

1R - 431

# REPORTS

DATE:

7/26/2005



# Highlander Environmental Corp.

Midland, Texas

July 26, 2005

Mr. Ed Martin  
New Mexico Energy, Minerals, & Natural Resources  
Oil Conservation Division, Environmental Bureau  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505

**Re: Sidewall Excavation and Sampling Results for the Gruy Petroleum Management Company, Riddle State #1 Well, Located in Unit Letter B, Section 1, Township 22 South, Range 34 East, Lea County New Mexico.**

RECEIVED  
OIL CONSERVATION DIVISION  
MIDLAND, TEXAS  
1R-431

30-025-36232

Dear Mr. Martin:

Highlander Environmental Corp. (Highlander) was contacted by Gruy Petroleum Management to investigate an open reserve pit at the Riddle State #1 well in Lea County, New Mexico (Site), located in Unit Letter B, Section 1, Township 22 South, Range 34 East. As requested in Item 2 of your June 17, 2005, work plan approval letter, excavation of the sidewalls and sampling was performed on the resulting stockpiles.

## Excavation

On July 18, 2005, the sidewalls of the reserve pit and trench area were excavated and the material stockpiled inside the pit area. The material was segregated into seven stockpiles and composite soil samples were collected. Soil samples were analyzed for chloride by method EPA 300.0. Copies of laboratory analyses and chain-of-custody documentation are included in Appendix A. The location of the stock piles and sample locations are shown on Figure 1. The sample results show that chloride concentrations in three of the stockpiles are above 100 mg/kg. Those are Stockpiles SP-2 with 1130 mg/kg, SP-4 with 1160 mg/kg and SP-5 with 374 mg/kg. The remaining samples have chloride concentrations ranging from a low of 44.8 mg/kg to a high of 92.2 mg/kg.

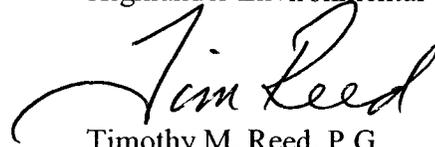
## Proposed Action

1. The three stockpiles with elevated chloride concentrations will be spread over the bottom of the reserve pit that is to be covered with the 40 mil liner. This material is very sandy and will be good bedding material under the liner.
2. The remaining stockpiles will be used for backfill material after the liner is in place.

3. The recovery well will be drilled and equipped upon completion of the backfill and recontouring of the reserve pit area.
4. The temporary monitor well was plugged by EPI on May 13, 2005. A copy of the email plugging report that was sent to you by EPI is also included in Appendix A.

If you have any question or comments concerning the sampling or proposed activities please call me at (432) 682-4559.

Respectfully submitted,  
Highlander Environmental Corp.

