7-135		%REC	1	2/21/2007 6:52:25 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/21/2007 9:01:43 PM
Surr: BFB	107	84-138		%REC	1	2/21/2007 9:01:43 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/21/2007 9:01:43 PM
Benzene	ND	0.050		mg/Kg	1	2/21/2007 9:01:43 PM
Toluene	ND	0.050		mg/Kg	1	2/21/2007 9:01:43 PM
Ethylbenzene	ND	0.050		mg/Kg	1	2/21/2007 9:01:43 PM
Xylenes, Total	ND	0.10		mg/Kg	1	2/21/2007 9:01:43 PM
Surr: 4-Bromofluorobenzene	89.4	68.2-109		%REC	1	2/21/2007 9:01:43 PM



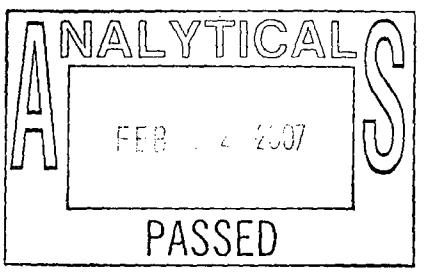
Qualifiers:				
	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington 38
Lab Order:	0702228	**Collection Date:**	2/20/2007 8:20:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-04	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	2/21/2007 6:18:21 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	2/21/2007 6:18:21 PM
Surr: DNOP	73.9	61.7-135		%REC	1	2/21/2007 6:18:21 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/21/2007 8:31:39 PM
Surr: BFB	107	84-138		%REC	1	2/21/2007 8:31:39 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/21/2007 8:31:39 PM
Benzene	ND	0.050		mg/Kg	1	2/21/2007 8:31:39 PM
Toluene	ND	0.050		mg/Kg	1	2/21/2007 8:31:39 PM
Ethylbenzene	ND	0.050		mg/Kg	1	2/21/2007 8:31:39 PM
Xylenes, Total	ND	0.10		mg/Kg	1	2/21/2007 8:31:39 PM
Surr: 4-Bromofluorobenzene	90.7	68.2-109		%REC	1	2/21/2007 8:31:39 PM



Qualifiers:

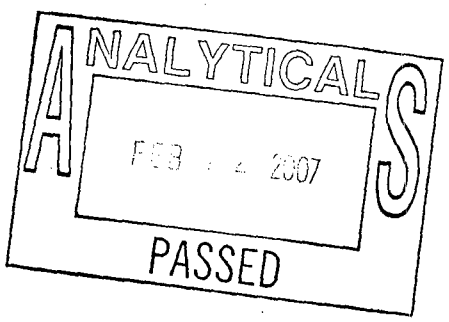
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Red willow 30
Lab Order:	0702228	**Collection Date:**	2/20/2007 8:05:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-03	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	2/21/2007 5:44:13 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	2/21/2007 5:44:13 PM
Surr: DNOP	91.3	61.7-135		%REC	1	2/21/2007 5:44:13 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/21/2007 8:01:31 PM
Surr: BFB	108	84-138		%REC	1	2/21/2007 8:01:31 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/21/2007 8:01:31 PM
Benzene	ND	0.050		mg/Kg	1	2/21/2007 8:01:31 PM
Toluene	ND	0.050		mg/Kg	1	2/21/2007 8:01:31 PM
Ethylbenzene	ND	0.050		mg/Kg	1	2/21/2007 8:01:31 PM
Xylenes, Total	ND	0.10		mg/Kg	1	2/21/2007 8:01:31 PM
Surr: 4-Bromofluorobenzene	90.7	68.2-109		%REC	1	2/21/2007 8:01:31 PM



Qualifiers:

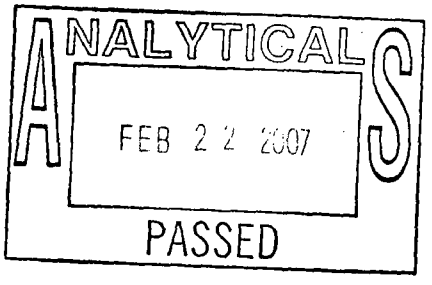
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin 35 <
Lab Order:	0702228	**Collection Date:**	2/20/2007 7:45:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-02	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	2/21/2007 5:10:09 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	2/21/2007 5:10:09 PM
Surr: DNOP	99.4	61.7-135		%REC	1	2/21/2007 5:10:09 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/21/2007 7:31:23 PM
Surr: BFB	106	84-138		%REC	1	2/21/2007 7:31:23 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/21/2007 7:31:23 PM
Benzene	ND	0.050		mg/Kg	1	2/21/2007 7:31:23 PM
Toluene	ND	0.050		mg/Kg	1	2/21/2007 7:31:23 PM
Ethylbenzene	ND	0.050		mg/Kg	1	2/21/2007 7:31:23 PM
Xylenes, Total	ND	0.10		mg/Kg	1	2/21/2007 7:31:23 PM
Surr: 4-Bromofluorobenzene	88.9	68.2-109		%REC	1	2/21/2007 7:31:23 PM



Qualifiers:

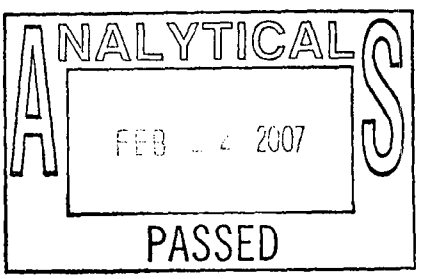
- * Value exceeds Maximum Contaminant Level
- E Value above quantitation range
- J Analyte detected below quantitation limits
- ND Not Detected at the Reporting Limit
- S Spike recovery outside accepted recovery limits
- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- MCL Maximum Contaminant Level
- RL Reporting Limit

Hall Environmental Analysis Laboratory, Inc.

Date: *22-Feb-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Pure 19
Lab Order:	0702228	**Collection Date:**	2/20/2007 7:36:00 AM
Project:	JFJ Land Farm	**Date Received:**	2/21/2007
Lab ID:	0702228-01	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	2/21/2007 4:36:04 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	2/21/2007 4:36:04 PM
Surr: DNOP	99.8	61.7-135		%REC	1	2/21/2007 4:36:04 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	2/21/2007 7:01:08 PM
Surr: BFB	106	84-138		%REC	1	2/21/2007 7:01:08 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	2/21/2007 7:01:08 PM
Benzene	ND	0.050		mg/Kg	1	2/21/2007 7:01:08 PM
Toluene	ND	0.050		mg/Kg	1	2/21/2007 7:01:08 PM
Ethylbenzene	ND	0.050		mg/Kg	1	2/21/2007 7:01:08 PM
Xylenes, Total	ND	0.10		mg/Kg	1	2/21/2007 7:01:08 PM
Surr: 4-Bromofluorobenzene	89.1	68.2-109		%REC	1	2/21/2007 7:01:08 PM



Qualifiers:

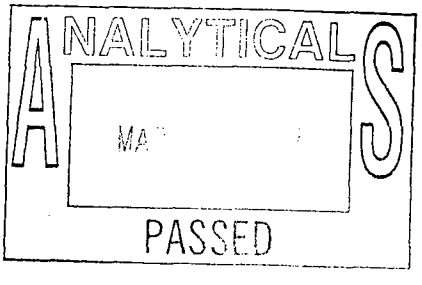
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-Mar-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington 521
Lab Order:	0703336	**Collection Date:**	3/21/2007 12:52:00 PM
Project:	JFJ Land Farm	**Date Received:**	3/22/2007
Lab ID:	0703336-12	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	13	10		mg/Kg	1	3/27/2007 3:21:07 AM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	3/27/2007 3:21:07 AM
Surr: DNOP	95.7	61.7-135		%REC	1	3/27/2007 3:21:07 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	3/26/2007 7:15:12 PM
Surr: BFB	112	84-138		%REC	1	3/26/2007 7:15:12 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	3/26/2007 7:15:12 PM
Benzene	ND	0.050		mg/Kg	1	3/26/2007 7:15:12 PM
Toluene	ND	0.050		mg/Kg	1	3/26/2007 7:15:12 PM
Ethylbenzene	ND	0.050		mg/Kg	1	3/26/2007 7:15:12 PM
Xylenes, Total	ND	0.10		mg/Kg	1	3/26/2007 7:15:12 PM
Surr: 4-Bromofluorobenzene	91.0	68.2-109		%REC	1	3/26/2007 7:15:12 PM



Qualifiers:

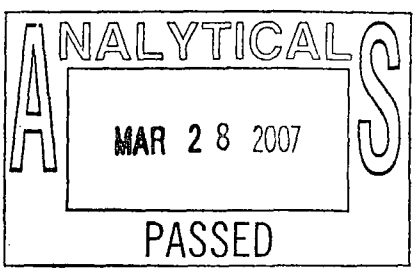
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-Mar-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin 46
Lab Order:	0703336	**Collection Date:**	3/21/2007 11:30:00 AM
Project:	JFJ Land Farm	**Date Received:**	3/22/2007
Lab ID:	0703336-08	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	3/27/2007 1:04:42 AM
Motor Oil Range Organics (MRO)	55	50		mg/Kg	1	3/27/2007 1:04:42 AM
Surr: DNOP	88.8	61.7-135		%REC	1	3/27/2007 1:04:42 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	3/26/2007 3:14:25 PM
Surr: BFB	110	84-138		%REC	1	3/26/2007 3:14:25 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	3/26/2007 3:14:25 PM
Benzene	ND	0.050		mg/Kg	1	3/26/2007 3:14:25 PM
Toluene	ND	0.050		mg/Kg	1	3/26/2007 3:14:25 PM
Ethylbenzene	ND	0.050		mg/Kg	1	3/26/2007 3:14:25 PM
Xylenes, Total	ND	0.10		mg/Kg	1	3/26/2007 3:14:25 PM
Surr: 4-Bromofluorobenzene	89.9	68.2-109		%REC	1	3/26/2007 3:14:25 PM



Qualifiers:

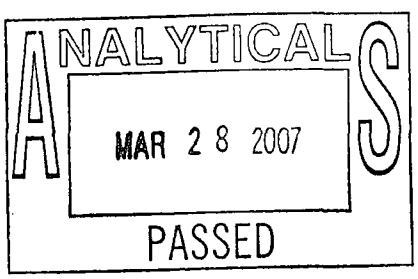
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-Mar-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Duke 65
Lab Order:	0703336	**Collection Date:**	3/21/2007 10:42:00 AM
Project:	JFJ Land Farm	**Date Received:**	3/22/2007
Lab ID:	0703336-06	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	14	10		mg/Kg	1	3/26/2007 11:56:28 PM
Motor Oil Range Organics (MRO)	56	50		mg/Kg	1	3/26/2007 11:56:28 PM
Surr: DNOP	95.1	61.7-135		%REC	1	3/26/2007 11:56:28 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	3/26/2007 2:14:20 PM
Surr: BFB	109	84-138		%REC	1	3/26/2007 2:14:20 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	3/26/2007 2:14:20 PM
Benzene	ND	0.050		mg/Kg	1	3/26/2007 2:14:20 PM
Toluene	ND	0.050		mg/Kg	1	3/26/2007 2:14:20 PM
Ethylbenzene	ND	0.050		mg/Kg	1	3/26/2007 2:14:20 PM
Xylenes, Total	ND	0.10		mg/Kg	1	3/26/2007 2:14:20 PM
Surr: 4-Bromofluorobenzene	88.4	68.2-109		%REC	1	3/26/2007 2:14:20 PM



Qualifiers:

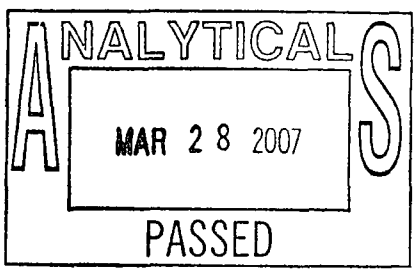
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-Mar-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Red willow 60
Lab Order:	0703336	**Collection Date:**	3/21/2007 10:20:00 AM
Project:	JFJ Land Farm	**Date Received:**	3/22/2007
Lab ID:	0703336-05	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	11	10		mg/Kg	1	3/26/2007 9:05:54 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	3/26/2007 9:05:54 PM
Surr: DNOP	96.0	61.7-135		%REC	1	3/26/2007 9:05:54 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	3/26/2007 1:44:15 PM
Surr: BFB	112	84-138		%REC	1	3/26/2007 1:44:15 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	3/26/2007 1:44:15 PM
Benzene	ND	0.050		mg/Kg	1	3/26/2007 1:44:15 PM
Toluene	ND	0.050		mg/Kg	1	3/26/2007 1:44:15 PM
Ethylbenzene	ND	0.050		mg/Kg	1	3/26/2007 1:44:15 PM
Xylenes, Total	ND	0.10		mg/Kg	1	3/26/2007 1:44:15 PM
Surr: 4-Bromofluorobenzene	91.4	68.2-109		%REC	1	3/26/2007 1:44:15 PM



Qualifiers:

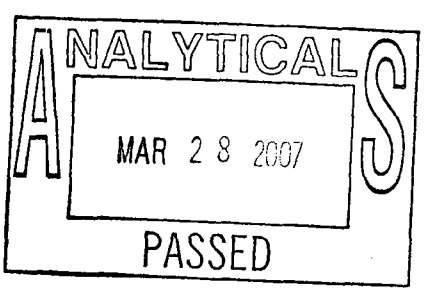
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-Mar-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Delta 42
Lab Order:	0703336	**Collection Date:**	3/21/2007 9:55:00 AM
Project:	JFJ Land Farm	**Date Received:**	3/22/2007
Lab ID:	0703336-04	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	14	10		mg/Kg	1	3/26/2007 8:31:28 PM
Motor Oil Range Organics (MRO)	58	50		mg/Kg	1	3/26/2007 8:31:28 PM
Surr: DNOP	89.2	61.7-135		%REC	1	3/26/2007 8:31:28 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	3/26/2007 1:14:09 PM
Surr: BFB	112	84-138		%REC	1	3/26/2007 1:14:09 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	3/26/2007 1:14:09 PM
Benzene	ND	0.050		mg/Kg	1	3/26/2007 1:14:09 PM
Toluene	ND	0.050		mg/Kg	1	3/26/2007 1:14:09 PM
Ethylbenzene	ND	0.050		mg/Kg	1	3/26/2007 1:14:09 PM
Xylenes, Total	ND	0.10		mg/Kg	1	3/26/2007 1:14:09 PM
Surr: 4-Bromofluorobenzene	90.3	68.2-109		%REC	1	3/26/2007 1:14:09 PM



Qualifiers:

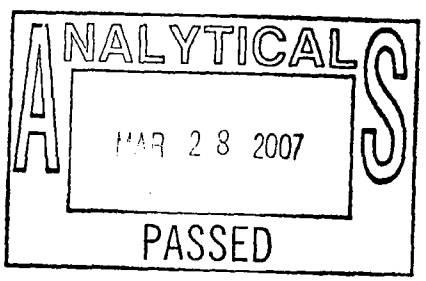
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *28-Mar-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Willams 37
Lab Order:	0703336	**Collection Date:**	3/21/2007 9:46:00 AM
Project:	JFJ Land Farm	**Date Received:**	3/22/2007
Lab ID:	0703336-03	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	16	10		mg/Kg	1	3/26/2007 7:57:04 PM
Motor Oil Range Organics (MRO)	70	50		mg/Kg	1	3/26/2007 7:57:04 PM
Surr: DNOP	90.4	61.7-135		%REC	1	3/26/2007 7:57:04 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	3/26/2007 11:43:39 AM
Surr: BFB	108	84-138		%REC	1	3/26/2007 11:43:39 AM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	3/26/2007 11:43:39 AM
Benzene	ND	0.050		mg/Kg	1	3/26/2007 11:43:39 AM
Toluene	ND	0.050		mg/Kg	1	3/26/2007 11:43:39 AM
Ethylbenzene	ND	0.050		mg/Kg	1	3/26/2007 11:43:39 AM
Xylenes, Total	ND	0.10		mg/Kg	1	3/26/2007 11:43:39 AM
Surr: 4-Bromofluorobenzene	88.8	68.2-109		%REC	1	3/26/2007 11:43:39 AM



Qualifiers:

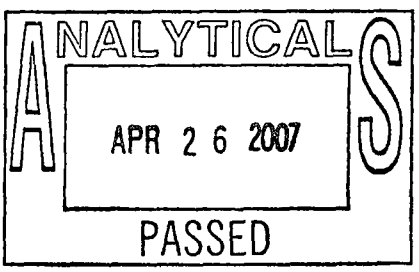
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *30-Apr-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Red Ceder #104
Lab Order:	0704405	**Collection Date:**	4/25/2007 12:04:00 PM
Project:	JFJ Land Farm	**Date Received:**	4/26/2007
Lab ID:	0704405-16	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	18	10		mg/Kg	1	4/28/2007 10:13:39 PM
Motor Oil Range Organics (MRO)	71	50		mg/Kg	1	4/28/2007 10:13:39 PM
Surr: DNOP	103	61.7-135		%REC	1	4/28/2007 10:13:39 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	4/27/2007 9:04:26 PM
Surr: BFB	113	84-138		%REC	1	4/27/2007 9:04:26 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	4/27/2007 9:04:26 PM
Benzene	ND	0.050		mg/Kg	1	4/27/2007 9:04:26 PM
Toluene	ND	0.050		mg/Kg	1	4/27/2007 9:04:26 PM
Ethylbenzene	ND	0.050		mg/Kg	1	4/27/2007 9:04:26 PM
Xylenes, Total	ND	0.10		mg/Kg	1	4/27/2007 9:04:26 PM
Surr: 4-Bromofluorobenzene	89.1	68.2-109		%REC	1	4/27/2007 9:04:26 PM



Qualifiers:

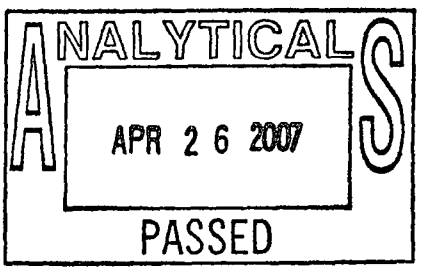
*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *30-Apr-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington #577
Lab Order:	0704405	**Collection Date:**	4/25/2007 11:32:00 AM
Project:	JFJ Land Farm	**Date Received:**	4/26/2007
Lab ID:	0704405-14	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	13	10		mg/Kg	1	4/28/2007 9:04:55 PM
Motor Oil Range Organics (MRO)	68	50		mg/Kg	1	4/28/2007 9:04:55 PM
Surr: DNOP	99.8	61.7-135		%REC	1	4/28/2007 9:04:55 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	4/27/2007 8:04:28 PM
Surr: BFB	113	84-138		%REC	1	4/27/2007 8:04:28 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	4/27/2007 8:04:28 PM
Benzene	ND	0.050		mg/Kg	1	4/27/2007 8:04:28 PM
Toluene	ND	0.050		mg/Kg	1	4/27/2007 8:04:28 PM
Ethylbenzene	ND	0.050		mg/Kg	1	4/27/2007 8:04:28 PM
Xylenes, Total	ND	0.10		mg/Kg	1	4/27/2007 8:04:28 PM
Surr: 4-Bromofluorobenzene	90.2	68.2-109		%REC	1	4/27/2007 8:04:28 PM



Qualifiers:

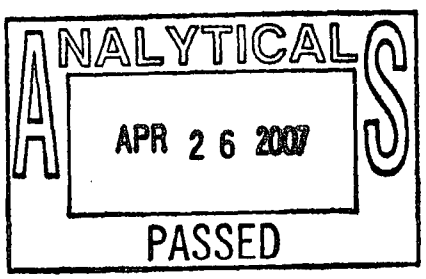
- * Value exceeds Maximum Contaminant Level
- E Value above quantitation range
- J Analyte detected below quantitation limits
- ND Not Detected at the Reporting Limit
- S Spike recovery outside accepted recovery limits
- B Analyte detected in the associated Method Blank
- H Holding times for preparation or analysis exceeded
- MCL Maximum Contaminant Level
- RL Reporting Limit

Hall Environmental Analysis Laboratory, Inc.

Date: *30-Apr-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Elmridge #24
Lab Order:	0704405	**Collection Date:**	4/25/2007 9:30:00 AM
Project:	JFJ Land Farm	**Date Received:**	4/26/2007
Lab ID:	0704405-06	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	17	10		mg/Kg	1	4/28/2007 1:34:06 PM
Motor Oil Range Organics (MRO)	79	50		mg/Kg	1	4/28/2007 1:34:06 PM
Surr: DNOP	96.8	61.7-135		%REC	1	4/28/2007 1:34:06 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	4/27/2007 2:33:26 PM
Surr: BFB	112	84-138		%REC	1	4/27/2007 2:33:26 PM
EPA METHOD 8021B: VOLATILES						Analyst: **NSB**
Methyl tert-butyl ether (MTBE)	ND	0.10		mg/Kg	1	4/27/2007 2:33:26 PM
Benzene	ND	0.050		mg/Kg	1	4/27/2007 2:33:26 PM
Toluene	ND	0.050		mg/Kg	1	4/27/2007 2:33:26 PM
Ethylbenzene	ND	0.050		mg/Kg	1	4/27/2007 2:33:26 PM
Xylenes, Total	ND	0.10		mg/Kg	1	4/27/2007 2:33:26 PM
Surr: 4-Bromofluorobenzene	89.0	68.2-109		%REC	1	4/27/2007 2:33:26 PM



Qualifiers:

*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

August 15, 2007

Mr. Jake Hatcher
JFJ Landfarm, L.L.C.
Industrial Ecosystems Inc.
Soil Reclamation Center
P.O. Box 2043
Farmington, New Mexico 87499

RE: July 31, 2007 Complaint (Private Citizen)
JFJ Landfarm, LLC - Industrial Ecosystems Inc.
JFJ Landfarm – Permit # NM01-0010B
NW/4, SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received a complaint against JFJ Landfarm, LLC (JFJ) surface waste management facility operations from a private citizen. The complaint is in regard to fugitive soils and dust blowing off-site and into the surrounding residential areas. The complaint also mentioned the reduced visibility on CR 3148 and safety issues created by the blowing fugitive soil and dust from the landfarm.

The OCD wishes to take this opportunity to notify JFJ that pursuit to Subsection A of Section 20 of 19.15.36 NMAC, the transitional provisions of the new surface waste management facility regulations, "existing surface waste management facilities *shall comply with the operational, waste acceptance and closure requirements provided in 19.15.36 NMAC*, except as otherwise specifically provided in the applicable permit or order, or in a specific waiver, exception or agreement that the division has granted in writing to the particular surface waste management facility." In accordance with Paragraph (6) of Subsection C of Section 15 of 19.15.36 NMAC, operational requirements for landfarms, "The operator shall add moisture, as necessary, to enhance bioremediation and *to control blowing dust*."

To ensure that this issue is properly addressed, please submit an operational plan to the OCD for review and approval within 15 days of receipt of this letter. The operational plan shall propose protocols, procedures and methods that JFJ will implement to prevent fugitive soil and dust from leaving the landfarm facility. In accordance with the provisions of Subsection C of Section 12

of 19.15.36 NMAC, the OCD will impose additional conditions to the existing surface waste management facility permit based upon the approved operational plan.

If you have any questions regarding this matter, please contact of me at (505) 476-3487 or brad.a.jones@state.nm.us.

Sincerely,

Brad A. Jones
Environmental Engineer

BAJ/baj

cc: OCD District III Office, Aztec
Ms. Marcella Marquez, JFJ Landfarm, LLC, Industrial Ecosystems Inc., Farmington, NM

NMOCD
1220 S. St. Francis Drive
Santa Fe, NM 87505
Attention: Wayne Price

July 31, 2007

RE: Crouch Mesa Soil Reclamation Center operated by Industrial Ecosystem, Inc.
NMOCD Permit # NM-01-00108(or B?) JFJ Landfarm LLC
NW/4/SE/4, Sec. 2 T 29N, R12W

Dear Mr. Price

I have several questions about the Soil Reclamation Center (dirt farm) located in a housing area on Crouch Mesa. For your convenience, I have numbered the questions:

On Thursday, June 21st, 2007, I drove to Crouch Mesa with my friend Amy. My family once owned over 740 acres of Crouch Mesa land, but sold it in the 70's. I remember when there was absolutely nothing there but our cattle, our windmill and a few antelope. My, how times have changed.

We drove by the dirt farm (Industrial Ecosystem, Inc. JFJ Landfarm LLC) The odor from the contaminated soils stored there was nauseating. We noted that about 35 homes are in the immediate vicinity & wondered how those poor people can stand to live there. A little boy came running out of his house which is only about 200 feet from the east fence of the dirt farm. He had his swimming trunks on & hopped into his little swimming pool and was happily playing in the water. All of a sudden a gust of wind came up and Amy & I suddenly found ourselves choking in a thick cloud of dirt blowing from the dirt farm. Luckily we were parked at the time, because CR 3148 disappeared in the thick cloud of dirt. We could faintly see headlights from two cars coming toward us. They had to be blinded by the blowing dirt too. We managed to take some photos of the dirt storm. We couldn't see the little boy who was blasted by that contaminated dirt.

I cannot get that little boy out of my mind. What is he being exposed to?? What about other children and their families ?? I dont know which came first, the dirt farm or the families, but the fact is that people live there and they are being blasted by uncontrolled dirt and whatever it is contaminated with. The stench of that place alone would gag a maggot.

#1. It is my understanding that the dirt farm covers about 55 acres and it looks like another dirt farm adjacent is being developed to the North? Is this dirt farm acreage being expanded?

A friend who owns land on the North end of Crouch Mesa told me that recently, a Mr. Finney had approached him about leasing or buying land for another "dirt farm".

#2 Is there any State of NM consideration for the health and safety of the residents living in the area? What about the health and safety of the employees of the trucking firms and also the employees of Industrial Ecosystem? The fumes from the contaminated soil is worrisome as are the horrendous clouds of dust.

#3. There is a definite traffic safety problem when the unmitigated dust clouds boil across the public roads. In addition to several county roads to the east, there is a major highway (350) to the west. A few months ago, I had to pull off Highway 350 in that area because of a blinding dust storm, but I did not realize where the dirt was coming from. Now I know ! Will your department address traffic safety due to the uncontrolled dust from the dirt farm?

It seems to me that at the very least, the owners of the land farm (JFJ Landfarm, LLC) should be required to sprinkle the piles of dirt to keep the dust down.

#4 Why is NM OCD Rule 19.15.36.15 (C)(6) that states "The operator shall add moisture, as necessary, to enhance bioremdiation and to control blowing dust" not being applied and enforced at this facility?

There is no evidence of any sprinkling system at this facility & if there were, the contaminated waters would flow downhill into the gullies and arroyos which feed into the San Juan River. A couple of weeks ago I returned to the area with my husband, Warren. He noted that the landfarm is sloped downhill toward several ephemeral arroyos in the San Juan River drainage. He noted that there are no obvious catch basins to impound any effluent runoff. Water contamination is another of our major concerns about this facility.

#5. Please address our observations about contaminated runoff into the many gullies and ephemeral arroys that flow from the area of the dirt piles?

#6 In addition, the contaminated dirt coats the vegetation and soils when the wind blows. Has the soil in the nearby areas been tested for contamination?

#7 I have information that Wyoming has a mile setback requirement for "dirt farms". Does the State of New Mexico have setback requirements, especially from homes?

Obviously no one is monitoring the serious dust problem!!

Please note that Amy and I both developed sore throats and sore burning eyes directly after our exposure to the blowing dirt.
The dirt storm we endured was just about five minutes of wind gusts.....recently our area had a couple of 50 mph windy days.....I cannot imagine what that neighborhood as well as the people who work at the dirt farm went through, can you?

If you will send your e-mail address to sjmcnall@yahoo.com I can forward some of the photos that Amy and I took the day we were swallowed up in the dirt storm.

I thank you in advance for your attention to this matter.

Thanks SJ McNall

Shirley J. (Sug) McNall

900 Sabena, Aztec, NM 87410

Jones, Brad A., EMNRD

From: Jones, Brad A., EMNRD
Sent: Monday, January 08, 2007 7:53 AM
To: 'Joel Owens'
Cc: Powell, Brandon, EMNRD
Subject: RE: Request for Closure/Reuse of Biopiles

Joel,

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed your request to use remediated soil from the biopiles as mix material to solidify incoming sludge material at the JFJ Landfarm surface waste management facility in accordance with the approved conditions of permit number NM-1-0010B. NMOCD approves only the following biopiles for reuse:

1. Pile # 49 (0612260-16)
2. Pile #41 (0612260-14)
3. Pile # 29 (0612269-13)
4.
5. Pile #44 (0612260-10)
6.
7. Pile #5 (0612260-08)
8. Pile #3 (0612260-05)
9. Pile #555 (0612260-04)
10. Pile #16 (0612260-03)
11. Pile #70 (0612260-02)

Biopiles #569 (0612260-11) and #518 (0612260-09) did not satisfy the remediation criteria set forth in permit number NM-1-0010B for total petroleum hydrocarbons (less than 100 ppm). Therefore, they are not approved for reuse.

If you have any questions regarding this matter, please do not hesitate to contact me.

Brad

Brad A. Jones
Environmental Engineer
Environmental Bureau
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505
E-mail: brad.a.jones@state.nm.us
Office: (505) 476-3487
Fax: (505) 476-3462

From: Joel Owens [mailto:joel.owens@industrialecosystems.com]
Sent: Friday, January 05, 2007 2:42 PM
To: Jones, Brad A., EMNRD
Subject: Request for Closure/Reuse of Biopiles

IEI
Industrial
Ecosystems Inc.

#81 CR 3150
Aztec, NM 87410

1/5/07

To: Brad Jones,
New Mexico Oil Conservation Division

From: Joel Owens,
JFJ Land farm L.L.C.
C/O Industrial Ecosystems Inc.

Subject: Request to Reuse Compost Piles in Accordance with Permit NM-01-0010B

In accordance with OCD 711 permit NM-01-0010B, Industrial Ecosystems requests approval from the New Mexico Oil Conservation Division to reuse the following Compost/Bio-piles:

1. Pile # 49 (0612260-16)
2. Pile #41 (0612260-14)
3. Pile # 29 (0612269-13)
4. Pile #569 (0612260-11)
5. Pile #44 (0612260-10)
6. Pile #518 (0612260-09)
7. Pile #5 (0612260-08)
8. Pile #3 (0612260-05)
9. Pile #555 (0612260-04)
10. Pile #16 (0612260-03)
11. Pile #70 (0612260-02)

Attached you will find the analytical results from Hall.

Thank you,

Joel Owens
Operations Manager
505-632-1782

Jones, Brad A., EMNRD

From: Joel Owens [joel.owens@industrialecosystems.com]
Sent: Friday, January 05, 2007 2:42 PM
To: Jones, Brad A., EMNRD
Subject: Request for Closure/Reuse of Biopiles
Attachments: 0612260.pdf

IEI Industrial Ecosystems Inc.

#81 CR 3150
Aztec, NM 87410

1/5/07

To: Brad Jones,
New Mexico Oil Conservation Division

From: Joel Owens,
JFJ Land farm L.L.C.
C/O Industrial Ecosystems Inc.

Subject: Request to Reuse Compost Piles in Accordance with Permit NM-01-0010B

In accordance with OCD 711 permit NM-01-0010B, Industrial Ecosystems requests approval from the New Mexico Oil Conservation Division to reuse the following Compost/Bio-piles:

1. Pile # 49 (0612260-16)
2. Pile #41 (0612260-14)
3. Pile # 29 (0612269-13)
4. Pile #569 (0612260-11)
5. Pile #44 (0612260-10)
6. Pile #518 (0612260-09)
7. Pile #5 (0612260-08)
8. Pile #3 (0612260-05)
9. Pile #555 (0612260-04)
10. Pile #16 (0612260-03)
11. Pile #70 (0612260-02)

Attached you will find the analytical results from Hall.

Thank you,

Joel Owens
Operations Manager
505-632-1782

HALL
ENVIRONMENTAL
ANALYSIS
LABORATORY

COVER LETTER

Wednesday, January 03, 2007

Jake Hatcher
Industrial Ecosystems, Inc.
#81 County Road 3150
Aztec, NM 87410
TEL: (505) 632-1782
FAX (505) 632-1876

RE: JFJ Land Farm

Order No.: 0612260

Dear Jake Hatcher:

Hall Environmental Analysis Laboratory, Inc. received 16 sample(s) on 12/26/2006 for the analyses presented in the following report.

These were analyzed according to EPA procedures or equivalent.

Reporting limits are determined by EPA methodology. No determination of compounds below these (denoted by the ND or < sign) has been made.

Please don't hesitate to contact HEAL for any additional information or clarifications.

Sincerely,

Andy Freeman, Business Manager
Nancy McDuffie, Laboratory Manager

NM Lab # NM9425
AZ license # AZ0682
ORELAP Lab # NM100001

CLIENT: Industrial Ecosystems, Inc.
Project: JFJ Land Farm
Lab Order: 0612260

CASE NARRATIVE

"S" flags denote that the surrogate was not recoverable due to sample dilution or matrix interferences.

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Red 5 Pile #30
Lab Order:	0612260	**Collection Date:**	12/21/2006 10:44:00 AM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-01	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: SCC
Diesel Range Organics (DRO)	36	10		mg/Kg	1	12/28/2006 11:09:22 AM
Motor Oil Range Organics (MRO)	110	50		mg/Kg	1	12/28/2006 11:09:22 AM
Surr: DNOP	135	61.7-135		%REC	1	12/28/2006 11:09:22 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: LMM
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/27/2006 7:19:47 PM
Surr: BFB	118	84-138		%REC	1	12/27/2006 7:19:47 PM
EPA METHOD 8021B: VOLATILES						Analyst: LMM
Benzene	ND	0.050		mg/Kg	1	12/27/2006 7:19:47 PM
Toluene	ND	0.050		mg/Kg	1	12/27/2006 7:19:47 PM
Ethylbenzene	ND	0.050		mg/Kg	1	12/27/2006 7:19:47 PM
Xylenes, Total	ND	0.15		mg/Kg	1	12/27/2006 7:19:47 PM
Surr: 4-Bromofluorobenzene	89.9	68.2-109		%REC	1	12/27/2006 7:19:47 PM

Qualifiers:				
	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin Pile #70
Lab Order:	0612260	**Collection Date:**	12/21/2006 11:42:00 AM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-02	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: SCC
Diesel Range Organics (DRO)	15	10		mg/Kg	1	12/27/2006 10:11:40 AM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	12/27/2006 10:11:40 AM
Surr: DNOP	134	61.7-135		%REC	1	12/27/2006 10:11:40 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: LMM
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/27/2006 7:49:55 PM
Surr: BFB	118	84-138		%REC	1	12/27/2006 7:49:55 PM
EPA METHOD 8021B: VOLATILES						Analyst: LMM
Benzene	ND	0.050		mg/Kg	1	12/27/2006 7:49:55 PM
Toluene	ND	0.050		mg/Kg	1	12/27/2006 7:49:55 PM
Ethylbenzene	ND	0.050		mg/Kg	1	12/27/2006 7:49:55 PM
Xylenes, Total	ND	0.15		mg/Kg	1	12/27/2006 7:49:55 PM
Surr: 4-Bromofluorobenzene	91.0	68.2-109		%REC	1	12/27/2006 7:49:55 PM

Qualifiers:

*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	XTO Pile #16
Lab Order:	0612260	**Collection Date:**	12/21/2006 10:28:00 AM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-03	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	13	10		mg/Kg	1	12/27/2006 10:45:45 AM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	12/27/2006 10:45:45 AM
Surr: DNOP	121	61.7-135		%REC	1	12/27/2006 10:45:45 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/27/2006 9:20:14 PM
Surr: BFB	119	84-138		%REC	1	12/27/2006 9:20:14 PM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Benzene	ND	0.050		mg/Kg	1	12/27/2006 9:20:14 PM
Toluene	ND	0.050		mg/Kg	1	12/27/2006 9:20:14 PM
Ethylbenzene	ND	0.050		mg/Kg	1	12/27/2006 9:20:14 PM
Xylenes, Total	ND	0.15		mg/Kg	1	12/27/2006 9:20:14 PM
Surr: 4-Bromofluorobenzene	90.1	68.2-109		%REC	1	12/27/2006 9:20:14 PM

Qualifiers:

*	Value exceeds Maximum Contaminant Level
E	Value above quantitation range
J	Analyte detected below quantitation limits
ND	Not Detected at the Reporting Limit
S	Spike recovery outside accepted recovery limits
B	Analyte detected in the associated Method Blank
H	Holding times for preparation or analysis exceeded
MCL	Maximum Contaminant Level
RL	Reporting Limit

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington Pile #555
Lab Order:	0612260	**Collection Date:**	12/21/2006 12:30:00 PM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-04	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	29	10		mg/Kg	1	12/27/2006 12:16:38 PM
Motor Oil Range Organics (MRO)	59	50		mg/Kg	1	12/27/2006 12:16:38 PM
Surr: DNOP	124	61.7-135		%REC	1	12/27/2006 12:16:38 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/27/2006 9:50:12 PM
Surr: BFB	119	84-138		%REC	1	12/27/2006 9:50:12 PM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Benzene	ND	0.050		mg/Kg	1	12/27/2006 9:50:12 PM
Toluene	ND	0.050		mg/Kg	1	12/27/2006 9:50:12 PM
Ethylbenzene	ND	0.050		mg/Kg	1	12/27/2006 9:50:12 PM
Xylenes, Total	ND	0.15		mg/Kg	1	12/27/2006 9:50:12 PM
Surr: 4-Bromofluorobenzene	90.6	68.2-109		%REC	1	12/27/2006 9:50:12 PM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin Pile #3
Lab Order:	0612260	**Collection Date:**	12/21/2006 10:12:00 AM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-05	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: SCC
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	12/27/2006 12:50:43 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	12/27/2006 12:50:43 PM
Surr: DNOP	90.8	61.7-135		%REC	1	12/27/2006 12:50:43 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: LMM
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/27/2006 10:20:16 PM
Surr: BFB	121	84-138		%REC	1	12/27/2006 10:20:16 PM
EPA METHOD 8021B: VOLATILES						Analyst: LMM
Benzene	ND	0.050		mg/Kg	1	12/27/2006 10:20:16 PM
Toluene	ND	0.050		mg/Kg	1	12/27/2006 10:20:16 PM
Ethylbenzene	ND	0.050		mg/Kg	1	12/27/2006 10:20:16 PM
Xylenes, Total	ND	0.15		mg/Kg	1	12/27/2006 10:20:16 PM
Surr: 4-Bromofluorobenzene	92.6	68.2-109		%REC	1	12/27/2006 10:20:16 PM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Dugan Pile #557
Lab Order:	0612260	**Collection Date:**	12/21/2006 12:40:00 PM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-06	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: SCC
Diesel Range Organics (DRO)	300	10		mg/Kg	1	12/28/2006 9:26:11 AM
Motor Oil Range Organics (MRO)	420	50		mg/Kg	1	12/28/2006 9:26:11 AM
Surr: DNOP	146	61.7-135	S	%REC	1	12/28/2006 9:26:11 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: LMM
Gasoline Range Organics (GRO)	ND	50		mg/Kg	10	12/27/2006 10:50:07 PM
Surr: BFB	120	84-138		%REC	10	12/27/2006 10:50:07 PM
EPA METHOD 8021B: VOLATILES						Analyst: LMM
Benzene	ND	0.50		mg/Kg	10	12/27/2006 10:50:07 PM
Toluene	ND	0.50		mg/Kg	10	12/27/2006 10:50:07 PM
Ethylbenzene	ND	0.50		mg/Kg	10	12/27/2006 10:50:07 PM
Xylenes, Total	ND	1.5		mg/Kg	10	12/27/2006 10:50:07 PM
Surr: 4-Bromofluorobenzene	91.1	68.2-109		%REC	10	12/27/2006 10:50:07 PM