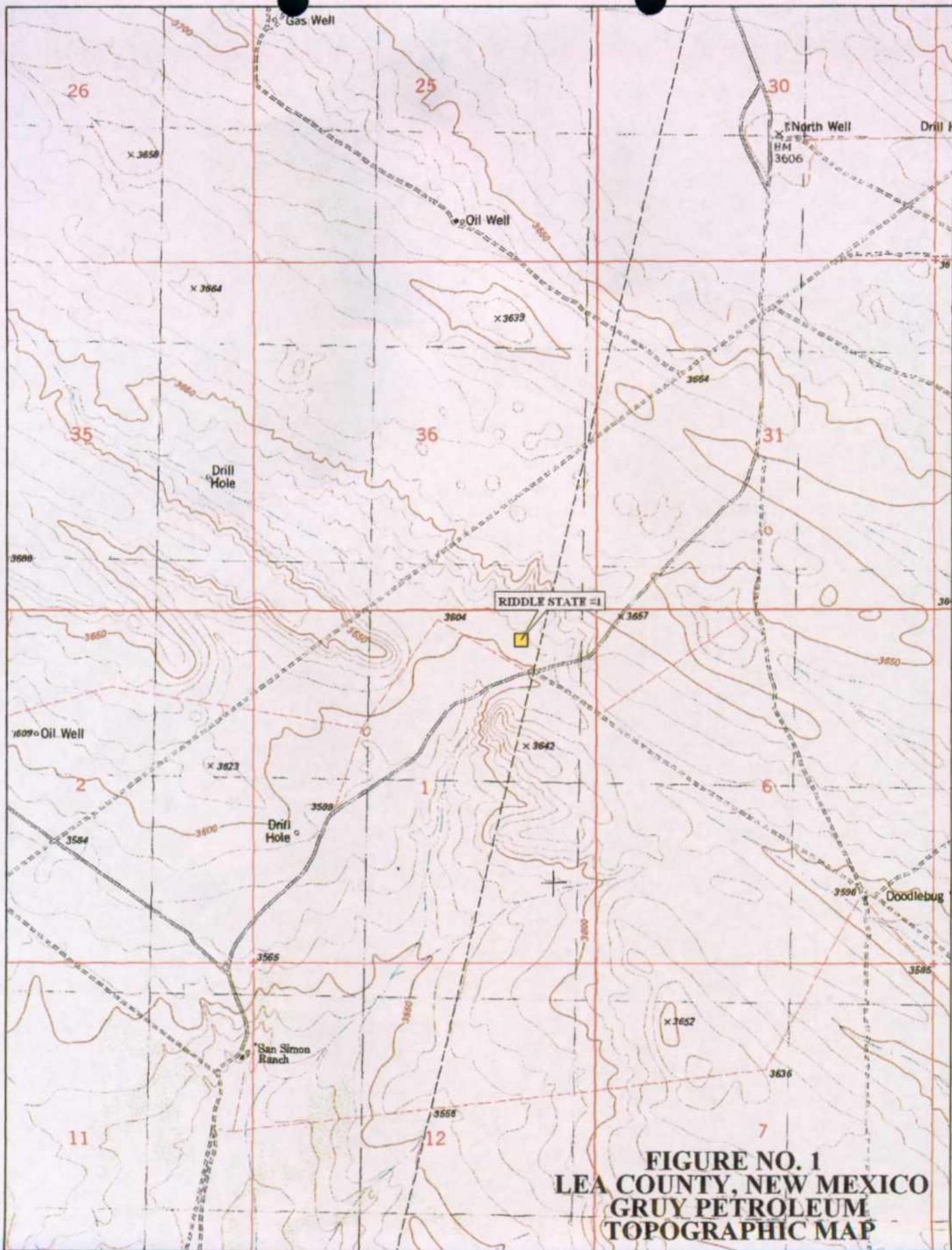


Timothy M. Reed, P.G.  
Vice President

cc: Larry Johnson – NMOCD, Hobbs, NM  
Bob Jennings – Gruy  
Randy Ray - Gruy



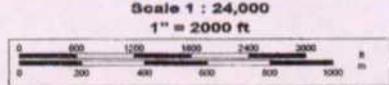
**FIGURES**

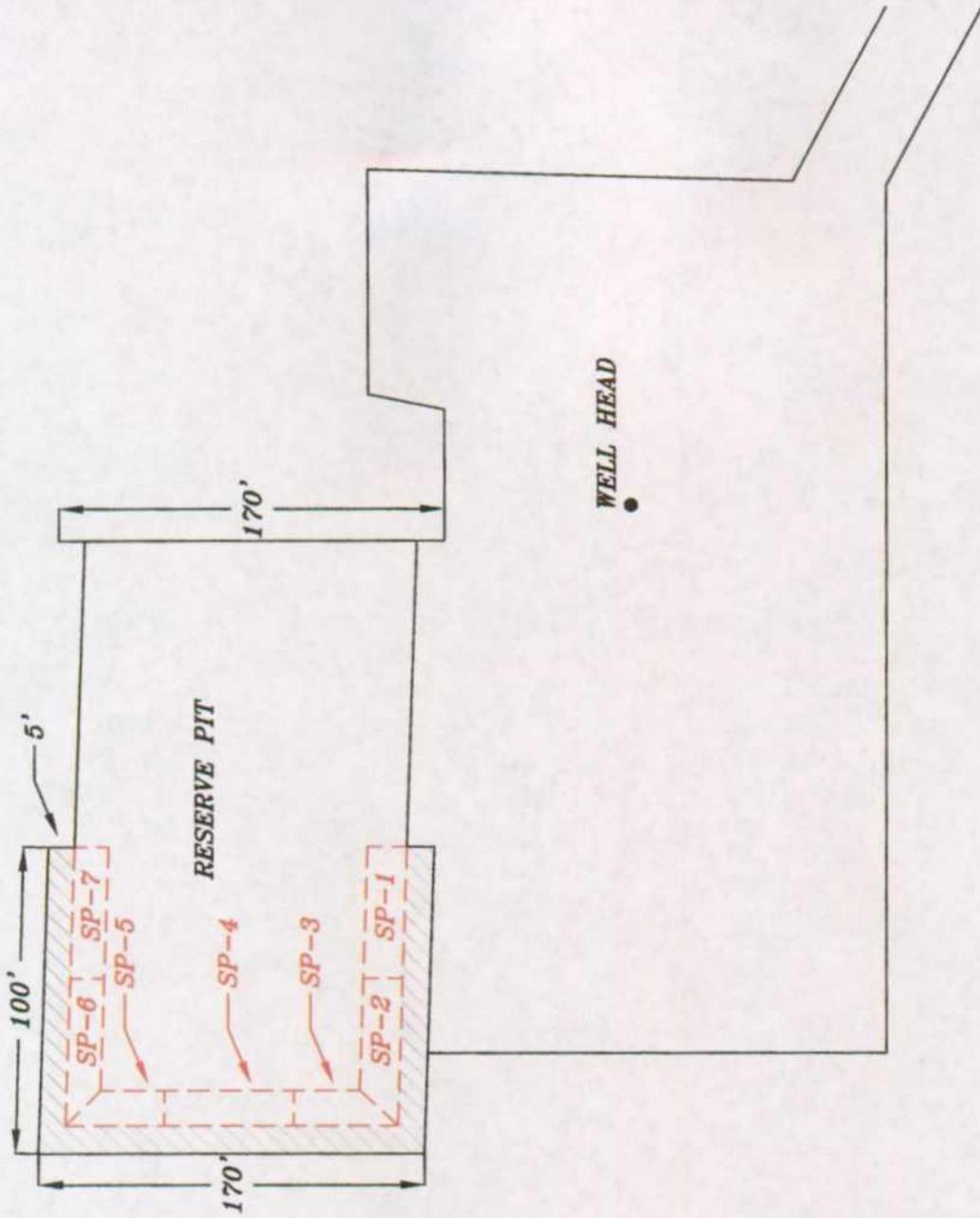


**FIGURE NO. 1  
LEA COUNTY, NEW MEXICO  
GRUY PETROLEUM  
TOPOGRAPHIC MAP**



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www.delorme.com





-  SOIL STOCK PILES
-  ADDITIONAL EXCAVATION

FIGURE NO. 2

LEA COUNTY, NEW MEXICO

GRUY PETROLEUM  
RIDDLE STATE #1  
ADDITIONAL EXCAVATION & STOCK PILE  
HIGHLANDER ENVIRONMENTAL CORP.  
MIDLAND, TEXAS

DATE: 7/26/05  
OWN. BY: JJ  
FILE: 04/04/05/05  
SCALE: 1" = 40'

NOT TO SCALE

PHOTOGRAPHS

**PHOTOGRAPHIC DOCUMENTATION**

Gruy Petroleum Management Company

Riddle State #1 Well

Lea County, New Mexico



1. Stock Piles 1 & 2.



2. Stock Piles 3, 4 & 5.

**PHOTOGRAPHIC DOCUMENTATION**

Gruy Petroleum Management Company

Riddle State #1 Well

Lea County, New Mexico