Qualifiers:

*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Graves Pile #105
Lab Order:	0612260	**Collection Date:**	12/21/2006 12:48:00 PM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-07	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	50	10		mg/Kg	1	12/27/2006 1:24:49 PM
Motor Oil Range Organics (MRO)	73	50		mg/Kg	1	12/27/2006 1:24:49 PM
Surr: DNOP	94.4	61.7-135		%REC	1	12/27/2006 1:24:49 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/28/2006 12:20:10 AM
Surr: BFB	120	84-138		%REC	1	12/28/2006 12:20:10 AM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Benzene	ND	0.050		mg/Kg	1	12/28/2006 12:20:10 AM
Toluene	ND	0.050		mg/Kg	1	12/28/2006 12:20:10 AM
Ethylbenzene	ND	0.050		mg/Kg	1	12/28/2006 12:20:10 AM
Xylenes, Total	ND	0.15		mg/Kg	1	12/28/2006 12:20:10 AM
Surr: 4-Bromofluorobenzene	90.9	68.2-109		%REC	1	12/28/2006 12:20:10 AM

Qualifiers:

*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin Pile #5
Lab Order:	0612260	**Collection Date:**	12/21/2006 10:20:00 AM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-08	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	31	10		mg/Kg	1	12/27/2006 1:58:56 PM
Motor Oil Range Organics (MRO)	64	50		mg/Kg	1	12/27/2006 1:58:56 PM
Surr: DNOP	111	61.7-135		%REC	1	12/27/2006 1:58:56 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/28/2006 12:50:18 AM
Surr: BFB	120	84-138		%REC	1	12/28/2006 12:50:18 AM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Benzene	ND	0.050		mg/Kg	1	12/28/2006 12:50:18 AM
Toluene	ND	0.050		mg/Kg	1	12/28/2006 12:50:18 AM
Ethylbenzene	ND	0.050		mg/Kg	1	12/28/2006 12:50:18 AM
Xylenes, Total	ND	0.15		mg/Kg	1	12/28/2006 12:50:18 AM
Surr: 4-Bromofluorobenzene	91.0	68.2-109		%REC	1	12/28/2006 12:50:18 AM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington Pile #518
Lab Order:	0612260	**Collection Date:**	12/21/2006 12:04:00 PM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-09	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	(32)	10		mg/Kg	1	12/27/2006 2:33:02 PM
Motor Oil Range Organics (MRO)	(70)	50		mg/Kg	1	12/27/2006 2:33:02 PM
Surr: DNOP	121	61.7-135		%REC	1	12/27/2006 2:33:02 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/28/2006 1:20:22 AM
Surr: BFB	133	84-138		%REC	1	12/28/2006 1:20:22 AM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Benzene	ND	0.050		mg/Kg	1	12/28/2006 1:20:22 AM
Toluene	ND	0.050		mg/Kg	1	12/28/2006 1:20:22 AM
Ethylbenzene	ND	0.050		mg/Kg	1	12/28/2006 1:20:22 AM
Xylenes, Total	ND	0.15		mg/Kg	1	12/28/2006 1:20:22 AM
Surr: 4-Bromofluorobenzene	93.9	68.2-109		%REC	1	12/28/2006 1:20:22 AM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington Pile #44
Lab Order:	0612260	**Collection Date:**	12/21/2006 11:18:00 AM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-10	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: SCC
Diesel Range Organics (DRO)	32	10		mg/Kg	1	12/28/2006 7:07:46 AM
Motor Oil Range Organics (MRO)	66	50		mg/Kg	1	12/28/2006 7:07:46 AM
Surr: DNOP	104	61.7-135		%REC	1	12/28/2006 7:07:46 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: LMM
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/28/2006 1:50:22 AM
Surr: BFB	123	84-138		%REC	1	12/28/2006 1:50:22 AM
EPA METHOD 8021B: VOLATILES						Analyst: LMM
Benzene	ND	0.050		mg/Kg	1	12/28/2006 1:50:22 AM
Toluene	ND	0.050		mg/Kg	1	12/28/2006 1:50:22 AM
Ethylbenzene	ND	0.050		mg/Kg	1	12/28/2006 1:50:22 AM
Xylenes, Total	ND	0.15		mg/Kg	1	12/28/2006 1:50:22 AM
Surr: 4-Bromofluorobenzene	92.2	68.2-109		%REC	1	12/28/2006 1:50:22 AM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limit		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington Pile #569
Lab Order:	0612260	**Collection Date:**	12/21/2006 12:50:00 PM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-11	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	33	10		mg/Kg	1	12/27/2006 3:07:05 PM
Motor Oil Range Organics (MRO)	67	50		mg/Kg	1	12/27/2006 3:07:05 PM
Surr: DNOP	107	61.7-135		%REC	1	12/27/2006 3:07:05 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	10		mg/Kg	1	12/28/2006 2:20:13 AM
Surr: BFB	122	84-138		%REC	1	12/28/2006 2:20:13 AM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Benzene	ND	0.050		mg/Kg	1	12/28/2006 2:20:13 AM
Toluene	ND	0.050		mg/Kg	1	12/28/2006 2:20:13 AM
Ethylbenzene	ND	0.050		mg/Kg	1	12/28/2006 2:20:13 AM
Xylenes, Total	ND	0.15		mg/Kg	1	12/28/2006 2:20:13 AM
Surr: 4-Bromofluorobenzene	92.3	68.2-109		%REC	1	12/28/2006 2:20:13 AM

Qualifiers:

*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
ND	Not Detected at the Reporting Limit	RL	Reporting Limit
S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington Pile #533
Lab Order:	0612260	**Collection Date:**	12/21/2006 12:18:00 PM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-12	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	35	10		mg/Kg	1	12/27/2006 3:41:30 PM
Motor Oil Range Organics (MRO)	76	50		mg/Kg	1	12/27/2006 3:41:30 PM
Surr: DNOP	130	61.7-135		%REC	1	12/27/2006 3:41:30 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/28/2006 2:50:10 AM
Surr: BFB	123	84-138		%REC	1	12/28/2006 2:50:10 AM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Benzene	ND	0.050		mg/Kg	1	12/28/2006 2:50:10 AM
Toluene	ND	0.050		mg/Kg	1	12/28/2006 2:50:10 AM
Ethylbenzene	ND	0.050		mg/Kg	1	12/28/2006 2:50:10 AM
Xylenes, Total	ND	0.15		mg/Kg	1	12/28/2006 2:50:10 AM
Surr: 4-Bromofluorobenzene	93.0	68.2-109		%REC	1	12/28/2006 2:50:10 AM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin Pile #29
Lab Order:	0612260	**Collection Date:**	12/21/2006 10:35:00 PM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-13	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: SCC
Diesel Range Organics (DRO)	27	10		mg/Kg	1	12/27/2006 4:15:54 PM
Motor Oil Range Organics (MRO)	71	50		mg/Kg	1	12/27/2006 4:15:54 PM
Surr: DNOP	126	61.7-135		%REC	1	12/27/2006 4:15:54 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: LMM
Gasoline Range Organics (GRO)	ND	10		mg/Kg	1	12/28/2006 3:20:10 AM
Surr: BFB	122	84-138		%REC	1	12/28/2006 3:20:10 AM
EPA METHOD 8021B: VOLATILES						Analyst: LMM
Benzene	ND	0.050		mg/Kg	1	12/28/2006 3:20:10 AM
Toluene	ND	0.050		mg/Kg	1	12/28/2006 3:20:10 AM
Ethylbenzene	ND	0.050		mg/Kg	1	12/28/2006 3:20:10 AM
Xylenes, Total	ND	0.15		mg/Kg	1	12/28/2006 3:20:10 AM
Surr: 4-Bromofluorobenzene	91.9	68.2-109		%REC	1	12/28/2006 3:20:10 AM

Qualifiers:				
	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limit		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	XTO Red Top Pile #41
Lab Order:	0612260	**Collection Date:**	12/21/2006 11:10:00 AM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-14	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: SCC
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	12/27/2006 4:50:19 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	12/27/2006 4:50:19 PM
Surr: DNOP	82.1	61.7-135		%REC	1	12/27/2006 4:50:19 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: LMM
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/28/2006 3:50:09 AM
Surr: BFB	121	84-138		%REC	1	12/28/2006 3:50:09 AM
EPA METHOD 8021B: VOLATILES						Analyst: LMM
Benzene	ND	0.050		mg/Kg	1	12/28/2006 3:50:09 AM
Toluene	ND	0.050		mg/Kg	1	12/28/2006 3:50:09 AM
Ethylbenzene	ND	0.050		mg/Kg	1	12/28/2006 3:50:09 AM
Xylenes, Total	ND	0.15		mg/Kg	1	12/28/2006 3:50:09 AM
Surr: 4-Bromofluorobenzene	92.0	68.2-109		%REC	1	12/28/2006 3:50:09 AM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Basin Pile #39
Lab Order:	0612260	**Collection Date:**	12/21/2006 10:55:00 AM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-15	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	39	10		mg/Kg	1	12/28/2006 5:59:17 AM
Motor Oil Range Organics (MRO)	82	50		mg/Kg	1	12/28/2006 5:59:17 AM
Surr: DNOP	79.0	61.7-135		%REC	1	12/28/2006 5:59:17 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/28/2006 4:20:02 AM
Surr: BFB	122	84-138		%REC	1	12/28/2006 4:20:02 AM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Benzene	ND	0.050		mg/Kg	1	12/28/2006 4:20:02 AM
Toluene	ND	0.050		mg/Kg	1	12/28/2006 4:20:02 AM
Ethylbenzene	ND	0.050		mg/Kg	1	12/28/2006 4:20:02 AM
Xylenes, Total	ND	0.15		mg/Kg	1	12/28/2006 4:20:02 AM
Surr: 4-Bromofluorobenzene	91.9	68.2-109		%REC	1	12/28/2006 4:20:02 AM

Qualifiers:	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limit		

Hall Environmental Analysis Laboratory, Inc.

Date: *03-Jan-07*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Burlington Pile #49
Lab Order:	0612260	**Collection Date:**	12/21/2006 11:30:00 AM
Project:	JFJ Land Farm	**Date Received:**	12/26/2006
Lab ID:	0612260-16	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	12/28/2006 7:42:10 AM
Motor Oil Range Organics (MRO)	50	50		mg/Kg	1	12/28/2006 7:42:10 AM
Surr: DNOP	120	61.7-135		%REC	1	12/28/2006 7:42:10 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **LMM**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	12/28/2006 4:50:06 AM
Surr: BFB	123	84-138		%REC	1	12/28/2006 4:50:06 AM
EPA METHOD 8021B: VOLATILES						Analyst: **LMM**
Benzene	ND	0.050		mg/Kg	1	12/28/2006 4:50:06 AM
Toluene	ND	0.050		mg/Kg	1	12/28/2006 4:50:06 AM
Ethylbenzene	ND	0.050		mg/Kg	1	12/28/2006 4:50:06 AM
Xylenes, Total	ND	0.15		mg/Kg	1	12/28/2006 4:50:06 AM
Surr: 4-Bromofluorobenzene	92.3	68.2-109		%REC	1	12/28/2006 4:50:06 AM

Qualifiers:				
	*	Value exceeds Maximum Contaminant Level	B	Analyte detected in the associated Method Blank
	E	Value above quantitation range	H	Holding times for preparation or analysis exceeded
	J	Analyte detected below quantitation limits	MCL	Maximum Contaminant Level
	ND	Not Detected at the Reporting Limit	RL	Reporting Limit
	S	Spike recovery outside accepted recovery limits		

QA/QC SUMMARY REPORT

Client: Industrial Ecosystems, Inc.
Project: JFJ Land Farm **Work Order:** 0612260

Analyte	Result	Units	PQL	%Rec	LowLimit	HighLimit	%RPD	RPDLimit	Qual
Method: SW8015									
Sample ID: MB-12027		*MBLK*			Batch ID:	12027	Analysis Date:	12/26/2006 9:32:52 PM	
Diesel Range Organics (DRO)	ND	mg/Kg	10						
Motor Oil Range Organics (MRO)	ND	mg/Kg	50						
Sample ID: LCS-12027		*LCS*			Batch ID:	12027	Analysis Date:	12/26/2006 10:06:22 PM	
Diesel Range Organics (DRO)	44.08	mg/Kg	10	88.2	64.6	116			
Sample ID: LCSD-12027		*LCSD*			Batch ID:	12027	Analysis Date:	12/26/2006 10:39:53 PM	
Diesel Range Organics (DRO)	44.97	mg/Kg	10	89.9	64.6	116	2.00	17.4	
Method: SW8015									
Sample ID: 0612260-02A MSD		*MSD*			Batch ID:	12030	Analysis Date:	12/27/2006 8:50:08 PM	
Gasoline Range Organics (GRO)	30.62	mg/Kg	5.0	104	69.5	120	0.586	11.6	
Sample ID: MB-12030		*MBLK*			Batch ID:	12030	Analysis Date:	12/27/2006 6:19:49 PM	
Gasoline Range Organics (GRO)	ND	mg/Kg	5.0						
Sample ID: LCS-12030		*LCS*			Batch ID:	12030	Analysis Date:	12/27/2006 6:49:51 PM	
Gasoline Range Organics (GRO)	25.58	mg/Kg	5.0	84.2	69.5	120			
Sample ID: 0612260-02A MS		*MS*			Batch ID:	12030	Analysis Date:	12/27/2006 8:20:01 PM	
Gasoline Range Organics (GRO)	30.80	mg/Kg	5.0	105	69.5	120			
Method: SW8021									
Sample ID: 0612260-02A MSD		*MSD*			Batch ID:	12030	Analysis Date:	12/27/2006 8:50:08 PM	
Benzene	0.3234	mg/Kg	0.050	108	62.7	114	0.555	27	
Toluene	2.222	mg/Kg	0.050	123	68.2	121	0.422	19	S
Ethylbenzene	0.4249	mg/Kg	0.050	121	71.4	115	0.587	10	S
Xylenes, Total	2.457	mg/Kg	0.15	123	65	135	1.76	13	
Sample ID: MB-12030		*MBLK*			Batch ID:	12030	Analysis Date:	12/27/2006 6:19:49 PM	
Benzene	ND	mg/Kg	0.050						
Toluene	ND	mg/Kg	0.050						
Ethylbenzene	ND	mg/Kg	0.050						
Xylenes, Total	ND	mg/Kg	0.15						
Sample ID: LCS-12030		*LCS*			Batch ID:	12030	Analysis Date:	12/27/2006 6:49:51 PM	
Benzene	0.2648	mg/Kg	0.050	88.3	62.7	114			
Toluene	1.819	mg/Kg	0.050	101	68.2	121			
Ethylbenzene	0.3439	mg/Kg	0.050	98.3	71.4	115			
Xylenes, Total	2.008	mg/Kg	0.15	100	65	135			
Sample ID: 0612260-02A MS		*MS*			Batch ID:	12030	Analysis Date:	12/27/2006 8:20:01 PM	
Benzene	0.3252	mg/Kg	0.050	108	62.7	114			
Toluene	2.232	mg/Kg	0.050	124	68.2	121			S
Ethylbenzene	0.4274	mg/Kg	0.050	122	71.4	115			S
Xylenes, Total	2.501	mg/Kg	0.15	125	65	135			

Qualifiers:

- E Value above quantitation range
- H Holding times for preparation or analysis exceeded
- J Analyte detected below quantitation limits
- ND Not Detected at the Reporting Limit
- R RPD outside accepted recovery limits
- S Spike recovery outside accepted recovery limits

Hall Environmental Analysis Laboratory, Inc.

Sample Receipt Checklist

Client Name IND ECO | Date and Time Received: 12/26/2006

Work Order Number 0612260 | Received by AT

Checklist completed by _____ 12/26/06
Signature | Date

Matrix | Carrier name UPS

Shipping container/cooler in good condition?	Yes ☐	No ☐	Not Present ☒		
Custody seals intact on shipping container/cooler?	Yes ☑	No ☐	Not Present ☐	Not Shipped ☐	
Custody seals intact on sample bottles?	Yes ☑	No ☐	N/A ☐		
Chain of custody present?	Yes ☑	No ☐			
Chain of custody signed when relinquished and received?	Yes ☑	No ☐			
Chain of custody agrees with sample labels?	Yes ☑	No ☐			
Samples in proper container/bottle?	Yes ☑	No ☐			
Sample containers intact?	Yes ☑	No ☐			
Sufficient sample volume for indicated test?	Yes ☑	No ☐			
All samples received within holding time?	Yes ☑	No ☐			
Water - VOA vials have zero headspace?	No VOA vials submitted ☑	Yes ☐	No ☐		
Water - pH acceptable upon receipt?	Yes ☐	No ☐	N/A ☑		

Container/Temp Blank temperature? 1° *4° C ± 2 Acceptable* If given sufficient time to cool.

COMMENTS:

Client contacted _____ Date contacted: _____ Person contacted _____

Contacted by: _____ Regarding _____

Comments: Per SA collection times & ID's are correct on Sample ID Label at 12/26/06 1010 AT

Corrective Action _____

CHAIN-OF-CUSTODY RECORD

QA / QC Package:
Std ☐ Level 4 ☐
Other: _____

HALL ENVIRONMENTAL ANALYSIS LABORATORY
4901 Hawkins NE, Suite D
Albuquerque, New Mexico 87109
Tel. 505.345.3975 Fax 505.345.4107
www.hallenvironmental.com

Client: Industrial Ecosystems Inc
Address: #81 CR 3150
Aztec, NM 87410
Phone #: 505-632-1782
Fax #: 505-632-1876

Project Name: JFJ Landfarm
Project #:
Project Manager: Jake Hatcher
Sampler: Steve Moyta
Sample Temperature: 10°

Date	Time	Matrix	Sample I.D. No.	Number/Volume	Preservative: $HgCl_2$	Preservative: HNO_3	Preservative: Ice	HEAL No.
12-21	10:35	Soil	Basin P.U. #29	1				0422160-013
	11:10		XTO P.U. Rattop #41					014
	10:55		Basin P.U. #39					015
	11:30		Burlington P.U. #49					016

ANALYSIS REQUEST

BTEX + MTBE + TMB's (8021)	BTEX + MTBE + TPH (Gasoline Only)	TPH Method 8015B (Gas/Diesel)	TPH (Method 418.1)	EDB (Method 504.1)	EDC (Method 8021)	8310 (PNA or PAH)	RCRA 8 Metals	Anions ($F, Cl, NO_3, NO_2, PO_4, SO_4$)	8081 Pesticides / PCB's (8082)	8260B (VOA)	8270 (Semi-VOA)					Air Bubbles or Headspace (Y or N)
X		X														

Date	Time	Relinquished By: (Signature)	Received By: (Signature)	
12-22	1430			12/22/10 940
Date:	Time:	Relinquished By: (Signature)	Received By: (Signature)	

Remarks: Fax, Email, & Mail

CHAIN-OF-CUSTODY RECORD

QA / QC Package:
Std ☐ Level 4 ☐
Other: _____

HALL ENVIRONMENTAL ANALYSIS LABORATORY
4901 Hawkins NE, Suite D
Albuquerque, New Mexico 87109
Tel. 505.345.3975 Fax 505.345.4107
www.hallenvironmental.com

Client: Industrial Ecosystems Inc
Address: #81 CR #3150 Aztec, NM 87410
Phone #: 505-632-1782
Fax #: 505-632-1876

Project Name: JFJ Landfarm
Project #:
Project Manager: Jake Hatcher
Sampler: Steve Abeyta
Sample Temperature: 1°

ANALYSIS REQUEST

Date	Time	Matrix	Sample I.D. No.	Number/Volume	Preservative: $HgCl_2$	Preservative: HNO_3	Preservative: Ice	HEAL No. 06122600	BTEX + MTBE + TMB's (8021)	BTEX + MTBE + TPH (Gasoline Only)	TPH Method 8015B (Gas/Diesel)	TPH (Method 418.1)	EDB (Method 504.1)	EDC (Method 8021)	8310 (PNA or PAH)	RCRA 8 Metals	Anions (F, Cl, NO_3, NO_2, PO_4, SO_4)	8081 Pesticides / PCB's (8082)	8260B (VOA)	8270 (Semi-VOA)					Air Bubbles or Headspace (Y or N)
12-21	10:44	Soil	Reds Pile #30	1				1	X		X														
	11:42		Basin Pile #70					2																	
	10:28		XTO Pile #16					3																	
	12:30		Burlington Pile #555					4																	
	10:12		Basin Pile #3					5																	
	12:40		Dugan Pile #557					6																	
	12:48		Graves Pile #105					7																	
	~~10:20~~ 12:20		Basin Pile #5					8																	
	12:04		Burlington Pile #518					9																	
	11:18		Burlington Pile #44					10																	
	~~12:50~~ 12:50		Burlington Pile #569					11																	
	12:18		Burlington Pile #533	4				12																	

Date	Time	Relinquished By: (Signature)	Received By: (Signature)	
12-22	14:30			12/26/1000
Date:	Time:	Relinquished By: (Signature)	Received By: (Signature)	

Remarks: Fax, Mail & Email

#81 CR 3150
Aztec, NM 87410

12/15/06

To: Brad Jones,
New Mexico Oil Conservation Division

From: Joel Owens,
JFJ Land farm L.L.C.
C/O Industrial Ecosystems Inc.

Subject: Request to Reuse Compost Piles in Accordance with Permit NM-01-0010B

In accordance with OCD 711 permit NM-01-0010B, Industrial Ecosystems requests approval from the New Mexico Oil Conservation Division to reuse the following Compost/Bio-piles:

1. Pile # 107 (0612027-04)
2. Pile #59 (0612027-05)
3. Pile # 224 (0612027-13)

Attached you will find the analytical results from Hall.

Thank you,

Joel Owens
Operations Manager
505-632-1782

Jones, Brad A., EMNRD

From: Jones, Brad A., EMNRD
Sent: Monday, December 18, 2006 9:22 AM
To: 'Joel Owens'
Cc: Powell, Brandon, EMNRD (Brandon.Powell@state.nm.us)
Subject: RE: Request for Closure/Reuse of Biopiles

Joel,

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed your request to use remediated soil from the biopiles as mix material to solidify incoming sludge material at the JFJ Landfarm surface waste management facility in accordance with the approved conditions of permit number NM-1-0010B. NMOCD approves only the following biopiles for reuse:

Pile #107 (0612027-04)
Pile #59 (0612027-05)
Pile #224 (0612027-13)

If you have any questions regarding this matter, please do not hesitate to contact me.

Brad

Brad A. Jones
Environmental Engineer
Environmental Bureau
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505
E-mail: brad.a.jones@state.nm.us
Office: (505) 476-3487
Fax: (505) 476-3462

From: Joel Owens [mailto:joel.owens@industrialecosystems.com]
Sent: Friday, December 15, 2006 9:08 AM
To: Jones, Brad A., EMNRD
Subject: Request for Closure/Reuse of Biopiles

IEI Industrial Ecosystems Inc.

Jones, Brad A., EMNRD

From: Jones, Brad A., EMNRD
Sent: Thursday, November 02, 2006 8:56 AM
To: 'Joel Owens'
Cc: Powell, Brandon, EMNRD
Subject: RE: Request to Reuse Compost Piles in Accordance with Permit NM-01-0010B

Joel,

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed your request to use remediated soil from the biopiles as mix material to solidify incoming sludge material at the JFJ Landfarm surface waste management facility in accordance with the approved conditions of permit number NM-1-0010B. NMOCD approves the following biopiles for reuse:

1. Pile # 2 (0608360-06, 0610245-23)
2. Pile #40 (0610245-24)
3. Pile # 61(0602074-08, 0610245-13)
4. Pile #63 (0602074-15, 0610245-16)
5. Pile #522 (0606178-08, 0610245-01)
6. Pile #526 (0610245-06)
7. Pile #527 (0610245-05)
8. Pile #528 (0610245-10)
9. Pile #531 (0610245-11)
10. Pile # 552 (0607161-10, 0610245-04)
11. Pile #538 (0608360-02, 0610245-18)
12. Pile #207 (0606178-06, 0610245-15)
13. Pile #230 (0606178-09, 0610245-14)
14. Pile #509 (0602074-13, 0610245-12)
15. Pile #229 (0608360-01, 0610245-02)
16. Pile #231 (0602074-06, 0610245-03)
17. Pile #551 (0607161-09, 0610245-08)

If you have any questions regarding this matter, please do not hesitate to contact me.

Brad

Brad A. Jones
Environmental Engineer
Environmental Bureau
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505
E-mail: brad.a.jones@state.nm.us
Office: (505) 476-3487
Fax: (505) 476-3462

From: Joel Owens [mailto:joel.owens@industrialecosystems.com]
Sent: Wednesday, November 01, 2006 9:46 AM
To: Jones, Brad A., EMNRD
Cc: Powell, Brandon, EMNRD
Subject: Request to reuse remediated soil

IEI
Industrial
Ecosystems Inc.

#81 CR 3150
Aztec, NM 87410

11/01/06

To: Brad Jones,
New Mexico Oil Conservation Division

From: Joel Owens,
JFJ Land farm L.L.C.
C/O Industrial Ecosystems Inc.

Subject: Request to Reuse Compost Piles in Accordance with Permit NM-01-0010B

In accordance with OCD 711 permit NM-01-0010B, Industrial Ecosystems requests approval from the New Mexico Oil Conservation Division to reuse the following Compost/Bio-piles:

1. Pile # 2 (0608360-06, 0610245-23)
2. Pile #40 (0610245-24)
3. Pile # 61(0602074-08, 0610245-13)
4. Pile #63 (0602074-15, 0610245-16)
5. Pile #522 (0606178-08, 0610245-01)
6. Pile #526 (0610245-06)
7. Pile #527 (0610245-05)
8. Pile #528 (0610245-10)
9. Pile #531 (0610245-11)
10. Pile # 552 (0607161-10, 0610245-04)
11. Pile #538 (0608360-02, 0610245-18)
12. Pile #207 (0606178-06, 0610245-15)
13. Pile #230 (0606178-09, 0610245-14)

14. Pile #509 (0602074-13, 0610245-12)
15. Pile #229 (0608360-01, 0610245-02)
16. Pile #231 (0602074-06, 0610245-03)
17. Pile #551 (0607161-09, 0610245-08)

Attached you will find the analytical results from Hall.

Thank you,

Joel Owens
Operations Manager
505-632-1782

Jones, Brad A., EMNRD

From: Joel Owens [joel.owens@industrialecosystems.com]
Sent: Wednesday, November 01, 2006 9:46 AM
To: Jones, Brad A., EMNRD
Cc: Powell, Brandon, EMNRD
Subject: Request to reuse remediated soil
Attachments: 0602074.pdf; 0606178.pdf; 0607161.pdf; HALL0610245.pdf; Hall0608360.pdf

IEI Industrial Ecosystems Inc.

#81 CR 3150
Aztec, NM 87410

11/01/06

To: Brad Jones,
New Mexico Oil Conservation Division

From: Joel Owens,
JFJ Land farm L.L.C.
C/O Industrial Ecosystems Inc.

Subject: Request to Reuse Compost Piles in Accordance with Permit NM-01-0010B

In accordance with OCD 711 permit NM-01-0010B, Industrial Ecosystems requests approval from the New Mexico Oil Conservation Division to reuse the following Compost/Bio-piles:

1. Pile # 2 (0608360-06, 0610245-23)
2. Pile #40 (0610245-24)
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5. Pile #522 (0606178-08, 0610245-01)
6. Pile #526 (0610245-06)
7. Pile #527 (0610245-05)
8. Pile #528 (0610245-10)
9. Pile #531 (0610245-11)
10. Pile # 552 (0607161-10, 0610245-04)
11. Pile #538 (0608360-02, 0610245-18)

12. Pile #207 (0606178-06, 0610245-15)
13. Pile #230 (0606178-09, 0610245-14)
14. Pile #509 (0602074-13, 0610245-12)
15. Pile #229 (0608360-01, 0610245-02)
16. Pile #231 (0602074-06, 0610245-03)
17. Pile #551 (0607161-09, 0610245-08)

Attached you will find the analytical results from Hall.

Thank you,

Joel Owens
Operations Manager
505-632-1782

Jones, Brad A., EMNRD

From: Jones, Brad A., EMNRD
Sent: Tuesday, October 17, 2006 7:50 AM
To: 'Joel Owens'
Cc: Powell, Brandon, EMNRD (Brandon.Powell@state.nm.us)
Subject: RE: Request to Reuse Compost Piles in Accordance with Permit NM-01-0010B

Joel,

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed your request to use remediated soil from the biopiles as mix material to solidify incoming sludge material at the JFJ Landfarm surface waste management facility in accordance with the approved conditions of permit number NM-1-0010B. NMOCD approves only the following biopiles for reuse:

Pile #507
Pile #529
Pile #21
Pile #03

Pile #504 has been denied due to not satisfying the total petroleum hydrocarbon (TPH) standard of 100 ppm, as specified in the permit. Laboratory analytical provided in this submittal demonstrate the TPH for Pile #504 to be 142 ppm, therefore not satisfying the remediation standards.

If you have any questions regarding this matter, please do not hesitate to contact me.

Brad

Brad A. Jones
Environmental Engineer
Environmental Bureau
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505
E-mail: brad.a.jones@state.nm.us
Office: (505) 476-3487
Fax: (505) 476-3462

From: Joel Owens [mailto:joel.owens@industrialecosystems.com]
Sent: Monday, October 16, 2006 11:53 AM
To: Jones, Brad A., EMNRD
Subject: FW: Request to Reuse Compost Piles in Accordance with Permit NM-01-0010B

From: Joel Owens [mailto:joel.owens@industrialecosystems.com]
Sent: Monday, October 16, 2006 10:01 AM
To: 'brad.jones@state.nm.us'
Subject: Request to Reuse Compost Piles in Accordance with Permit NM-01-0010B

IEI
Industrial
Ecosystems Inc.

#81 CR 3150
Aztec, NM 87410

10/16/06

To: Brad Jones,
New Mexico Oil Conservation Division

From: Joel Owens,
JFJ Land farm L.L.C.
C/O Industrial Ecosystems Inc.

Subject: Request to Reuse Compost Piles in Accordance with Permit NM-01-0010B

In accordance with OCD 711 permit NM-01-0010B, Industrial Ecosystems requests approval from the New Mexico Oil Conservation Division to reuse the following Compost/Bio-piles:

1. Pile # 507
2. Pile # 529
3. Pile #21
4. Pile #03
5. Pile #504

Attached you will find the analytical results from Hall.

Thank you,

Joel Owens

Operations Manager
505-632-1782

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

October 3, 2006

Joel Owens
Operations Manager
JFJ Landfarm, L.L.C.
Industrial Ecosystems Inc.
Soil Reclamation Center
P.O. Box 2043
Farmington, New Mexico 87499

RE: Replacement of concrete unloading impoundment
JFJ Landfarm – Permit # NM01-0010B

Dear Mr. Owens:

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed your proposal to relocate and build a replacement concrete impoundment. The proposal did not indicate if the relocation and replacement of the concrete impoundment is a minor or major modification of the original permit. Please clarify and provide justification for the status of the proposal.

The submittal did not provide the necessary information and details required for NMOCD to properly assess the proposal. Therefore, NMOCD requests additional information. Please provide the following:

1. Please state the anticipated use of the proposed concrete impoundment.

2. Please provide a detailed discussion and drawings illustrating the construction and installation of the liner, including bottom slopes, side slopes, anchoring of the liner, and construction of a sump for leak detection monitoring.

3. Please demonstrate the ability of the leak detection system to contain and monitor releases.

4. Please provide the construction and operational details of the leak detection system.

5. Please discuss the methods and precautions that will be implemented to protect the integrity of the liner and leak detection system during the construction of the concrete impoundment.

6. Please indicate on a site map the proposed location for the installation of the concrete impoundment.

If you have any questions regarding this matter, please do hesitate to contact me.

Sincerely,

Brad A. Jones
Environmental Engineer

BAJ:baj

cc: NMOCD – District III (Aztec) Brandon Powell

Industrial Ecosystems Inc.
Soil Reclamation Center

P.O. Box 2043
Farmington, NM 87499

Phone: (505) 632-1782
Fax: (505) 632-1876

#81 CR 3150
Aztec, NM 87410

2006 AUG 23 AM 11 54

July 26, 2006

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505
Attn: Ed Martin

Re: Replace concrete unloading impoundment

Dear Ed:

Attached you will find a copy of the 04/25/06 documentation pertaining to Industrial Ecosystems, Inc. building a replacement for the concrete impoundment. After speaking with Brandon Powell, I was given the impression that you did not receive this original request.

Please let me know if additional information is needed. I can be reached at 505-632-1782. Thank you.

Sincerely,

Joel Owens
Operations Manager
JFJ Landfarm (permit# NM 0010B J.F.J. Landfarms L.L.C.)

INDUSTRIAL ECOSYSTEMS INC.
2929 Bonito Ave.
Grand Junction CO.
81504
PH: 970-254-1641
Fax: 970-254-9707

April 25, 2006

New Mexico Oil Conservation Division
1220 South ST. Francis Drive
Santa Fe, New Mexico 87505

RE: Replace concrete unloading impoundment

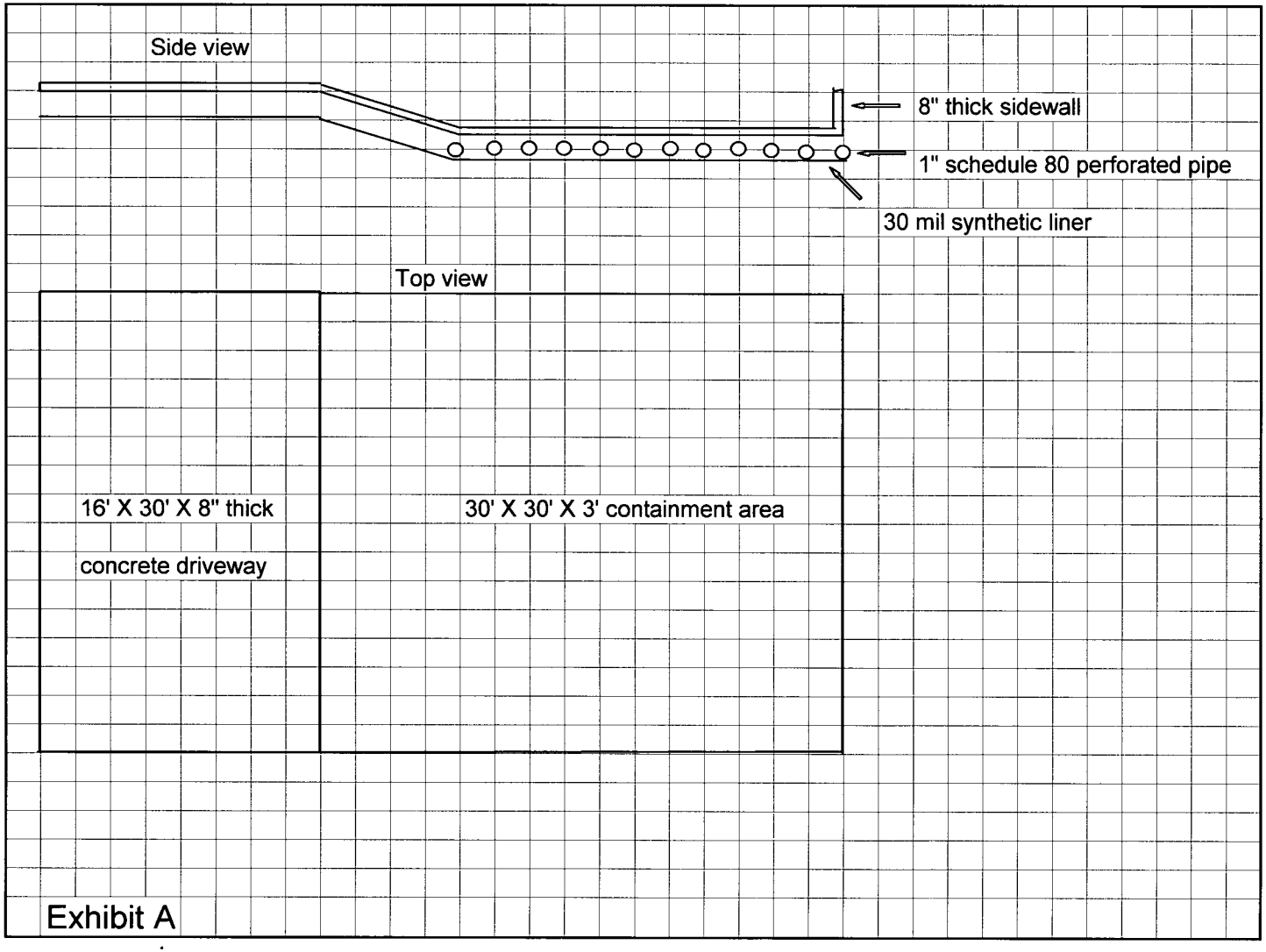
Attn. Ed Martin

Dear Ed:

As you and I discussed recently, JFJ Landfarm would like to build a replacement for the concrete impoundment that we currently use to unload trucks that are unable to pressure their load into a tank. We would like to relocate the replacement to an area near the present day tank battery. Below is a brief description of the proposed construction plans. First we would excavate and area 40' by 40' 4' deep. This 40' by 40' excavation will allow the 30' by 30' structure to set inside with enough room to leave the side walls uncovered for required weekly inspections. The bottom of this area will be leveled and compacted to 95-100 % compaction, then the excavation will be lined with a 30 mil synthetic liner with the liner material extending up over the top edge of the excavation, on top of this liner, 1" schedule 80 perforated pipe will be placed on 2' intervals, extending out 4" beyond the side walls of the impoundment. After the perforate pipes are installed a 6" layer of sand will be compacted on top of the pipe, then an area 30' by 30' By 3' tall by 8" thick will be formed up so that the entire concrete structure will be poured as one unit. Number 5 rebar will be placed on 16" interval throughout the entire structure. The structure walls and bottom will be 8" thick and made of 4000 psi concrete. The structure will have a sloped entryway on the North end. Attached as exhibit A is a basic drawing of the proposed structure. I have also included photos of the proposed construction area. Please contact me for any additional information needed.

Thanks in Advance

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01 0010B J.F.J. Landfarms L.L.C.


Side view
8" thick sidewall
1" schedule 80 perforated pipe
30 mil synthetic liner
Top view
16' X 30' X 8" thick
concrete driveway
30' X 30' X 3' containment area
Exhibit A


Industrial Ecosystems Inc.
Drilling Waste Management


Industrial Ecosystems Inc.

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

February 20, 2006

Mr. Jake Hatcher
Industrial Ecosystems, Inc.
2929 Bonito Ave.
Grand Junction, CO 81504

RE: Use of Reclaimed Soil
JFJ Landfarms Facility
NMOCD Permit No. NM-01-0010B

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed your request to use remediated soil from the biopiles as mix material to solidify incoming tank bottom sludge on the JFJ Landfarms facility covered by the above permit.

This request is hereby approved.

NEW MEXICO OIL CONSERVATION DIVISION

Ed Martin

Edwin E. Martin
Environmental Bureau

Copy: NMOCD, Aztec

INDUSTRIAL ECOSYSTEMS INC.
2929 Bonito Ave.
Grand Junction CO.
81504
PH: 970-254-1641
Fax: 970-254-9707

February 6, 2006

New Mexico Oil Conservation Division
1220 South ST. Francis Drive
Santa Fe, New Mexico 87505

RE: Use of reclaimed soil

Attn. Ed Martin

Dear Ed:

Recent analytical results show that the following biopiles have reached acceptable levels as required by the N.M.O.C.D.
Pile # 52 Basin Disposal Co.
Pile # 223 Burlington Resources
Pile # 222 Basin Disposal Co.
Pile # 221 Burlington Resources
Pile # 10 Basin Disposal CO.
Pile # 11 Basin Disposal Co.

We are seeking your approval to recycle this soil by using it as mix material to solidify incoming tank bottom sludge, on the JFJ Facility.

Please find enclosed the analytical reports for each of these biopiles.

Thanks in Advance

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01 0010B J.F.J. Landfarms L.L.C.

Hall Environmental Analysis Laboratory

Date: *05-Jun-06*

CLIENT: Industrial Ecosystems, Inc.
Client Sample ID: Pile #52 Basin Disposal
Lab Order: 0508289
Collection Date: 8/24/2005 9:00:00 AM
Project: JFJ Land Farm
Lab ID: 0508289-12
Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	8/29/2005 12:29:58 AM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	8/29/2005 12:29:58 AM
Surr: DNOP	86.8	60-124		%REC	1	8/29/2005 12:29:58 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	9/1/2005 9:49:56 PM
Surr: BFB	99.6	83.1-124		%REC	1	9/1/2005 9:49:56 PM

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *05-Jun-06*

CLIENT: Industrial Ecosystems, Inc.
Client Sample ID: Pile #223 Burlington Resources
Lab Order: 0508289
Collection Date: 8/24/2005 8:30:00 AM
Project: JFJ Land Farm
Lab ID: 0508289-10
Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	8/28/2005 9:13:01 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	8/28/2005 9:13:01 PM
Surr: DNOP	79.5	60-124		%REC	1	8/28/2005 9:13:01 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	9/1/2005 8:48:45 PM
Surr: BFB	101	83.1-124		%REC	1	9/1/2005 8:48:45 PM

Qualifiers:
ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *05-Jan-06*

CLIENT: Industrial Ecosystems, Inc.
Client Sample ID: Pile #222 Basin Disposal
Lab Order: 0508289
Collection Date: 8/24/2005 8:30:00 AM
Project: JFJ Land Farm
Lab ID: 0508289-09
Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	8/28/2005 8:40:15 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	8/28/2005 8:40:15 PM
Surr: DNOP	101	60-124		%REC	1	8/28/2005 8:40:15 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	9/1/2005 8:18:03 PM
Surr: BFB	98.7	83.1-124		%REC	1	9/1/2005 8:18:03 PM

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *05-Jan-06*

CLIENT: Industrial Ecosystems, Inc.
Client Sample ID: Pile #221 Burlington Resources
Lab Order: 0508289
Collection Date: 8/24/2005 10:00:00 AM
Project: JFJ Land Farm
Lab ID: 0508289-02
Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	13	10		mg/Kg	1	8/28/2005 12:38:13 AM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	8/28/2005 12:38:13 AM
Surr: DNOP	65.9	60-124		%REC	1	8/28/2005 12:38:13 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	8/31/2005 2:56:37 AM
Surr: BFB	98.0	83.1-124		%REC	1	8/31/2005 2:56:37 AM

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *05-Jan-06*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Pile #10 Basin Disposal
Lab Order:	0508289	**Collection Date:**	8/24/2005 9:30:00 AM
Project:	JFJ Land Farm		
Lab ID:	0508289-01	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	8/28/2005 12:05:04 AM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	8/28/2005 12:05:04 AM
Surr: DNOP	60.1	60-124		%REC	1	8/28/2005 12:05:04 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	8/31/2005 2:25:45 AM
Surr: BFB	102	83.1-124		%REC	1	8/31/2005 2:25:45 AM

Qualifiers:	ND - Not Detected at the Reporting Limit	S - Spike Recovery outside accepted recovery limits
	J - Analyte detected below quantitation limits	R - RPD outside accepted recovery limits
	B - Analyte detected in the associated Method Blank	E - Value above quantitation range
	* - Value exceeds Maximum Contaminant Level	

Hall Environmental Analysis Laboratory

Date: *05-Jan-06*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Pile #11 Basin Disposal
Lab Order:	0508289	**Collection Date:**	8/24/2005 10:00:00 AM
Project:	JFJ Land Farm		
Lab ID:	0508289-03	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	8/28/2005 1:11:19 AM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	8/28/2005 1:11:19 AM
Surr: DNOP	63.9	60-124		%REC	1	8/28/2005 1:11:19 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	8/31/2005 3:27:02 AM
Surr: BFB	101	83.1-124		%REC	1	8/31/2005 3:27:02 AM

Qualifiers:

ND - Not Detected at the Reporting Limit

J - Analyte detected below quantitation limits

B - Analyte detected in the associated Method Blank

* - Value exceeds Maximum Contaminant Level

S - Spike Recovery outside accepted recovery limits

R - RPD outside accepted recovery limits

E - Value above quantitation range

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

February 2, 2006

Mr. James (Jake) Hatcher
Industrial Ecosystems, Inc.
2929 Bonito Ave.
Grand Junction, CO 81504

RE: Use of Reclaimed Soil Request
Dated January 31, 2006

Dear Mr. Hatcher:

Your request shown above is approved. Remediated soils from the following biopiles may be used as mix material to solidify incoming tank bottom sludges at the JFJ Landfarm surface waste management facility permitted under NMOCD permit number Nm-1-0010B:

Pile #220	Basin Disposal Co.
Pile #01	Basin Disposal Co.
Pile #327	Basin Disposal Co.
Pile #336	Burlington Resources
Pile #217	XTO Energy
Pile #218	Basin Disposal Co.
Pile #225	Burlington Resources
Pile #89	Basin Disposal Co.

If you have any questions, contact me at (505) 476-3492 or ed.martin@state.nm.us

NEW MEXICO OIL CONSERVATION DIVISION

Ed Martin

Edwin E. Martin
Environmental Bureau

Copy: NMOCD, Aztec

INDUSTRIAL ECOSYSTEMS INC.
2929 Bonito Ave.
Grand Junction CO.
81504
PH: 970-254-1641
Fax: 970-254-9707

January 31, 2006

New Mexico Oil Conservation Division
1220 South ST. Francis Drive
Santa Fe, New Mexico 87505

RE: Use of reclaimed soil

Attn. Ed Martin

Dear Ed:

Recent analytical results show that the following biopiles have reached acceptable levels as required by the N.M.O.C.D.
Pile # 220 Basin Disposal Co.
Pile # 01 Basin Disposal Co.
Pile # 327 Basin Disposal Co.
Pile # 336 Burlington Resources
Pile # 217 XTO Energy
Pile # 218 Basin Disposal Co.
Pile # 225 Burlington Resources
Pile # 89 Basin Disposal Co.

We are seeking your approval to recycle this soil by using it as mix material to solidify incoming tank bottom sludge, on the JFJ Facility.

Please find enclosed the analytical reports for each of these biopiles.

Thanks in Advance

James Hatch

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01 0010B J.F.J. Landfarms L.L.C.

Hall Environmental Analysis Laboratory

Date: *16-May-05*

CLIENT: Industrial Ecosystems, Inc.
Client Sample ID: Pile 220 Basin
Lab Order: 0505070
Collection Date: 5/9/2005 10:00:00 AM
Project: JFJ Land Farm
Lab ID: 0505070-12
Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	5/13/2005 7:29:42 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	5/13/2005 7:29:42 PM
Surr: DNOP	99.6	60-124		%REC	1	5/13/2005 7:29:42 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	5/11/2005 6:30:11 PM
Surr: BFB	106	78.3-120		%REC	1	5/11/2005 6:30:11 PM

Qualifiers:
ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *16-May-05*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Pile 01 Basin
Lab Order:	0505070	**Collection Date:**	5/9/2005 10:00:00 AM
Project:	JFJ Land Farm		
Lab ID:	0505070-13	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	5/13/2005 8:00:10 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	5/13/2005 8:00:10 PM
Surr: DNOP	111	60-124		%REC	1	5/13/2005 8:00:10 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	5/11/2005 7:00:41 PM
Surr: BFB	107	78.3-120		%REC	1	5/11/2005 7:00:41 PM

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *16-May-05*

CLIENT: Industrial Ecosystems, Inc.
Client Sample ID: Pile 327 Basin
Lab Order: 0505070
Collection Date: 5/9/2005 10:00:00 AM
Project: JFJ Land Farm
Lab ID: 0505070-14
Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	5/13/2005 8:30:33 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	5/13/2005 8:30:33 PM
Surr: DNOP	90.4	60-124		%REC	1	5/13/2005 8:30:33 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	5/11/2005 7:31:08 PM
Surr: BFB	105	78.3-120		%REC	1	5/11/2005 7:31:08 PM

Qualifiers:
ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *16-May-05*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Pile 336 Burlington
Lab Order:	0505070	**Collection Date:**	5/9/2005 9:00:00 AM
Project:	JFJ Land Farm		
Lab ID:	0505070-10	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	5/13/2005 6:58:59 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	5/13/2005 6:58:59 PM
Surr: DNOP	101	60-124		%REC	1	5/13/2005 6:58:59 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	5/11/2005 5:29:03 PM
Surr: BFB	105	78.3-120		%REC	1	5/11/2005 5:29:03 PM

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *16-May-05*

CLIENT: Industrial Ecosystems, Inc.
Client Sample ID: Pile 217 XTO
Lab Order: 0505070
Collection Date: 5/9/2005 9:00:00 AM
Project: JFJ Land Farm
Lab ID: 0505070-05
Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	5/11/2005 11:23:24 PM
Motor Oil Range Organics (MRO)	60	50		mg/Kg	1	5/11/2005 11:23:24 PM
Surr: DNOP	111	60-124		%REC	1	5/11/2005 11:23:24 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	5/11/2005 1:54:30 PM
Surr: BFB	103	78.3-120		%REC	1	5/11/2005 1:54:30 PM

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *16-May-05*

CLIENT: Industrial Ecosystems, Inc.
Client Sample ID: Pile 218 Basin
Lab Order: 0505070
Collection Date: 5/9/2005 9:00:00 AM
Project: JFJ Land Farm
Lab ID: 0505070-08
Matrix: SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	49	10		mg/Kg	1	5/13/2005 6:28:12 PM
Motor Oil Range Organics (MRO)	85	50		mg/Kg	1	5/13/2005 6:28:12 PM
Surr: DNOP	107	60-124		%REC	1	5/13/2005 6:28:12 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	5/11/2005 3:57:05 PM
Surr: BFB	99.9	78.3-120		%REC	1	5/11/2005 3:57:05 PM

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *16-May-05*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Pile 225 Burlington
Lab Order:	0505070	**Collection Date:**	5/9/2005 9:00:00 AM
Project:	JFJ Land Farm		
Lab ID:	0505070-07	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	5/12/2005 12:24:11 AM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	5/12/2005 12:24:11 AM
Surr: DNOP	95.3	60-124		%REC	1	5/12/2005 12:24:11 AM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	5/11/2005 3:26:27 PM
Surr: BFB	98.9	78.3-120		%REC	1	5/11/2005 3:26:27 PM

Qualifiers:

ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *16-May-05*

CLIENT:	Industrial Ecosystems, Inc.	**Client Sample ID:**	Pile 89 Basin
Lab Order:	0505070	**Collection Date:**	5/9/2005 9:00:00 AM
Project:	JFJ Land Farm		
Lab ID:	0505070-06	**Matrix:**	SOIL

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8015B: DIESEL RANGE ORGANICS						Analyst: **SCC**
Diesel Range Organics (DRO)	ND	10		mg/Kg	1	5/11/2005 11:53:48 PM
Motor Oil Range Organics (MRO)	ND	50		mg/Kg	1	5/11/2005 11:53:48 PM
Surr: DNOP	100	60-124		%REC	1	5/11/2005 11:53:48 PM
EPA METHOD 8015B: GASOLINE RANGE						Analyst: **NSB**
Gasoline Range Organics (GRO)	ND	5.0		mg/Kg	1	5/11/2005 2:55:44 PM
Surr: BFB	99.7	78.3-120		%REC	1	5/11/2005 2:55:44 PM

Qualifiers:

- ND - Not Detected at the Reporting Limit
- J - Analyte detected below quantitation limits
- B - Analyte detected in the associated Method Blank
- * - Value exceeds Maximum Contaminant Level
- S - Spike Recovery outside accepted recovery limits
- R - RPD outside accepted recovery limits
- E - Value above quantitation range

INDUSTRIAL ECOSYSTEMS INC.
2929 Bonito Ave.
Grand Junction CO.
81504
PH: 970-254-1641
Fax: 970-254-9707

February 6, 2006

New Mexico Oil Conservation Division
1220 South ST. Francis Drive
Santa Fe, New Mexico 87505

RE: NMOCD Permit Number NM-01-010B JFJ Landfarms

Attn. Ed Martin

Dear Ed:

In response to your letter dated February 20, 2006, Ref paragraph 5 of my letter of response dated January 31. The housekeeping issue concerning the waste oil tank has been corrected as of March 10, 2006.

The waste oil tank has been relocated to an area that is more visible so that a supervisor may inspect it's condition on a more frequent basis. The waste oil tank has been steam cleaned and placed on a new secondary synthetic liner with earthen berms on all sides. Also the NMOCD Aztec Office will be notified 72 hours in advance of the construction described in paragraph 3. Thanks for your help in this matter.

Thanks in Advance

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01- 010B J.F.J. Landfarms L.L.C.

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

February 20, 2006

Mr. Jake Hatcher
Industrial Ecosystems, Inc.
2929 Bonito Ave.
Grand Junction, CO 81504

RE: NMOCD Permit Number NM-01-010B
JFJ Landfarms

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed your response to our letter of January 11, 2006 concerning the above NMOCD-permitted facility.

This response is accepted with the following conditions and understandings:

1. The NMOCD Aztec office will be notified 72 hours in advance of the construction described in paragraph 3 of your response so that NMOCD personnel may be available to witness the construction activities.
2. The NMOCD Aztec office will be notified when cleanup activities described in paragraph 5 of your response are completed.

Thank you for your response.

NEW MEXICO OIL CONSERVATION DIVISION

Ed Martin

Edwin E. Martin
Environmental Bureau

Copy: NMOCD, Aztec

INDUSTRIAL ECOSYSTEMS INC.
2929 Bonito Ave.
Grand Junction CO.
81504
PH: 970-254-1641
Fax: 970-254-9707

January 31, 2006

New Mexico Oil Conservation Division
1220 South ST. Francis Drive
Santa Fe, New Mexico 87505

RE: NMOCD Permit number NM-1-010B
JFJ Landfarms

Dear Ed:
I am in receipt of your January 11, 2006 letter reference the inspection of the JFJ Facility by yourself and Mr. Denny Foust on January 10, 2006.

As you stated in your letter, several areas of standing water was observed. One of these areas is the area where Third party tank cleaning occurs and in the past we have placed the gleaning from this operations into the bermed area where the free water was observed. We have stopped this policy and in the future we will take these gleanings and further solidify them with soil and place that material into a biopile.

The second area of concern was the retention pond at the South end of the Facility. This is a problem area for us at anytime we have moisture because all runoff collects as intended in this basin. The previous owner of the landfarm placed large quantities of Bentonite in this area and when runoff collects we use a vacuum truck to collect as much free liquid as possible, but the Bentonite creates a large bog hole making it impossible to reach the middle of this basin with vacuum hoses. In the short term there is not much we can do but continue to collect as much as we can. In the long term (early summer) we plan to dig out some of the Bentonite and place a perforated drain line along the bottom of this basin with the end of this drain in an area that is accessible by vacuum truck. With this drain in place we will be able to drain the entire basin during periods of high moisture.

Small puddles were observed along the roadway inside the landfarm. These were created while approved water was being applied for dust mitigation. To correct this problem we have redesigned the spray bar that is used in this operation and instructed our driver to closely monitor the application process and to adjust his speed to avoid any ponding in the future.

The Housekeeping issue concerning the used oil tank and bermed area surrounding it are being addressed by removing the contents of the tank, steam cleaning the tank and moving the tank and secondary containment to a more visible location so that the landfarm supervisor may more easily monitor the tank usage and make needed cleanups in a timely manner.

As to the recordkeeping issues concerning the C 138's and supporting documents. I have instructed our records clerk (Vince Scott) to meet with Mr. Denny Foust at Mr. Foust's convenience, approximately twice per month to discuss any question he might have and to review any C 138' in question.

The management team at JFJ Landfarms (James Hatcher, Joel Owens, Joe Birkby, Shawn Sullwold, Steve Abeyta and Clyde Tafoya, will review all C 138's and the supporting documents generated during the pervious month as part of our monthly meetings.

I also held a meeting with all personnel at the JFJ Facility and reviewed the NMOCD Permit and the regulations governing it. I stressed the need for Joe Birkby and Vince Scott to call Mr. Denny Foust or Mr. Ed Martin at anytime a C 138 for Non-Exempt Non-Hazardous material is submitted to JFJ Landfarms or at anytime there is any doubt about any transaction concerning the acceptance of any material.

If you have additional concerns, suggestions or questions, please contact me.

Sincerely

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01- 0010B J.F.J. Landfarms L.L.C.

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

January 11, 2006

Mr. James Hatcher
JFJ Landfarms, LLC
P.O. Box 2043
Farmington, NM 87499

RE: NMOCD Permit Number NM-1-010B
For The Commercial Surface Waste Management Facility
JFJ Landfarm Crouch Mesa Located in
NW/4 SE/4 of Section 2, Township 29 North, Range 12 West
NMPM, San Juan County, New Mexico

Dear Mr. Hatcher:

On January 10, 2006, New Mexico Oil Conservation Division (NMOCD) inspectors Mr. Denny Foust and I inspected the facility shown above. During the inspection, several permit violations were noted:

1. Several areas of standing water were observed. The permit for this facility states "There may be no ponding, pooling or run-off of water allowed. Any ponding of precipitation must be removed within 72 hours of discovery."
2. Insufficient housekeeping was observed at the "used oil" tank and the immediate surrounding area.
3. Mr. Foust and I also inspected a portion of your records. We looked at the period July, 2006 through December, 2006 and noted a few discrepancies.
    A. Several C-138's were not signed by a representative of JFJ Landfarms, LLC. (JFJ).
    B. Analyses and/or MSDS's were not filed with the corresponding C-138.
    C. Some C-138's for non-exempt, non-hazardous wastes were not submitted to the Aztec District Office for approval prior to acceptance of the waste.

JFJ must respond to this letter by February 15, 2006. In its response, JFJ must describe how it will address the above NMOCD concerns to ensure that such violations will not recur.

If you have any questions, please contact me at (505) 476-3492 or ed.martin@state.nm.us

NEW MEXICO OIL CONSERVATION DIVISION

Ed Martin

Edwin E. Martin
Environmental Bureau

Copy: NMOCD, Aztec

1220 S. St. Francis
Santa Fe, NM 87505
PH: 505-476-3492
FA: 505-476-3462

New Mexico Oil Conservation Division

Fax

NM-1-010B

To:	Joe Birkby/Industrial Ecosystems	**From:**	Ed Martin
Fax:	505-632-1876	**Pages:**	1
Phone:		**Date:**	7/1/2005
Re:	Graves Butane Site Wastes	**CC:**	Denny Foust

☐ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

I have received and reviewed the analyticals on the material Industrial Ecosystems is considering accepting into its facility. Based on the analyticals received, and the fact that the wastes originate at a former oilfield service company site, I see no reason why Industrial Ecosystems may not accept the wastes. All proper paperwork must accompany the transportation of the materials to I.E.I.

Ed Martin

Ed Martin, Environmental Bureau

Industrial Ecosystems Inc.
P.O. Box 2043
Farmington N.M. 87499
(505) 632-1782 Office
(505) 632-1876 Fax
E-Mail. jbirkby@industrialecosystems.com

"This is bioremediation at its best; fast, effective, and cost efficient"

FACSIMILE TRANSMITTAL SHEET

TO: Ed Martin

Fax: 505-476-3462

From: Joe Birkby

Date: 7-1-05

NUMBER OF PAGES (INCLUDING COVER SHEET): 13

Ed, here is the analytical we spoke about this morning. Please review and respond with a written approval. Thanks for your assistance,

Joe Birkby
Industrial Ecosystems Inc.

SECTION 5

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ANALYTICAL REPORT

Date: 07-Jun-05

CLIENT:	Souder, Miller & Associates	**Client Sample Info:**	Miller Bulk Plant
Work Order:	0505025	**Client Sample ID:**	SEC 5
Project:	Miller Bulk Plant / 3114455 BGP4T2	**Collection Date:**	5/13/2005 10:00:00 AM
Lab ID:	0505025-005A	**Matrix:**	SOIL

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
ICP METALS, TCLP LEACHED		SW1311/6010B-	(SW3010A)			Analyst: JLE
Lead	0.068	0.005		mg/L	1	5/20/2005

Qualifiers:

ND - Not Detected at the Practical Quantitation Limit
J - Analyte detected below Practical Quantitation Limit
B - Analyte detected in the associated Method Blank
H - Parameter exceeded Maximum Allowable Holding Time
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted precision limits
E - Value above Upper Quantitation Limit - UQL

Hall Environmental Analysis Laboratory

Date: 06-Jun-05

CLIENT: Iina ba, Ltd
Client Sample ID: 0505025-005
Lab Order: 0505148
Collection Date: 5/13/2005 10:00:00 AM
Project: 0505025
Lab ID: 0505148-05
Matrix: MEOH (SOIL)

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8260B: VOLATILES						Analyst: KTM
Benzene	34	2.5		mg/Kg	50	5/24/2005
Toluene	150	2.5		mg/Kg	50	5/24/2005
Ethylbenzene	110	2.5		mg/Kg	50	5/24/2005
Methyl tert-butyl ether (MTBE)	ND	2.5		mg/Kg	50	5/24/2005
1,2,4-Trimethylbenzene	310	5.0		mg/Kg	100	5/26/2005
1,3,5-Trimethylbenzene	72	2.5		mg/Kg	50	5/24/2005
1,2-Dichloroethane (EDC)	ND	2.5		mg/Kg	50	5/24/2005
1,2-Dibromoethane (EDB)	ND	2.5		mg/Kg	50	5/24/2005
Naphthalene	41	5.0		mg/Kg	50	5/24/2005
1-Methylnaphthalene	31	10		mg/Kg	50	5/24/2005
2-Methylnaphthalene	52	10		mg/Kg	50	5/24/2005
Acetone	ND	100		mg/Kg	50	5/24/2005
Bromobenzene	ND	2.5		mg/Kg	50	5/24/2005
Bromochloromethane	ND	2.5		mg/Kg	50	5/24/2005
Bromodichloromethane	ND	2.5		mg/Kg	50	5/24/2005
Bromoform	ND	2.5		mg/Kg	50	5/24/2005
Bromomethane	ND	5.0		mg/Kg	50	5/24/2005
2-Butanone	ND	50		mg/Kg	50	5/24/2005
Carbon disulfide	ND	25		mg/Kg	50	5/24/2005
Carbon tetrachloride	ND	5.0		mg/Kg	50	5/24/2005
Chlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
Chloroethane	ND	5.0		mg/Kg	50	5/24/2005
Chloroform	ND	2.5		mg/Kg	50	5/24/2005
Chloromethane	ND	2.5		mg/Kg	50	5/24/2005
2-Chlorotoluene	ND	2.5		mg/Kg	50	5/24/2005
4-Chlorotoluene	ND	2.5		mg/Kg	50	5/24/2005
cis-1,2-DCE	ND	2.5		mg/Kg	50	5/24/2005
cis-1,3-Dichloropropene	ND	2.5		mg/Kg	50	5/24/2005
1,2-Dibromo-3-chloropropane	ND	5.0		mg/Kg	50	5/24/2005
Dibromochloromethane	ND	2.5		mg/Kg	50	5/24/2005
Dibromomethane	ND	5.0		mg/Kg	50	5/24/2005
1,2-Dichlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
1,3-Dichlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
1,4-Dichlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
Dichlorodifluoromethane	ND	2.5		mg/Kg	50	5/24/2005
1,1-Dichloroethane	ND	2.5		mg/Kg	50	5/24/2005
1,1-Dichloroethene	ND	2.5		mg/Kg	50	5/24/2005
1,2-Dichloropropane	ND	2.5		mg/Kg	50	5/24/2005
1,3-Dichloropropane	ND	2.5		mg/Kg	50	5/24/2005
2,2-Dichloropropane	ND	2.5		mg/Kg	50	5/24/2005
1,1-Dichloropropene	ND	2.5		mg/Kg	50	5/24/2005

Qualifiers:
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B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *06-Jun-05*

CLIENT: iina ba, Ltd
Lab Order: 0505148
Project: 0505025
Lab ID: 0505148-05

Client Sample ID: 0505025-005
Collection Date: 5/13/2005 10:00:00 AM
Matrix: MEOH (SOIL)

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
Hexachlorobutadiene	ND	2.5		mg/Kg	50	5/24/2005
2-Hexanone	ND	25		mg/Kg	50	5/24/2005
Isopropylbenzene	11	2.5		mg/Kg	50	5/24/2005
4-Isopropyltoluene	ND	2.5		mg/Kg	50	5/24/2005
4-Methyl-2-pentanone	ND	25		mg/Kg	50	5/24/2005
Methylene chloride	ND	7.5		mg/Kg	50	5/24/2005
n-Butylbenzene	74	2.5		mg/Kg	50	5/24/2005
n-Propylbenzene	49	2.5		mg/Kg	50	5/24/2005
sec-Butylbenzene	6.7	2.5		mg/Kg	50	5/24/2005
Styrene	ND	2.5		mg/Kg	50	5/24/2005
tert-Butylbenzene	ND	2.5		mg/Kg	50	5/24/2005
1,1,1,2-Tetrachloroethane	ND	2.5		mg/Kg	50	5/24/2005
1,1,2,2-Tetrachloroethane	ND	2.5		mg/Kg	50	5/24/2005
Tetrachloroethene (PCE)	ND	2.5		mg/Kg	50	5/24/2005
trans-1,2-DCE	ND	2.5		mg/Kg	50	5/24/2005
trans-1,3-Dichloropropene	ND	2.5		mg/Kg	50	5/24/2005
1,2,3-Trichlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
1,2,4-Trichlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
1,1,1-Trichloroethane	ND	2.5		mg/Kg	50	5/24/2005
1,1,2-Trichloroethane	ND	2.5		mg/Kg	50	5/24/2005
Trichloroethene (TCE)	ND	2.5		mg/Kg	50	5/24/2005
Trichlorofluoromethane	ND	2.5		mg/Kg	50	5/24/2005
1,2,3-Trichloropropane	ND	5.0		mg/Kg	50	5/24/2005
Vinyl chloride	ND	2.5		mg/Kg	50	5/24/2005
Xylenes, Total	760	5.0		mg/Kg	100	5/25/2005
Surr: 1,2-Dichloroethane-d4	103	74.4-113		%REC	100	5/25/2005
Surr: 4-Bromofluorobenzene	110	86.2-120		%REC	50	5/24/2005
Surr: Dibromofluoromethane	88.9	77.7-120		%REC	50	5/24/2005
Surr: Toluene-d8	97.3	80.1-113		%REC	50	5/24/2005
EPA METHOD 8270C: SEMIVOLATILES						Analyst: BL
Acenaphthene	0.28	0.20		mg/Kg	1	6/2/2005
Acenaphthylene	ND	0.20		mg/Kg	1	6/2/2005
Aniline	ND	0.20		mg/Kg	1	6/2/2005
Anthracene	ND	0.20		mg/Kg	1	6/2/2005
Azobenzene	ND	0.20		mg/Kg	1	6/2/2005
Benz(a)anthracene	ND	0.25		mg/Kg	1	6/2/2005
Benzidine	ND	0.20		mg/Kg	1	6/2/2005
Benzo(a)pyrene	ND	0.20		mg/Kg	1	6/2/2005
Benzo(b)fluoranthene	ND	0.20		mg/Kg	1	6/2/2005
Benzo(g,h,i)perylene	ND	0.30		mg/Kg	1	6/2/2005
Benzo(k)fluoranthene	ND	0.50		mg/Kg	1	6/2/2005
Benzoic acid	ND	0.50		mg/Kg	1	6/2/2005

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R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: 06-Jun-05

CLIENT: Ins ba, Ltd
Client Sample ID: 0505025-005
Lab Order: 0505148
Collection Date: 5/13/2005 10:00:00 AM
Project: 0505025
Lab ID: 0505148-05
Matrix: MEOH (SOIL)

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
Benzyl alcohol	ND	0.50		mg/Kg	1	6/2/2005
Bis(2-chloroethoxy)methane	ND	0.50		mg/Kg	1	6/2/2005
Bis(2-chloroethyl)ether	ND	0.25		mg/Kg	1	6/2/2005
Bis(2-chloroisopropyl)ether	ND	0.50		mg/Kg	1	6/2/2005
Bis(2-ethylhexyl)phthalate	ND	0.20		mg/Kg	1	6/2/2005
4-Bromophenyl phenyl ether	ND	0.25		mg/Kg	1	6/2/2005
Butyl benzyl phthalate	ND	0.20		mg/Kg	1	6/2/2005
Carbazole	ND	0.20		mg/Kg	1	6/2/2005
4-Chloro-3-methylphenol	ND	0.20		mg/Kg	1	6/2/2005
4-Chloroaniline	ND	0.20		mg/Kg	1	6/2/2005
2-Chloronaphthalene	ND	0.20		mg/Kg	1	6/2/2005
2-Chlorophenol	ND	0.20		mg/Kg	1	6/2/2005
4-Chlorophenyl phenyl ether	ND	0.20		mg/Kg	1	6/2/2005
Chrysene	ND	0.20		mg/Kg	1	6/2/2005
Di-n-butyl phthalate	ND	0.25		mg/Kg	1	6/2/2005
Di-n-octyl phthalate	ND	0.50		mg/Kg	1	6/2/2005
Dibenz(a,h)anthracene	ND	0.25		mg/Kg	1	6/2/2005
Dibenzofuran	ND	0.50		mg/Kg	1	6/2/2005
1,2-Dichlorobenzene	ND	0.20		mg/Kg	1	6/2/2005
1,3-Dichlorobenzene	ND	0.20		mg/Kg	1	6/2/2005
1,4-Dichlorobenzene	ND	0.20		mg/Kg	1	6/2/2005
3,3'-Dichlorobenzidine	ND	0.20		mg/Kg	1	6/2/2005
Diethyl phthalate	ND	0.20		mg/Kg	1	6/2/2005
Dimethyl phthalate	ND	0.20		mg/Kg	1	6/2/2005
2,4-Dichlorophenol	ND	0.20		mg/Kg	1	6/2/2005
2,4-Dimethylphenol	ND	0.20		mg/Kg	1	6/2/2005
4,6-Dinitro-2-methylphenol	ND	0.50		mg/Kg	1	6/2/2005
2,4-Dinitrophenol	ND	0.50		mg/Kg	1	6/2/2005
2,4-Dinitrotoluene	ND	0.20		mg/Kg	1	6/2/2005
2,6-Dinitrotoluene	ND	0.20		mg/Kg	1	6/2/2005
Fluoranthene	ND	0.20		mg/Kg	1	6/2/2005
Fluorene	0.43	0.20		mg/Kg	1	6/2/2005
Hexachlorobenzene	ND	0.20		mg/Kg	1	6/2/2005
Hexachlorobutadiene	ND	0.20		mg/Kg	1	6/2/2005
Hexachlorocyclopentadiene	ND	0.25		mg/Kg	1	6/2/2005
Hexachloroethane	ND	0.50		mg/Kg	1	6/2/2005
Indeno(1,2,3-cd)pyrene	ND	0.20		mg/Kg	1	6/2/2005
Isophorone	ND	0.20		mg/Kg	1	6/2/2005
2-Methylnaphthalene	27	2.0		mg/Kg	10	6/2/2005
2-Methylphenol	ND	0.20		mg/Kg	1	6/2/2005
3+4-Methylphenol	ND	0.20		mg/Kg	1	6/2/2005
N-Nitrosodi-n-propylamine	ND	0.20		mg/Kg	1	6/2/2005

Qualifiers:
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- S - Spike Recovery outside accepted recovery limits
- R - RPD outside accepted recovery limits
- E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: *06-Jun-05*

CLIENT: iina ba, Ltd
Lab Order: 0505148
Project: 0505025
Lab ID: 0505148-05

Client Sample ID: 0505025-005
Collection Date: 5/13/2005 10:00:00 AM
Matrix: MEOH (SOIL)

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
N-Nitrosodiphenylamine	ND	0.20		mg/Kg	1	6/2/2005
Naphthalene	23	2.0		mg/Kg	10	6/2/2005
2-Nitroaniline	ND	0.50		mg/Kg	1	6/2/2005
3-Nitroaniline	ND	0.50		mg/Kg	1	6/2/2005
4-Nitroaniline	ND	0.25		mg/Kg	1	6/2/2005
Nitrobenzene	ND	0.20		mg/Kg	1	6/2/2005
2-Nitrophenol	ND	0.20		mg/Kg	1	6/2/2005
4-Nitrophenol	ND	0.20		mg/Kg	1	6/2/2005
Pentachlorophenol	ND	0.50		mg/Kg	1	6/2/2005
Phenanthrene	0.44	0.20		mg/Kg	1	6/2/2005
Phenol	0.31	0.20		mg/Kg	1	6/2/2005
Pyrene	ND	0.20		mg/Kg	1	6/2/2005
Pyridine	ND	0.50		mg/Kg	1	6/2/2005
1,2,4-Trichlorobenzene	ND	0.20		mg/Kg	1	6/2/2005
2,4,5-Trichlorophenol	ND	0.20		mg/Kg	1	6/2/2005
2,4,6-Trichlorophenol	ND	0.20		mg/Kg	1	6/2/2005
Surr: 2,4,6-Tribromophenol	52.3	35.5-141		%REC	1	6/2/2005
Surr: 2-Fluorobiphenyl	61.2	30.4-128		%REC	1	6/2/2005
Surr: 2-Fluorophenol	0	28.1-128	S	%REC	1	6/2/2005
Surr: 4-Terphenyl-d14	53.7	34.8-151		%REC	1	6/2/2005
Surr: Nitrobenzene-d5	50.2	26.5-122		%REC	1	6/2/2005
Surr: Phenol-d6	49.3	37.6-118		%REC	1	6/2/2005

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- S - Spike Recovery outside accepted recovery limits
- R - RPD outside accepted recovery limits
- E - Value above quantitation range

SECTION 6

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ANALYTICAL REPORT

Date: *07-Jun-05*

CLIENT:	Souder, Miller & Associates	**Client Sample Info:**	Miller Bulk Plant
Work Order:	0505025	**Client Sample ID:**	SEC 6
Project:	Miller Bulk Plant / 3114455 BGP4T2	**Collection Date:**	5/13/2005 10:19:00 AM
Lab ID:	0505025-006A	**Matrix:**	SOIL

Parameter	Result	PQL	Qual	Units	DF	Date Analyzed
ICP METALS, TCLP LEACHED		SW1311/6010B		(SW3010A)		Analyst: JLE
Lead	0.033	0.005		mg/L	1	5/20/2005

Qualifiers:

ND - Not Detected at the Practical Quantitation Limit
J - Analyte detected below Practical Quantitation Limit
B - Analyte detected in the associated Method Blank
H - Parameter exceeded Maximum Allowable Holding Time
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted precision limits
E - Value above Upper Quantitation Limit - UQL

Hall Environmental Analysis Laboratory

Date: 06-Jun-05

CLIENT:	iim ba, Ltd	Client Sample ID:	0505025-006
Lab Order:	0505148	Collection Date:	5/13/2005 10:19:00 AM
Project:	0505025		
Lab ID:	0505148-06	Matrix:	MEOH (SOIL)

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
EPA METHOD 8260B: VOLATILES						Analyst: KTM
Benzene	9.0	2.5		mg/Kg	50	5/24/2005
Toluene	80	2.5		mg/Kg	50	5/24/2005
Ethylbenzene	37	2.5		mg/Kg	50	5/24/2005
Methyl tert-butyl ether (MTBE)	ND	2.5		mg/Kg	50	5/24/2005
1,2,4-Trimethylbenzene	75	2.5		mg/Kg	50	5/24/2005
1,3,5-Trimethylbenzene	24	2.5		mg/Kg	50	5/24/2005
1,2-Dichloroethane (EDC)	ND	2.5		mg/Kg	50	5/24/2005
1,2-Dibromoethane (EDB)	ND	2.5		mg/Kg	50	5/24/2005
Naphthalene	13	5.0		mg/Kg	50	5/24/2005
1-Methylnaphthalene	13	10		mg/Kg	50	5/24/2005
2-Methylnaphthalene	23	10		mg/Kg	50	5/24/2005
Acetone	ND	100		mg/Kg	50	5/24/2005
Bromobenzene	ND	2.5		mg/Kg	50	5/24/2005
Bromochloromethane	ND	2.5		mg/Kg	50	5/24/2005
Bromodichloromethane	ND	2.5		mg/Kg	50	5/24/2005
Bromoform	ND	2.5		mg/Kg	50	5/24/2005
Bromomethane	ND	5.0		mg/Kg	50	5/24/2005
2-Butanone	ND	50		mg/Kg	50	5/24/2005
Carbon disulfide	ND	25		mg/Kg	50	5/24/2005
Carbon tetrachloride	ND	5.0		mg/Kg	50	5/24/2005
Chlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
Chloroethane	ND	5.0		mg/Kg	50	5/24/2005
Chloroform	ND	2.5		mg/Kg	50	5/24/2005
Chloromethane	ND	2.5		mg/Kg	50	5/24/2005
2-Chlorotoluene	ND	2.5		mg/Kg	50	5/24/2005
4-Chlorotoluene	ND	2.5		mg/Kg	50	5/24/2005
cis-1,2-DCE	ND	2.5		mg/Kg	50	5/24/2005
cis-1,3-Dichloropropene	ND	2.5		mg/Kg	50	5/24/2005
1,2-Dibromo-3-chloropropane	ND	5.0		mg/Kg	50	5/24/2005
Dibromochloromethane	ND	2.5		mg/Kg	50	5/24/2005
Dibromomethane	ND	5.0		mg/Kg	50	5/24/2005
1,2-Dichlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
1,3-Dichlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
1,4-Dichlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
Dichlorodifluoromethane	ND	2.5		mg/Kg	50	5/24/2005
1,1-Dichloroethane	ND	2.5		mg/Kg	50	5/24/2005
1,1-Dichloroethene	ND	2.5		mg/Kg	50	5/24/2005
1,2-Dichloropropane	ND	2.5		mg/Kg	50	5/24/2005
1,3-Dichloropropane	ND	2.5		mg/Kg	50	5/24/2005
2,2-Dichloropropane	ND	2.5		mg/Kg	50	5/24/2005
1,1-Dichloropropene	ND	2.5		mg/Kg	50	5/24/2005