3. All stock piles after digging sidewalls.

APPENDIX A

**Gary Miller**

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**From:** ENVIPLUS1@aol.com  
**Sent:** Thursday, June 23, 2005 10:08 AM  
**To:** emartin@state.nm.us  
**Cc:** PSHEELEY@STATE.NM.US; lwjohnson@state.nm.us; Cmmg142@aol.com; IOIness@hotmail.com; GMiller@HEC-Enviro.com  
**Subject:** Gruy Petroleum Riddle State #1 Temporary Monitoring Well P&A

Mr. Martin,

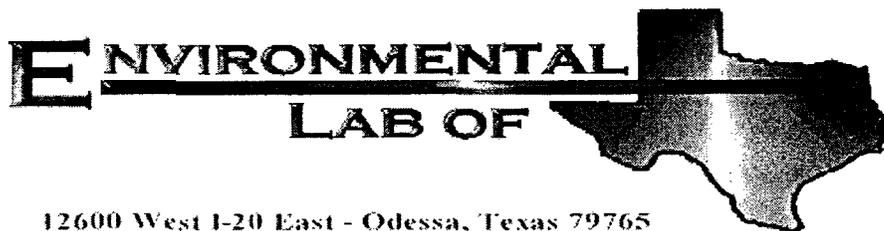
**Re:** Gruy Petroleum Riddle State #1  
UL-B Section 1, T22S, R34E  
Lea County NM

Environmental Plus, Inc. (EPI) installed the temporary monitoring well during initial delineation of the site. The well was not completed as a permanent monitoring well. Highlander Environmental subsequently took control of the site and requested that EPI plug the well. On May 13, 2005, EPI pulled the 2-inch diameter PVC tubing and screen and plugged the cavity to the surface with 12 sacks of bentonite hydrated with fresh water.