Qualifiers:
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- * - Value exceeds Maximum Contaminant Level
- S - Spike Recovery outside accepted recovery limits
- R - RPD outside accepted recovery limits
- E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: 06-Jun-05

CLIENT: tina ba, Ltd
Client Sample ID: 0505025-006
Lab Order: 0505148
Collection Date: 5/13/2005 10:19:00 AM
Project: 0505025
Lab ID: 0505148-06
Matrix: MEOH (SOIL)

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
Hexachlorobutadiene	ND	2.5		mg/Kg	50	5/24/2005
2-Hexanone	ND	25		mg/Kg	50	5/24/2005
Isopropylbenzene	ND	2.5		mg/Kg	50	5/24/2005
4-Isopropyltoluene	ND	2.5		mg/Kg	50	5/24/2005
4-Methyl-2-pentanone	ND	25		mg/Kg	50	5/24/2005
Methylene chloride	ND	7.5		mg/Kg	50	5/24/2005
n-Butylbenzene	18	2.5		mg/Kg	50	5/24/2005
n-Propylbenzene	16	2.5		mg/Kg	50	5/24/2005
sec-Butylbenzene	ND	2.5		mg/Kg	50	5/24/2005
Styrene	ND	2.5		mg/Kg	50	5/24/2005
tert-Butylbenzene	ND	2.5		mg/Kg	50	5/24/2005
1,1,1,2-Tetrachloroethane	ND	2.5		mg/Kg	50	5/24/2005
1,1,2,2-Tetrachloroethane	ND	2.5		mg/Kg	50	5/24/2005
Tetrachloroethene (PCE)	ND	2.5		mg/Kg	50	5/24/2005
trans-1,2-DCE	ND	2.5		mg/Kg	50	5/24/2005
trans-1,3-Dichloropropene	ND	2.5		mg/Kg	50	5/24/2005
1,2,3-Trichlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
1,2,4-Trichlorobenzene	ND	2.5		mg/Kg	50	5/24/2005
1,1,1-Trichloroethane	ND	2.5		mg/Kg	50	5/24/2005
1,1,2-Trichloroethane	ND	2.5		mg/Kg	50	5/24/2005
Trichloroethene (TCE)	ND	2.5		mg/Kg	50	5/24/2005
Trichlorofluoromethane	ND	2.5		mg/Kg	50	5/24/2005
1,2,3-Trichloropropane	ND	5.0		mg/Kg	50	5/24/2005
Vinyl chloride	ND	2.5		mg/Kg	50	5/24/2005
Xylenes, Total	190	2.5		mg/Kg	50	5/24/2005
Surr: 1,2-Dichloroethane-d4	104	74.4-113		%REC	50	5/24/2005
Surr: 4-Bromofluorobenzene	104	88.2-120		%REC	50	5/24/2005
Surr: Dibromofluoromethane	96.7	77.7-120		%REC	50	5/24/2005
Surr: Toluene-d8	96.3	80.1-113		%REC	50	5/24/2005
EPA METHOD 8270C: SEMIVOLATILES						Analyst: BL
Acenaphthene	ND	2.0		mg/Kg	10	6/2/2005
Acenaphthylene	ND	2.0		mg/Kg	10	6/2/2005
Aniline	ND	2.0		mg/Kg	10	6/2/2005
Anthracene	ND	2.0		mg/Kg	10	6/2/2005
Azobenzene	ND	2.0		mg/Kg	10	6/2/2005
Benz(a)anthracene	ND	2.5		mg/Kg	10	6/2/2005
Benzidine	ND	2.0		mg/Kg	10	6/2/2005
Benzo(a)pyrene	ND	2.0		mg/Kg	10	6/2/2005
Benzo(b)fluoranthene	ND	2.0		mg/Kg	10	6/2/2005
Benzo(g,h,i)perylene	ND	3.0		mg/Kg	10	6/2/2005
Benzo(k)fluoranthene	ND	5.0		mg/Kg	10	6/2/2005
Benzoic acid	ND	5.0		mg/Kg	10	6/2/2005

Qualifiers:
ND - Not Detected at the Reporting Limit
J - Analyte detected below quantitation limits
B - Analyte detected in the associated Method Blank
* - Value exceeds Maximum Contaminant Level
S - Spike Recovery outside accepted recovery limits
R - RPD outside accepted recovery limits
E - Value above quantitation range

Hall Environmental Analysis Laboratory

Date: 06-Jun-05

CLIENT: Hna ba, Ltd
Client Sample ID: 0505025-006
Lab Order: 0505148
Collection Date: 5/13/2005 10:19:00 AM
Project: 0505025
Lab ID: 0505148-06
Matrix: MEOH (SOIL)

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
Benzyl alcohol	ND	5.0		mg/Kg	10	6/2/2005
Bis(2-chloroethoxy)methane	ND	5.0		mg/Kg	10	6/2/2005
Bis(2-chloroethyl)ether	ND	2.5		mg/Kg	10	6/2/2005
Bis(2-chloroisopropyl)ether	ND	5.0		mg/Kg	10	6/2/2005
Bis(2-ethylhexyl)phthalate	ND	2.0		mg/Kg	10	6/2/2005
4-Bromophenyl phenyl ether	ND	2.5		mg/Kg	10	6/2/2005
Butyl benzyl phthalate	ND	2.0		mg/Kg	10	6/2/2005
Carbazole	ND	2.0		mg/Kg	10	6/2/2005
4-Chloro-3-methylphenol	ND	2.0		mg/Kg	10	6/2/2005
4-Chloroaniline	ND	2.0		mg/Kg	10	6/2/2005
2-Chloronaphthalene	ND	2.0		mg/Kg	10	6/2/2005
2-Chlorophenol	ND	2.0		mg/Kg	10	6/2/2005
4-Chlorophenyl phenyl ether	ND	2.0		mg/Kg	10	6/2/2005
Chrysene	ND	2.0		mg/Kg	10	6/2/2005
Di-n-butyl phthalate	ND	2.5		mg/Kg	10	6/2/2005
Di-n-octyl phthalate	ND	5.0		mg/Kg	10	6/2/2005
Dibenz(a,h)anthracene	ND	2.5		mg/Kg	10	6/2/2005
Dibenzofuran	ND	5.0		mg/Kg	10	6/2/2005
1,2-Dichlorobenzene	ND	2.0		mg/Kg	10	6/2/2005
1,3-Dichlorobenzene	ND	2.0		mg/Kg	10	6/2/2005
1,4-Dichlorobenzene	ND	2.0		mg/Kg	10	6/2/2005
3,3'-Dichlorobenzidine	ND	2.0		mg/Kg	10	6/2/2005
Diethyl phthalate	ND	2.0		mg/Kg	10	6/2/2005
Dimethyl phthalate	ND	2.0		mg/Kg	10	6/2/2005
2,4-Dichlorophenol	ND	2.0		mg/Kg	10	6/2/2005
2,4-Dimethylphenol	ND	2.0		mg/Kg	10	6/2/2005
4,6-Dinitro-2-methylphenol	ND	5.0		mg/Kg	10	6/2/2005
2,4-Dinitrophenol	ND	5.0		mg/Kg	10	6/2/2005
2,4-Dinitrotoluene	ND	2.0		mg/Kg	10	6/2/2005
2,6-Dinitrotoluene	ND	2.0		mg/Kg	10	6/2/2005
Fluoranthene	ND	2.0		mg/Kg	10	6/2/2005
Fluorene	ND	2.0		mg/Kg	10	6/2/2005
Hexachlorobenzene	ND	2.0		mg/Kg	10	6/2/2005
Hexachlorobutadiene	ND	2.0		mg/Kg	10	6/2/2005
Hexachlorocyclopentadiene	ND	2.5		mg/Kg	10	6/2/2005
Hexachloroethane	ND	5.0		mg/Kg	10	6/2/2005
Indeno(1,2,3-cd)pyrene	ND	2.0		mg/Kg	10	6/2/2005
Isophorone	ND	2.0		mg/Kg	10	6/2/2005
2-Methylnaphthalene	10	2.0		mg/Kg	10	6/2/2005
2-Methylphenol	ND	2.0		mg/Kg	10	6/2/2005
3+4-Methylphenol	ND	2.0		mg/Kg	10	6/2/2005
N-Nitrosodi-n-propylamine	ND	2.0		mg/Kg	10	6/2/2005

Qualifiers:
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S - Spike Recovery outside accepted recovery limits
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Hall Environmental Analysis Laboratory

Date: *06-Jun-05*

CLIENT: lina ba, Ltd
Client Sample ID: 0505025-006
Lab Order: 0505148
Collection Date: 5/13/2005 10:19:00 AM
Project: 0505025
Lab ID: 0505148-06
Matrix: MEOH (SOIL)

Analyses	Result	PQL	Qual	Units	DF	Date Analyzed
N-Nitrosodiphenylamine	ND	2.0		mg/Kg	10	6/2/2005
Naphthalene	8.5	2.0		mg/Kg	10	6/2/2005
2-Nitroaniline	ND	5.0		mg/Kg	10	6/2/2005
3-Nitroaniline	ND	5.0		mg/Kg	10	6/2/2005
4-Nitroaniline	ND	2.5		mg/Kg	10	6/2/2005
Nitrobenzene	ND	2.0		mg/Kg	10	6/2/2005
2-Nitrophenol	ND	2.0		mg/Kg	10	6/2/2005
4-Nitrophenol	ND	2.0		mg/Kg	10	6/2/2005
Pentachlorophenol	ND	5.0		mg/Kg	10	6/2/2005
Phenanthrene	ND	2.0		mg/Kg	10	6/2/2005
Phenol	ND	2.0		mg/Kg	10	6/2/2005
Pyrene	ND	2.0		mg/Kg	10	6/2/2005
Pyridine	ND	5.0		mg/Kg	10	6/2/2005
1,2,4-Trichlorobenzene	ND	2.0		mg/Kg	10	6/2/2005
2,4,5-Trichlorophenol	ND	2.0		mg/Kg	10	6/2/2005
2,4,6-Trichlorophenol	ND	2.0		mg/Kg	10	6/2/2005
Surr: 2,4,6-Tribromophenol	42.8	35.5-141		%REC	10	6/2/2005
Surr: 2-Fluorobiphenyl	58.5	30.4-128		%REC	10	6/2/2005
Surr: 2-Fluorophenol	0	28.1-122	S	%REC	10	6/2/2005
Surr: 4-Terphenyl-d14	64.9	34.6-151		%REC	10	6/2/2005
Surr: Nitrobenzene-d5	60.3	28.5-122		%REC	10	6/2/2005
Surr: Phenol-d6	60.0	37.6-118		%REC	10	6/2/2005

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NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

April 12, 2005

Mr. Jake Hatcher
JFJ Landfarm, LLC
P.O. Box 2043
Farmington, NM 87499

Dear Mr. Hatcher:

By letter dated March 4, 2005, the New Mexico Oil Conservation Division (NMOCD) administratively modified landfarm permits to prohibit the acceptance of "salt-contaminated oilfield wastes." The NMOCD wishes to clarify that prohibition.

Landfarms may not accept the contents of drilling and workover pits if brine of 9.5 lbs. or greater was used in the drilling, or if the well penetrated a salt section. In addition, landfarms may not accept other oilfield wastes that have been contaminated with salts to the extent that the acceptance of such waste will hinder the hydrocarbon biodegradation process for which the landfarm was permitted, or contaminate groundwater.

If you have any questions, contact me at (505) 476-3492 or emartin@state.nm.us

NEW MEXICO OIL CONSERVATION DIVISION

Ed Martin

Edwin E. Martin
Environmental Bureau

Cc: NMOCD, Aztec

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

September 17, 2004

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

Mr. James Hatcher NM-1-10
JFJ Landfarm LLC
P.O. Box 2043
Farmington, NM 87499

Dear Mr. Hatcher:

Since the New Mexico Oil Conservation Division (NMOCD) promulgated Rule 50 covering pits and below-grade tanks, there has arisen a need, in certain circumstances, for operators to transport their drill cuttings off-site and dispose of them.

NMOCD Rule 711, as it pertains to landfarms, does not specifically address the issue of exempt oilfield wastes that may be contaminated with salts. Your landfarm application and permit were written with only hydrocarbon-contaminated soils in mind. Salt-contaminated wastes cause the following problems:

1. Lessening the effectiveness of the biodegradation capacity of your landfarm
2. Rapid leachability causing adverse effects on groundwater

If you want to accept salt-contaminated cuttings or any other salt-contaminated wastes, your 711 permit must be modified to ensure that your acceptance of those wastes will not adversely affect public health or the environment.

Please check one of the following:

☐ I have accepted or intend to accept salt-contaminated wastes in my landfarm. An OCD form C-137, applying for a modification to my 711 permit is attached. Included, as an attachment, is a demonstration that the accepted salt-contaminated soils will not adversely affect groundwater in the foreseeable future. (Closure requirements will also require modification to ensure the protection of groundwater. Should your acceptance of salt-contaminated wastes prove detrimental to groundwater, future liability for such damage rests with the landfarm operator).

☒ I do not intend to accept salt-contaminated wastes in my landfarm. Should this condition change, I will submit an OCD Form C-137 for a modification to my 711 permit at that time.

New Mexico Oil Conservation Division
Attn: Ed Martin
1220 S. St. Francis
Santa Fe, NM 87505

This letter must be returned to the above address no later than October 31, 2004. An extension of time may be granted if you contact this office no later than that date.

If you have any questions, contact Ed Martin (505) 476-3492 or emartin@state.nm.us

James Hatcher
Signed

9-26-04
Date

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

September 17, 2004

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

Mr. James Hatcher
JFJ Landfarm LLC
P.O. Box 2043
Farmington, NM 87499

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New Mexico Oil Conservation Division
Attn: Ed Martin
1220 S. St. Francis
Santa Fe, NM 87505

This letter must be returned to the above address no later than October 31, 2004. An extension of time may be granted if you contact this office no later than that date.

If you have any questions, contact Ed Martin (505) 476-3492 or emartin@state.nm.us

Signed _____ Date _____

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

September 7, 2004

CERTIFIED MAIL
RETURN RECEIPT NO: 7001-1940-0004-3929-8454

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: 11 Violations of the Conditions of Permit #NM-01-0010B issued under Oil Conservation Division Rule 711. [19.15.9.711.B NMAC]

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division has received your letter dated August 30, 2004 regarding the above Notice of Violation (NOV) issued by us on August 19, 2004. Our NOV stated that you are required, within 10 days, to schedule an administrative conference to discuss the NMOCD rule infractions noted at your facility. As stated in our NOV, failure to schedule such a conference, where the matter could be resolved, will result in an enforcement hearing before an OCD Hearing Examiner, where we will recommend issuance of a formal order requiring compliance with OCD Rules, a civil penalty, and corrective action.

Contact this office by September 20, 2004 to schedule the administrative conference. You may bring legal counsel, if you so desire, and your August 30, 2004 letter referred to above.

Sincerely,

Roger C. Anderson
Environmental Bureau Chief
rcanderson@state.nm.us

RCA/eem

Cc: OCD Aztec District
Gail MacQuesten
NOV File
File NM-01-0010B

INDUSTRIAL ECOSYSTEMS INC.
P.O. Box 2043
Farmington, NM
87499
PH: 505 632 1782
Fax: 505 632 1876

August 30, 2004

New Mexico Oil Conservation Division
1220 South ST. Francis Drive
Santa Fe, New Mexico 87505

RE: Notice of Violation Letter

Attn. Mr. Roger C. Anderson

Dear Mr. Anderson:

I am in receipt of your August 19th Notice of Violation Letter and wish to respond in the following way. Item number one states that the concrete mixing impoundment was surrounded on three sides by slop over, this is incorrect, the material surrounding the mixing pit was not slop over but rather clean backfill placed there by the previous owner in and effort to support the free standing walls during the mixing operation. Following the instructions of Deputy Martyne Kieling the material was excavated from the side walls and the material was not contaminated soil, also the most of it appeared to have been placed there during the original construction or shortly thereafter. Any slop over that had occurred had been removed on an as needed basis and placed in a compost pile.

Item number four quotes me as stating that JFJ had not pre screened for H2S before unloading trucks entering the facility. The statement was made in reference to the free water drawn from the bottom of the settlement tanks, which I stated was not screened for H2S, PH or TDS before being applied to the compost piles. To my knowledge there has been no liquids unloaded at the JFJ Facility without pre-screening for H2S.

Item number six stated that sludge was applied directly to the biopiles, this is incorrect the black free water was drawn off the sludge after settling and as stated above this water was applied to the biopiles without first pre-screening it for H2S, PH and TDS.

Item number seven states that Scat hot Wash unloaded two 80 bbl loads of wash water and sludge into an earthen bermed area adjacent to the concrete mixing pit. In reality this area is part of the concrete mixing pit. The pit was divided by and earthen berm to allow the use of the South end of the pit for mixing while at the same time receiving liquid into the North end of the structure. No bermed area existed other than the area described above. I believe this is within the scope of the permit.

Item number eight, We have searched all JFJ billing records and as stated in my letter to Deputy Martyne Kieling there is no record of any billing or reception of payment for work conducted or material received from Red Cedar Blackridge Compressor facility but after talking with the transporter (Inland Trucking) I believe they did in fact haul water into the JFJ Facility and spread it on the roads without pre-screening It is also my belief that the JFJ Facility manager at the time quite possible billed this customer under a false company name and embezzled the resulting payment, JFJ has already uncovered approximately $ 40,000 worth of this activity and the investigation is ongoing.

Item nine, The material scat added directly to the biopiles was not sludge but rather wash water from basin disposal pond clean out project and was indeed added without pre-screening.

Item number eleven, Again I am mis-qouted, no sludge was added directly to the biopiles, as stated above the free black water was drawn off the tanks after settling and spread on the roads or applied directly to the biopile without pre-screening..

Item number thirteen, During the December 2nd, 2003 discussion on the inspection of the mixing impoundment, the daily visual inspection records that exist were never asks for or reviewed, but rather Deputy Inspector Dennie Foust and Inspector Frank Chavez advised JFJ that there were two liners underneath the concrete mixing impoundment that wrapped up the sides about a foot with a monitoring pipe located somewhere on the South wall that JFJ should have been monitoring on a weekly basis. I indicated that I had never seen any indication of this monitoring well or any kind of pipe. I asked if this monitoring well was something that Tierra was monitoring on a regular basis both Mr. Foust and Mr. Chavez answered in the affirmative that Tierra had. As stated above Deputy Inspector Marytne Kieling ask that we excavated and inspect all side walls of the mixing structure. During this inspection it was revealed that only one liner was underneath the structure and it did not wrap up the side walls but instead ended at the very edge of the concrete floor, neither was there or had there ever been a monitoring well. There was also evidence that the side wall / floor slab joint had leaked as soon as the pit was put into use. The inspection did reveal large cracks along the West side wall that crumbled away as soon as the supporting earth was moved away. These cracks were hidden by several inch thick layer of heavy oil and sludge. Deputy Inspector Dennie Foust called on the following morning (December 3rd, 2003 and advised that after further review he had learned that no monitoring well had ever existed around the pit structure. In light of the fact that there was no way to inspect the structure other than a visual inspection I believe we did all we could by visually inspecting it on a daily basis. JFJ will gladly provide you with the documents showing the pit and the entire facility was inspected on a daily basis, signed by both present and past employees.

Item fifteen, this is correct JFJ was unable to find the temperature records or biopile maintenance records. Although past and present employees have signed a statement saying they either collected or witnessed the collection and recording of this information we are unable to find it. We believe it was either destroyed or removed by a former manager in an effort to strike back at JFJ for bring charges against him for embezzling a large amount of money.

Item seventeen, This is also correct, JFJ did not have the results of the pre-screening of free water drawn from the settling tank which was spread on the facility.

Even though it has been nine months since the inspection, anything pointed out to JFJ during the inspection. was corrected within 5 days of the inspection. Two trained competent facility managers are now in place and are managing the day to day operation of the facility in a way that complies with all aspects of the JFJ permit. I personally am committed to doing a better job managing the facility manager so as to never allow anyone in the future to take advantage of the JFJ permit by lying to me, fellow employees and the transporters about what is permitted on the facility.

Sincerely

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01 0010B J.F.J. Landfarms L.L.C

Industrial Ecosystems Inc.
Soil Reclamation Center

P.O. Box 2043
Farmington, NM 87499

Phone: (505) 632-1782
Fax: (505) 632-1876

#81 CR 3150
Aztec, NM 87410

March 5, 2004

Martyne Kieling
New Mexico Oil Conservation Division
1220 St Francis Drive
Santa Fe NM 87505

Martyne:

Here are the records that you were requesting for Basin Disposal. Attached you will find both the C-138s and Certificate of Waste Statuses for the months of June 2003 through December 2003. Basin only hauled material into the JFJ Landfarm from June through December. Prior to June, Basin was solidifying and stock piling material on their site.

According to our records, we have no C-138 from the Red Cedar Blackridge compressor facility. Also, our billing records indicate that we have never billed nor received payment for anything associated with Red Cedar Blackridge compressor facility.

If you have any questions, please let me know.

Thanks,

AJ Blair
Rocky Mountain Regional Director
Industrial Ecosystems Inc
(505) 632-1782

JFJ LANDFARM

~~BASIN DISP.~~

Tank Contents Log

5/24/2004

Tank #	Contents	Amount	Generator
72	sludge	400 bbls	Basin Disposal
15	sludge	400 bbls	Basin Disposal
56	sludge	400 bbls	Basin Disposal
63	sludge	400 bbls	Basin Disposal
2	sludge	400 bbls	Basin Disposal
18	sludge	400 bbls	Basin Disposal
29	sludge	400 bbls	Basin Disposal
22	sludge	400 bbls	Basin Disposal
41	mud/water	400 bbls	BP Crawford
54	water/sludge	400 bbls	Basin Disposal
114		Empty	
60		Active	
12	sludge	400 bbls	Basin Disposal
52	sludge	400 bbls	Basin Disposal
47	sludge	400 bbls	Basin Disposal
81	sludge	400 bbls	Basin Disposal
9	sludge	260 bbls	Burlington Resources
IEI Tank	water/sludge	400 bbls	Basin Disposal
19	sludge	400 bbls	Basin Disposal
59	sludge	400 bbls	Basin Disposal
48	sludge	320 bbls	Basin Disposal
3		Empty	
42		Empty	
44		Empty	
10		Empty	
80		Empty	
25	sludge	400 bbls	Basin Disposal

ALL WILL RETURN TO KEY EXCEPT FOR "IEI" TANK AND 4 OTHERS. WHICH WILL BE USED BY/AT PUGMILL.

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

May 18, 2004

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: Approval To Recycle Soil
JFJ Landfarm L.L.C.
NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received JFJ Landfarm L.L.C. (JFJ) letter dated April 26, 2004 and the E-mail dated May 18, 2004 from Darrin Church with Tierra acknowledging the removal of the remediated soil from Tierra to JFJ Landfarm. The OCD has reviewed these letters and the analytical data concerning remediated soils within compost piles T1, T2, T3, T4, T5, T6, T7, T8, T9, T10, T11 and T12 (material pushed up from Tierra Environmental Company, Inc. portion of the landfarm). JFJ's request to recycle soil from Compost piles T1, T2, T3, T4, T5, T6, T7, T8, T9, T10, T11 and T12 are hereby approved with the following recycling uses:

1. Use remediated soils to solidify incoming tank bottom sludge. And
2. Use remediated soils to recondition the berms within the JFJ facility.

Application of these soils in the approved project list above must not result in run-off into any waters of the U.S. If JFJ wants to move the soils from these compost piles for any other use than those approved here separate OCD authorization must be granted. Please be advised that OCD approval does not relieve JFJ of liability should their operation result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve JFJ of the responsibility for compliance with other federal state and/or local regulations.

If you have any further questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

Martyne J. Kieling
Environmental Geologist

xc:
Aztec OCD Office
Philip C. Nobis, Tierra Environmental Company, Inc., PO Box 1812, Bloomfield, New Mexico 87413

Kieling, Martyne

From: IEISOIL@aol.com
Sent: Tuesday, May 18, 2004 1:02 PM
To: MKieling@state.nm.us
Cc: dfoust@state.nm.us
Subject: Fwd: Landfarm Backfill

Martyne / Dennie

This is the emai from Tierra Environmental that you requested.
Thanks
Jake Hatcher
IEI Soil
JFJ Landfarm

Kieling, Martyne

From: Darrin Church [darrin@instreem.net]
Sent: Tuesday, May 18, 2004 10:09 AM
To: ieisoil@aol.com
Subject: Landfarm Backfill

Jake,

Tierra Environmental Company is aware that you will be transferring clean backfill from the portion of the landfarm currently owned by Tierra to your adjacent facility.

Please let me know if you need any more documentation.

Sincerely,

Darrin Church
Tierra Environmental Company

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

April 30, 2004

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: Approval To Recycle Soil
JFJ Landfarm L.L.C.
NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received JFJ Landfarm L.L.C. (JFJ) letter dated April 26, 2004 and has reviewed the analytical data concerning remediated soils within Compost piles 50 (BP Marsh Pass /BP Delta Environental), 39 (BP NYE GUB #1 E), 70 (GCU 235 E), and 56 (BP Sullivan GCU #1), 29 (BP Key Pipe Yard), 75 (BP GCU 1105 DK), 67 (BP Florance A #16), 34 (BPGCU 134 DK) and 2 (BP Gartner A #16). JFJ's request to recycle soil from Compost piles 50, 39, 70, 56, 29, 75, 67, 34, and 2 are hereby approved with the following recycling uses:

1. Use remediated soils to solidify incoming tank bottom sludge. And
2. Use remediated soils to recondition the berms within the JFJ facility.

Application of these soils in the approved project list above must not result in run-off into any waters of the U.S. If JFJ wants to move the soils from these compost piles for any other use than those approved here separate OCD authorization must be granted. Please be advised that OCD approval does not relieve JFJ of liability should their operation result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve JFJ of the responsibility for compliance with other federal state and/or local regulations.

If you have any further questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

Martyne J. Kieling
Environmental Geologist

xc: Aztec OCD Office

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

April 29, 2004

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: Approval To Recycle Soil
JFJ Landfarm L.L.C.
NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received JFJ Landfarm L.L.C. (JFJ) letter dated April 19, 2004 and has reviewed the analytical data concerning remediated soils within Compost piles 16 (Community pile from Burlington, Breck Operating and S&G Interest), 0 (Basin Disposal), 226 (XTO Schwfrtsberger #15), and 204 (Basin Disposal). JFJ's request to recycle soil from Compost piles 16, 0, 226, and 204 are hereby approved with the following recycling uses:

1. Use remediated soils to solidify incoming tank bottom sludge. And
2. Use remediated soils to recondition the berms within the JFJ facility.

Application of these soils in the approved project list above must not result in run-off into any waters of the U.S. If JFJ wants to move the soils from these compost piles for any other use than those approved here separate OCD authorization must be granted. Please be advised that OCD approval does not relieve JFJ of liability should their operation result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve JFJ of the responsibility for compliance with other federal state and/or local regulations.

If you have any further questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

Martyne J. Kieling
Environmental Geologist

xc: Aztec OCD Office

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

April 13, 2004

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: Approval To Recycle Soil
JFJ Landfarm L.L.C.
NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received JFJ Landfarm L.L.C. (JFJ) letter dated April 6, 2004 and has reviewed the analytical data concerning remediated soils within Compost piles 54 (BP GCU 306), 3 (BP Shiprock), 100 (BP Pesco Yard), 5 (PP GCU 134 DK), 99 (BP Pesco Yard), 14 (BP Sammons Gas Com F#1), 6 (BP Atlantic 007), and 1 (BP Blowback tank). JFJ's request to recycle soil from Compost piles 54, 3, 100, 5, 99, 14, 6, and 1 are hereby approved with the following recycling uses:

1. Use remediated soils to solidify incoming tank bottom sludge. And
2. Use remediated soils to recondition the berms within the JFJ facility.

Application of these soils in the approved project list above must not result in run-off into any waters of the U.S. If JFJ wants to move the soils from these compost piles for any other use than those approved here separate OCD authorization must be granted. Please be advised that OCD approval does not relieve JFJ of liability should their operation result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve JFJ of the responsibility for compliance with other federal state and/or local regulations.

If you have any further questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

Martyne J. Kieling
Environmental Geologist

xc: Aztec OCD Office

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

April 13, 2004

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: Management and Use of Tank Washout Water and Water From Tank Bottoms and Sludge
JFJ Landfarm L.L.C. Permit NM-01-0010B
NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received JFJ Landfarm L.L.C. (JFJ) letter dated April 6, 2004 and has reviewed the request to use multiple source waters from tank washouts, tank bottoms and sludge. JFJ's request to combine waters received into a single tank(s) and then perform the testing required in the permit prior to application to the landfarm or compost piles is hereby approved in accordance with NM-01-0010B Permit Conditions.

Please review the following NM-01-0010B Permit Conditions as outlined under
Tank Bottom & Sludge Acceptance:
Items:

1. All loads of tank bottoms or sludge will be pre-screened for H_2S before they are un-loaded from the truck.
2. All tank bottoms and sludge must be accepted into either the concrete impoundment or frac tanks for settling prior to landfarm or compost application.
4. Water removed from tank bottoms and sludge may be stored in above-ground closed-top tanks and after appropriate screening may be spread on the landfarm or compost piles for dust control and to enhance bioremediation. The water must be screened for hydrogen sulfide (H_2S), oils, total dissolved solids (TDS), and pH. Water with H_2S must be treated to remove all traces of H_2S prior to application. Water with free oil, TDS greater than 1000 ppm, or a pH less than 6 or greater than 9 must be disposed of at an OCD-approved disposal facility. The source, amount, and test results of each load of water must be recorded and made available to the OCD upon request.

Reporting and Record Keeping:
Item:

5. Results of screening of free water from tank bottoms or sludge must be recorded and maintained for OCD review.

Application of these waters in the approved manner above must not result in run-off into any waters of the U.S. Please be advised that OCD approval does not relieve JFJ of liability should their operation result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve JFJ of the responsibility for compliance with other federal state and/or local regulations.

If you have any further questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

Martyne J. Kieling
Environmental Geologist

xc: Aztec OCD Office

Industrial Ecosystems Inc.
Soil Reclamation Center

P.O. Box 2043
Farmington, NM 87499

Phone: (505) 632-1782
Fax: (505) 632-1876

#81 CR 3150
Aztec, NM 87410

April 6, 2004

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Produced Water

Attn: Martyne Kieling

Dear Martyne:

During recent conversations, we have discussed storing water from multiples sources into a single tank and testing the entire tank for H2S, free oil, TDS, and pH levels to make sure the water meets acceptable levels as required by the NMOCD.

After the water meets acceptable levels, we would like to spray the water around the facility for dust control and spray it into biopiles needing moisture.

We have received verbal approval from you regarding this issue. We are requesting written permission to treat water in this manner.

Thanks in advance

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01 0010B J.F.J Landfarms LLC)

Cc: Denny Foust

Kieling, Martyne

From: AJ Blair [aj@industrialecosystems.com]
Sent: Tuesday, March 23, 2004 1:35 PM
To: Martyne Keiling
Cc: dfoust@state.nm.us

Martyne,

Last month I talked with you on the phone about testing an entire tank of water for disposal instead of each truck load. What do you need from me to add this to our permit?

I would like to add it in writing to our permit as soon as possible.

Thanks,
AJ

==========
AJ Blair
Rocky Mountain Regional Director
Industrial Ecosystems Inc
Office: (505) 632-1782
Cell: (505) 402-1064
aj@industrialecosystems.com
==========

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

March 30, 2004

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: Request for approval to excavate and reclaim deep layers of soil.
JFJ Landfarm L.L.C.
NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received JFJ Landfarm L.L.C. (JFJ) letter dated March 8, 2004 regarding the deep contaminated soils that have been discovered around the landfarm that was left by the previous operator. The OCD hereby approves of the excavation of these areas as they are found and approves of the method described in your March 8, 2004 letter. This approval is conditional upon keeping written documentation of where these deeper pockets of contaminated soils are found and the approximate depth to which they are excavated.

Please be advised that OCD approval does not relieve JFJ of liability should their operation result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve JFJ of the responsibility for compliance with other federal state and/or local regulations.

If you have any further questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

Martyne J. Kieling
Environmental Geologist

xc: Aztec OCD Office

INDUSTRIAL ECOSYSTEMS INC.
P.O. Box 2043
Farmington, NM
87499
PH: 505 632 1782
Fax: 505 632 1876

March 8, 2004

New Mexico Oil Conservation Division
1220 South ST. Francis Drive
Santa Fe, New Mexico 87505

RE: Request for approval to excavate and reclaim deep layer of soil. (JFJ Landfarm)

Attn. Martyne Kieling

Dear Martyne:
During the day to day operations of the JFJ Facility, we continue to encounter contaminated material buried by a previous owner of the property at depths reaching 36 inches in some areas. We have plowed the upper 10 to 12 inches, which is dry until it is nothing more than powder. This will not absorb moisture and therefore will not remediate. We are requesting permission to excavate these areas as we discover them, run the excavated material through the pug mill to add the needed moisture and organic amendments, then place the material into biopiles to remediate.

Thanks in advance

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01 0010B J.F.J. Landfarms L.L.C)

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

RECEIVED
MAR 25 2004
OIL CONSERVATION DIVISION

State of New Mexico
Energy Minerals and Natural Resources

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

Submit 1 copy to appropriate District Office and 1 copy to the Santa Fe Office

Revised June 10, 2003

PIT REMEDIATION AND CLOSURE REPORT

Operator: JFJ Landfarm Telephone: (505) 632-1782

Address: 81 CR 3150 Aztec NM 87410

Facility Or: Temporary Mixing Pit
Well Name

Location: Unit or Qtr/Qtr Sec NW/4 Sec 2 T 29 N R 12W County San Juan

Pit Type: Separator _____ Dehydrator _____ Other Lined Temporary Mixing Pit

Land Type: BLM _____, State _____, Fee _____ Other _____

Pit Location: Pit dimmensions: length 20', width 10', depth 5'
(Attach diagram)

Reference: wellhead _____, other 36°45'10.0"N 108°03'56.2"W

Footage from reference: _____

Direction from reference: _____ Degrees _____ East North _____ of _____ West South _____

Depth To Ground Water (Vertical distance from contaminants to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet to 99 feet Greater than 100 feet	(20 points) (10 points) (0 points) 0
Wellhead Protection Area: (Less than 200 feet from a private domestic water source, or; less than 1000 feet from all other water sources.)	Yes No	(20 points) (0 points) 0
Distance To Surface Water: (Horizontal distance to perennial lakes, ponds, rivers, streams, creeks, irrigation canals and ditches.)	Less than 200 feet 200 feet to 1000 feet Greater than 1000 feet	(20 points) (10 points) (0 points) 0
	RANKING SCORE (TOTAL POINTS):	0

Date Remediation Started: February 16, 2004 Date completed: February 17, 2004

Remediation Method: (Check all appropriate sections.)
Excavation _____ Approx. cubic yards _____
Landfarmed _____ Insitu Bioremediation _____
Other No Contaminated soil reclaimed

Remediation Location: (i.e. landfarmed onsite, name and location of offsite facility)
Onsite X Offsite _____

General Description of Remedial Action: No remediation necessary.

Ground Water Encountered: No X Yes _____ Depth _____

Final Pit: Closure Sampling: (if multiple samples, attach sample results and diagram of sample locations and depths)

Sample location °45'10.0"N 108°03'56.2"W

Sample depth 6'

Sample Date 2/17/2004 Sample time 10:35 AM

Sample Results

Benzene(ppm) ND

Total BTEX(ppm) ND

Field headspace(ppm) _____

TPH ND

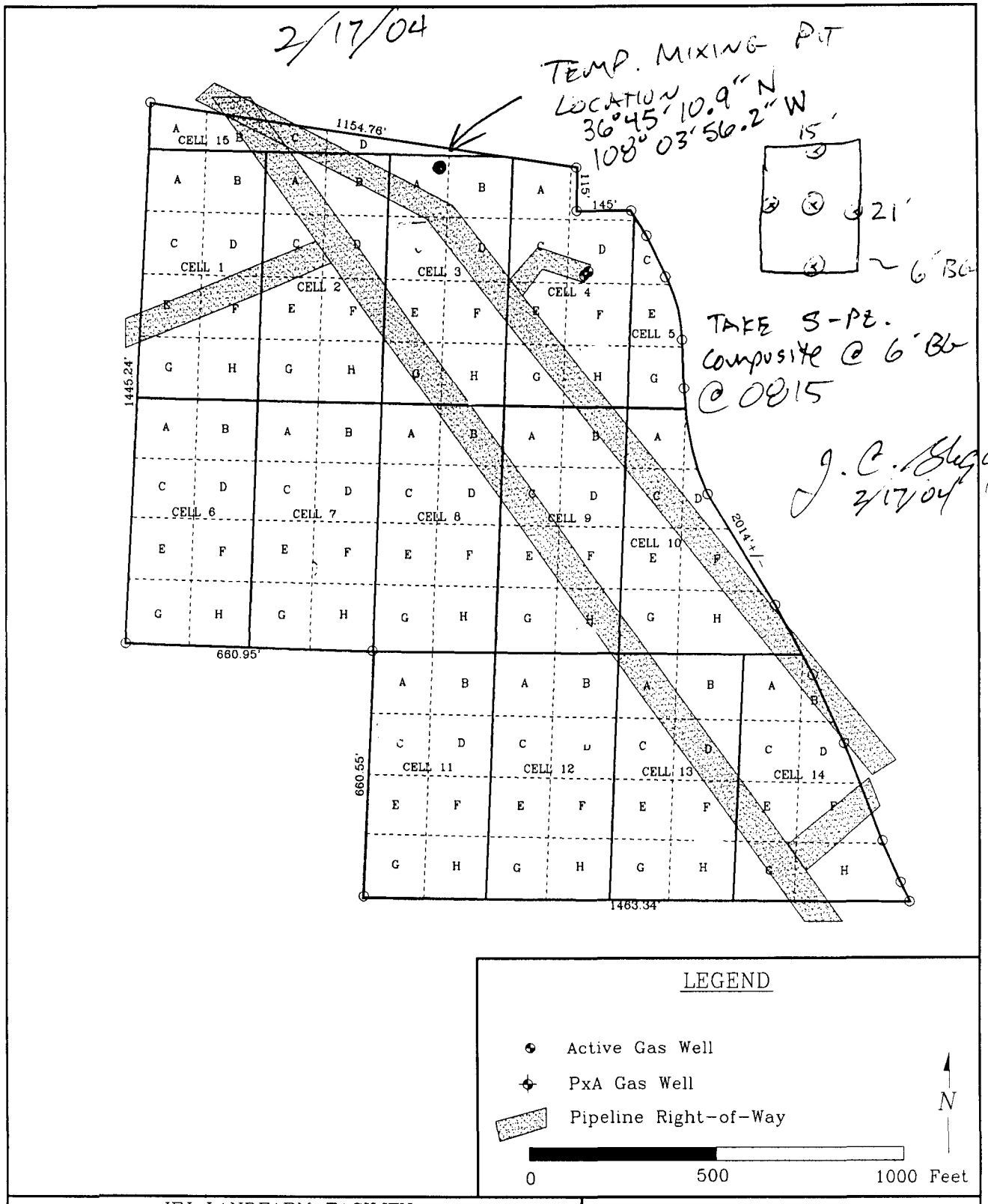
Ground Water Sample: Yes _____ No X (If yes, attach sample results)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signature Aaron Blair Date 3/22/04

Printed Name AJ Blair Title Manager

E-mail Address: aj@industrialecosystems.com



JFJ LANDFARM FACILITY TREATMENT ZONE MONITORING			BLAGG ENGINEERING, INC.
DATE: 1/2004	FIGURE 1	BY: JCB	P.O. BOX 87, BLOOMFIELD, NM PHONE: (505)632-1199

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Client:	Blagg / JFJ	Project #:	94034-010
Sample ID:	5-pt Comp.	Date Reported:	02-17-04
Laboratory Number:	27840	Date Sampled:	02-17-04
Chain of Custody No:	11846	Date Received:	02-17-04
Sample Matrix:	Soil	Date Extracted:	02-17-04
Preservative:	Cool	Date Analyzed:	02-17-04
Condition:	Cool and Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/Kg)	Det. Limit (mg/Kg)
Gasoline Range (C5 - C10)	**ND**	**0.2**
Diesel Range (C10 - C28)	**ND**	**0.1**
Total Petroleum Hydrocarbons	**ND**	**0.2**

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **JFJ Landfarm Temporary Mixing Pit.**

Analyst

Review

5796 U.S. Highway 64 • Farmington, NM 87401 • Tel 505 • 632 • 0615 • Fax 505 • 632 • 1865

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA Method 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Quality Assurance Report

Client:	QA/QC	Project #:	N/A
Sample ID:	02-17-TPH QA/QC	Date Reported:	02-17-04
Laboratory Number:	27838	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	02-17-04
Condition:	N/A	Analysis Requested:	TPH

	I-Cal Date	I-Cal RF:	C-Cal RF:	% Difference	Accept. Range
Gasoline Range C5 - C10	04-29-03	1.8591E-002	1.8572E-002	**0.10%**	**0 - 15%**
Diesel Range C10 - C28	04-29-03	1.5507E-002	1.5492E-002	**0.10%**	**0 - 15%**

Blank Conc. (mg/L - mg/Kg)	Concentration	Detection Limit
Gasoline Range C5 - C10	**ND**	**0.2**
Diesel Range C10 - C28	**ND**	**0.1**
Total Petroleum Hydrocarbons	**ND**	**0.2**

Duplicate Conc. (mg/Kg)	Sample	Duplicate	% Difference	Accept. Range
Gasoline Range C5 - C10	**635**	**632**	**0.4%**	**0 - 30%**
Diesel Range C10 - C28	**ND**	**ND**	**0.0%**	**0 - 30%**

Spike Conc. (mg/Kg)	Sample	Spike Added	Spike Result	% Recovery	Accept. Range
Gasoline Range C5 - C10	**635**	**250**	**883**	**99.8%**	**75 - 125%**
Diesel Range C10 - C28	**ND**	**250**	**250**	**100.0%**	**75 - 125%**

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **QA/QC for samples 27838 - 27840.**

Analyst

Review

5796 U.S. Highway 64 • Farmington, NM 87401 • Tel 505 • 632 • 0615 • Fax 505 • 632 • 1865

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client:	Blagg / JFJ	Project #:	94034-010
Sample ID:	5-pt Comp.	Date Reported:	02-17-04
Laboratory Number:	27840	Date Sampled:	02-17-04
Chain of Custody:	11846	Date Received:	02-17-04
Sample Matrix:	Soil	Date Analyzed:	02-17-04
Preservative:	Cool	Date Extracted:	02-17-04
Condition:	Cool & Intact	Analysis Requested:	BTEX

Parameter	Concentration (ug/Kg)	Det. Limit (ug/Kg)
Benzene	**ND**	**1.8**
Toluene	**ND**	**1.7**
Ethylbenzene	**ND**	**1.5**
p,m-Xylene	**ND**	**2.2**
o-Xylene	**ND**	**1.0**
Total BTEX	**ND**	

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	Fluorobenzene	**94 %**
	1,4-difluorobenzene	**94 %**
	Bromochlorobenzene	**94 %**

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **JFJ Landfarm Temporary Mixing Pit.**

Analyst

Review

5796 U.S. Highway 64 • Farmington, NM 87401 • Tel 505 • 632 • 0615 • Fax 505 • 632 • 1865

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client:	N/A	Project #:	N/A
Sample ID:	02-17-BTEX QA/QC	Date Reported:	02-17-04
Laboratory Number:	27838	Date Sampled:	N/A
Sample Matrix:	Soil	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	02-17-04
Condition:	N/A	Analysis:	BTEX

Calibration and Detection Limits (ug/L)	I-Cal RF:	C-Cal RF:	%Diff. Accept. Range 0 - 15%	Blank Conc	Detect. Limit
Benzene	4.2776E-002	4.2905E-002	0.3%	ND	0.2
Toluene	4.8966E-002	4.9064E-002	0.2%	ND	0.2
Ethylbenzene	7.4036E-002	7.4259E-002	0.3%	ND	0.2
p,m-Xylene	6.8275E-002	6.8480E-002	0.3%	ND	0.2
o-Xylene	5.5866E-002	5.5978E-002	0.2%	ND	0.1

Duplicate Conc. (ug/Kg)	Sample	Duplicate	%Diff.	Accept Range	Detect. Limit
Benzene	187	183	2.0%	0 - 30%	1.8
Toluene	2,060	2,010	2.4%	0 - 30%	1.7
Ethylbenzene	894	876	2.0%	0 - 30%	1.5
p,m-Xylene	1,770	1,730	2.3%	0 - 30%	2.2
o-Xylene	1,390	1,370	1.4%	0 - 30%	1.0

Spike Conc. (ug/Kg)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept Range
Benzene	187	50.0	236	99.8%	39 - 150
Toluene	2,060	50.0	2,100	99.5%	46 - 148
Ethylbenzene	894	50.0	942	99.8%	32 - 160
p,m-Xylene	1,770	100	1,860	99.5%	46 - 148
o-Xylene	1,390	50.0	1,430	99.3%	46 - 148

ND - Parameter not detected at the stated detection limit.

References:
Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.
Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: **QA/QC for samples 27838 - 27840.**

Analyst

Review

5796 U.S. Highway 64 • Farmington, NM 87401 • Tel 505 • 632 • 0615 • Fax 505 • 632 • 1865

CHAIN OF CUSTODY RECORD

11840

Client / Project Name	Project Location
BLAGG / JFJ	JFJ LANDFARM
Sampler: J.C. Blagg	Client No. 94034-010

Sample No./ Identification	Sample Date	Sample Time	Lab Number	Sample Matrix	No. of Containers	TPH 8015	BTEX 8021					Remarks
5-Pt-Comp.	2/17/04	0815	27840	SOIL	1	X	X					TEMPORARY MIXING PIT

ANALYSIS / PARAMETERS

Relinquished by: (Signature)	Date	Time	Received by: (Signature)	Date	Time
J.C. Blagg	2/17/04	0847	Kristen M Walters	2/17/04	08:47
Relinquished by: (Signature)			Received by: (Signature)		
Relinquished by: (Signature)			Received by: (Signature)		

ENVIROTECH INC.

5796 U.S. Highway 64
Farmington, New Mexico 87401
(505) 632-0615

Sample Receipt	Y	N	N/A
Received Intact	✓		
Cool - Ice/Blue Ice	✓		

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

March 4, 2004

Lori Wrotenbery
Director
Oil Conservation Division

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: Approval To Recycle Soil
JFJ Landfarm L.L.C.
NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received JFJ Landfarm L.L.C. (JFJ) letter dated February 23, 2004 and has reviewed the analytical data concerning remediated soils within biopiles 202 (Basin Disposal), JFJ's request to recycle soil from biopiles 202 are hereby approved with the following recycling uses:

1. Use remediated soils to solidify incoming tank bottom sludge. And
2. Use remediated soils to recondition the berms within the JFJ facility.

Application of these soils in the approved project list above must not result in run-off into any waters of the U.S. If JFJ wants to move the soils from these biopiles for any other use than those approved here separate OCD authorization must be granted. Please be advised that OCD approval does not relieve JFJ of liability should their operation result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve JFJ of the responsibility for compliance with other federal state and/or local regulations.

If you have any further questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

Martyne J. Kieling
Environmental Geologist

xc: Aztec OCD Office

Kieling, Martyne

From: Kieling, Martyne
Sent: Thursday, March 04, 2004 10:16 AM
To: 'aj@industrialecosystems.com'
Cc: Anderson, Roger; Chavez, Frank; Foust, Denny
Subject: Request for information

AJ Blair,

The New Mexico Oil Conservation Division (OCD) is requesting copies of JFJ Landfarm LLC records that pertain to waste acceptance. In particular the OCD is requesting copies of all waste acceptance documentation, i.e.. C-138, waste hauler certificates, and generator certificate of waste status forms from December 2, 2002 through December 2, 2003 for Red Cedar Blackridge compressor facility and for Basin Disposal Inc.

Please submit hard copies of the requested documentation to the OCD no later than 5:00 pm March 8, 2004. Please no faxed copies.

Sincerely,

Martyne J. Kieling

Martyne J. Kieling
Environmental Geologist

Kieling, Martyne

From: Kieling, Martyne
Sent: Tuesday, February 10, 2004 9:37 AM
To: 'AJ Blair'
Cc: Foust, Denny
Subject: RE: Pit Closures

AJ,

Regarding the closure of the Temporary Mixing Pit. The proposal in the IEI letter dated February 6, 2004 is hereby approved with the following conditions:

1. Please file a pit closure report with analytical to the Aztec District office.
2. Submit a copy of the pit closure report with analytical to me here at the Santa Fe office so that I may review and attach it to the Landfarm file.

Regarding the excavation and remediation of impacted soil around the concrete mixing impoundment. The proposal outlined in the IEI letter dated February 6, 2004. for remediation and closure is hereby approved with the following conditions:

1. Please file a C-141 spill/release notification with the Aztec District office and follow up with results.
2. Please notify Denny Foust prior to sampling so that He may witness or split samples.
2. Submit photographs of the excavation and analytical results from the bottom and side wall samples to show that the excavation has reached the 100 ppm THP, 50ppm BTEX and 10ppm benzene cleanup levels.

AJ, to make communication smoother please remember to copy Denny Foust of the Aztec District office on all future correspondence or requests either written or e-mail.

Sincerely,

Martyne Kieling
Environmental Geologist

-----Original Message-----
From: AJ Blair [mailto:aj@industrialecosystems.com]
Sent: Tuesday, February 10, 2004 7:51 AM
To: mkieling@state.nm.us
Subject: Pit Closures

Martyne,

Attached are closure documents for our mixing pits.

I will send a hard copy to you today.

Thanks,
AJ

==========
AJ Blair
Rocky Mountain Regional Director
Industrial Ecosystems Inc
Office: (505) 632-1782
Cell: (505) 402-1064
aj@industrialecosystems.com
==========

INDUSTRIAL ECOSYSTEMS INC.
P.O. Box 2043
Farmington, NM
87499
PH: 505 632 1782
Fax: 505 632 1876

February 4, 2004

New Mexico Oil Conservation Division
1220 South ST. Francis Drive
Santa Fe, New Mexico 87505

RE: Request to close Temporary Mixing Pit (JFJ Landfarm)

Attn. Martyne Kieling

Dear Martyne:

As required in your approval letter of December 15th 2003, the use of the temporary mixing pit will expire on February 15th, 2004 and must be cleaned and dismantled by February 29th 2004. Since receiving your approval to construct a new end wall in the existing concrete impoundment, work has commenced on this wall and we expect it to be completed an in use as an unloading pit by February 14th 2004. We would like your approval to close the Temporary mixing pit by the following steps: Removal of the 18' x 9' x 6' steel mixing pit, remove and disposal of the synthetic liner, collect soil samples from the 4 side walls and the bottom for a composite sample, submit the sample to lab for analysis. When the analysis indicate the soil surrounding the temporary pit are below N.M.O.C.D action levels the pit will be backfilled with virgin soil mined on the JFJ property.

Thanks in advance

James Hatcher

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01 0010B J.F.J. Landfarms L.L.C)

Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505

INDUSTRIAL ECOSYSTEMS INC.
P.O. Box 2043
Farmington, NM
87499
PH: 505 632 1782
Fax: 505 632 1876

February 6, 2004

New Mexico Oil Conservation Division
1220 South ST. Francis Drive
Santa Fe, New Mexico 87505

RE: Request for approval to excavate and remediate impacted soil around the concrete mixing impoundment. (JFJ Landfarm)

Attn. Martyne Kieling

Dear Martyne:

As suggested during your December 2th 2003 inspection of the JFJ Facility, the concrete mixing impoundment was uncovered and inspected. As a result of the inspection, it was discovered that the mixing pit was no longer sound enough to continue as a mixing area. Due to an inferior design and poor construction methods use during the original construction of the impoundment, evidence indicated the pit had leaked from the very beginning. While the most of the impacted soil has already been removed during the inspection effort, we would like your approval to excavate the surrounding area until all sidewalls and bottom of the impacted area test and analyze below N.M.O.C. D. standards. Once the analytical show the levels have been reached, the results will be submitted to the N.M.O.C.D for approval to backfill the excavation with reclaimed and approved soil.

Thanks in advance

James Hatcher

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01 0010B J.F.J. Landfarms L.L.C)

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 22, 2004

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: Approval To Recycle Soil
JFJ Landfarm L.L.C.
NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received JFJ Landfarm L.L.C. (JFJ) letter dated December 16, 2003 and additional information dated January 21, 2004 and has reviewed the analytical data concerning remediated soils within biopiles 205 (Phoenix Hydrocarbons Cha Cha #1), 206(Red Cedar Gathering Co Coyote Gulch Treatment Plant, Capote Compressor Station, Arkansas Loop Trating Plant), JFJ's request to recycle soil from biopiles 205 and 206 are hereby approved with the following recycling uses:

1. Use remediated soils to solidify incoming tank bottom sludge. And
2. Use remediated soils to recondition the berms within the JFJ facility.

Application of these soils in the approved project list above must not result in run-off into any waters of the U.S. If JFJ wants to move the soils from these biopiles for any other use than those approved here separate OCD authorization must be granted. Please be advised that OCD approval does not relieve JFJ of liability should their operation result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve JFJ of the responsibility for compliance with other federal state and/or local regulations.

If you have any further questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

Martyne J. Kieling
Environmental Geologist

xc: Aztec OCD Office

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

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-137
Revised June 10, 2003

Submit Original Plus 1
Copy to Santa Fe
1 Copy Appropriate
District Office

APPLICATION FOR WASTE MANAGEMENT FACILITY

RECEIVED
JAN 0 7 2004
Environmental Bureau
Oil Conservation Division

(Refer to the OCD Guidelines for assistance in completing the application)

☒ Commercial ☐ Centralized

1. Type: ☐ Evaporation ☐ Injection ☐ Other
   ☒ Solids/Landfarm ☐ Treating Plant

2. Operator: JFJ Landfarm L.L.C.

   Address: P.O. Box 2043 Farmington N.M. 87499

   Contact Person: James Hatcher Phone (505) 632 1782

3. Location: NW4 SE4 Section 2 Township 29 North Range 12 West
   Submit large scale topographic map showing exact location

4. Is this a modification of an existing facility? ☒ Yes ☐ No

5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site.

6. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.

7. Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities.

8. Attach a contingency plan for reporting and clean-up for spills or releases.

9. Attach a routine inspection and maintenance plan to ensure permit compliance.

10. Attach a closure plan.

11. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact groundwater. Depth to and quality of ground water must be included.

12. Attach proof that the notice requirements of OCD Rule 711 have been met.

13. Attach a contingency plan in the event of a release of H_2S.

14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders.

15. CERTIFICATION
    I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: James Hatcher

Title: Manager

Signature: James Hatcher

Date: January 2, 2004

E-mail Address: hatcher4@earthlink.net

Industrial Ecosystems Inc.
Soil Reclamation Center

P.O. Box 2043
Farmington, NM 874992

Phone: (505) 632-1782
Fax: (505) 632-1876

#81 CR 3150
Aztec, NM 87410

December 29, 2003

Ms. Martyne Kieling
New Mexico Oil Conservation District.

RE: JFJ Permit NM-01-0010B

Dear Martyne:

After reviewing all the problems and expense associated with the construction and maintenance of an above ground concrete mixing impoundment, we have reached the conclusion that there has to be a more environmentally friendly and cost effective method of solidifying the liquid waste entering our facility. Over the past several days we have traveled to several different states and looked at several methods being used to mix soil with liquid and have found what we believe is the perfect solution to our mixing problem. The solution we believe is a machine called a "Pug Mill". Pug Mills are used extensively throughout the road construction industry and in the brick and tile manufacturing industry. Pug Mills are extremely effective in uniformly blending liquids with soil. These machines work like a giant cake mixer with a water tight mixing chamber 5 feet wide by 3 feet deep and 12 feet long containing two rotating shafts with mixing paddles located at 2 feet intervals along their length. Spray bars are located at the entrance to spray liquid onto the material while it is mixed by the rotating paddles. Although the initial cost of purchasing and setting up a pug mill type operation is much greater than that required to construct a new and proper concrete impoundment, we believe in the long run it will prove to be money well spent. I have included a drawing of a basic pug mill setup and a brief description of how we would utilize it if approved by your office.

Sincerely

James (Jake) Hatcher
JFJ Landfarms LLC

Industrial Ecosystems Inc.
Soil Reclamation Center

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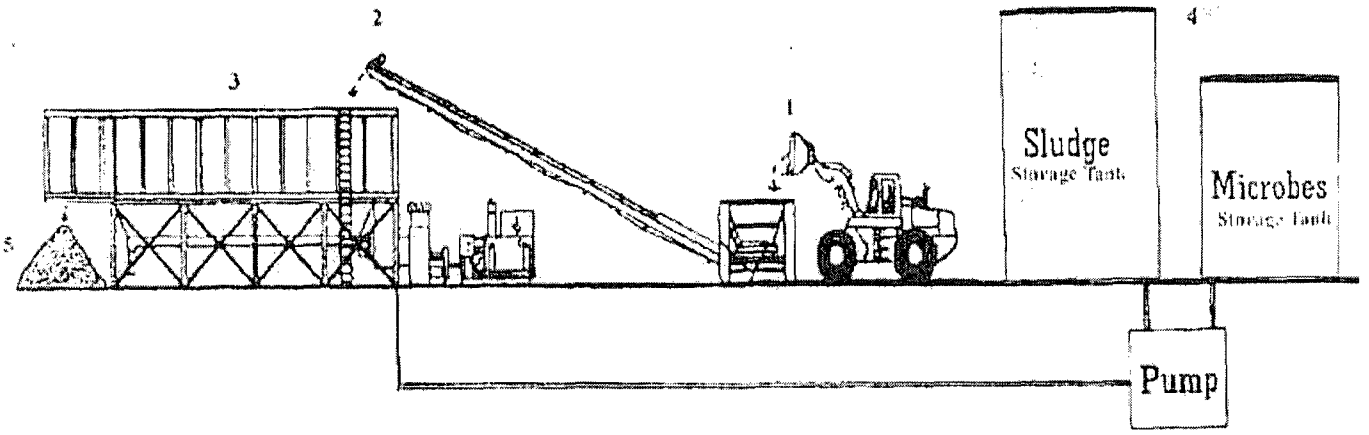

Proposed mixing procedure

As indicated by the diagram, a premix of soil and manure would be loaded into a hopper by a front end loader (figure 1). This dry material would then travel by a conveyor belt (figure 2) into the water tight mixing chamber (figure 3) where sludge and microbes from storage tanks (figure 4) would be sprayed onto the premix. Rotating arms and paddles will then blend the ingredients into the desired state of solidification. The mixed material would exit through the end hopper (figure 5) at which point the solidified material would be transported and placed into a windrow. There are many advantages to using the pug mill over the concrete mixing impoundment, some of these are: The incoming liquid enters the spray bars under pressure through a series of valves allowing the operator to precisely control the moisture content of the finished product and to stop the flow of liquids by closing a valve if the need arises. Also the mixing chamber is suspended on a framework approximately 8 feet above ground level allowing even the smallest leak to be detected immediately by the operator. The pug mill is mounted on a trailer allowing it to be moved throughout the facility and setup near the source of the material being used as mix, this would minimize the loader and dump truck traffic within the facility and therefore reduce the amount of dust generated on the roads therein. The greatest advantage would be the reduction in the release of volatiles into the atmosphere due to the fact they are being sprayed and mixed into the material immediately rather than sitting in an open pit and agitated for several hours during the mixing process in an impoundment.

We believe the above procedure, if approved, will provide a very good alternative to the concrete mixing impoundment. However there still remains the problem of unloading the trucks that are not capable of unloading through a valve system into a tank.

Although we feel the concrete impoundment does not have the structural integrity to withstand the stress of a day to day mixing operation, we feel the first 26.6 feet of the structure might be salvaged

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and used as an unloading pit. This would be completed by the addition of a new end wall and refurbishing the existing walls and seams. After these repairs have been completed, we would like to continue to use it as a pit to unload the above mentioned trucks into, and a place to collect the residue being washed from the interior of vacuum trucks tank being cleaned before going to a job requiring a clean tank. After unloading into this pit the liquid could then be pumped into one of the holding tanks utilizing a centrifugal pump. Enclosed is a list of the proposed repairs and a hand drawn diagram (Exhibit B).

We are proposing to construct a new end wall across the structure at a point 26.6 feet from the beginning of the front apron. This wall would be 12 inches thick with double rows of # 5 rebar running vertically and horizontally at 16 inch intervals. This # 5 rebar would be tied to the existing side walls and floor by drilling 3/4 inch diameter holes 6 inches deep and anchoring the rebar in these holes with epoxy. A 4 inch deep groove will be cut in the existing side and bottom slabs and a 12 inch water stop/seal will be epoxyed into place with 8 inches exposed vertically which will be embedded into the 12 in end wall as it is poured. The end wall forms would be erected and filled with 4000 psi concrete. After the concrete has cured the forms would be removed and all seams would be sealed with epoxy. All existing seams where the Side Walls and the bottom concrete slab meet will be cleaned out and sealed from the inside with epoxy.

All existing cracks will be located, Chiseled out and sealed with epoxy.

The Exterior of the structure will be coated with a waterproofing compound to eliminate seepage.

After the epoxy has cured the impoundment would be tested for leaks by filling it with fresh water.

The structure will be left uncovered to allow weekly inspections.

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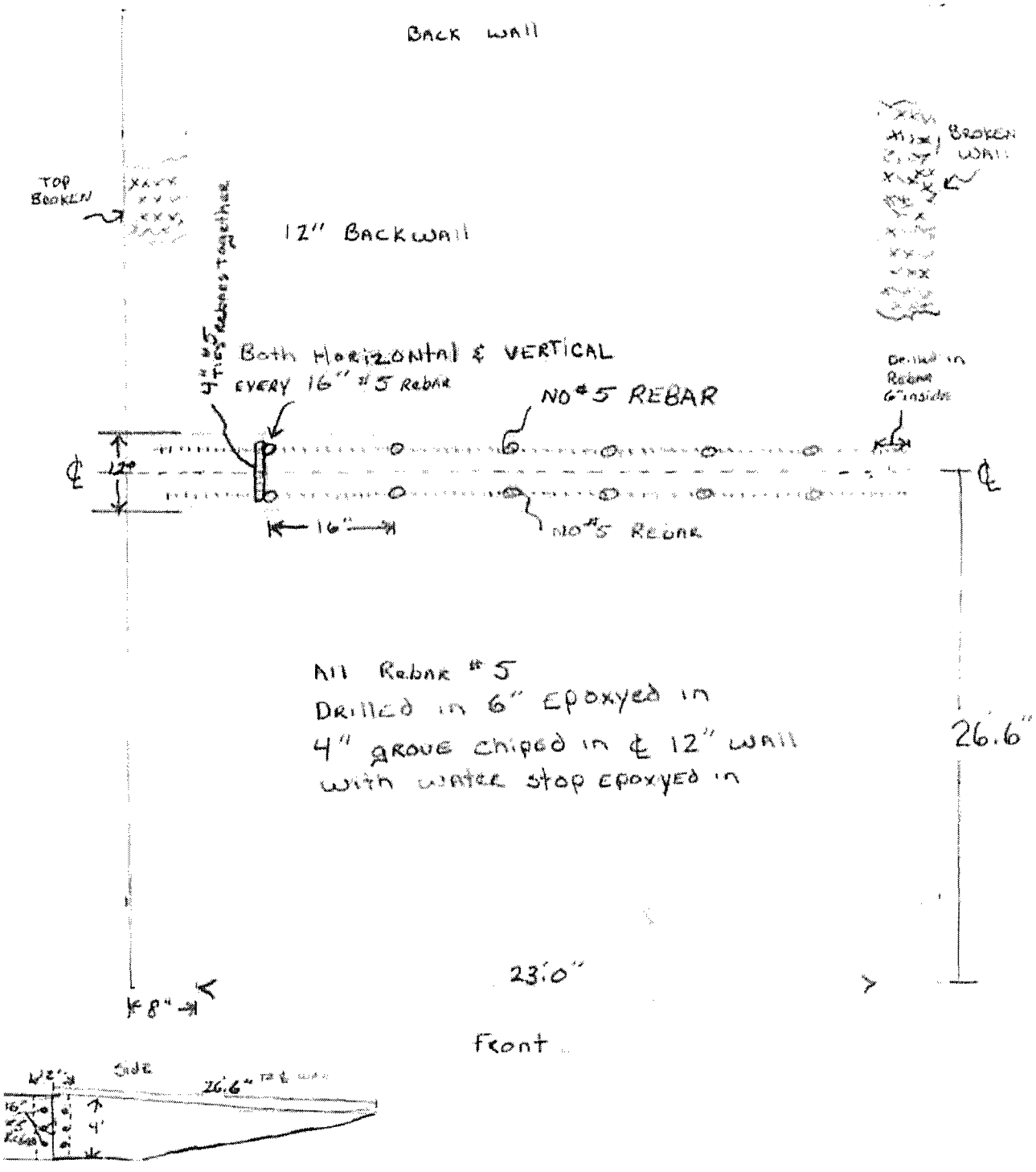
Exhibit B



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Energy Minerals and Natural Resources

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Form C-137
Revised June 10, 2003

Submit Original Plus 1
Copy to Santa Fe
1 Copy Appropriate
District Office

APPLICATION FOR WASTE MANAGEMENT FACILITY

(Refer to the OCD Guidelines for assistance in completing the application)

☒ Commercial ☐ Centralized

1. Type: ☐ Evaporation ☐ Injection ☐ Other
   ☒ Solids/Landfarm ☐ Treating Plant
2. Operator: JFJ Landfarm L.L.C.
   Address: P.O. Box 2043 Farmington N.M. 87499
   Contact Person: James Hatcher Phone (505) 632 1782
3. Location: NW4 SE4 Section 2 Township 29 North Range 12 West
   Submit large scale topographic map showing exact location
4. Is this a modification of an existing facility? ☒ Yes ☐ No
5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site.
6. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.
7. Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities.
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12. Attach proof that the notice requirements of OCD Rule 711 have been met.
13. Attach a contingency plan in the event of a release of H_2S.
14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders.
15. CERTIFICATION
    I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: James Hatcher

Signature: James Hatcher

Title: Manager

Date: January 2, 2004

E-mail Address: hatcher4@earthlink.net

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Soil Reclamation Center

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Phone: (505) 632-1782
Fax: (505) 632-1876

#81 CR 3150
Aztec, NM 87410

December 29, 2003

Ms. Martyne Kieling
New Mexico Oil Conservation District.

RE: JFJ Permit NM-01-0010B

Dear Martyne:

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Sincerely

James (Jake) Hatcher
JFJ Landfarms LLC

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Soil Reclamation Center

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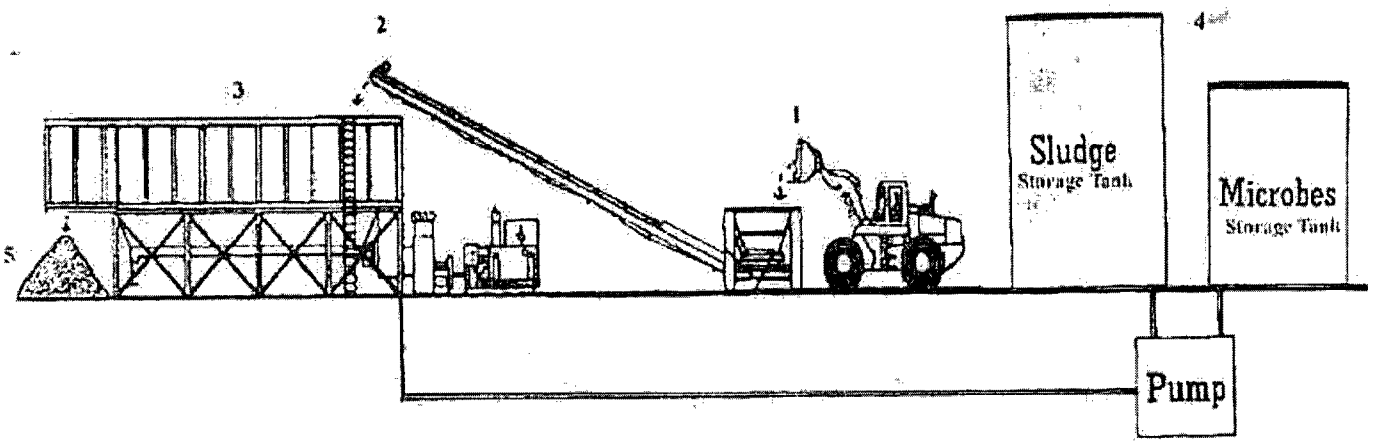

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The structure will be left uncovered to allow weekly inspections.

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Soil Reclamation Center

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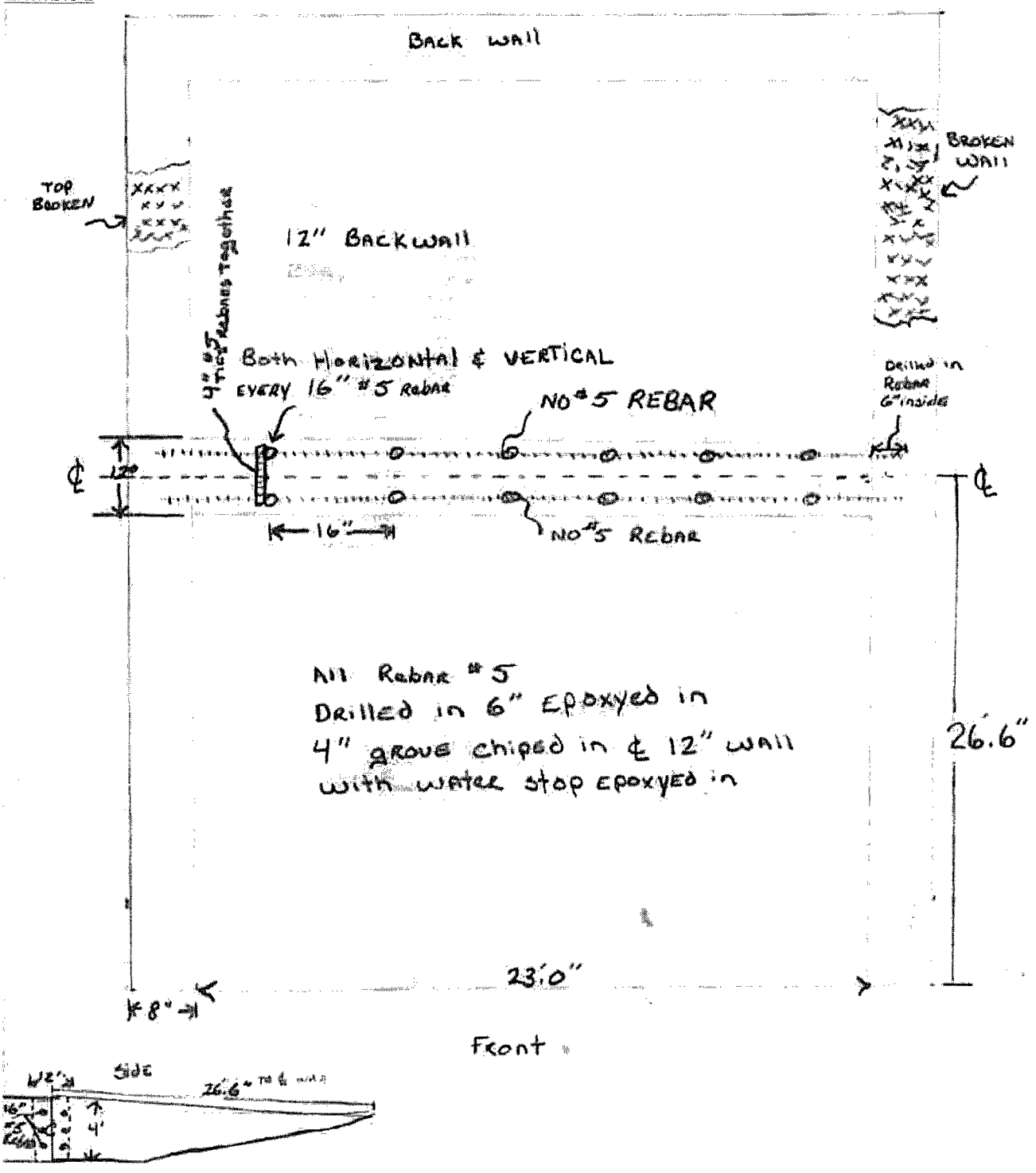
Exhibit B



Kieling, Martyne

From: Foust, Denny
Sent: Wednesday, December 10, 2003 1:47 PM
To: Anderson, Roger; Kieling, Martyne; Chavez, Frank; Perrin, Charlie; Olson, William
Subject: JFJ Land Farm

The following statements have been gathered concerning JFJ Land Farm's operation.

Bobby Simkins, Inland Trucking
Hauled produced water from a Red Cedar compressor facility at Blackridge to JFJ Land Farm. Often applied water directly to roads within JFJ and added directly to stockpiles, directly onto a trench on the biopiles. Aaron Mauer directed him in this process, Jake Hatcher was Aware of the operation. Occasionally hauled fresh water for dust suppression. No over saturation was observed in the biopiles. Original signed by Bobby Simkins 12/05/03. J. D. Simkins confirmed these procedures when hauling to JFJ.

Mathew Smith, Water Truck Driver for Basin Disposal
He has hauled Basin sludge to JFJ since January 2003. He never placed material directly on the ground or in the biopiles. He unloaded into the mixing slab or the storage tanks. Original signed Mathew L. Smith 12/08/03.

Chuck Selph, Industrial Ecosystems, JFJ Land Farm Foreman (not exact title)
Water and sludge was pulled from storage tanks and applied to the biopiles as a means of keeping up while Basin Disposal was hauling for there big clean up in June. This was done at the end of the day to make room for more material the following day. No materiall was dumped directly onto the ground and any material leaking onto the ground was scooped up and added to the biopiles. Red Cedar Blackridge water was used for dust suppression and biopiles. Scat Hot Wash added material directly to biopiles. He was under the supervision of Aaron Mauer and did not have direct contact with Jake Hatcher during the above procedures. Original signed by Mr. Selph, 12/10/03.

Today's examination of the stabilization pad showed the side walls to be absent and very soft, photos to follow tomorrow.

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

December 15, 2003

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: Approval for Temporary Mixing Pit, and
Request for Investigation and Remediation Plan
JFJ Landfarm L.L.C. Permit NM-01-0010B
NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received JFJ Landfarm L.L.C. (JFJ) letter on December 8, 2003 and has reviewed the description of the proposed temporary mixing pit. The temporary mixing pit is hereby approved according to the designs supplied in the application with the following conditions:

1. Use of the temporary mixing pit expires on February 15, 2004,
2. Permit NM-01-0010B conditions remain in affect for the temporary mixing pit, and
3. The temporary mixing pit area must be cleaned and dismantled by February 29, 2004.

Please be advised that OCD approval does not relieve JFJ of liability should their operation result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve JFJ of the responsibility for compliance with other federal state and/or local regulations.

The OCD has also received the JFJ letter dated December 15, 2003 regarding the state of the concrete mixing impoundment upon excavation and photos taken on December 12, 2003 by the OCD district environmental engineer. Please submit for approval an investigation and remediation plan to determine the nature and extent of contamination that has leaked from the mixing pit and to remove and remediate the contamination.

Regarding the new permanent mixing impoundment, please submit an application Form C-137 with a construction design for review so that the JFJ permit may be modified to reflect the necessary changes.

If you have any further questions please do not hesitate to contact Martyne Kieling at (505) 476-3488.

Sincerely,

Roger C. Anderson
Environmental Burearu Chief

RCA/mjk

xc: Aztec OCD Office

INDUSTRIAL ECOSYSTEMS INC.
2929 Bonito Ave.
Grand Junction CO
81504
PH: 970 254 1641
Fax: 970 254 9707

December15, 2003

Ms. Martyne Kieling
New Mexico Oil Conservation District.