Sincerely,

Pat McCasland  
Environmental Plus, Inc.  
P.O. Box 1558  
2100 West Avenue O  
Eunice, New Mexico 88231  
Office: 505.394.3481  
Mobile: 505.390.7864  
FAX: 505.394.2601

7/26/2005



12600 West I-20 East - Odessa, Texas 79765

## Analytical Report

Prepared for:

Gary Miller

Highlander Environmental Corp.

1910 N. Big Spring St.

Midland, TX 79705

Project: Gruy Petroleum- Riddle Pit

Project Number: 2321

Location: None Given

Lab Order Number: 5G19009

Report Date: 07/26/05

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum- Riddle Pit  
Project Number: 2321  
Project Manager: Gary Miller

Fax: (432) 682-3946

Reported:  
07/26/05 10:58

**ANALYTICAL REPORT FOR SAMPLES**

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
Stockpile (SP-6)	5G19009-08	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-5)	5G19009-09	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-4)	5G19009-10	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-3)	5G19009-11	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-2)	5G19009-12	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-1)	5G19009-13	Soil	07/18/05 00:00	07/19/05 15:50
Stockpile (SP-7)	5G19009-14	Soil	07/18/05 00:00	07/19/05 15:50

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum- Riddle Pit  
Project Number: 2321  
Project Manager: Gary Miller

Fax: (432) 682-3946

Reported:  
07/26/05 10:58

**General Chemistry Parameters by EPA / Standard Methods**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>Stockpile (SP-6) (5G19009-08) Soil</b>									
Chloride	374	5.00	mg/kg	10	EG52508	07/22/05	07/22/05	EPA 300.0	
<b>Stockpile (SP-5) (5G19009-09) Soil</b>									
Chloride	1160	20.0	mg/kg	40	EG52508	07/22/05	07/22/05	EPA 300.0	
<b>Stockpile (SP-4) (5G19009-10) Soil</b>									
Chloride	92.2	5.00	mg/kg	10	EG52508	07/22/05	07/22/05	EPA 300.0	
<b>Stockpile (SP-3) (5G19009-11) Soil</b>									
Chloride	54.7	5.00	mg/kg	10	EG52508	07/22/05	07/22/05	EPA 300.0	
<b>Stockpile (SP-2) (5G19009-12) Soil</b>									
Chloride	1130	20.0	mg/kg	40	EG52508	07/22/05	07/22/05	EPA 300.0	
<b>Stockpile (SP-1) (5G19009-13) Soil</b>									
Chloride	84.0	5.00	mg/kg	10	EG52508	07/22/05	07/22/05	EPA 300.0	
<b>Stockpile (SP-7) (5G19009-14) Soil</b>									
Chloride	63.9	5.00	mg/kg	10	EG52508	07/22/05	07/22/05	EPA 300.0	

Environmental Lab of Texas

*The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.*

Page 2 of 4

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum- Riddle Pit  
Project Number: 2321  
Project Manager: Gary Miller

Fax: (432) 682-3946

Reported:  
07/26/05 10:58

**General Chemistry Parameters by EPA / Standard Methods - Quality Control**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
<b>Batch EG52508 - Water Extraction</b>										
<b>Blank (EG52508-BLK1)</b> Prepared & Analyzed: 07/22/05										
Chloride	ND	0.500	mg/kg							
<b>LCS (EG52508-BS1)</b> Prepared & Analyzed: 07/22/05										
Chloride	10.9		mg/L	10.0		109	80-120			
<b>Calibration Check (EG52508-CCV1)</b> Prepared & Analyzed: 07/22/05										
Chloride	9.34		mg/L	10.0		93.4	80-120			
<b>Duplicate (EG52508-DUP1)</b> Source: 5G18015-17 Prepared & Analyzed: 07/22/05										
Chloride	1540	25.0	mg/kg		1660			7.50	20	

Environmental Lab of Texas

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Page 3 of 4

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

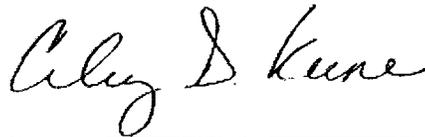
Project: Gruy Petroleum- Riddle Pit  
Project Number: 2321  
Project Manager: Gary Miller

Fax: (432) 682-3946

Reported:  
07/26/05 10:58

### Notes and Definitions

DET Analyte DETECTED  
ND Analyte NOT DETECTED at or above the reporting limit  
NR Not Reported  
dry Sample results reported on a dry weight basis  
RPD Relative Percent Difference  
LCS Laboratory Control Spike  
MS Matrix Spike  
Dup Duplicate



Report Approved By: \_\_\_\_\_

Date: \_\_\_\_\_

7/26/2005

Raland K. Tuttle, Lab Manager  
Caley D. Keene, Lab Director, Org. Tech Director  
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director  
James L. Hawkins, Chemist/Geologist  
Sandra Sanchez, Lab Tech.