RE: JFJ Permit NM-01-0010B

Dear Martyne:
As agreed during your December 2, 2003 inspection of the JFJ facility, the material surrounding the concrete mixing impoundment has been excavated so that the sidewalls may be inspected. During this excavation it was discovered that the overall condition of the impoundment is extremely poor, with numerous cracks in the sidewalls, the concrete has deteriorated to the point that it can be crumbled in your hand. Large portions of the sidewalls collapsed as the supporting soil was removed. As suggested by Denny Foust in order to protect the liner material wrapped up on the sidewalls, the last 12 inches of material located next to the sidewalls was hand dug. The efforts of this hand digging revealed that the liner did not extended up the sidewalls but rather ended at the very edge of the bottom concrete slab. Also there is no evidence to suggest that any type of leak detection ever existed underneath the impoundment. We believe the way the sidewalls were originally constructed "simply setting on top of the floor slab with a rubber seal and rebar anchored to the floor slab at 24 inch intervals" makes it incapable of withstanding the stress placed on it during the normal mixing process since the supporting soil has been removed. Also there is evidence that this seam between the sidewalls and the floor slab has leaked from the very beginning. Due to the above noted problems and what we believe was a weak original design, it is IEI's Opinion that there is little or nothing we can do to make this impoundment usable for mixing short of spending an amount of money equal to the cost of a new impoundment.

We are currently researching the possibility and cost to permit and construct a facility to solidify the incoming liquids utilizing a soil blender or a pug mill as we believe the cost to construct a new and proper impoundment would be near $45,000. We are still seeking your approval to construct and operate a temporary mixing impoundment so that we can put into place a new impoundment or possibly a better alternative.

Sincerely
James (Jake) Hatcher
JFJ Landfarms LLC

INDUSTRIAL ECOSYSTEMS INC.
P.O. Box 2043
Farmington, NM
87499
PH: 505 632 1782
Fax: 505 632 1876

December
October 8, 2003

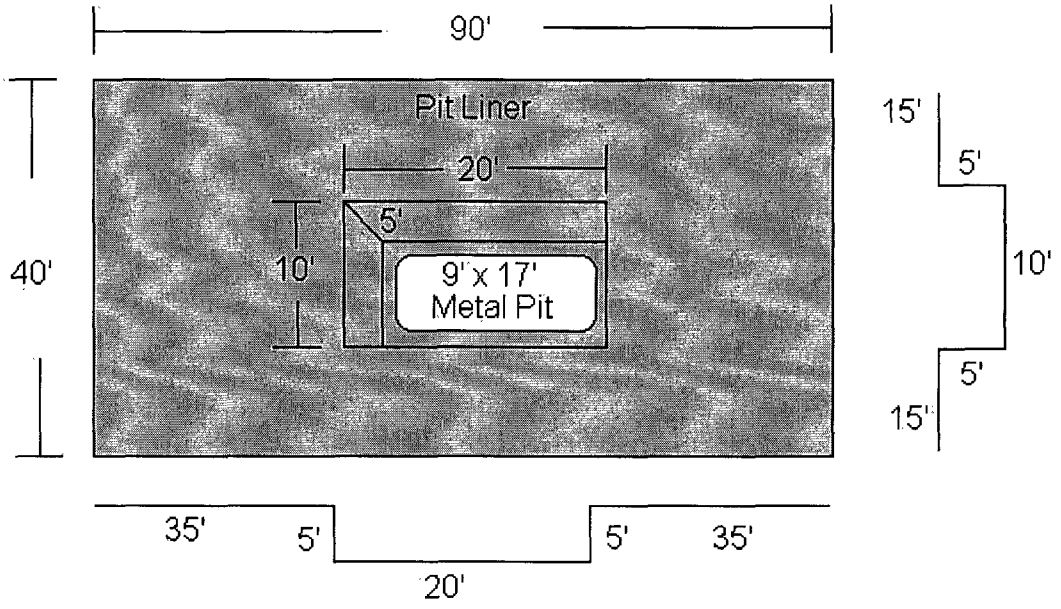
New Mexico Oil Conservation Division
1220 South ST. Francis Drive
Santa Fe, New Mexico 87505

RE: Temporary Mixing Pit (JFJ Landfarm)

Attn. Martyne Kieling

Dear Martyne:
As we discussed during your December 2, 2003 inspection of the JFJ Facility, the concrete mixing pit probably has not been closely inspected since it was constructed several years ago. We feel the only way to conduct a complete and detailed inspection of the concrete mixing pit is to take it out of service for several days and scrape and steam clean the inside walls, outside walls and bottom so that any damage or cracks may be revealed. In the event repairs are needed this will take additional time. In order to continue to serve our customers needs and to avoid the loss of several days revenue, we need your approval to construct and utilize a temporary containment mixing pit for a thirty day period beginning as soon as possible. The incoming liquids are not a problem, as 90 % of them are transported to the facility by vacuum trucks and can be pumped directly into the 500 bbl storage tanks that we have on site. The problem and need for the temporary pit lies with the remaining 10% of incoming liquid and sludge. This material is transported by the Riley Industrial Corp. which utilizes trucks that do not have the capability to unload through a valve system into the storage tanks but rather have to unload by opening a gate type door on the rear of the truck and allow the contents to pour out. The following is a brief description of the proposed temporary pit.

1. *Excavate an area 20' long by 10' wide and 5' deep*
2. *Install a synthetic pit liner inside the excavated hole with enough excess to create an apron extending 15' from all sides of the excavation.*
3. *Place a 1 foot layer of sand on the liner inside the excavation.*
4. *Place a 18'long x 9 wide' x 6' deep steel mixing tank inside the lined excavation*
5. *This will allow the trucks to back up to the steel pit and pour their contents in for mixing. The apron will allow any spillage to be collected and washed back into the lined pit then vacuumed out and pumped into the storage tank.*



As agreed we have started removing the material on all side of the existing concrete mixing pit in order to expose the side walls for inspection. The material along the bottom is being removed by hand so that we don't damage the existing liner. The hand digging is as you might expect, slow going but we believe that this will be accomplished and ready for inspection Thursday December11 2003. I will not be back in Farmington until Wednesday Decemeber10, 2003 due to a doctor appointment but I will keep you posted on our progress and any changes.

Thanks in advance

James (Jake) Hatcher
Manager JFJ Landfarms (permit # NM 01 0010B J.F.J. Landfarms L.L.C)

Industrial Ecosystems Inc.

Soil Reclamation Center

J.F.J. Landfarm LLC

Pile Number ID Log

Recieved at the time of 12-2-03 Inspection. MJK

Nov-03

Pile #	Cell #	Orgin of material	Generator of material
0	12	Basin Disposal Facility	Basin Disposal Co.
10	9	Basin Disposal Facility	Basin Disposal Co.
11	9	Basin Disposal Facility	Basin Disposal Co.
27	8	Basin Disposal Facility	Basin Disposal Facility
40	8	Community	Energen/Devon/Chevron/Texaco
52	9	Basin Disposal Facility	Basin Disposal Co.
53	9	Community	Energen/Devon/Chevron/Texaco
58	4	Manure/Sawdust	Sunray Casino
60	13	Cinder Butte # D 15	Red Willow Production Co
65	13	Val Verde Plant	Duke Energy
89	8	Basin Disposal Facility	Basin Disposal Facility
101	9	Basin Disposal Facility	Basin Disposal Co.
200	Tierra	Tierra 15 acres	Tierra Environmental Co.
201	11	Angel Peak 23 E	Burlington Resources
202	9	Basin Disposal Facility	Basin Disposal Co.
205	11	Coyote Gulch Com. Station	Red Cedar Gathering Co.
206	11	Cha Cha # 1	Phoenix Hydrocarbons
207	11	Marcote # 1	Burlington Resources
208	12	Community	Triple S/Duke/Energen
209	12	Cinder Gulch	Burlington Resources
210	12	Mcgrath SWD 1	Burlington Resources
211	12	Helms Fed. # 1	Burlington Resources
212	12	Basin Disposal Facility	Basin Disposal Co.
213	12	Jose Jacquez # 1	Burlington Resources
214	12	Middle Mesa SWD # 1	Burlington Resources
215	12	Ashcroft SWD # 1	XTO
216	12	Cedar Hill SWD # 1	Burlington Resources
217	12	Romero Gas Com A # 1	XTO
218	8	Basin Disposal Facility	Basin Disposal Facility
219	8	Basin Disposal Facility	Basin Disposal Facility
220	9	Basin Disposal Facility	Basin Disposal Co.
221	8	McGrath SWD # 4	Burlington Resources
222	9	Basin Disposal Facility	Basin Disposal Co.
223	9	Flora Vista # 1	Burlington Resources
224	8	McGrath SWD # 4	Burlington Resources
225	11	McGrath SWD # 4	Burlington Resources
226	12	Schwfertsberger # 15	XTO
227	11	Blowback tank residue	BP America
228	11	BP/Tank/Pesco	BP America
229	11	Durango tank washouts	BP America
230	4	Truck spill (Key Energy)	Key Energy Services
231	12	Community	Chevron/Texaco/Duke

Recieved at the time of
12-2-03 Inspections
MJH

Basin Disposal

Daily load log

Date	Time	Amount	Driver's name
11-4-03	1:30	80	Matt
11-5-03	11:40	80	Matt
11/5/03	1:03	80	Matt
11/5/03	2:45	80	Matt
11/6/03	8:52	80	Joe
11/12/03	10:25	80	JOE
11/7/03	12:04	80	JOE
11/7/03	2:06	80	JOE
11/11/03	12:00	80	Matt
11/11/03	2:00	80	Matt
11/11/03	3:26	80	Matt
11/12/03	9:15	80	JOE
11/12/03	11:14	80	JOE
11/12/03	2:00	80	JOE
11/13/03	2:55	80	Joe
11/17/03	10:25	80	Matt
11/17/03	2:40	80	Matt
11/19/03	10:00	80	SOE
11/19/03	12:15	80	JOE
11/20/03	8:52	80	Joe
11/20/03	11:02	80	Joe
11/20/03	1:32	80	Joe
11/20/03	4:15	80	JOE
11/21/03	9:55	80	Joe
11/24/03	3:30	80	Joe
11-25-03	10:45	80	JOE
11-26-03	1:30	80	JOE
11-26-03	11:50	80	JOE
11/28/03	2:03	80	Joe
11/28/03	3:50	80	Joe

Kieling, Martyne

From: Hatcher James [hatcher4@earthlink.net]
Sent: Tuesday, December 09, 2003 5:50 PM
To: mkieling@state.nm.us
Subject: Mixing Pit Inspection

Martyne:

It looks like we are still set to inspect the pit sometime Thursday. We have discovered on the sides that we have excavated that the concrete is paperthin in some places and is of very poor quality. So far there is no evidence of any type of liner as described by Denny underneath the existing pit. Hopefully we will have the entire pit side walls exposed and steam cleaned and ready for inspection on Thursday. Thanks

James Hatcher

Kieling, Martyne

From: Chavez, Frank
Sent: Monday, November 17, 2003 11:47 AM
To: MacQuesten, Gail; Kieling, Martyne; Foust, Denny; Anderson, Roger
Subject: RE: Information pertaining to Industrial Ecosystems! Please read!

I'll be traveling to SF in the morning after a 9 AM industry meeting, so later in the PM will be fine.

-----Original Message-----
From: MacQuesten, Gail
Sent: Monday, November 17, 2003 11:34 AM
To: Chavez, Frank; Kieling, Martyne; Foust, Denny; Anderson, Roger
Subject: RE: Information pertaining to Industrial Ecosystems! Please read!

I am meeting with counsel for a landowner at 1:30 to prepare for a hearing this Thursday. Can we do this tomorrow? Gail

-----Original Message-----
From: Chavez, Frank
Sent: Monday, November 17, 2003 11:26 AM
To: Kieling, Martyne; Foust, Denny; Anderson, Roger
Cc: MacQuesten, Gail
Subject: RE: Information pertaining to Industrial Ecosystems! Please read!

If you and Gail will call us at 2 we can do this.

-----Original Message-----
From: Kieling, Martyne
Sent: Monday, November 17, 2003 11:24 AM
To: Chavez, Frank; Foust, Denny; Anderson, Roger
Cc: MacQuesten, Gail
Subject: RE: Information pertaining to Industrial Ecosystems! Please read!

Frank,
I will be available from 2:00 to 3:30. Roger is out of the office until Thursday. Gail is here.

-----Original Message-----
From: Chavez, Frank
Sent: Monday, November 17, 2003 11:21 AM
To: Foust, Denny; Kieling, Martyne; Anderson, Roger
Cc: MacQuesten, Gail
Subject: RE: Information pertaining to Industrial Ecosystems! Please read!

Before proceeding any further you need to talk to Gail about what all this means to us.

Can we all get together for a conference call after 2 PM?

-----Original Message-----
From: Foust, Denny
Sent: Monday, November 17, 2003 10:35 AM
To: Kieling, Martyne; Anderson, Roger; Chavez, Frank
Subject: FW: Information pertaining to Industrial Ecosystems! Please read!

I may be to close to this thing. I need some input from others. Mr.. Maurer was relieved of his duties for poor performance and a number of other issues have come up with Industrial Ecosystems. Do we want to call Jake in for a formal interview?
-----Original Message-----

From: A[redacted]n Maurer [mailto:aaronjmaurer@hotmail.[redacted]]
Sent: Friday, November 14, 2003 7:27 PM
To: dfoust@state.nm.us
Subject: Information pertaining to Industrial Ecosystems! Please read!

Denny,

I have had embezzlement charges brought against me.

Industrial Ecosystems feels they can hit me where it hurt. I have a clean record, never been in trouble with the law etc.

Jake Hatcher has done many things to Violate the NMOCD permit. Many of these things were done at the landfarm facility under his guidance or him telling us to do so.

There are many issuse of cross contamination, waste that has not been recorded, handling of materials incorrectly. Also BP would be glad to know that waste at the BP facility on crouch was mishandled record sheets not kept properly when people came and went in the facility, waste water being spread on the commercial facility from the Bp facility etc.

As far as I know the charges consist of stolen property, and me taking money. I don't know what the've told you but these allegations are false. I was given 2 trucks as a bonus, and an additional one for selling some trailers we had. They also have accused me of having my girlfriend open an account at the bank with Industrial Ecosystems Name and me as a signer so I can cash customers checks, etc. These are all an outright lie, these allegations are false. I would never do anything in this small community to garnish my name, plus thats just down right stupid.

Its my word against that of Jake Hatcher and I ignored the signs when pople told me he would stap me in the back!

I feel you need to conduct an audit and I can assist in any handlings or verifications. There have been many misusses of placing materials on the ground and not being contained to the concrete containment area, plus taking BS&W wastes such as that from BP, Basin disposal, Key, Burlington, and spreading it on the ground then plowing it it, many times this done after hours, an weekends, etc. This was also done when all waste from Basin Disposal on their Big project.

I know at times I was overwhelmed but these things were done my the orders of Jake (James) Hatcher the US Operations Manager for Industrial Ecosystems.

Anyone you talk to in the community when my name becomes public record please help to inform them and even share this e-mail with them so they know the truck.

Any infor I need to share with Martyne I will do as well.

And Pheonix Hydrocarbons only brought in around 4500-yards as verified by Blagg Engineering and Jake has denied to Phoenix Hydrocarbons that this material was never surveyed and has been moved. Lee Jordan with Kinson Operation (RIMCO) Phoenix Hydrocarbons is the acting rep with the company! This information will be helpful with them too as Industrial Ecosystems has a

lawsuit against them suing for almost twice the amount physically received. This is an outright froud an lie by Jake Hatcher to the customer.

Anything you can do to help in my defense I much appreciate!

I consider you a good friend Denny.

Sincerely,

Aaron Maurer
(505) 598-5855 Home.....may be at the detention center though

---

Industrial Ecosystems Inc.

Mr. James Hatcher

In colaberation with customers, vendors, contractors and former employees of Industrial Ecosystems Inc.

A list of permitting violations, contamination reports, falsefied doucments and customer fraud has been drafted into a letter that will be sent to the following:

Industrial Ecosystems Inc. customers from Aztec Well Servicing to XTO Energy, Stockholders of Industrial Ecosystems Inc. including majority shareholders Mr. John Crowe and Mr. John Kiely. A list of these stockholders were provided from Atlas after Industrial Ecosystems Inc. had reversed split and became a private placement.

Also the EPA, Local Water Users Association, NMOCD, Sate of Colorado, State of New Mexico, State of Utah in which you are listed as a corporation from and the State of Wyoming will all be sent the same certified letter.

The Local News and News paper have also been contacted and upon the information release will report these incidents for public knowledge and disposal.

A Domain name has been purchased and a site created with links to the alegations against Industrial Ecosystems Inc. , Court records, a link to Industrial Ecosystems Inc. , NMOCD's current inquiry, doucumentation of events as well as Mr. Aaron Maurer's own statement in the above meantioned.

We currently have people and the resources who will on Mr. Aaron Maurer's behalf testify in the pending suit against him and his documentation towards us.

As per the NMOCD J.F.J. Landfarm permit, any violation with a direct result of contamination will be addressed and upon materials testing Industrial Ecosystems Inc. will be responsible for refunding customers disposal fees and the customers will be required to remove their wastes and take them to another disposal facility. This will also force the closure of that partucular working operation

We are making a stand and wish to not move forward on this matter. If the charges are not dropped and removed from District court against Mr. Aaron Maurer then we will move towards the truth. We ask that these charges be dropped by February 16, 2004.

With you Mr. James Hatcher being named as the watch dog and Mr. Aaron Maurer under the instruction of his former employer your companies Investors would not like the fact of a company being shut down over a matter that was blown out of proportion. Revenge is a hurtful thing and our feelings is that you want payback against Mr. Aaron Maurer and all he wanted to do was get out of a situation in which you placed him in. If he really wanted to embezzle any property or funds from Industrial Ecosystems Inc. it would not have been a a petty level in which he is named in. If these charges were ture then Mr. Aaron Maurer would have had the meantioned property in his posession for over a years time and why not then, you fire him and regain what was suposedly taken? The facts do not add up! And You will be holding the bag if this goes down in District court.

According to Mr. Aaron Maurer you had ample opportunity to help him in the operations of the J.F.J. landfarm facility, but now since the blame points to you, you

have made Mr. Aaron Maurer your scapegoat in order to keep your namesake clean.

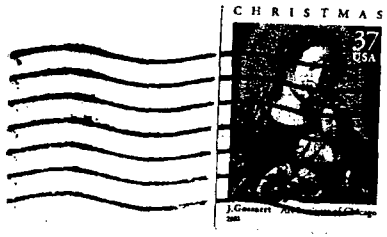
It All Ends HERE! Our voices have spoken! The Ball is now in Your COURT!

S.F.A.M.

Jake Hatcher

How did you like the surprise visit from the OCD? Not very much I bet. You may as well get ready because there will be lots more, I am going to see to that. Believe this, you don't have any friends with the OCD. Over the last several months I have heard you say on two or three occasions that you have known Denny for many years and that you consider him a friend, I have news for you Denny does not like you. He said that you are nothing but a bald fat asshole and that just because he has had to put up with your dumb ass for the past 15 years does not mean he likes you. If you had been paying attention you would have known that Denny and I have become very good friends over the last year. We went fishing several times last summer and when the wiring on his boat burned I spent $ 280.00 of my own money and several hours repairing it for him just because he is a good friend so I don't think he is going to cut you any slack with any violations he discovered. Also I spoke with Frank Chavez and he assured me that he has enough information to put Industrial Ecosystems out of business and to bring charges against you. I bet the thought of that did not occur to you when you were trying to get me into trouble. My attorney said your bogus charges against me will be thrown out during the first hearing and that anyone in their right mind would not have filed them in the first place. I can promise you one thing, I am going to make you sorry you started this BS against me. I am a good Christian person and I don't steal or tell lies and it is clear you are trying to set me up because I was about to take your job. How would you like some lead paint spread over the JFJ farm one dark night? . Sleep well you dumb ass!

Art's Supply
123 W Main
Farmington N.M
87413



Industrial Ecosystems
P.O. Box 2043
Farmington N.M.
87499

Included with this letter are the posessions in which are owed to Industrial Ecostsytems Inc. including Cell Phone and Office keys.

Also Mr. Aaron Maurer told Mr. James Hatcher that he had an extra motorolla 3-watt bag phone. Mr. Aaron Maurer is a man of his word and promised that when he found it it would be given to Mr. James Hatcher as a gift for his personal use. This phone belonged to Mr. Aaron Maurer not Industrial Ecosystems Inc.

An identical motorolla phone was given to Mr. Jake Hatcher in March of 2003 for betterment of phone service within the company.

Pictures of these items were taken for documentation purposes.

Mr. Aaron Maurer would like his business card folder returned to him promptly. According to a curent employee of Industrial Ecosystems Inc. it has been in the posession of a Mr. Aaron Blair.

Please return Mr. Maurers black business card hold to:

Aaron Maurer
PO BOX 76
Farmington, NM 87499

S.F.A.M.

A copy of this letter is being included in the following reports.

STATE OF NEW MEXICO
ENERGY MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

MEMORANDUM OF MEETING OR CONVERSATION

X Telephone ____ Personal Time 8:15 Am Date 3-11-04

Originating Party: Martyne Kieling OCD

Other Parties: Don Fernald
Red Cedar Gathering Durango Co
Safety & Environmental
970.247.5754 office
970 382-7397 cell

Subject: Waste: Produced water and tankbottom Sludge From Red cedar Gathering Black ridge Compressor Facility To JFJ Land Farm Industrial EcoSystems Through Inland trucking. Bobby Simkins

Discussion
(1) Inland Trucking is not on Redcedars vendor list.
(2) Red cedar Produced water usually goes to Basin Disposal
(3) Red cedar tankbottoms, sludge, soil goes to Industrial EcoSystems. JFJ Land Farm
(4) Some waste goes to Waste Management.

Don will call Inland trucking and talk to Bobby Simkins and then get Back to me.

Conclusions or Agreements

Distribution

Signed Martyne J Kieling

Kieling, Martyne

From: Foust, Denny
Sent: Wednesday, December 10, 2003 1:47 PM
To: Anderson, Roger; Kieling, Martyne; Chavez, Frank; Perrin, Charlie; Olson, William
Subject: JFJ Land Farm

The following statements have been gathered concerning JFJ Land Farm's operation.

Bobby Simkins, Inland Trucking
Hauled produced water from a Red Cedar compressor facility at Blackridge to JFJ Land Farm. Often applied water directly to roads within JFJ and added directly to stockpiles, directly onto a trench on the biopiles. Aaron Mauer directed him in this process, Jake Hatcher was Aware of the operation. Occasionally hauled fresh water for dust suppression. No over saturation was observed in the biopiles. Original signed by Bobby Simkins 12/05/03. J. D. Simkins confirmed these procedures when hauling to JFJ.

Mathew Smith, Water Truck Driver for Basin Disposal
He has hauled Basin sludge to JFJ since January 2003. He never placed material directly on the ground or in the biopiles. He unloaded into the mixing slab or the storage tanks. Original signed Mathew L. Smith 12/08/03.

Chuck Selph, Industrial Ecosystems, JFJ Land Farm Foreman (not exact title)
Water and sludge was pulled from storage tanks and applied to the biopiles as a means of keeping up while Basin Disposal was hauling for there big clean up in June. This was done at the end of the day to make room for more material the following day. No materiall was dumped directly onto the ground and any material leaking onto the ground was scooped up and added to the biopiles. Red Cedar Blackridge water was used for dust suppression and biopiles. Scat Hot Wash added material directly to biopiles. He was under the supervision of Aaron Mauer and did not have direct contact with Jake Hatcher during the above procedures. Original signed by Mr. Selph, 12/10/03.

Today's examination of the stabilization pad showed the side walls to be absent and very soft, photos to follow tomorrow.

S
180 bbls →
2 Riley Trucks 40 & 60 bbls.

cy D

Kieling, Martyne

From: Foust, Denny
Sent: Thursday, January 08, 2004 3:58 PM
To: Foust, Denny; Anderson, Roger; Chavez, Frank; Kieling, Martyne; Perrin, Charlie
Subject: RE: JFJ Land Farm interview with Steve Martinez of Scat hot Wash

-----Original Message-----
From: Foust, Denny
Sent: Wednesday, January 07, 2004 11:26 AM
To: Anderson, Roger; Chavez, Frank; Kieling, Martyne; Perrin, Charlie
Subject: JFJ Land Farm interview with Steve Martinez of Scat hot Wash

In response to some issues mentioned by other professionals, I decided to interview Steve Martinez of Scat Hot Wash. Apparently my prior interviews with JFJ personnel did not ask the questions to reveal these activities.

January 7, 2006

Steve Martinez of Scat Hot Wash stated that Aaron Maurer had his (Scat) trucks off load in an earthen bermed area adjacent to the stabilization pad at JFJ land farm. This was primarily during the June 2003 Basin cleanup which was hauled to JFJ land farm. From June 26, 2003 to approximately July 15, 2003, Scat Hot Wash was cleaning tanks at Basin Disposal and JFJ with the materials being off loaded into the earthen bermed area. Signed by Steve Martinez

The interview indicated operations involving Scat were apparently within the permit requirements.

"CORRECTION"
The interview indicated operations involving Scat were apparently "NOT" within the permit requirements.

Foust, Denny

From: Chavez, Frank
Sent: Thursday, November 20, 2003 4:58 PM
To: Foust, Denny; Kieling, Martyne
Subject: Aaron Maurer Interview

These are what I have so far on the basis if the letter. My questions are in the indentions.

Page 1 Permit #3 Placed in 72 Hours
#13 No mixing exempt non exempt
#19 Daily Inspection

November 18, 2003

Page 3 1 mixing Impoundment
Cleanup slop an

NMOCD Aztec Office

Page 3 1 H_2S Screening — Page 6 - #5 Recordig
2 Tank Bottoms & Sludge

Page 3 3
4 Screening testing of water Remove from

To whom this may concern:

As a former employer of Industrial Ecosystems Inc. and under the instruction of James "Jake" Hatcher many harmful actions occur took place at the J.F.J. Landfarm.

One of the first things to take place at J.F.J. Landfarm was the spreading of B.S. & W. Waste on the ground usually after hours, weekends, etc. in order to cut on man power and equipment use. Jake would instruct someone such as myself to have a vacuum truck or IEI's liquid trailer load the B.S. & W. Waste from the storage tank and spread on the lower portions of the landfarm then have the farm tractor plow this material in.

Who else received these instructions and on what dates?
Were the vacuum trucks hired?
Who operated the trailer and the tractor?
How many times?
Did Jake personally supervise or perform any of this?

We were instructed to do this out of the public eye. Sometimes even having this done at night when large quantities were present. This went on the for my entire employment at IEI.

What is the actual time frame?
Are there other witnesses of the night work or timesheet documentation?

The reasons for solidfying the material per the NMOCD permit was to capture the waste and prevent and contaminated materials from reaching the ground water or any waterways of the US. IEI violated this in a huge way and used me to steer the NMOCD representative away from the Landfarm.

How would you steer the OCD rep away?
Which OCD rep was it?
When was this done?

Countless times I knew this was wrong but I valued my employment so I kept doing what I was told to do Per Jake Hatcher. Who knows how long this type of violations might have gone on for the BP Amoco's Permitted facilities at crouch Mesa and Florida Mesa, CO. In January / February of 2003 IEI had taken a large amount of contaminated soils from the company known as Phoenix Hydrocarbons-RIMCO-Kinson Operating. The material that came in was measured to the amount of 7,777 per IEI's records but the customers records showed approximately 4600-yards. The customer refused to pay the amount first billed from IEI and sent a check for the amount they felt was correct. Jake Hatcher had Jeff Blagg from Blagg Engineering come and measure the materials and he said that there was not 7,777 yards in the Bio Pile but more like what the customer sent payment for. You would think the most reasonable thing to do in Jake Hatcher's position is to admit we made a mistake but no.....he was going to sue for the entire amount because of principle and such. This is an out right fraud. He also had me tell the customer that we've already remediated the material and has since been moved and is no longer measurable. The customer asked countless times if he could measure this material and I was instructed by Jake Hatcher to tell him no! The lawsuit is pending and the attorney for the case was John Westerman in Farmington, NM.
Talk about cheating a customer out of a hard earned dollar.....!

In April of 2003 IEI took on a project in which approximately 25,000-bbls or B.S. & W. waste needed to be solidfied. Upon instruction of the NMOCD that the volume could not be handled, IEI reassured Basin Disposal it could be.

Page 1 #6 % mix he

What was the nature of the OCD communication and how were you involved in it?
What was the nature of the Basin Disposal communication and how were you involved in it?

IEI rented production tanks to store the B.S. & W. material and used a trackhoe to mix it early in the morning and late into the evening. When we ran out of space Jake Hatcher told me to rent 2 trucks for the purposes of moving the liquid waste material. These trucks were used to suck off the production tanks and place the B.S. & W. material into compost piles located around the landfarm. These piles were pumped full each and every day with excessive waste. This waste caused quite a stink during the day and we even had some complaints brought before us because of the stink.

Who were the tanks rented from and how many were rented?
Who did the renting?
Who were the trucks rented from?
Who operated the trucks that did this?

Is there documentation as to how many loads and the volumes dumped?
What do you mean by "Pumped full"?
What are the dates this occurred?
Were the complaints documented?
Did Jake personally supervise or take part in this?

Also any birds, animals that could have encountered this liquid waste were subject to death. We had found one bird that I knew of that had died because of the waste in the bio piles. Also we had Bio piles fail and cause this nasty, black, heavy B.S. & W. waste to run out on the ground which required IEI employees to act fast and clean this up. These Spills should have been reported to the NMOCD office but Jake Hatcher feels that anything that goes on at IEI-J.F.J. Landfarm is business only that of themselves. Also these trucks drove around the landfarm pumping that waste out on the ground and IEI employees were plowing it into the ground. These things were all done late into the evenings usually out of sight from the public and our customers.

Are these the same trucks as above?
Who were the drivers and the employees?
What was done to clean this up?
Is there documentation such as timesheets?
Did Jake personally supervise or participate in this?

Many times IEI employees helped pump other liquid waste materials into the biopiles.

Drill mud, another Customers waste. compressor lube oil, observing Fluids

Dates and times?
Who was doing this?
What was the source of this waste?
How was this done?
Did Jake personally participate or supervise this?

Customers such as BP, Red Willow Production, Red Cedar Gathering, XTO, Burlington Resources, ConocoPhillips, Basin Disposal, and many others had there materials cross contaminated.

Don trucking
Allwater Haulers
Tripple S trucking

Is this in the bio piles?

When companies such as SCAT Hot Wash, Inland Trucking, M&R, would have loads it was instructed by Jake Hatcher to check their loads to see what they had and instruct them where to place the waste.
Many times then IEI's employees would have a driver make rounds around the facility if they had a contaminated mix of water, oil, etc. They were instructed to spray this material onto the ground then when they hit oil either place it in the pit or on a bio pile. Many times drivers who didn't care would place it all out on the ground.

Dates and times?
Who was instructed to checked the loads?
What was done with the different loads?
Were these drivers from those companies?
Are these all the companies?
What are the drivers' names?
Were these loads documented as received and how?
Did Jake personally supervise or participate in this?

IEI was allowed by the NMOCD to use recovered water as a dust suppressant. For Example there are 2 landfarms at on Crouch Meas. IEI owns both of them. One is the J.F.J. and the other is the BP Amoco. When water from either rain, snow, etc collects in puddles the NMOCD permits read that if in 72-hours the liquid is still standing then it must be sent to a disposal, etc. Jake Hatcher many times used the water from the BP Amoco location and spread this in the J.F.J. Landfarm location.

Dates and times?
What vehicle was used and who drove?

He will most likely deny this but it's the truth. It is quite expensive to be in the environmental business but Jake would do whatever it took to cheat the system to put money in his pocket. He also did not like the NMOCD rep Denny Foust and told me countless times that he could not be trusted. Jake Hatcher would rather go straight to Martyne Keiling then deal with Denny Foust. I didn't feel that way. The best way to have a good business is at the local level and there was no reason to go to Santa Fe. Jake would also find a reason to not attend any NMOCD inspections or want to deal with the NMOCD once he had me working for IEI.

Basin Disposal project
Direct to Santa Fe.

Did Jake tell you what his basis was for not trusting Denny?
Do you know of anybody else who Jake told this to?
Did you receive any instructions from Jake as to what to tell Denny or Martyne?
Did you ever tell Denny or Martyne a falsehood under direction from Jake?
Specific dates and times.

↳ Reporting Daily Inspection
Containment Area.

Companies such as BP and Burlington really strive hard to keep cross contamination of waste from occuring. Jake Hatcher did not see it that way. All IEI had for a containment area was a concrete pit that was built by the former owners of the Landfarm Tierra Environmental. We were told to put wastes in the pit and if anyone asks that we seperated the wastes in tanks then solidfied the materials and placed them out in the landfarm. →

So it looked like Permit requirements

Were mixed waste streams transported to the concrete pit? yes
Who transported the wastes directly to the pit. — Vacuum truck operator
Did Jake personally participate or supervise this?

IEI was audited by many of the customes and this is common practice between most oil & gas producers to protect their investments. The NMOCD permits reads that the customers are responsible for the material brought to any disposal until it is fully remediated. There are countless times in which I had to tell the customers were handling the material correctly and fully know that it is being handled improperly.

IEI employees had to complete daily inspections of the facility and in March the concrete containment area was found to be broken. Jake Hatcher was informed of this but said we did not have the time or the money to fix it so business went on. Months went by and the inspection reports were signed and the concrete containment area was still broken, and getting worse each and ever day it was used. Until this day I'm sure that it was not been repaired. The reason you cannot see the leaks and the breaks is because dirt has been packed around it to conceal the damage.

Who discovered it?
Was this recorded anywhere?
Who all would know it is broken?
What else was covered in the daily inspection and were other inspection issues not corrected?

Also weekly bio pile monitoring has not been done. NMOCD permit reads that temperatures are to be taken and recorded. Jake Hatcher did not really care too much about this.

Were false readings recorded?
Who else would know that this wasn't being done?

IEI was making money so some things can be overlooked. I could not do everything myself and employees would not be hired to help.

Please explain.

There were things in the permit in which IEI agreed to do to operate the JFJ landfarm, etc. Not all these requirements were met nor followed.

I have nothing to gain by bringing the permit violations to light. I want the community to know what a company working next door can conceal there business very, very well. Industrial Ecosystems Inc. has formally brought charges against me in order to discredit my status on these issues but as a respectful person in this community.

Follow ups:
What was Jeff Blagg's role in the problems you saw?

Do you know of any documentation that Jeff Blagg was keeping?
Did any of JFJ's customers know what was going on? NO
What type of supporting documentation was being kept at the facility? Jake Hundled Cells & Waste
How much independence were you allowed in operating the facility? very little
Who else worked with the facility that would be aware of the things you told us?


CAT

Kieling, Martyne

From: Chavez, Frank
Sent: Thursday, November 20, 2003 4:58 PM
To: Foust, Denny; Kieling, Martyne
Subject: Aaron Maurer Interview

These are what I have so far on the basis if the letter. My questions are in the indentions.

November 18, 2003

NMOCD Aztec Office

To whom this may concern:

As a former employer of Industrial Ecosystems Inc. and under the instruction of James "Jake" Hatcher many harmful actions occur took place at the J.F.J. Landfarm.

One of the first things to take place at J.F.J. Landfarm was the spreading of B.S. & W. Waste on the ground usually after hours, weekends, etc. in order to cut on man power and equipment use. Jake would instruct someone such as myself to have a vacuum truck or IEI's liquid trailer load the B.S. & W. Waste from the storage tank and spread on the lower portions of the landfarm then have the farm tractor plow this material in.

Who else received these instructions and on what dates?
Were the vacuum trucks hired?
Who operated the trailer and the tractor?
How many times?
Did Jake personally supervise or perform any of this?

We were instructed to do this out of the public eye. Sometimes even having this done at night when large quantities were present. This went on the for my entire employment at IEI.

What is the actual time frame?
Are there other witnesses of the night work or timesheet documentation?

The reasons for solidfying the material per the NMOCD permit was to capture the waste and prevent and contaminated materials from reaching the ground water or any waterways of the US. IEI violated this in a huge way and used me to steer the NMOCD representative away from the Landfarm.

How would you steer the OCD rep away?
Which OCD rep was it?
When was this done?

Countless times I knew this was wrong but I valued my employment so I kept doing what I was told to do Per Jake Hatcher. Who knows how long this type of violations might have gone on for the BP Amoco's Permitted facilities at crouch Mesa and Florida Mesa, CO. In January / February of 2003 IEI had taken a large amount of contaminated soils from the company known as Phoenix Hydrocarbons-RIMCO-Kinson Operating. The material that came in was measured to the amount of 7,777 per IEI's records but the customers records showed approximately 4600-yards. The customer refused to pay the amount first billed from IEI and sent a check for the amount they felt was correct. Jake Hatcher had Jeff Blagg from Blagg Engineering come and measure the materials and he said that there was not 7,777 yards in the Bio Pile but more like what the customer sent payment for. You would think the most reasonable thing to do in Jake Hatcher's position is to admit we made a mistake but no.....he was going to sue for the entire amount because of principle and such. This is an out right fraud. He also had me tell the customer that we've already remediated the material and has since been moved and is no longer measurable. The customer asked countless times if he could measure this material and I was instructed by Jake Hatcher to tell him no! The lawsuit is pending and the attorney for the case was John Westerman in Farmington, NM.
Talk about cheating a customer out of a hard earned dollar.....!

In April of 2003 IEI took on a project in which approximately 25,000-bbls or B.S. & W. waste needed to be solidfied. Upon instruction of the NMOCD that the volume could not be handled, IEI reassured Basin Disposal it could be.

What was the nature of the OCD communication and how were you involved in it?
What was the nature of the Basin Disposal communication and how were you involved in it?

IEI rented production tanks to store the B.S. & W. material and used a trackhoe to mix it early in the morning and late into the evening. When we ran out of space Jake Hatcher told me to rent 2 trucks for the purposes of moving the liquid waste material. These trucks were used to suck off the production tanks and place the B.S. & W. material into compost piles located around the landfarm. These piles were pumped full each and every day with excessive waste. This waste caused quite a stink during the day and we even had some complaints brought before us because of the stink.

Who were the tanks rented from and how many were rented?
Who did the renting?
Who were the trucks rented from?
Who operated the trucks that did this?

Is there documentation as to how many loads and the volumes dumped?
What do you mean by "Pumped full"?
What are the dates this occurred?
Were the complaints documented?
Did Jake personally supervise or take part in this?

Also any birds, animals that could have encountered this liquid waste were subject to death. We had found one bird that I knew of that had died because of the waste in the bio piles. Also we had Bio piles fail and cause this nasty, black, heavy B.S. & W. waste to run out on the ground which required IEI employees to act fast and clean this up. These Spills should have been reported to the NMOCD office but Jake Hatcher feels that anything that goes on at IEI-J.F.J. Landfarm is business only that of themselves. Also these trucks drove around the landfarm pumping that waste out on the ground and IEI employees were plowing it into the ground. These things were all done late into the evenings usually out of sight from the public and our customers.