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas

*The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.*

Page 4 of 4

# Analysis Request and Chain of Custody Record

## HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.  
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: Gary Petro SITE MANAGER: G. Miller

PROJECT NO.: 2321 PROJECT NAME: Riddle Pit

SAMPLE IDENTIFICATION

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMPL.	GRAB	NUMBER OF CONTAINERS	FILTERED (Y/N)	PRESERVATIVE METHOD						
								HCL	HNO3	ICE	NONE			
50751009	7-18-05			X		1					X			
-09				X		1					X			
-10				X		1					X			
-11				X		1					X			
-12				X		1					X			
-13				X		1					X			
-14				X		1					X			

RELINQUISHED BY: (Signature) <u>G. Miller</u>	Date: <u>7-18-05</u> Time: <u>3:50</u>	RECEIVED BY: (Signature)	Date: <u>7-18-05</u> Time: <u>3:50</u>
RELINQUISHED BY: (Signature)	Date: _____ Time: _____	RECEIVED BY: (Signature)	Date: _____ Time: _____
RELINQUISHED BY: (Signature)	Date: _____ Time: _____	RECEIVED BY: (Signature)	Date: _____ Time: _____
RECEIVING LABORATORY: <u>ELIOT</u>	STATE: _____	RECEIVED BY: (Signature) <u>Gary Petro</u>	Date: <u>7/18/05</u> Time: <u>3:50</u>

RECEIVING LABORATORY ADDRESS: \_\_\_\_\_ CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

DATE: 7/18/05 TIME: 3:50

SAMPLE CONDITION WHEN RECEIVED: \_\_\_\_\_

MATRIX: N-Water 4-Air SD-Solid S-Soil SD-Sludge O-Other

REMARKS: APPX W/ GEAR LABELS BOV

ANALYSIS REQUEST (Circle or Specify Method No.)

PCRA Metals Ag As Ba Cd Cr Pb Hg Se	
TCF Metals Ag As Ba Cd Cr Pb Hg Se	
TCF Volatiles	
TCF Semi Volatiles	
ECI	
GCMS Vol B340/B350/B34	
GCMS Semi Vol B270/B25	
PCB's B080/B08	
Post B08/B08	
BOD, TSS, pH, TDS, Chloride	X
Gamma Spec	
Alpha Beta (Air)	
PM (Asbestos)	

DATE: \_\_\_\_\_ TIME: \_\_\_\_\_

SAMPLE SHIPPED BY: (Circle) FEDEX

HAND DELIVERED UTS

HIGHLANDER CONTACT PERSON: Gary Miller

RESULTS BY: FEDEX

RUSH CHARGE AUTHORIZED: Yes

Pg 1 of 1  
6824  
7-26

Please fill out all copies - Laboratory retains yellow copy - Return original copy to Highlander Environmental Corp. - Project Manager retains pink copy - Accounting receives Gold copy.

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

Client: Highlander Env.

Date/Time: 07-19-05 @ 1550

Order #: 5919009

Initials: JMM

**Sample Receipt Checklist**

Temperature of container/cooler?	<input checked="" type="checkbox"/> Yes	No	8.0	C
Shipping container/cooler in good condition?	<input checked="" type="checkbox"/> Yes	No		
Custody Seals intact on shipping container/cooler?	Yes	No	<u>(Not present)</u>	
Custody Seals intact on sample bottles?	<input checked="" type="checkbox"/> Yes	No	Not present	
Chain of custody present?	<input checked="" type="checkbox"/> Yes	No		
Sample Instructions complete on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No	*	
Chain of Custody signed when relinquished and received?	<input checked="" type="checkbox"/> Yes	No		
Chain of custody agrees with sample label(s)	<input checked="" type="checkbox"/> Yes	No		
Container labels legible and intact?	<input checked="" type="checkbox"/> Yes	No		
Sample Matrix and properties same as on chain of custody?	<input checked="" type="checkbox"/> Yes	No		
Samples in proper container/bottle?	<input checked="" type="checkbox"/> Yes	No		
Samples properly preserved?	<input checked="" type="checkbox"/> Yes	No		
Sample bottles intact?	<input checked="" type="checkbox"/> Yes	No		
Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Containers documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Sufficient sample amount for indicated test?	<input checked="" type="checkbox"/> Yes	No		
All samples received within sufficient hold time?	<input checked="" type="checkbox"/> Yes	No		
VOC samples have zero headspace?	Yes	No	<u>Not Applicable</u>	

Other observations:

\* Information not listed for Client Name, Site Manager, Project No. and Project Name.

**Variance Documentation:**

Contact Person: - Gary Miller Date/Time: 07-26-05 @ 0800 Contacted by: Jeanne McMurrah

Regarding:

\*

Corrective Action Taken: as per Gary

Client Name: Gary Petro

Project No: 2321

Project Name: Riddle Pit

Project Manager: Gary Miller



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

June 17, 2005

Mr. Timothy M. Reed, P.G.  
Highlander Environmental Corp.  
1910 N. Big Spring  
Midland, TX 79705

Re: Subsurface Investigation and Work Plan for the  
Gruy Petroleum Management Co. Riddle State #1 Well  
Located in Unit Letter B, Section 1, Township 22 South, Range 34 East  
Lea County, New Mexico  
NMOCD ref. 1R-0431

Dear Mr. Reed:

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed the report referenced above submitted by Highlander Environmental Corp. (Highlander) on behalf of Gruy Petroleum Management Co. (Gruy). The work plan is approved with the following conditions and understandings:

1. The temporary monitor well will be plugged using a slurry containing 3% - 5% bentonite. A report of this activity will be submitted to the NMOCD Santa Fe office upon completion.
2. Composite samples will be taken of the topsoil removed in a 5-foot radius around the western half of the reserve pit prior to using this material as backfill. These samples will be analyzed for chlorides and the results will be submitted to the NMOCD Santa Fe office prior to backfilling operations.
3. The 40-mil synthetic liner will be installed according the specifications set out in the report (figure 5).
4. The NMOCD Santa Fe office will be notified when the recovery well described in the report's "Proposed Work Plan" section has been completed.
5. The three monitor wells, as well as the recovery well will be sampled on a quarterly basis for BTEX and chlorides, and the results will be summarized in annual reports to be submitted to the NMOCD Santa Fe office by April 30th of each year. Such reports will be for the period ended on the previous December 31 and will include cumulative volumes of chloride-impacted groundwater recovered.

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

NEW MEXICO OIL CONSERVATION DIVISION

Edwin E. Martin  
Environmental Bureau

Cc: NMOCD, Hobbs



# Highlander Environmental Corp.

Midland, Texas

May 2, 2005

Mr. Ed Martin  
New Mexico Energy, Minerals, & Natural Resources  
Oil Conservation Division, Environmental Bureau  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505

RECEIVED

MAY 2 2005  
Oil Conservation Division  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505

IR-431

**Re: Subsurface Investigation and Work Plan for the Gruy Petroleum Management Company, Riddle State #1 Well, Located in Unit Letter B, Section 1, Township 22 South, Range 34 East, Lea County New Mexico.**

Dear Mr. Martin:

Highlander Environmental Corp. (Highlander) was contacted by Gruy Petroleum Management to investigate an open reserve pit at the Riddle State #1 well in Lea County, New Mexico (Site) located in Unit Letter B, Section 1, Township 22 South, Range 34 East. The Site is shown on Figure 1.