Are these the same trucks as above?
Who were the drivers and the employees?
What was done to clean this up?
Is there documentation such as timesheets?
Did Jake personally supervise or participate in this?

Many times IEI employees helped pump other liquid waste materials into the biopiles.

Dates and times?
Who was doing this?
What was the source of this waste?
How was this done?
Did Jake personally participate or supervise this?

Customers such as BP, Red Willow Production, Red Cedar Gathering, XTO, Burlington Resources, ConocoPhillips, Basin Disposal, and many others had there materials cross contaminated.

Is this in the bio piles?

When companies such as SCAT Hot Wash, Inland Trucking, M&R, would have loads it was instructed by Jake Hatcher to check their loads to see what they had and instruct them where to place the waste.
Many times then IEI's employees would have a driver make rounds around the facility if they had a contaminated mix of water, oil, etc. They were instructed to spray this material onto the ground then when they hit oil either place it in the pit or on a bio pile. Many times drivers who didn't care would place it all out on the ground.

Dates and times?
Who was instructed to checked the loads?
What was done with the different loads?
Were these drivers from those companies?
Are these all the companies?
What are the drivers' names?
Were these loads documented as received and how?
Did Jake personally supervise or participate in this?

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Did Jake tell you what his basis was for not trusting Denny?
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temperatures are to be taken and recorded. Jake Hatcher did not really care too much about this. IEI was making money so some things can be overlooked. I could not do everything myself and employees would not be hired to help.

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Sincerely,

Aaron J. Maurer
former Industrial Ecosystems Employee

Kieling, Martyne

From: Foust, Denny
Sent: Monday, November 17, 2003 10:35 AM
To: Kieling, Martyne; Anderson, Roger; Chavez, Frank
Subject: FW: Information pertaining to Industrial Ecosystems! Please read!

I may be to close to this thing. I need some input from others. Mr.. Maurer was relieved of his duties for poor performance and a number of other issues have come up with Industrial Ecosystems. Do we want to call Jake in for a formal interview?
-----Original Message-----
From: Aaron Maurer [mailto:aaronjmaurer@hotmail.com]
Sent: Friday, November 14, 2003 7:27 PM
To: dfoust@state.nm.us
Subject: Information pertaining to Industrial Ecosystems! Please read!

Denny,

I have had embezzlement charges brought against me.

Industrial Ecosystems feels they can hit me where it hurt. I have a clean record, never been in trouble with the law etc.

Jake Hatcher has done many things to Violate the NMOCD permit. Many of these things were done at the landfarm facility under his guidance or him telling us to do so.

There are many issuse of cross contamination, waste that has not been recorded, handling of materials incorrectly. Also BP would be glad to know that waste at the BP facility on crouch was mishandled record sheets not kept properly when people came and went in the facility, waste water being spread on the commercial facility from the Bp facility etc.

As far as I know the charges consist of stolen property, and me taking money. I don't know what the've told you but these allegations are false. I was given 2 trucks as a bonus, and an additional one for selling some trailers we had. They also have accused me of having my girlfriend open an account at the bank with Industrial Ecosystems Name and me as a signer so I can cash customers checks, etc. These are all an outright lie, these allegations are false. I would never do anything in this small community to garnish my name, plus thats just down right stupid.

Its my word against that of Jake Hatcher and I ignored the signs when pople told me he would stap me in the back!

I feel you need to conduct an audit and I can assist in any handlings or verifications. There have been many misusses of placing materials on the ground and not being contained to the concrete containment area, plus taking BS&W wastes such as that from BP, Basin disposal, Key, Burlington, and spreading it on the ground then plowing it it, many times this done after hours, an weekends, etc. This was also done when all waste from Basin Disposal on their Big project.

I know at times I was overwhelmed but these things were done my the orders of Jake (James) Hatcher the US Operations Manager for Industrial Ecosystems.

Anyone you talk to in the community when my name becomes public record please help to inform them and even share this e-mail with them so they know the truck.

Any infor I need to share with Martyne I will do as well.

And Pheonix Hydrocarbons only brought in around 4500-yards as verified by Blagg Engineering and Jake has denied to Phoenix Hydrocarbons that this material was never surveyed and has been moved. Lee Jordan with Kinson Operation (RIMCO) Phoenix Hydrocarbons is the acting rep with the company! This information will be helpful with them too as Industrial Ecosystems has a lawsuit against them suing for almost twice the amount physically received.

This is an outright froud an lie by Jak[redacted] Hatcher to the customer.

Anything you can do to help in my defense I much appreciate!

I consider you a good friend Denny.

Sincerely,

Aaron Maurer
(505) 598-5855 Home.....may be at the detention center though

---

[redacted] 2 moths ago Fired

Aaron Mauer – Directly Supervisor of Facility

James Hateher – was His Boss

Fore verifation we may check with other Employees on site. 3 Staff members –

→ Basin Stuff Stablized on ground?

Investigation → Denny only Saw on Site at Stabilization Done.

(1)

BP, Basin, Key, Burlington Application

↑ ↑ ↑ ↑ → Bill of lading at JFJ & Transporters Records

Rule 710 & Rule 711 → Timeing

Are they Liquid Disposal

(1) Aaron Date-Place-Time-How

December 2, 2003

Aaron Maurer 598-5855 Former JFJ Employee

Gail Maquesten on Phone

Roger Anderson on Phone

Frank Chavez

Denny Foust

Charlie Perin

Marlyne Kreling

Q ① Spreading liquid Directly onto the Farm And Plow in.

A First month of JFJ operating the Former ticvra Landfarm

Jake Instructed

Jerry Vigil Clide Tafoya Steve Abeyta

Q ② Liquid waste Not tested. or yes

Liquid waste Not tested

③ Waste Storage tank

all pulled all together and Spread

water Not tested prior to Application on to Biopiles

or For Dust Suppression.

④ Vacume truck. Inland Corporation or operated by them

Higheved. In the Records would be Shown as Contract trucking After 4:00 on weekends

Bob Simkins, JD Simkins, Ron?

~~AP tens~~

⑤ How often did this occur

3 times a month.

⑥ Jackie Hatcher - Did The Instruction while Aaron Was Learning

A other employees Jack Phelps, Jeff Sample, Vance Kaine
That were Aware of this operations.
would Have Directed to put liquid waste on Land farm or into Compost
~~[redacted]~~ or Wagner Rentals RSC Rental Service Corporation

A Triple S or MSR waste Brought in & Dumped on ground.
any truck Comming
Waste water or BS&W

Q Title Farmington Manager (Operation / Sales) In the Beginnig
A Arrive in the Morning - PR sales off site Phone calls.
Jake Hatcher was there Directing waste
Higherd Jeff Sample. He was doing as Jake Told.
Neave End - operations manager
Q Weekends were you Present.
A Some times. Aaron was there on weekends.

Inland Trucking would pull down liquid waste out of tanks
and Spread after 6:00 pm and JFJ Employees. Tommy Web.
Pump From tanks put into Compost ples into Trenches on top
of the Pile
Time Sheets Showing overtime For Transfering waste

- Certificat of waste Status or C-138 / Generator would
Aaron Met with Denny at OCD office.
Jake Instructed Aaron to meet at OCD. Redirect on four.
through landfarm. Yellow Legal

Aaron left IFJ in August - Legal yellow Pad Notes.
From meetings Major or May not Still be there.

Basin Disposal 25,000 bbls. 14 400 bbl tanks on site...
concern expressed by OCD on acceptance of volume.
Timing check Notes...
Basinon → Frack tank → Pumpd after Hours into
→ Bio piles. by→ Orlando Selph, Jack. Phelps (keep tanks empty.)
Clyde taCoya → Aaron were out at 11:00pm

No waste went to Envirotech (in reality Aaron 60% would have went to ~~IFJ~~) The remainder would Have been sent to Envirotech)
IFJ Letter Head - to Basin ~~IFJ~~ could Handle tankage manpower.

Jake rented one truck & Jack rented the other truck.
any Documentation.

Bio pile Construction...
25 Constructed was not Mixed acording to Permit #6 %
Chuck Selph & Steve Abaytes ran tractor

~~Aaron~~ June Started reciein Waste ~~Comp~~ Manure ~~and~~ began mixing directly into ~~Mixing~~ Basin

Jake Said. No time line on remediation. BioPile 14,000 cy on Acre
Landfarm- 1000 cy/10 inch Acre.

Odor Complaints Documentd

Sour Egg Smell. From Basin 15 tanks solids.

Niel Allen From Key Complaind About Smell From Key Lives Near by.

Jake was out there Durring the First two weeks. went to Kansas on a trip

Burlington Redwood red ~~Cedar~~

BP waste From ~~Colorado~~ liquid waste would go to JFJ Not to → cell the liquid waste went into comingald tanks mixed and then BP JFJ Dedicated pile recied a mixture.

Liquid waste rented truck JFJ Employees

Break Spill - From Bio ~~pile~~

{ Inland trucking
Steve Martinez - Scat Pump into pile. with Pile colapse
Have better things to do than take Extra time at a Bio ~~pile~~. them a into Concrete containment.
Kelly Tellis - Higured From Scat to JFJ
Tullis - Jake Higherd

Documentation Marked Lube oil wasteoil Marked as Exemp
red Cedar or Red willow - overflow From Dehigh
After March 2003 Same Employees.
North Blackridge Compressor station waste oil & Compressor lube
~~Don~~land or Don trucking I would be Non Exempt listed
Compressor oil

This waste Mainly to Bio pile or to ground.
Jake was there Directly Supervising

Invoice to Customer - - - would Show the Trucking Company that is used

Used Drillmud
#3 Drillmud - 75 to 80 % Bottom ½ of Land Farm of
October 2002 to August. Cell 12 Square 60? H - to line
Catchment -
Washout trucks from ScAt trucking

Drillmud came with
Certificate of waste Manafest From generator

Rain water contrat truck would pump after 72 Hours.
Pull water. would go to Basin Disposal ~~If~~ Site
was to Saturated - ~~thing~~ The Land farm would also take

BP site Rain water would be removed From BP
and added to JFJ For DUST Spression.

run off Rainwater From JFJ Surface on to BP Site
would accumulate. It would then be pumped
went to Santafe Bipass Denny ~~Or~~ → Jeff Blagg may know about Rivky 20 years.
Oil Seperation Equipment Aaron would talk to Denny Instead of Jake.
Amendments to Permit to composting
Liner containment only Never completed

False Hoods.

Concreet Containment Area Broken and Not repaired

Plowing 10 days or 2 months.

Fileing reports. Daily InSpection logs — water Rain.

was it removed.

Certificate waste Status excepted without TCLP.

or accepted as Exempt when it may Have been Non Exempt.

% Liquid waste → 75% Produced water, BS&W, Drill Mud

% Solid or Soils. → Mafest check.

Did Audits

Burlington ~~Ha~~ Haguzuth → Don trucking into tank or Pit -

Gurguertz → Had contact Priceing

Conoco Did Audits → Inspectors From texas.

Concrete ontainment. Started in October 2002

~~Broken Not recorded~~

* Chuck Selph Feb Jan 2003 Small crack Sections of wall

track Hoe operator.

were remove — were Not Removed

· Leak dedection Monitoring Not checked

Cleanout Concrete Containment -

Temperature of Bio Piles Not taken (Records Falsifide to Show

Chuck Self

~~that temperature~~

Jack Phelps

Jeff Sample

Daily InSpection will check ok ✓

Temperature reports

Will Show Laps in time

BP side - Temperatures Not recorded or taken at the approprate time -

Quarterly testing Jake would go out with Jeff Blevins and Back Hoe operator.

Nack ~~Down~~ Price - Jeff Did Sampling Prior to Sell

Jeff Blevins Sampling always - Just Depend -

Sampling Bio Piles to Determine if they are Clean Sample a particular pile or area.

Q Did Any Customers Have Knowledge of any mismanagment of waste

A No

Indust EchoSystems - operating Company Jacke Hatcher → John Crow Kansas City MO main Stock Holder.

JFJ - owned by 3 people Jacke Hatcher

John Kiely Industrial Echosystems President (EIC Now EIC Kathrine Block Tom Jaranagan - Former President)

John Crow - Primary Share Holder of IEI & JFJ

Jack Hatcher - Not an officer But Primary ShareHolder of IEI & JFJ

Aaron Did not trust going over Jake Hatchers Head -

- Operate BP Facility in Florida Mesa in Southern Colorado -

Steve Abrogate would work Colorado [redacted] BP Facility

Lawfolic -

End of Interview

After Interview Discussion

Certificate of waste Status

Trucking Companys Delevered.

Jeff Blagg

① Tank Bottom & Sludge Acceptly into Bio-Piles.

① Coordinate via Drivers Bobby Simkins (Inland trucking)

Former or Present Employee. JD Simkins owns C-133

Basin Job

Bio Pile

onsite Rules ① Dust Suppression, testing water, Concrete Containment.

Tilling records. Testing Equipment.

C-138 & certificate of waste Exemp

Voluntary request - 711 Does not

② Go to Colorado to Investigate waste Stream.

Waste Discriptions

Select 5 at Random.

Liquid => Breakout test or Saturated Soils....

% Moisture. 25%

Fresh water tickets

③ Exempt Piles

NonExempt Piles

(3) XTO Blanco Mud - Accepted where did it go?
at Landfarm or Retainmtarea

Jake rented vacome truck why is it needed.

(1) How are the Bio piles Constructed. 1 part organic
4 parts soil
30:1 Nitrogen organic
25% moisture content

(2) Was clean soil removed From BP to Mix with Sludges
at Containment Area

(3) Was Manure recieved From

Denny's Records

Basin Wed May 7th 2003 1 (Tripple S trucks Hulled Liquids 3 trucks)
May 30th Berming temporary tank
June 2nd Pond Cleaning Started
June 11 Jack Phelps - called Keith to mix Dryer
June

Employee check that Tank matrial liquids were transfered into
Bio piles

(4) is the water Being tested

(5) Containment Broken Leak detection

AJ Blair

#9, 12, 8 Basin Disposal Piles

10 to 15 tall 20 to 3 feet wide 95' Long

Cu Sulfide – Black Briq - - -

Request For Solidification Pad February 1, 1996

Approved February 8, 1996

Inspect Inside & outside weekly

Concrete reinforced with 12 mil Plastic Liner

And No Leak detection Port.

STATE OF NEW MEXICO
ENERGY MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

MEMORANDUM OF MEETING OR CONVERSATION

✓ Telephone ____ Personal Time 10:40 Date 3-30-04

Originating Party: Martyne Kieling

Other Parties: Bob Simkins
Inland trucking

Subject: JFJ Landfarm
How many Loads of Produced water were Applied Directly to Compost Piles

Discussion: Remembers Aproxamitly 6 to 8 Loads 80 bbl each From Vacume truck was applied to Compost Piles. Land Farm operators Took Track Hoe and Dug a trench Down the middle of a pile and Inland was told to Place the Produced water into the Pile.

The water Came From ~~Basin Disposal~~ Inland Has Reciepts of Loads From Rj Cedar Red willow But these Do not Show how the Fluid was Placed in the Land Farm. JFJ was the One who Higher Inland to Perform the Transports Most Fluid Transport went into JFJ tanks.
Inland also Applied Fresh water From town Directly to the Roads on side JFJ.

Conclusions or Agreements: If we need reciepts Bob Has them For US.
Sending Billing Statements in the mail (4-1-04)

Distribution

Signed Martyne Kieling.

SIMKINS TRUCKING /INLAND CORP
409 E BROADWAY
BLOOMFIELD, NM 87413

Invoice

Date	Invoice #
9/10/2002	123307

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
9/6/2002	14535	EPC Landf...	Mix Pit	2.5	48.00	40	120.00
9/9/2002	14537	EPC Landf...	Spray on Cells	2	48.00	160	96.00

Subtotal	$216.00
Sales Tax (0.0%)	$0.00
Total	$216.00

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Fisi.net

SIMKINS TRUCKING /INLAND CORP

409 E BROADWAY
BLOOMFIELD, NM 87413

Invoice

Date	Invoice #
9/13/2002	123349

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
8/21/2002	8854	EPC	EPC	8.5	408.00

Subtotal	$408.00
Sales Tax (0.0%)	$0.00
Total	$408.00
Balance Due	$0.00

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Fisi.net

SIMKINS TRUCKING /INLAND CORP
409 E BROADWAY
BLOOMFIELD, NM 87413

Invoic

Date	Invoice #
9/30/2002	123495

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
9/27/2002	12891	Landfarm	Landfarm	4	48.00	360	192.00

Subtotal	$192.00
Sales Tax (0.0%)	$0.00
Total	$192.00

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Fisi.net

SIMKINS TRUCKING /INLAND CORP

409 E BROADWAY
BLOOMFIELD, NM 87413

Invoice

Date	Invoice #
10/7/2002	123550

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
10/3/2002	10029	Ignacio,CO	Move Loader to Bloomfield	4	240.00

Subtotal	$240.00
Sales Tax (0.0%)	$0.00
Total	$240.00
Balance Due	$0.00

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Fisi.net

SIMKINS TRUCKING /INLAND CORP
409 E BROADWAY
BLOOMFIELD, NM 87413

Invoic

Date	Invoice #
10/15/2002	123621

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
10/9/2002	13327	7	Basin Disposal	7	48.00	240	336.00

Subtotal	$336.00
Sales Tax (0.0%)	$0.00
Total	$336.00

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Fisi.net

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated Oil

INLAND Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
2/12/2003	124770

Bill To

INDUSTRIAL ECHO SYSTEMS
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
2/10/2003	14333	North Black Ridg...	Industrial Echo Systems	6	48.00	80	288.00
2/11/2003	14334	33-11#1-1 & 33-1...	Industrial Echo Systems	6	48.00	80	288.00

Subtotal	$576.00
Sales Tax (0.0%)	$0.00
Total	$576.00

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

INLAND
Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
2/18/2003	124831

Bill To
INDUSTRIAL ECHO SYSTEMS P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
2/17/2003	14599	Red Willow North...	Industrial Echo System Yard	6.5	48.00	80	312.00

Subtotal	$312.00
Sales Tax (0.0%)	$0.00
Total	$312.00

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

INLAND
Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
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Bloomfield, NM 87413

Invoice

Date	Invoice #
2/25/2003	124881

Bill To

INDUSTRIAL ECHO SYSTEMS
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
2/21/2003	14279	Red Cedar 33-11	Industrial Echo Landfarm	2	48.00		96.00
2/22/2003	14280	Red Cedar Blackri...	Industrial Echo Landfarm	4.5	48.00	60	216.00
2/24/2003	14281	Red Cedar Blackri...	Industrial Echo Landfarm	5.5	48.00	80	264.00
2/24/2003	14282	Saw Mill Compres...	Basin Disposal	4	48.00	80	192.00

Subtotal	$768.00
Sales Tax (0.0%)	$0.00
Total	$768.00

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
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Bloomfield, NM 87413

Invoic

Date	Invoice #
3/3/2003	124905

Bill To

INDUSTRIAL ECHO SYSTEMS
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
2/25/2003	14256	Red Cedar Sawmi...	Industrial Echo	3.5	48.00	40	168.00
2/5/2003	14255	North Black Ridge	Industrial Echo	5.5	48.00	80	264.00
2/28/2003	14257	North Black Ridge	Industrial Echo	6.5	48.00	80	312.00

Subtotal	$744.00
Sales Tax (0.0%)	$0.00
Total	$744.00

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Water
Gasoline
Contaminated
Oil

INLAND
Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
3/7/2003	124950

Bill To
INDUSTRIAL ECHO SYSTEMS P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
3/3/2003	12904	North Black Ridge	Industrial Echo Systems	7.5	48.00	80	360.00
3/3/2003			Fuel Surcharge		25.20		25.20

Subtotal	$385.20
Sales Tax (0.0%)	$0.00
Total	$385.20

SIMKINS TRUCKING /INLAND CORP
409 E BROADWAY
BLOOMFIELD, NM 87413

Invoi

Date	Invoice #
3/11/2003	124983

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
–	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
3/4/2003	12906	Red Cedar ...	Industrial Echo Systems	4	48.00	80	192.00
3/4/2003	12906		Fuel Surcharge		13.44		13.44
3/4/2003	12905	North Blac...	Industrial Echo Systems	5.5	48.00	80	264.00
3/4/2003	12905		Fuel Surcharge		18.48		18.48
3/6/2003	14259	North Blac...	Industrial Echo Systems	5.5	48.00	80	264.00
3/7/2003	14259		Fuel Surcharge		18.48		18.48
3/7/2003	14258	Deer Cany...	Industrial Echo Systems	5	48.00	80	240.00
3/7/2003	14258		Fuel Surcharge		16.80		16.80
3/8/2003	14260	North Blac...	Industrial Echo Systems	5	48.00	80	240.00
3/8/2003	14260		Fuel Surcharge		16.80		16.80
3/9/2003	14261	Red Cedar ...	Industrial Echo Systems	4.5	48.00	80	216.00
3/9/2003	14261		Fuel Surcharge		15.12		15.12
3/10/2003	14262	North Blac...	Industrial Echo Systems	5	48.00	80	240.00
3/10/2003	14262		Fuel Surcharge		16.80		16.80
3/10/2003	14263	BP Yard	Holding Tanks	5.5	48.00	400	264.00
3/10/2003	14263		Fuel Surcharge		18.48		18.48

Subtotal	$2,054.40
Sales Tax (0.0%)	$0.00
Total	$2,054.40

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Fisi.net

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Water
Gasoline
Contaminated
Dirt

INLAND Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
3/14/2003	125008

Bill To

INDUSTRIAL ECHO SYSTEMS
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
3/11/2003	12977	Red Cedar Round ...	Industrial Echo Systems	6.5	48.00	80	312.00
3/11/2003	12977		Fuel Surcharge		21.84		21.84
3/12/2003	12978	Red Cedar North ...	Industrial Echo Systems	5	48.00	80	240.00
3/12/2003	12978		Fuel Surcharge		16.80		16.80
3/13/2003	12979	Red Cedar Black ...	Basin Disposal	6	48.00	30	288.00
3/13/2003	12979		Fuel Surcharge		20.16		20.16
3/13/2003	13803	Deer Canyon H20...	Industrial Echo Systems	4	48.00	80	192.00
3/13/2003	13803		Fuel Surcharge		13.44		13.44

Subtotal	$1,104.24
Sales Tax (0.0%)	$0.00
Total	$1,104.24

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

INLAND
Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
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Bloomfield, NM 87413

Invoic

Date	Invoice #
3/18/2003	125036

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receip

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amoun
3/14/2003	13804	Red Cedar North ...	Industrial Echo Systems	5	48.00	80	240.0
3/14/2003			Fuel Surcharge		16.80		16.8
3/15/2003	13805	North Black Ridge	Industrial Echo Systems	6.5	48.00	80	312.0
3/15/2003	13805		Fuel Surcharge		21.84		21.8

Subtotal	$590.64
Sales Tax (0.0%)	$0.00
Total	$590.64

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

INLAND
Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
3/20/2003	125076

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
3/17/2003	14201	Saw Mill Compres...	Industrial Ecosystems	6	48.00	50	288.00
3/17/2003	14201		Fuel Surcharge		20.16		20.16

Subtotal	$308.16
Sales Tax (0.0%)	$0.00
Total	$308.16

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

INLAND Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
3/21/2003	125082

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
3/19/2003	13806	North Black Ridge	Industrial Ecosystems	6.5	48.00	80	312.00

Subtotal	$312.00
Sales Tax (0.0%)	$0.00
Total	$312.00

Call Us Anytime For Your Haul Needs

Water
Gasoline
Contaminated
Dirt

INLAND
Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoic

Date	Invoice #
3/25/2003	125118

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

Bill of Lading	Terms
	Due on recei

Date	Ticket	Service	Destination	Hours	Rate	Gallons	Amour
3/21/2003	14203	Water T...	Industrial Ecosystems	5	48.00	40	240.0
3/21/2003	14203		Fuel Surcharge		16.80		16.8

Subtotal	$256.8
Sales Tax (0.0%)	$0.0
Total	$256.8

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

INLAND
Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
3/26/2003	125138

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
3/23/2003	13808	North Black Ridge	Industrial Ecosystems	6	48.00	80	288.00
3/23/2003	13808		Fuel Surcharge		20.16		20.16
3/24/2003	14204	North Black Ridge	Industrial Ecosystems	4.5	48.00	35	216.00
3/24/2003	14204		Fuel Surcharge		15.12		15.12
3/25/2003	14205	North Black Ridge	Industrial Ecosystems	6	48.00	80	288.00
3/25/2003	14205		Fuel Surcharge		20.16		20.16

Subtotal	$847.44
Sales Tax (0.0%)	$0.00
Total	$847.44

Call Us Anytime For Your Hauling Needs

Water, Gasoline, Contaminated Dirt — Crude Oil, Diesel, Gravel

INLAND Corporation

SIMKINS TRUCKING
(505) 632-2568 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
3/27/2003	125158

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
3/26/2003	14229	Pit	Basin Disposal	5	48.00	80	240.00
3/26/2003			Fuel Surcharge		16.80		16.80

Subtotal	$256.80
Sales Tax (0.0%)	$0.00
Total	$256.80

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

INLAND Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2358 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
3/27/2003	125153

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
3/25/2003	14227	Dehy Tank	Industrial Ecosystems	4.5	48.00	30	216.00
3/25/2003	14227		Fuel Surcharge		15.12		15.12
3/26/2003	13809	Reserve Pit	Industrial Ecosystems	5	48.00	80	240.00
3/26/2003	13809		Fuel Surcharge		16.80		16.80
3/26/2003	14228	Reserve Pit	Basin Disposal	5	48.00	80	240.00
3/26/2003			Fuel Surcharge		16.80		16.80

Subtotal	$744.72
Sales Tax (0.0%)	$0.00
Total	$744.72

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

INLAND Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
4/1/2003	125204

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
3/26/2003	13810	South Ute FC	Basin Disposal	5	48.00	80	240.00
3/26/2003	13810	South Ute FC	Fuel Surcharge		16.80	80	16.80
3/29/2003	13813	South Ute FC	Basin Disposal	8	48.00		384.00
3/29/2003	13813		Fuel Surcharge		26.88	80	26.88
3/30/2003	13814	South Ute 33-10	Basin Disposal	4	48.00	80	192.00
3/30/2003			Fuel Surcharge		13.44		13.44

Subtotal	$873.12
Sales Tax (0.0%)	$0.00
Total	$873.12

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

INLAND
Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
4/2/2003	125223

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/1/2003	14232	Water Transfer	Basin Disposal	3.5	48.00	80	168.00
4/1/2003			Fuel Surcharge		11.76		11.76
4/1/2003	13815	Reserve Pit	Basin Disposal	8	48.00		384.00
4/1/2003	13815		Fuel Surcharge		26.88		26.88

Subtotal	$590.64
Sales Tax (0.0%)	$0.00
Total	$590.64

Call Us Anytime For Your Hauling Needs

Water
Gasoline
Contaminated
Dirt

INLAND Corporation

Crude Oil
Diesel
Gravel

SIMKINS TRUCKING
(505) 632-2368 • 409 E. Broadway
Bloomfield, NM 87413

Invoice

Date	Invoice #
4/3/2003	125243

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/2/2003	13816	South Ute FC 33	Basin Disposal	5	48.00	80	240.00
4/2/2003	13816		Fuel Surcharge		16.80		16.80
4/2/2003	13817	South Ute FC 33	Basin Disposal	4	48.00	80	192.00
4/2/2003	13817		Fuel Surcharge		13.44		13.44

Subtotal	$462.24
Sales Tax (0.0%)	$0.00
Total	$462.24

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Invoice

Date	Invoice #
4/4/2003	125252

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/3/2003	13818	South Ute FC33	Basin Disposal	8	48.00	160	384.00
4/3/2003	13818		Fuel Surcharge		26.88		26.88

Subtotal	$410.88
Sales Tax (0.0%)	$0.00
Total	$410.88

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Water
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Invoice

Date	Invoice #
4/8/2003	125278

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

FEI Soil
4020

Invoiced

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/3/2003	13520	Southern Ute FC33	Basin Disposal	5.5	48.00	80	264.00
4/3/2003	13520		Fuel Surcharge		18.48		18.48
4/2/2003	13499	Southern Ute FC33	Basin Disposal	4	48.00	80	192.00
4/2/2003	13499		Fuel Surcharge		13.44		13.44

Subtotal	$487.92
Sales Tax (0.0%)	$0.00
Total	$487.92

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Invoice

Date	Invoice #
4/10/2003	125302

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/9/2003	13453	Production Water ...	Deer Canyon Compressor/Red Cedar	5	48.00	80	240.00
4/9/2003	13453		Fuel Surcharge		16.80		16.80
4/9/2003	13820	Production Tank	Deer Canyon Compressor/Red Cedar	5	48.00	80	240.00
4/9/2003	13820		Fuel Surcharge		16.80		16.80

Subtotal	$513.60
Sales Tax (0.0%)	$0.00
Total	$513.60

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Invoice

Date	Invoice #
4/11/2003	125322

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/10/2003	13821	Cabin Compressor	Landfarm	5.5	48.00	160	264.00

Subtotal	$264.00
Sales Tax (0.0%)	$0.00
Total	$264.00

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Date	Invoice #
4/14/2003	125323

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/13/2003	14234	Red Willow South... F/S	Basin Disposal	4	48.00	80	192.00 13.44

Subtotal	$192.00
Sales Tax (0.0%)	$0.00
Total	~~$192.00~~

205.44

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Water
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Date	Invoice #
4/15/2003	125357

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/14/2003	13822	North Black Ridge	Industrial Ecosystems	4	48.00	80	192.00
4/14/2003	13822		Fuel Surcharge		13.44		13.44

Subtotal	$205.44
Sales Tax (0.0%)	$0.00
Total	$205.44

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Invoice

Date	Invoice #
4/15/2003	125359

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/15/2003	13823	North Black Ridge	Industrial Ecosystems	4.5	48.00	80	216.00
4/15/2003	13823		Fuel Surcharge		15.12		15.12

Subtotal	$231.12
Sales Tax (0.0%)	$0.00
Total	$231.12

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Dirt

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Invoice

Date	Invoice #
4/15/2003	125346

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/10/2003	13455	Soute 32-11 #10	Industrial Ecosystems	7	48.00	80	336.00
4/10/2003	13455		Fuel Surcharge		23.52		23.52

Subtotal	$359.52
Sales Tax (0.0%)	$0.00
Total	$359.52

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Date	Invoice #
4/21/2003	125392

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/15/2003	13460	Southern Ute 33-10	Basin Disposal	2.5	48.00	160	120.00
4/15/2003	13460		20% Wide Load Charge		8.40		8.40
4/18/2003	13825	Cabin Compressor	Landfarm	3.5	48.00	80	168.00
4/18/2003	13825		Fuel Surcharge		11.76		11.76

Subtotal	$308.16
Sales Tax (0.0%)	$0.00
Total	$308.16

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Invoice

Date	Invoice #
4/22/2003	125425

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/17/2003	14236	Southern Ute	Industrial Ecosystems	4	48.00	80	192.00
4/17/2003	14236		Fuel Surcharge		13.44		13.44
4/17/2003	14235	Southern Ute	Basin Disposal	4	48.00	80	192.00
4/17/2003	14235		Fuel Surcharge		13.44		13.44
4/18/2003	13471	Cabin Compressor	Industrial Ecosystems	3	48.00		144.00
4/18/2003	13471		Fuel Surcharge		10.08		10.08

Subtotal	$564.96
Sales Tax (0.0%)	$0.00
Total	$564.96

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Date	Invoice #
4/29/2003	125493

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
4/21/2003	13473	Cabin Compressor...	Red Willow	5	48.00	80	240.00
4/21/2003	13473		Fuel Surcharge		16.80		16.80
4/28/2003	13431	South Ute FC 33-10	Basin Disposal	5	48.00	80	240.00
4/28/2003	13431		Fuel Surcharge		16.80		16.80

Subtotal	$513.60
Sales Tax (0.0%)	$0.00
Total	$513.60

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BLOOMFIELD, NM 87413

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Date	Invoice #
5/6/2003	125570

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
5/2/2003	13442	Southern U...	Basin Disposal	4.5	48.00		216.00
5/2/2003			Fuel Surcharge		7.00%		15.12

Subtotal	$231.12
Sales Tax (0.0%)	$0.00
Total	$231.12

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Fisi.net

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INLAND Corporation

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Invoice

Date	Invoice #
5/7/2003	125593

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
5/6/2003	8887	Southern ...	Belly Dump	7.5	435.00
5/6/2003	8887		Fuel Surcharge		30.45

Subtotal	$465.45
Sales Tax (0.0%)	$0.00
Total	$465.45

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

Balance Due $465.45

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INLAND Corporation

SIMKINS TRUCKING

Invoice

Date	Invoice #
5/6/2003	125566

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
4/29/2003	6557	Southern ...	Industrial Ecosystems	9	522.00
4/29/2003	6557		Fuel Surcharge		36.54
5/2/2003	8885	Southern ...	Industrial Ecosystems	9.5	551.00
5/2/2003			Fuel Surcharge		38.57
5/2/2003	10692	Southern ...	Industrial Ecosystems	9	522.00
5/2/2003			Fuel Surcharge		36.54
5/5/2003	8886	Southern ...	Industrial Ecosystems	9.5	551.00
5/5/2003	8886		Fuel Surcharge		38.57
5/5/2003	10927	Southern ...	Industrial Ecosystems	9	522.00
5/5/2003	10927		Fuel Surcharge		36.54

Subtotal	$2,854.76
Sales Tax (0.0%)	$0.00
Total	$2,854.76

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

Balance Due $2,854.76

SIMKINS TRUCKING /INLAND CORP

409 E BROADWAY
BLOOMFIELD, NM 87413

Invoice

Date	Invoice #
5/2/2003	125523

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
4/30/2003	8883	Red Cedar	Industrial Ecosystems Landfarm	8	464.00
4/30/2003	8883		Fuel Surcharge		32.48
4/30/2003	10883	32-1d-18-5	Industrial Ecosystems Landfarm	4.5	261.00
4/30/2003	10883		Fuel Surcharge		18.27
4/28/2003	6555	Southern Ute 3...	Industrial Ecosystems Landfarm	6	348.00
4/28/2003	6555				24.36
4/28/2003	09909	Red Willow A...	33-10#1-3	6	348.00
4/28/2003			Fuel Surcharge		24.36
4/29/2003	10882	32-11 18-5	Industrail Ecosystems	4.5	261.00
4/29/2003	10882		Fuel Surcharge		18.27
4/29/2003	10881	33-11 1-2	Industrial Ecosystems	4.5	261.00
4/29/2003	10881		Fuel Surcharge		18.27
4/29/2003	09910	Loader Time	7 trucks loaded	8.5	493.00
4/29/2003			Fuel Surcharge		34.51
4/29/2003	10688	Southern Ute 3...	Industrial Ecosystems	11.5	667.00
4/29/2003			Fuel Surcharge		46.69
4/30/2003	10903	32-10 #18-5	Industrial Ecosystems	4.5	216.00
4/30/2003			Fuel Surcharge		15.12
4/30/2003	10903		Loader Time	3	174.00
4/30/2003			Fuel Surcharge		12.18
4/30/2003	10689	Red Willow/Bl...	Industrial Ecosystems	7.5	435.00

Subtotal	
Sales Tax (0.0%)	
Total	
Balance Due	

Phone #	Fax #	E-mail
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BLOOMFIELD, NM 87413

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Date	Invoice #
5/2/2003	125523

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
4/30/2003			Fuel Surcharge		30.45
4/30/2003	6558	32-10 #18-5	Industrial Ecosystems	4.5	261.00
4/30/2003			Fuel Surcharge		18.27
5/1/2003	8884	Southern Ute 3...	Industrial Ecosystems	11	638.00
5/1/2003			Fuel Surcharge		44.66
5/1/2003	10691	Southern Ute 3...	Industrial Ecosystems	7	406.00
5/1/2003			Fuel Surcharge		28.42
5/1/2003	10901	Southern Ute 3...	Industrial Ecosystems	7	406.00
5/1/2003			Fuel Surcharge		28.42

Subtotal	$6,033.73
Sales Tax (0.0%)	$0.00
Total	$6,033.73
Balance Due	$0.00

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Invoice

Date	Invoice #
5/16/2003	125691

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
5/5/2003	13443	Cabin Compressor	Industrial Ecosystems	5	48.00	80	240.00
5/5/2003	13443		Fuel Surcharge		7.00%		16.80
5/13/2003	13410	Douthern Ute	Industrial Ecosystems	4.5	48.00	80	216.00
5/13/2003			Fuel Surcharge		7.00%		15.12
5/14/2003	13411	Southern Ute	Industrial Ecosystems	10	48.00	160	480.00
5/14/2003			Fuel Surcharge		7.00%		33.60

Subtotal	$1,001.52
Sales Tax (0.0%)	$0.00
Total	$1,001.52

Inland Corporation/Simkins Trucking
P.O. Box 1528
Farmington, New Mexico 87499

Invoice

Date	Invoice #
5/21/2003	125739

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
5/10/2003	14154	Reserve Pit	Industrail Ecosystems	10.5	504.00
5/10/2003			Fuel Surcharge		35.28
5/12/2003	14155	Reserve Pit	Industrial Ecosystems	3.5	168.00
5/12/2003			Fuel Surcharge		11.76
5/12/2003	8858	32-11 #5-5	Basin Disposal	5.5	264.00
5/12/2003			Fuel Surcharge		18.48
5/20/2003	8859	32-12 #13-6	Industrial Ecosystems	8.5	408.00
5/20/2003			Fuel Surcharge		28.56

Subtotal	$1,438.08
Sales Tax (0.0%)	$0.00
Total	$1,438.08
Balance Due	$1,438.08

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

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Invoice

Date	Invoice #
5/23/2003	125775

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
5/21/2003	8860	33-10 #1-4	Industrial Ecosystems	2	48.00	20	96.00
5/21/2003			Fuel Surcharge		7.00%		6.72
5/22/2003	8861	Saw Mill C...	Industrial Ecosystems	2.5	48.00	60	120.00
5/22/2003			Fuel Surcharge		7.00%		8.40

Subtotal	$231.12
Sales Tax (0.0%)	$0.00
Total	$231.12

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Invoice

Date	Invoice #
5/28/2003	125831

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
5/22/2003	10253	33-10-#1-4	Basin Disposal	5	48.00	80	240.00

Subtotal	$240.00
Sales Tax (0.0%)	$0.00
Total	$240.00

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

Inland Corporation/Simkins Trucking

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Invoice

Date	Invoice #
5/28/2003	125817

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
5/23/2003	8895	33-9 #12-2	Industrial Ecosystems Landfarm	3.5	203.00
5/23/2003			Fuel Surcharge		14.21

Subtotal	$217.21
Sales Tax (0.0%)	$0.00
Total	$217.21
Balance Due	$217.21

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

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Invoice

Date	Invoice #
5/29/2003	125847

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
5/27/2003	10638	33-10 #27-2	Contaminated Soil-Dump Truck	3.5	210.00
5/27/2003			Fuel Surcharge		14.70
5/28/2003	10637	34-9#31-1	Contaminated Soil-Dump Truck	6.5	390.00
5/28/2003			Fuel Surcharge		27.30

Subtotal	$642.00
Sales Tax (0.0%)	$0.00
Total	$642.00
Balance Due	$642.00

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

Inland Corporation/Simkins Trucking
P.O. Box 1528
Farmington, New Mexico 87499

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Date	Invoice #
5/30/2003	125901

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
5/30/2003	13379	Southern Ute	Industrial Ecosystems	11	48.00	160	528.00

Subtotal	$528.00
Sales Tax (0.0%)	$0.00
Total	$528.00

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

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Date	Invoice #
6/3/2003	125904

Bill To
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District	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hours	Rate	Gals. or B...	Amount
6/3/2003	10036	Black Ridg...	Industrial Ecosystems	4.5	48.00		216.00
6/3/2003			Fuel Surcharge		7.00%		15.12

Subtotal	$231.12
Sales Tax (0.0%)	$0.00
Total	$231.12

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

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Date	Invoice #
6/11/2003	125974

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

District	Terms
	Due on receipt

Date	Ticket	Location	...ation	Hours	Rate	Gals. or B...	Amount
6/10/2003	13391		...ispos...	2.5	48.00	80	120.00

Subtotal	$120.00
Sales Tax (0.0%)	$0.00
Total	$120.00

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	...s@Cyberport.com

Inland Corporation/Simkins Trucking

P.O. Box 1528
Farmington, New Mexico 87499

Invoi

Date	Invoice
6/24/2003	126121

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on recei

Date	Ticket	Location	Destination	Hrs/Qty	Amoun
6/23/2003	10302	32-11-32-10	Industrial Ecosystem Landfarm	7.5	540
6/23/2003	10302		Fuel Surcharge		37
6/23/2003	10302		Loader Time	3	180

Subtotal	$757.
Sales Tax (0.0%)	$0.
Total	$757.
Balance Due	$757.