## Background

This well, originally drilled by Matador, is temporarily abandoned. Prior to the well completion, it was sold to Tom Brown, Inc. and eventually to Gruy. The well was drilled prior to the implementation of the New Mexico Oil Conservation Division (NMOCD) Pit and Below Grade Tank Guidelines, issued November 1, 2004. According to information provided to Highlander, the reserve pit contents were planned to be buried in trenches located on the east and west ends of the reserve pit. In January 2005, Environmental Plus, Inc (EPI) of Eunice, New Mexico installed six hand auger holes and one borehole in and around the reserve pit and trenches. The hand auger holes indicated chloride impact to the west trench and reserve pit area. The borehole was installed outside the southwest end of the reserve pit. The borehole data showed increasing chloride concentrations with depth and was converted to a temporary monitor well (TMW-1). The reported depth to water was 45' below ground surface (bgs). Samples taken from the monitor well indicated chloride impact to the groundwater. The temporary monitor well location is shown on Figure 2.

## Previous Correspondence

EPI submitted a "Written notification of groundwater impact and preliminary groundwater delineation plan", dated January 21, 2005. Three (3) permanent monitor wells were proposed for the site to establish hydraulic gradient and delineate groundwater impact. Soil sampling performed by EPI indicated that the only constituent of concern was chloride, as TPH and BTEX concentrations

were not detected at or above the method detection limits.

### **Regulatory and Groundwater**

A risk-based evaluation was performed for the Site in accordance with the NMOCD Guidelines for Remediation of Leaks, Spills and Releases, dated August 13, 1993. The guidelines require a risk-based evaluation of the site to determine recommended remedial action levels (RRAL) for benzene, toluene, ethylbenzene and xylene (collectively referred to as BTEX) and total petroleum hydrocarbons (TPH) in soil. The proposed RRAL for benzene was determined to be 10 parts per million (ppm) or milligrams per kilogram (mg/kg) and 50 ppm for total BTEX (sum of benzene, toluene, ethylbenzene and xylene). Based on the regional groundwater data, the proposed RRAL for TPH is 100 mg/kg.

### **Pit Remediation**

On March 1-8, 2005, Highlander personnel supervised the removal of the reserve pit contents down to native soil. The reserve pit contents were excavated out of the reserve pit and the east and west trenches by Sweatt Construction Company, Hobbs, New Mexico. A total of 4710 yds<sup>3</sup> of material was removed and hauled to Controlled Recovery, Inc. for disposal. After removal, the depth of the reserve pit was 5' to 8' below ground surface.

### **Borehole Installation and Sampling**

On March 22-23, 2005, a total of eight (8) soil borings were placed in the bottom of the reserve pit and west trench to delineate residual chloride impact to subsurface soils. Soil borings indicated that the pit contents had been removed down to native soils. Soil samples were collected with a split spoon sampler in five foot increments. The boreholes were installed to depths of 37' below the bottom of the reserve pit excavation. Soil samples were analyzed for chloride by method EPA 300.0. Copies of laboratory analyses and chain-of-custody documentation are included in Appendix A. The location of the soil borings are shown on Figure 3. The results of the sampling are summarized in Table 1. Referring to Table 1, chloride impact to subsurface soils appears to be confined to the western end of the reserve pit area. Chloride concentrations from borehole samples in the eastern half of the reserve pit (BH-1 through BH-4), were all well below 100 mg/kg, with most under 50 mg/kg. In the western half of the reserve pit, boreholes BH-5, BH-6 and BH-8, show the greatest impact, with BH-7 indicative of the northwest edge of subsurface impact. The borehole previously placed by EPI, delineated the soil chloride impact to the south of the reserve pit. Copies of the boring logs are included in Appendix A. Borehole locations are shown on Figure 4.

Based on the soils assessment, subsurface chloride impact appears to have migrated to groundwater in the vicinity of boreholes BH-5, BH-6 and BH-8, and appear to be confined to the immediate vicinity of the reserve pit.

### **Monitor Well Installation and Sampling**

On March 24, 2005, three monitor wells (MW-1, MW-2 and MW-3) were installed around the reserve pit. The wells were drilled to depths of 61-62' bgs and completed with 2" PVC screen and casing. According to published data, the groundwater gradient in the vicinity of the site is reportedly south-southwest. One monitor well was placed north of the reserve pit, one was placed



southwest of the well pad and one was placed southeast of the well pad. The monitor well locations are shown on Figure 2.

Following installation, the wells were developed by hand bailing using dedicated hand bailers to remove fine grained sediment, disturbed during drilling, and to ensure collection of representative groundwater samples. Purged water from the wells was taken to a Gruy tank battery north of the site for disposal into the water tank.

On March 30, 2005, Highlander purged three casing volumes from the three monitor wells and the temporary monitor well using a submersible pump. Groundwater samples were collected and analyzed for BTEX by method EPA 8021B and major anion and cations by methods EPA 160.1, 300.0, 310.2M, and 6010B. All samples were delivered to the laboratory under chain of custody control. Prior to sampling, the wells were gauged and inspected for the presence of phase-separated hydrocarbons (PSH). No PSH was encountered in the wells. Using the water level data, a potentiometric surface map was prepared, which indicates a south-southwest hydraulic gradient. The laboratory report and chain of custody are included in Appendix B. The results are summarized in Table 2. The potentiometric surface map is included as Figure 3.

### **Groundwater Sample Results**

Referring to Table 2, no BTEX concentrations were detected at or above the reporting limits for any of the samples. The New Mexico Water Quality Control Commission (WQCC) limit of 250 mg/L chloride was exceeded only in the temporary monitor well, TMW-1, with a chloride concentration of 24,500 mg/L.

### **Conclusions**

1. Soil sampling performed by EPI indicated that the only constituent of concern was chloride, as TPH and BTEX concentrations were not detected at or above the method detection limits.
2. Highlander personnel supervised the removal of the reserve pit contents down to native soil. The reserve pit contents were excavated out of the reserve pit and the east and west trenches by Sweatt Construction Company, Hobbs, New Mexico. A total of 4710 yds<sup>3</sup> of material was removed and hauled to Controlled Recovery, Inc. for disposal. After removal, the depth of the reserve pit was 5' to 8' below ground surface.
3. Based on the soils assessment, subsurface chloride impact appears to have migrated to groundwater in the vicinity of boreholes BH-5, BH-6 and BH-8, and appear to be confined to the immediate vicinity of the western end of the reserve pit area.
4. No BTEX concentrations were detected at or above the reporting limits for any of the groundwater samples. The New Mexico Water Quality Control Commission (WQCC) limit of 250 mg/L chloride was exceeded only in the temporary monitor well, TMW-1, with a chloride concentration of 24,500 mg/L.