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

SIMKINS TRUCKING /INLAND CORP

409 E BROADWAY
BLOOMFIELD, NM 87413

Invoice

Date	Invoice #
6/26/2003	126134

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
6/25/2003	10351	Red Willow 32...	Industrial Ecosystem Landfarm	3.5	203.00
6/25/2003			Fuel Surcharge		14.21

Subtotal	$217.21
Sales Tax (0.0%)	$0.00
Total	$217.21
Balance Due	$0.00

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Fisi.net

Inland Corporation/Simkins Trucking

P.O. Box 1528
Farmington, New Mexico 87499

Invoice

Date	Invoice #
6/30/2003	126158

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
6/27/2003	10354	Red Willow	Industrial Ecosystem Landfarm	5.5	319.00
6/27/2003			Fuel Surcharge		22.33
6/27/2003	6570	Red Cedar	Industrial Ecosystem Landfarm	5	290.00
6/27/2003			Fuel Surcharge		20.30
6/27/2003	6571	Southern Ute	Industrial Ecosystem Landfarm	4.5	261.00
6/27/2003			Fuel Surcharge		18.27

Subtotal	$930.90
Sales Tax (0.0%)	$0.00
Total	$930.90
Balance Due	$930.90

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

Inland Corporation/Simkins Trucking
P.O. Box 1528
Farmington, New Mexico 87499

Invoic

Date	Invoice
7/1/2003	126197

Bill To

INDUSTRIAL ECOSYSTEMS,INC
P O BOX 2043
FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receip

Date	Ticket	Location	Destination	Hrs/Qty	Amount
6/26/2003	10352	Well Locations	Industrial Ecosystem Landfarm	5.5	319.
6/26/2003			Fuel Surcharge		22.
6/26/2003	10353	Well Locations	Industrial Ecosystem Landfarm	5.5	319.
6/26/2003			Fuel Surcharge		22.

Subtotal	$682.
Sales Tax (0.0%)	$0.
Total	$682.
Balance Due	$682.

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

SIMKINS TRUCKING INC/INLAND CORP
409 E BROADWAY
BLOOMFIELD, NM 87413

Invoic

Date	Invoice #
8/1/2003	126550

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receip

Date	Ticket	Location	Destination	Hrs/Qty	Amoun
7/31/2003	09955	Black Ridge S...	Landfarm	3	174
7/31/2003			Fuel Surcharge		12
7/31/2003	09954	Soute 32-10 #3-2	Landfarm	3.5	203
7/31/2003			Fuel Surcharge		14

Subtotal	$403
Sales Tax (0.0%)	$0
Total	$403
Balance Due	$403

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

SIMKINS TRUCKING INC/INLAND CORP
409 E BROADWAY
BLOOMFIELD, NM 87413

Invoice

Date	Invoice #
8/5/2003	126602

Bill To
INDUSTRIAL ECOSYSTEMS,INC P O BOX 2043 FARMINGTON, NEW MEXICO 87499

P.O. #	Terms
	Due on receipt

Date	Ticket	Location	Destination	Hrs/Qty	Amount
8/1/2003	7535	Montgomery C...	Landfarm	3.5	203.0
8/1/2003			Fuel Surcharge		14.2
8/1/2003	7586	Southern Ute 0...	Landfarm	3.5	203.0
8/1/2003			Fuel Surcharge		14.2
8/1/2003	7584	Southern Ute 0...	Landfarm	3.5	203.0
8/1/2003			Fuel Surcharge		14.2
8/1/2003	7585	Southern Ute 0...	Landfarm	3.5	203.0
8/1/2003			Fuel Surcharge		14.2
8/1/2003	7607	Southern Ute 0...	Landfarm	2.5	145.0
8/1/2003	7607		Fuel Surcharge		10.1
8/1/2003	7534	Southern Ute 0...	Landfarm	3.5	203.0
8/1/2003			Fuel Surcharge		14.2

Subtotal	$1,241.2
Sales Tax (0.0%)	$0.0
Total	$1,241.2
Balance Due	$1,241.2

Phone #	Fax #	E-mail
505-632-2368	505-632-1407	Simkins@Cyberport.com

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

October 27, 2003

Mr. James Hatcher
JFJ Landfarm L.L.C.
P.O. Box 2043
Farmington, NM 87499

RE: Approval To Recycle Soil
JFJ Landfarm L.L.C.
NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Mr. Hatcher:

The New Mexico Oil Conservation Division (OCD) has received JFJ Landfarm L.L.C. (JFJ) letter dated October 16, 2003 and has reviewed the analytical data concerning remediated soils within biopiles 200 (Basin Disposal), 201(Burlington McGrath SWD#4), 202, 203, 204, and 205 (Cha Cha #1). JFJ's request to recycle soil from biopiles 200 (Basin Disposal), 201 (Burlington McGrath SWD#4), 202, 203, 204, and 205 (Cha Cha #1) are hereby approved with the following recycling uses:

1. Use remediated soils to solidify incoming tank bottom sludge. And
2. Use remediated soils to recondition the berms within the JFJ facility.

Application of these soils in the approved project list above must not result in run-off into any waters of the U.S. If JFJ wants to move the soils from these biopiles for any other use than those approved here separate OCD authorization must be granted. Please be advised that OCD approval does not relieve JFJ of liability should their operation result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve JFJ of the responsibility for compliance with other federal state and/or local regulations.

If you have any further questions please do not hesitate to contact me at (505) 476-3488.

Sincerely,

Martyne J. Kieling
Environmental Geologist

xc: Aztec OCD Office

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

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-137
Revised March 17, 1999

Submit Original Plus 1
Copy to Santa Fe
1 Copy Appropriate
District Office

APPLICATION FOR WASTE MANAGEMENT FACILITY

(Refer to the OCD Guidelines for assistance in completing the application)

☒ Commercial ☐ Centralized

1. Type: ☐ Evaporation ☐ Injection ☐ Other
   ☒ Solids/Landfarm ☐ Treating Plant
2. Operator: JFJ Landfarm LLC

   Address: P.O. Box 2043, Farmington N.M. 87499

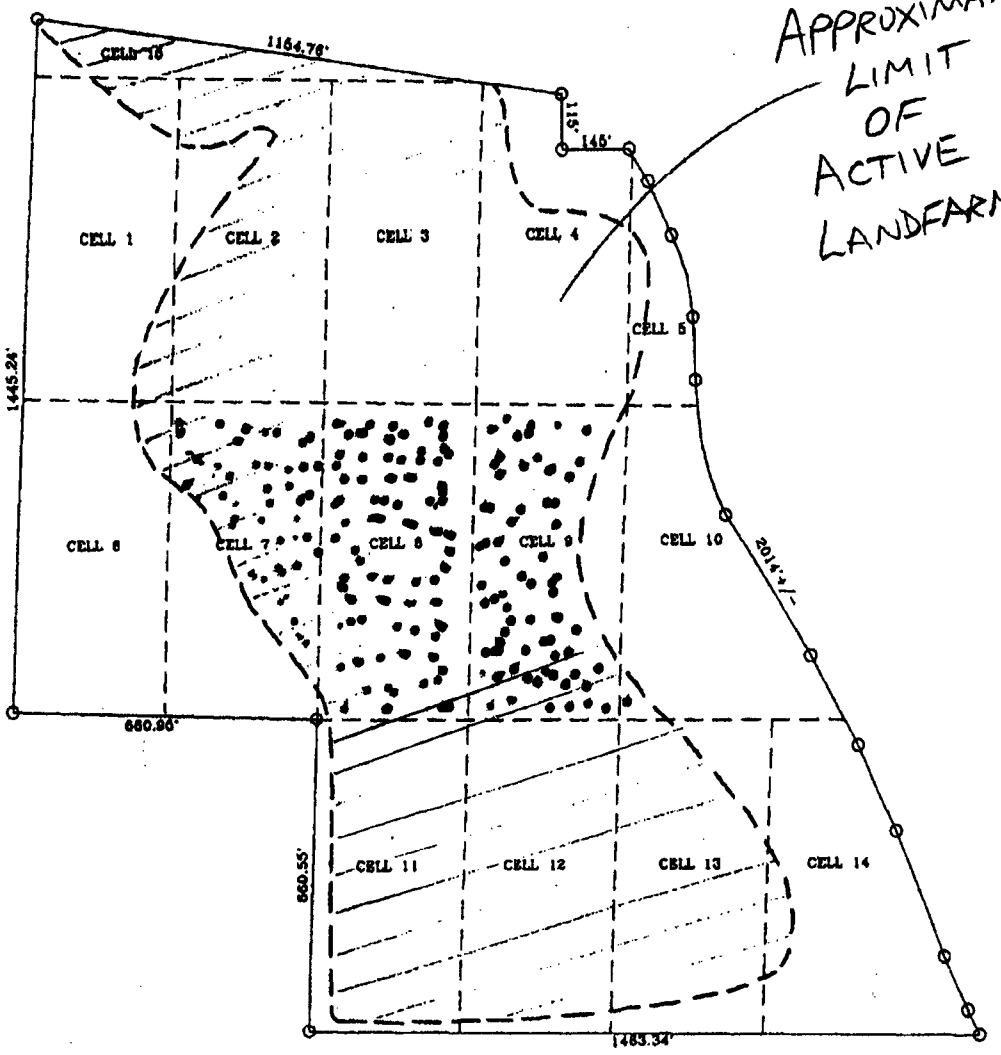
   Contact Person: James Hatcher Phone: (505) 632 – 1782
3. Location: NW /4 SE /4 Section 2 Township 29N Range 12W
   Submit large scale topographic map showing exact location
4. Is this a modification of an existing facility? ☒ Yes ☐ No
5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site.
6. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.
7. Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities.
8. Attach a contingency plan for reporting and clean-up for spills or releases.
9. Attach a routine inspection and maintenance plan to ensure permit compliance.
10. Attach a closure plan.
11. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact groundwater. Depth to and quality of ground water must be included.
12. Attach proof that the notice requirements of OCD Rule 711 have been met.
13. Attach a contingency plan in the event of a release of H_2S.
14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders.
15. CERTIFICATION
    I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: James Hatcher
Signature: James Hatcher

Title: _Manager/Agent

Date: _May 19, 2003

66.14 +/- ACRES



Proposed cells Needing verbal Approval

LEGEND

N

0 500 1000 Feet

JWJ LANDFARM FACILITY			BLAGG ENGINEERING, INC.
DATE: 8/2002	FIGURE 1	BY: JCB	P.O. BOX 87, BLOOMFIELD, NM PHONE: (505)632-1199

JFJ Landfarm L.L.C.

P.O. Box 2043
Farmington N.M. 87499
(505) 632-1782

May 19, 2003

N.M. Oil Conservation Division
2040 S. Pacheco St.
Santa Fe, N.M. 87505

Attn: Ms Martyne Kieling

Dear Ms Kieling:

Please find enclosed a C137 requesting a minor modification to the JFJ Landfarm L.L.C. NMOCD NM-01-0010B Permit. We are requesting a modification to the existing permit to allow the use of the composting process in cells # 7, 8 and # 9. These three cells share a common boundary with the recently permitted composting cells # 11 and # 12 and are located just North of # 11 and # 12 in the Southern part of the facility as indicated in the attached diagram. The composting process will be the same as used in # 11 and # 12 and is as follows: An organic amendment composed of straw, wood chips and animal manure would be mixed with the hydrocarbon stained soil at a ratio of one part organic amendment to four parts hydrocarbon stained soil. Then the carbon/nitrogen ratio of the mix will be adjusted to 30:1 by mixing in cotton seed meal, or other organic nitrogen. The moisture content will be adjusted to 25%, then the mix will be manicured into a biopile large enough to accommodate the material, a trench will then be excavated along the top of the biopile and indigenous microbes will applied at a rate of 2 gallons per cubic yard of material. The bioplie will be confined by an earthen berm two feet high to prevent runoff and/or cross contamination. The temperature of the biopile will be monitored. The bioplie will be turned as needed with a wheeled mounted loader or excavator to prevent the pile from overheating and to provide air/oxygen. After the material has been remediated to a point that an EPA certified lab determines that the material has reached acceptable levels, the documentation will be provided to the NMOCD, and if approved the material will be placed into a clean stockpile for reuse. If you need additional information you may reach me at: 970-254-1641 office, or 970-640-1608 cell phone.
Thanks in advance.

Sincerely

James (Jake) Hatcher
Manager JFJ Landfarm L.L.C.

Kieling, Martyne

From: Kieling, Martyne
Sent: Friday, November 22, 2002 12:42 PM
To: 'Aaron J. Maurer'
Cc: Foust, Denny
Subject: RE: Liner Material for tank storage

Aaron,

Our minimum requirement is 30 mill for liners under tanks. I hope this helps.

Martyne Kieling

-----Original Message-----
From: Aaron J. Maurer [mailto:landfarm@cyberport.com]
Sent: Thursday, November 21, 2002 7:39 AM
To: 'Kieling, Martyne'
Subject: Liner Material for tank storage

Martyne,

We had a quick question about liner material for us to put underneath our tanks her at the J.F.J. Landfarm facility.

We want to be compliant and not have our tanks as a temporary storage.

The local supply house that we buy our material wanted to know what your recommendations are.

Denny Foust referred me to you to get the exact Mill of the liner material.

When you return to the office on Monday, will you let me know what to get.

Thank you,

Aaron J. Maurer
Industrial Ecosystems Inc.
J.F.J. Landfarm
(505) 632-1782 office
(505) 632-1876 fax
landfarm@cyberport.com

JFJ Landfarm L.L.C.

P.O. Box 2043
Farmington N.M. 87499
(505) 632-1782

September 16, 2002

N.M. Oil Conservation Division
1220 South St Francis Drive
Santa Fe, N.M. 87505

Attn: Ms Martyne Kieling

Dear Ms Kieling:

Please find enclosed a C137 requesting a minor modification to the JFJ Landfarm L.L.C. NMOCD NM-01-0010B Permit. We are requesting a modification to the existing permit to allow the use of the composting process in cells # 11 and #12. These two cells are located adjacent to the BP facility as shown in figure 3. These two cells were selected because they are the greatest distance from the existing housing along County Road 3100 in order to minimize any concerns about odor or truck traffic. Also we are requesting permission to reconfigure the cell layout of the entire landfarm as reflected in the attachment Figure 3. This change is necessary in order to comply with the NMOCD requirement that the cells be no larger than 5 acres. The composting process we are proposing to use would be as follows: An organic amendment composed of straw, wood chips and animal manure would be mixed with the hydrocarbon stained soil at a ratio of one part organic amendment to four parts hydrocarbon stained soil. Then the carbon/nitrogen ratio of the mix will be adjusted to 30:1 by mixing in cotton seed meal, or other organic nitrogen. The moisture content will be adjusted to 25%, then the mix will be manicured into a biopile large enough to accommodate the material, a trench will then be excavated along the top of the biopile and indigenous microbes will applied at a rate of 2 gallons per cubic yard of material. The bioplie will be confined by an earthen berm two feet high to prevent runoff and/or cross contamination. The temperature of the biopile will be monitored. The bioplie will be turned as needed with a wheeled mounted loader or excavator to prevent the pile from overheating and to provide air/oxygen. After the material has been remediated to a point that an EPA certified lab determines that the material has reached acceptable levels, the documentation will be provided to the NMOCD, and if approved the material will be placed into a clean stockpile for reuse. If you need additional information you may reach me at: 970-254-1641 office, or 970-640-1608 cell phone.
Thanks in advance.

Sincerely

James (Jake) Hatcher
Manager JFJ Landfarm L.L.C.

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

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-137
Revised March 17, 1999

Submit Original Plus 1
Copy to Santa Fe
1 Copy Appropriate
District Office

APPLICATION FOR WASTE MANAGEMENT FACILITY

(Refer to the OCD Guidelines for assistance in completing the application)

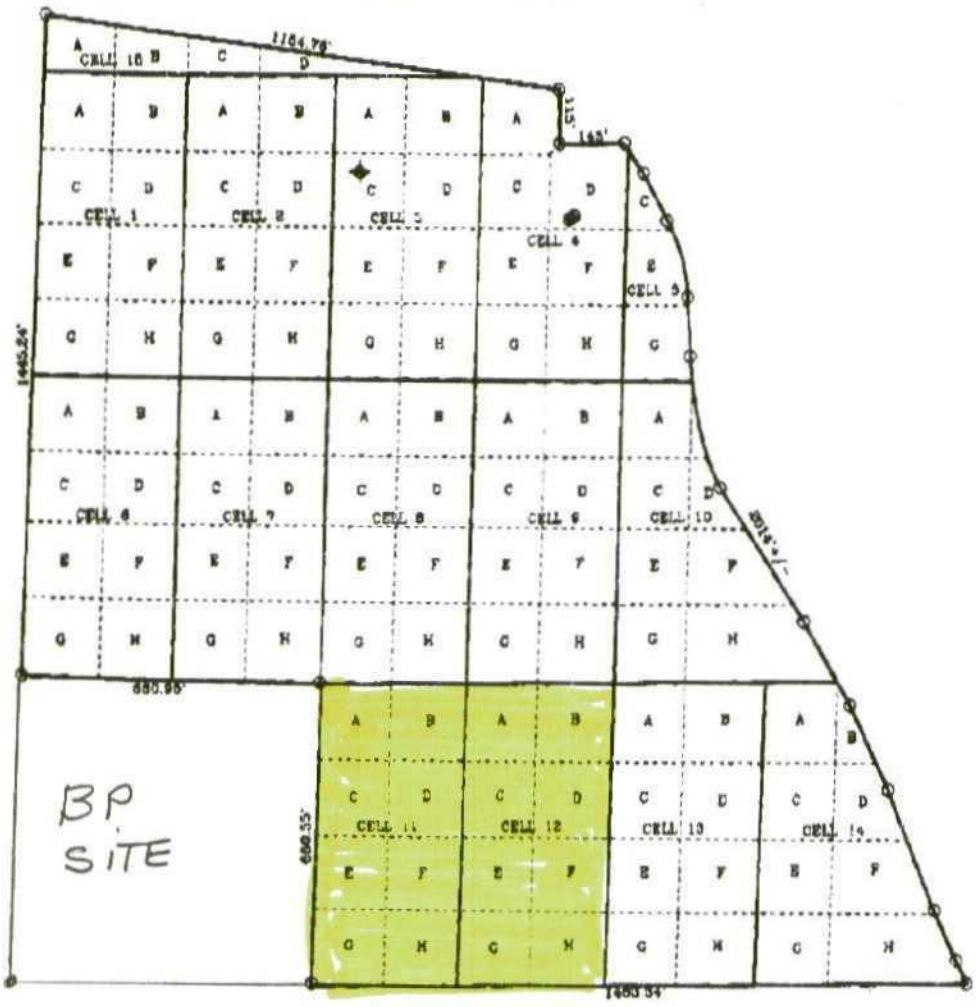
☒ Commercial ☐ Centralized

1. Type: ☐ Evaporation ☐ Injection ☐ Other
   ☒ Solids/Landfarm ☐ Treating Plant
2. Operator: JFJ Landfarm L.L.C.
   Address: P.O. Box 2043, Farmington N.M. 87499
   Contact Person: James Hatcher Phone: 505-632-1782
3. Location: NW /4 SE /4 Section 2 Township 29N Range 12W
   Submit large scale topographic map showing exact location
4. Is this a modification of an existing facility? ☒ Yes ☐ No
5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site.
6. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.
7. Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities.
8. Attach a contingency plan for reporting and clean-up for spills or releases.
9. Attach a routine inspection and maintenance plan to ensure permit compliance.
10. Attach a closure plan.
11. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact groundwater. Depth to and quality of ground water must be included.
12. Attach proof that the notice requirements of OCD Rule 711 have been met.
13. Attach a contingency plan in the event of a release of H_2S.
14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders.
15. CERTIFICATION
    I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: James Hatcher Title: Manager/Agent

Signature: James Hatcher Date: September 16, 2002

66.14 +/- ACRES



LEGEND

- Active Gas Well
- PxA Gas Well

N

0 500 1000 Feet

JFJ LANDFARM FACILITY			BLAGG ENGINEERING, INC.
DATE: 8/2002	FIGURE 3	BY JCB	P.O. BOX 87, BLOOMFIELD, NM PHONE: (505)632-1199

Industrial Ecosystems Inc.
P.O. Box 2043
Farmington New Mexico
87499

(505) 632 1782 Office
(505) 632 1876 Fax
Cell 970-640-1608

Date 8/27/02

To: Ms Martyne Kieling

From, James (Jake) Hatcher

REF: JFJ Landfarm L.L.C. NMOCD Permit No. NM-01-0010B

Ms Kieling:

Please review the following page. This is the proposed format for the signs marking all gates at the JFJ Landfarm Site located on Crouch Mesa, if this meets your approval please let us know and we will proceed with acquiring and posting the signs on all gates. Thanks

James (Jake) Hatcher
(970) 640-1608 Cell phone

Operated by:

Industrial Ecosystems Inc.

P.O. Box 2043
Farmington N.M. 87499
(505) 632-1782 office

Crouch Mesa Soil Reclamation Center
NMOCD Permit No. NM-01-0010B, JFJ Landfarm L.L.C

NW/4 SE/4, Sec. 2, Township 29 North, Range 12 W, NMPM

In case of emergency please call (505) 632-1782 or
Aaron Maurer @ (505) 860-7728-mobile, (505) 564-3628-home

OK
8-27-02

TIERRA ENVIRONMENTAL COMPANY, INC.

July 22, 2002

Roger Anderson, Bureau Chief
Environmental Bureau
New Mexico Oil Conservation Division
1220 St. Francis Drive
Santa Fe, New Mexico 87505

RE: TRANSFER OF THE TIERRA CROUCH MESA LANDFARM PERMIT NM-01-0010. NW ¼, SE ¼, Section 2, Township 29 North, Range 12 West, NMPM.

Dear Mr. Anderson:

As you are aware, Tierra Environmental Co., Inc. (TECI) is in the process of selling approximately sixty-six (66) acres of our permitted landfarm facility, identified above to JFJ Landfarm a New Mexico Corporation to be operated by Industrial Eco Systems a Utah Corporation.

It is TECI's intention to have the landfarm permit transferred to JFJ covering the 66 acres identified by the most recent survey which according to Kevin Conner JFJ's attorney is already in your possession. It is further TECI's intention to begin closure of the remaining 17 plus acres also covered under the present OCD permit on the effective date of the real estate closing. That tentative date is July 31, 2002. Closure of the 17 plus acres will be in accordance with the provisions of the permit and with all OCD rules in effect at the time.

If you have any questions or need additional information, please give me a call.

Sincerely,

Phillip C. Nobis
President

P.O. Box 1812
Bloomfield, New Mexico 87413

Phone: 505-632-3005
Fax: 505-632-2815
Email: InStreem@technet.nm.net

SEIGFREID, BINGHAM, LEVY, SELZER & GEE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
911 MAIN STREET
SUITE 2800
KANSAS CITY, MISSOURI 64105
816 421-4460
FACSIMILE 816 474-3447

JAMES T. SEIGFREID
LARRY J. BINGHAM
ALLAN W. STOPPERAN
GARY J. BROUILLETTE
GORDON D. GEE
ROBERT C. LEVY
KENNETH W. SPAIN
GARY V. FULGHUM
DUANE J. FOX
JACK R. SELZER
FRED BELLEMERE, III
MARK H. GILGUS
MARK R. THOMPSON
LYNNE C. KAISER
PAUL G. SCHEPERS
CINDY A. McCLANNAHAN
ROBERT J. BJERG
JAMES C. TILDEN
GREGORY S. GERSTNER
LORI A. BEAM
KEVIN M. CONNOR

DAVID E. SHAY
STEPHEN M. KYLE
RACHEL H. BAKER
TIMOTHY J. FISHER
DOUGLAS K. ANNING
ROD L. EISENHAUER
LANCE J. FORMWALT
JOHN M. NEYENS
KARLA KERSCHEN SHEPARD
ANDREA GOULD McCARTHY
JANE L. WILLIAMS
RYAN T. SHASSERRE
JOHN R. WALTER

ROBERT J. MANN
H. BOONE PORTER, III
OF COUNSEL

WILLIAM J. BURRELL
1921-1994

DIRECT: 816-265-4168
E-MAIL: KEVINC@SBLSG.COM

July 18, 2002

VIA FACSIMILE #505-476-3462
AND FIRST CLASS MAIL

State of New Mexico
Energy, Minerals and Natural Resources Department
2040 S. Pacheco
Santa Fe, NM 87505

Attention: Mr. Roger Anderson
Environmental Bureau Chief

RE: OCD RULE 711 PERMIT APPROVAL NM-01-0010
TIERRA ENVIRONMENTAL COMPANY, INC.
COMMERCIAL SURFACE WASTE MANAGEMENT FACILITY
NW/4 SE/4, SECTION 2, TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO (THE "PERMIT")

Dear Mr. Anderson:

The purpose of this letter is to provide the information necessary to arrange for the assignment of the Permit on July 31, 2002 from its current owner, Tierra Environmental Company, Inc. ("Tierra") to JFJ Landfarm, L.L.C., a New Mexico limited liability company ("JFJ"). My prior correspondence of July 10, 2002 explained that JFJ will be purchasing approximately 66 acres from Tierra and will be leasing the property to Industrial Ecosystems, Inc., a Utah corporation ("IECS"), which will operate the landfarm in accordance with the Permit. At closing, Tierra will notify you in writing that they will be starting closure procedures on the remainder of the permitted property (approximately 17.74 acres to the north).

You mentioned that on July 31, 2002 the Permit will essentially be split into an "A Tract" and a "B Tract" along the lines of the Exemption Survey I previously furnished to you. Tierra will retain Tract A and continue the financial assurances for Tract A during its clean-up work. Once Tract A is cleaned up and closed to OCD satisfaction, the financial assurances will be released and Tract A will be eliminated from the Permit.

SEIGFREID, BINGHAM, LEVY, SELZER & GEE

Tract B is being conveyed to JFJ on July 31, 2002. JFJ will post financial assurances for Tract B in the amount of the statutory minimum $25,000. JFJ will enter its lease with IECS and IECS will manage the landfarm in accordance with the Permit. OCD will communicate with IECS as JFJ's agent for operation of Tract B.

To effect the understandings mentioned above, please find enclosed drafts of a letter from JFJ and IECS acknowledging a complete copy of the Permit, agreeing to abide by the permit in the operation of the facility, agreeing to post appropriate financial assurances, all of which shall be done in the name of "JFJ Crouch Mesa Landfarm". Also enclosed is a draft of JFJ's notice of appointment of IECS as its agent for operation of the landfarm. Let us know if these drafts are sufficient and they will be signed for closing.

Please call me at your earliest convenience with questions or concerns, or if you need anything further to approve transfer of the Permit. Thanks for your help in this regard.

Sincerely,

Kevin M. Connor

KMC:cle
Enclosure
cc: Phil Nobis (via fax)
John Crowe (via fax)

280860v1

JFJ LANDFARM, L.L.C.

401 S. LaSalle, Suite 600, Chicago, IL 60605

phone: (312) 786-5961
FAX: (312) 786-5963

July 31, 2002

State of New Mexico
Energy, Minerals and Natural Resources Department
2040 S. Pacheco
Santa Fe, NM 87505

Attention: Mr. Roger Anderson
Environmental Bureau Chief

RE: **OCD RULE 711 PERMIT APPROVAL NM-01-0010**
TIERRA ENVIRONMENTAL COMPANY, INC.
COMMERCIAL SURFACE WASTE MANAGEMENT FACILITY
NW/4 SE/4, SECTION 2, TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO
(THE "PERMIT")

Dear Mr. Anderson:

The undersigned persons, on behalf of JFJ Landfarm, L.L.C., a New Mexico limited liability company ("JFJ") and Industrial Ecosystems, Inc., a Utah corporation ("IECS"), provide this notice to facilitate transfer of the referenced Permit from Tierra Environmental, Inc. ("Tierra") to JFJ. JFJ is the new owner of the facility and IECS is the new operator.

First, both JFJ and IECS have received a complete copy of the Permit, have had the opportunity to review it, and understand it well. Both companies agree to abide by the Permit in both the ownership and the operation of the remediation facilities located thereon. The parties agree to post the financial assurances required by the Regulations prior to the start of operations.

The name of the facility shall be "JFJ Crouch Mesa Landfarm".

Please contact either company with questions or comments.

Sincerely,

JFJ LANDFARM, L.L.C. (OWNER)

By: _____
John J. Kiely, Manager

INDUSTRIAL ECOSYSTEMS, INC. (OPERATOR)

By: _____
John J. Kiely, President

JFJ LANDFARM, L.L.C.

401 S. LaSalle, Suite 600, Chicago, IL 60605

phone: (312) 786-5961
FAX: (312) 786-5963

July 31, 2002

State of New Mexico
Energy, Minerals and Natural Resources Department
2040 S. Pacheco
Santa Fe, NM 87505

Attention: Mr. Roger Anderson
Environmental Bureau Chief

RE: **OCD RULE 711 PERMIT APPROVAL NM-01-0010**
TIERRA ENVIRONMENTAL COMPANY, INC.
COMMERCIAL SURFACE WASTE MANAGEMENT FACILITY
NW/4 SE/4, SECTION 2, TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO
(THE "PERMIT")

Dear Mr. Anderson:

This letter will serve as JFJ's notice of appointment of Industrial Ecosystems, Inc., a Utah corporation ("IECS"), as its agent to operate the JFJ Crouch Mesa Landfarm on the approximate 66 acres located in the Southeast Quarter of Section 2, T 29N, R 12W, NMPM in San Juan County, New Mexico in accordance with the referenced Permit effective immediately.

Call me with questions or comments.

Sincerely,

JFJ LANDFARM, L.L.C.

By: _____
John J. Kiely
Manager

SEIGFREID, BINGHAM, LEVY, SELZER & GEE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
2800 COMMERCE TOWER
911 MAIN STREET
KANSAS CITY, MISSOURI 64105
816 421-4460
FACSIMILE 816 474-3447

DIRECT: 816-265-4168
E-MAIL: KEVINC@SBLSG.COM

JAMES T. SEIGFREID
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GORDON D. GEE
ROBERT C. LEVY
KENNETH W. SPAIN
GARY V. FULGHUM
DUANE J. FOX
JACK R. SELZER
FRED BELLEMERE, III
MARK H. GILGUS
MARK R. THOMPSON
LYNNE C. KAISER
PAUL G. SCHEPERS
CINDY A. McCLANNAHAN
ROBERT J. BJERG
JAMES C. TILDEN
GREGORY S. GERSTNER
LORI A. BEAM
KEVIN M. CONNOR

DAVID E. SHAY
STEPHEN M. KYLE
RACHEL H. BAKER
TIMOTHY J. FISHER
DOUGLAS K. ANNING
ROD L. EISENHAUER
R. KEITH DUGGER
LANCE J. FORMWALT
JOHN M. NEYENS
KARLA KERSCHEN SHEPARD
JEFF C. TAUSCHER
ANDREA GOULD McCARTHY
JANE L. WILLIAMS
RYAN T. SHASSERRE

ROBERT J. MANN
H. BOONE PORTER, III
OF COUNSEL

WILLIAM J. BURRELL
1921-1994

FACSIMILE TRANSMITTAL SHEET

TO:	Roger Anderson Environmental Bureau Chief	FAX: 505-476-3462
FROM:	Kevin Connor, Esq.	FAX: (816) 474-3447
DATE:	July 18, 2002	TIME: 5:02 PM Central

NUMBER OF PAGES (INCLUDING THIS COVER SHEET): 5

RE: OCD RULE 711 PERMIT APPROVAL NM-01-0010

If you do not receive all pages please call Cheri at 816-421-4460.

Kieling, Martyne

From: Kieling, Martyne
Sent: Monday, August 05, 2002 12:07 PM
To: 'kevinc@sblsg.com'
Cc: Anderson, Roger; 'pcn@tehnet.nm.net'
Subject: Tierra Landfarm to JFJ Landfarm LLC

Kevin M. Connor:

The New Mexico Oil Conservation Division (OCD) has received your July 10, 2002 letter and the $25,000 Cash Bond for JFJ Landfarm LLC. According to the New Mexico Public Regulation Commission, JFJ Landfarm LLC is authorized to do business in the State of New Mexico. The $25,000 cash bond submitted has been reviewed by our attorney and is in order and approvable. The OCD is granting JFJ Landfarm LLC temporary authorization to conduct business. A letter authorizing the permit transfer should be signed on Monday August 12, 2002.

Please contact us if you have any questions.

Martyne J. Kieling

Martyne J. Kieling
Environmental Geologist

Kieling, Martyne

From: Connor, Kevin M. [kevinc@seigfreid-bingham.com]
Sent: Tuesday, August 06, 2002 8:47 AM
To: 'Kieling, Martyne'
Cc: Phil Nobis (E-mail); Jake Hatcher (E-mail); John Crowe (E-mail); Edlin, Cheri L.
Subject: RE: Tierra Landfarm to JFJ Landfarm LLC

Thanks Martyne: We await a copy of the letter by fax to us at 816-474-3447. Sincerely,Kevin Connor

-----Original Message-----
From: Kieling, Martyne [mailto:MKieling@state.nm.us]
Sent: Monday, August 05, 2002 2:07 PM
To: 'kevinc@sblsg.com'
Cc: Anderson, Roger; 'pcn@tehnet.nm.net'
Subject: Tierra Landfarm to JFJ Landfarm LLC

Kevin M. Connor:

The New Mexico Oil Conservation Division (OCD) has received your July 10, 2002 letter and the $25,000 Cash Bond for JFJ Landfarm LLC. According to the New Mexico Public Regulation Commission, JFJ Landfarm LLC is authorized to do business in the State of New Mexico. The $25,000 cash bond submitted has been reviewed by our attorney and is in order and approvable. The OCD is granting JFJ Landfarm LLC temporary authorization to conduct business. A letter authorizing the permit transfer should be signed on Monday August 12, 2002.

Please contact us if you have any questions.

Martyne J. Kieling
Martyne J. Kieling
Environmental Geologist

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H. BOONE PORTER, III
OF COUNSEL

WILLIAM J. BURRELL
1921-1994

DIRECT: 816-265-4168
E-MAIL: KEVINC@SBLSG.COM

July 10, 2002

VIA FACSIMILE #505-476-3462
AND FIRST CLASS MAIL

State of New Mexico
Energy, Minerals and Natural Resources Department
2040 S. Pacheco
Santa Fe, NM 87505

Attention: Mr. Roger Anderson
Environmental Bureau Chief

RE: OCD RULE 711 PERMIT APPROVAL NM-01-0010
TIERRA ENVIRONMENTAL COMPANY, INC.
COMMERCIAL SURFACE WASTE MANAGEMENT FACILITY
NW/4 SE/4, SECTION 2, TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO (THE "PERMIT")

Dear Mr. Anderson:

I represent JFJ Landfarm L.L.C., a New Mexico limited liability company ("JFJ"), which has a contract to purchase approximately 66 of 84 acres constituting Tierra Environmental Company, Inc.'s landfarm in San Juan County, New Mexico. I have enclosed a copy of the updated survey reflecting "Lot 2" which is the property being purchased by JFJ.

JFJ desires to acquire the referenced Permit and the rights to operate the landfarm on the same terms that Tierra currently operates the property under the Permit.

The structure of the acquisition is as follows: JFJ will be purchasing the real estate and leasing it to Industrial Ecosystems, Inc. ("IECS"), which is the same company that operates the BP/Amoco landfarm adjacent to the Tierra landfarm on the southwest corner. A copy of the proposed lease is enclosed for your reference. Basically, IECS will have the rights and responsibilities to manage the landfarm at its discretion for one year with two (2) one-year renewal options. The lease term extends beyond the term of the permit giving both parties the flexibility to renew the

permit subject to OCD approval prior to termination of lease. IECS also has options in the lease to purchase landfarm.

If anything needs to be added to the lease, please let me know and we can make the amendments prior to signing. The structure is important because IECS does not have immediately available funds to purchase the landfarm from Tierra. JFJ is an indirectly related party with a stronger balance sheet and the ability to borrow funds sufficient to purchase the property.

We know it is important to keep the name "Tierra Crouch Mesa Landfarm" to avoid public hearings for approval for assignment of the Permit, so we intend to keep the same name. We note that the Permit allows the application of microbes (bugs) only after prior approval from OCD. Microbes are essential to IECS' operations, so buyer would want to secure such approval at closing. Of course, either JFJ or IECS can provide the financial assurances required to operate the site. Further, for your information, it is our understanding that Tierra will be relinquishing its permit on the remaining 17 acres north of the property being sold at closing.

Obviously, it is vital to JFJ to secure the operating privileges afforded by the Permit. In fact, closing is subject to transfer of the Permit. Please assist us by providing the requirements and criteria for transfer of the Permit. Could you also make us aware of any other regulatory permit of which you are aware that will need to be secured for JFJ to own and IECS to operate the facility.

Thanks for your help in this regard. I look forward to your call.

Sincerely,

Kevin M. Connor

KMC:cle
Enclosure
cc: Phil Nobis (via fax)
John Crowe (via fax)