RECEIVED

FEB 11 2005

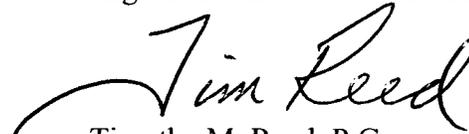
**Proposed Work Plan**

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

1. EPI is scheduling the plugging of the temporary monitor well.
2. Highlander proposes to remove topsoil in a 5' radius around the western half of the reserve pit and place this material into the excavation. The topsoil will serve as bedding material for a 40 mil plastic cap. The plastic will extend to 5' outside the current excavation in order to adequately encapsulate residual chloride impact. The proposed placement of the cap is shown on Figure 5.
3. An Application for Water Exploration/Development was submitted on April 12, 2005 to the New Mexico Commissioner of Public Lands, for a recovery well at this site. The recovery well will be installed off the southwestern edge of the reserve pit on the well pad. The well will be equipped with a low flow recovery pump to remove chloride impacted groundwater. The water will be transferred to an above-ground storage tank for use in drilling operations.
4. The three monitor wells, as well as the recovery well will be sampled on a quarterly basis for BTEX and chloride, with the results submitted annually.

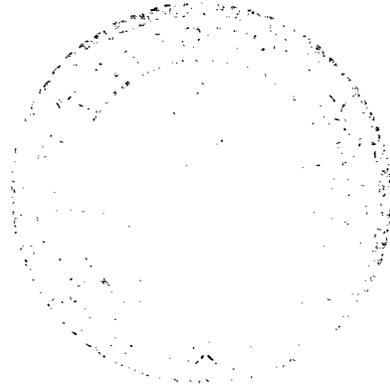
If you have any question or comments concerning the assessment or the activities performed at the Site, please call me at (432) 682-4559.

Respectfully submitted,  
Highlander Environmental Corp.



Timothy M. Reed, P.G.  
Vice President

cc: Larry Johnson – NMOCD, Hobbs, NM  
Bob Jennings – Gruy



TABLES

Table 1, Borehole Samples  
 Gruy Petroleum Management Co.  
 Riddle State #1  
 Lea County, NM

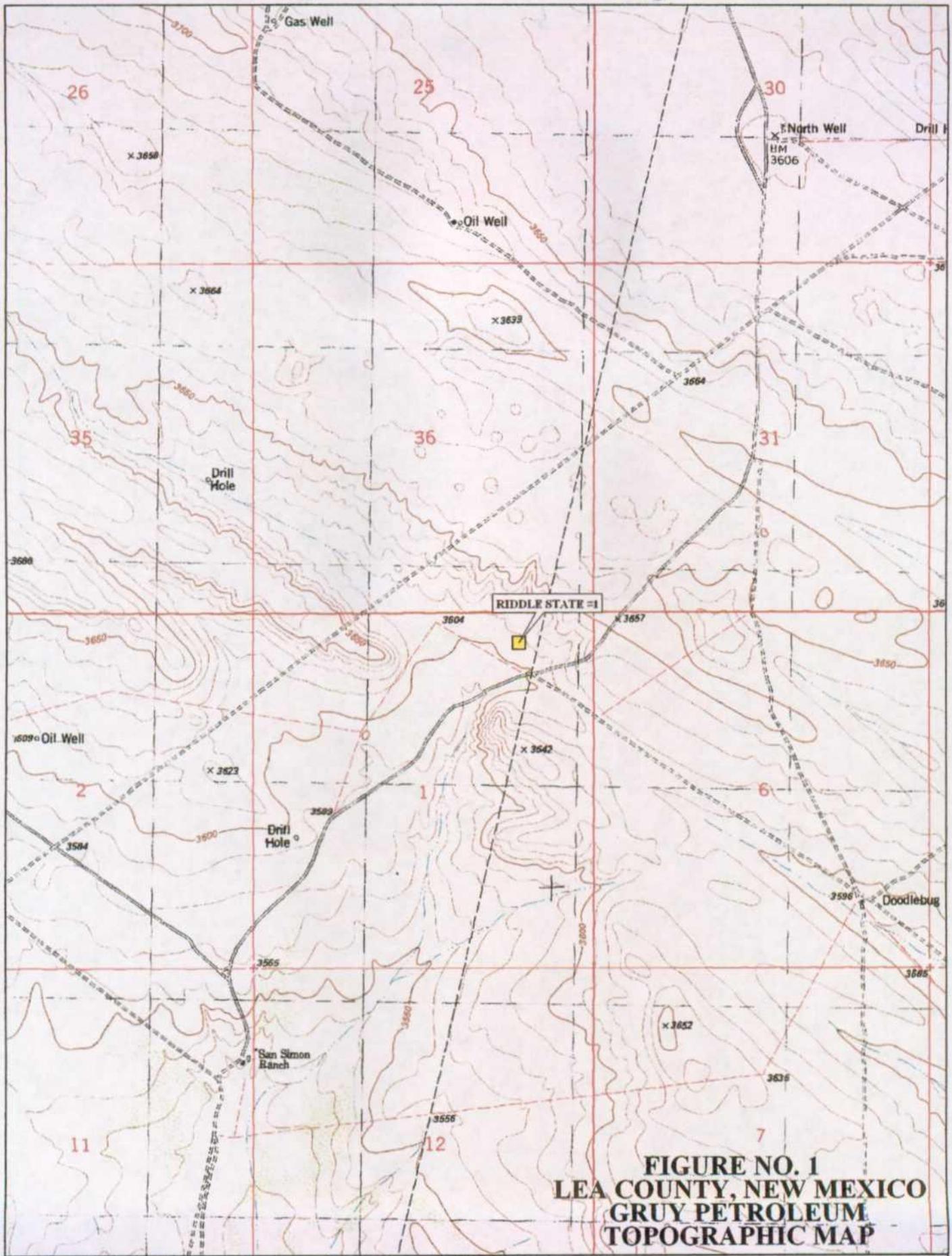
Sample ID	Date Sampled	Sample Depth (ft)	TPH (mg/kg)			Benzene (mg/kg)	Toluene (mg/kg)	Ethylbenzene (mg/kg)	Xylene (mg/kg)	Chloride (mg/kg)
			C6-C12	C12-C35	Total					
BH-1	03/22/05	1'-3'	-	-	-	-	-	-	-	44.3
BH-1	03/22/05	5'-7'	-	-	-	-	-	-	-	26
BH-1	03/22/05	10'-12'	-	-	-	-	-	-	-	27.2
BH-2	03/22/05	1'-3'	-	-	-	-	-	-	-	31.5
BH-2	03/22/05	5'-7'	-	-	-	-	-	-	-	27.2
BH-2	03/22/05	10'-12'	-	-	-	-	-	-	-	24.5
BH-3	03/22/05	1'-3'	-	-	-	-	-	-	-	21.6
BH-3	03/22/05	5'-7'	-	-	-	-	-	-	-	28.7
BH-3	03/22/05	10'-12'	-	-	-	-	-	-	-	30.2
BH-4	03/22/05	1'-3'	-	-	-	-	-	-	-	23
BH-4	03/22/05	5'-7'	-	-	-	-	-	-	-	34.5
BH-4	03/22/05	10'-12'	-	-	-	-	-	-	-	58.5
BH-5	03/22/05	1'-3'	-	-	-	-	-	-	-	8480
BH-5	03/22/05	5'-7'	-	-	-	-	-	-	-	4070
BH-5	03/22/05	10'-12'	-	-	-	-	-	-	-	2770
BH-5	03/22/05	15'-17'	-	-	-	-	-	-	-	2480
BH-5	03/22/05	20'-22'	-	-	-	-	-	-	-	3230
BH-5	03/22/05	25'-27'	-	-	-	-	-	-	-	5640
BH-5	03/22/05	30'-32'	-	-	-	-	-	-	-	4030
BH-5	03/22/05	35'-37'	-	-	-	-	-	-	-	1540
BH-6	03/23/05	1'-3'	-	-	-	-	-	-	-	19800
BH-6	03/23/05	5'-7'	-	-	-	-	-	-	-	18400
BH-6	03/23/05	10'-12'	-	-	-	-	-	-	-	4540
BH-6	03/23/05	15'-17'	-	-	-	-	-	-	-	881
BH-6	03/23/05	20'-22'	-	-	-	-	-	-	-	586
BH-6	03/23/05	25'-27'	-	-	-	-	-	-	-	2390
BH-6	03/23/05	30'-32'	-	-	-	-	-	-	-	723
BH-6	03/23/05	35'-37'	-	-	-	-	-	-	-	1360

( - ) Not analyzed





**FIGURES**



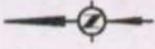
**FIGURE NO. 1  
LEA COUNTY, NEW MEXICO  
GRUY PETROLEUM  
TOPOGRAPHIC MAP**



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www.delorme.com

Scale 1 : 24,000  
1" = 2000 ft





MW #1

West Stockpile

East Stockpile

West Trench

Reserve Pit

MW Temp

East Trench

Gruy Petroleum  
Riddle State #1

Well Pad

MW #2

MW #3

FIGURE NO. 2

LEA COUNTY, NEW MEXICO

GRUY PETROLEUM  
RIDDLE STATE #1  
SITE MAP

HIGHLANDER ENVIRONMENTAL CORP.  
MIDLAND, TEXAS

DATE  
2/4/05

DRAWN BY  
JJ

FILE  
C:\ALBERT\A321  
MIDDLE STATE SITE MAP

NOT TO SCALE

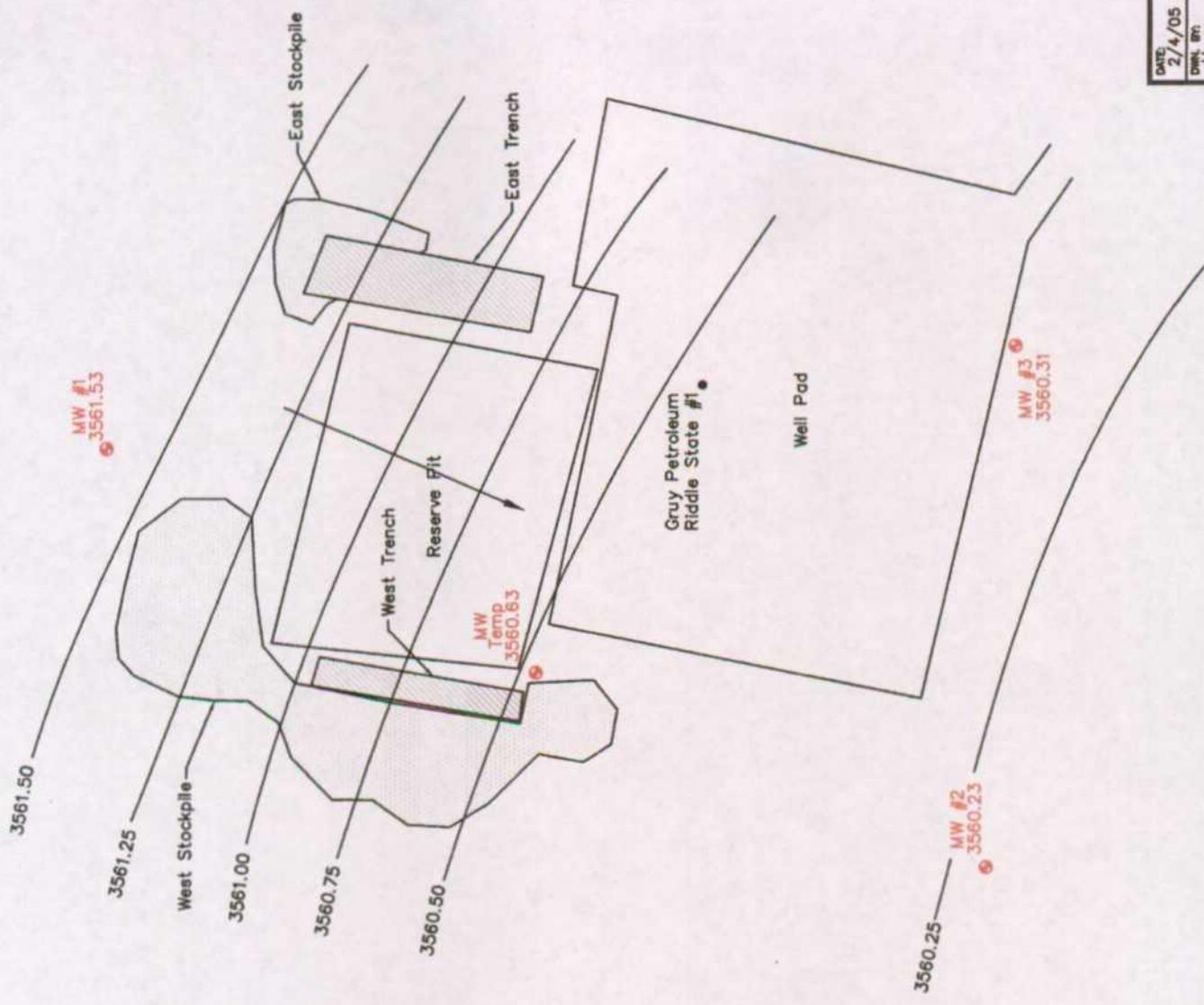


FIGURE NO. 3

LEA COUNTY, NEW MEXICO  
 GRUY PETROLEUM  
 RIDDLE STATE #1  
 GROUNDWATER TABLE MAP  
 HIGHLANDER ENVIRONMENTAL CORP.  
 MIDLAND, TEXAS

DATE	2/4/05
DRAWN BY	JJ
FILE	
SCALE	

NOT TO SCALE



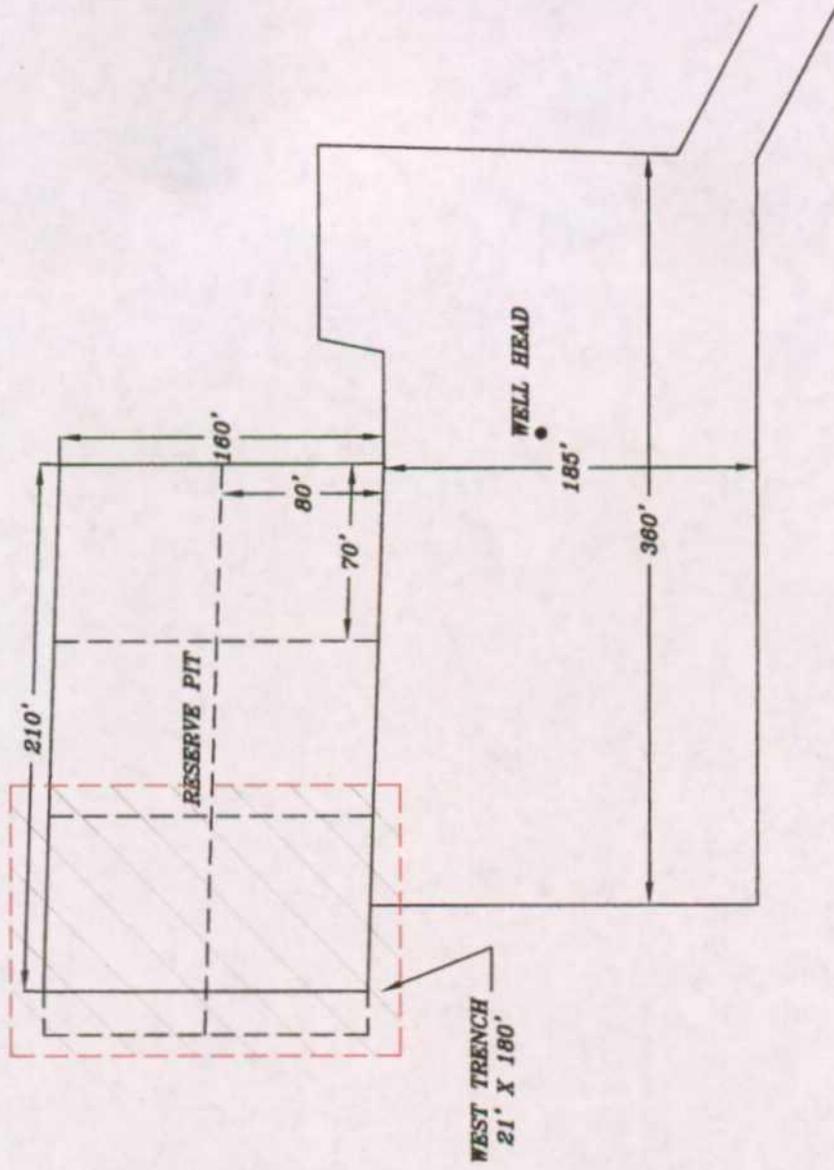


FIGURE NO. 5

LEA COUNTY, NEW MEXICO  
GRUY PETROLEUM  
RIDDLE STATE #1  
SOIL CAP DIAGRAM  
HIGHLANDER ENVIRONMENTAL CORP.  
MIDLAND, TEXAS

DATE	2/4/05
DRAWN BY	JJ
FILE	044670001201
SCALE	AS SHOWN

NOT TO SCALE

SOIL CAP AREA 170' X 100'

**APPENDIX A**

**Boring Logs**















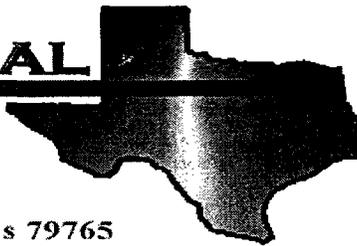


**APPENDIX B**  
**Analytical Reports**

**Analytical Report**

**3/30/2005**

**E** NVIRONMENTAL  
LAB OF



12600 West I-20 East - Odessa, Texas 79765

## Analytical Report

**Prepared for:**

Tim Reed

Highlander Environmental Corp.

1910 N. Big Spring St.

Midland, TX 79705

Project: Gruy Petroleum/ Riddle State #1

Project Number: 2321

Location: None Given

Lab Order Number: 5C25006

Report Date: 03/30/05

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
03/30/05 15:18

### ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BH-1 (1'-3')	5C25006-01	Soil	03/22/05 10:50	03/24/05 17:00
BH-1 (5'-7')	5C25006-02	Soil	03/22/05 10:55	03/24/05 17:00
BH-1 (10'-12')	5C25006-03	Soil	03/22/05 11:00	03/24/05 17:00
BH-2 (1'-3')	5C25006-09	Soil	03/22/05 11:45	03/24/05 17:00
BH-2 (5'-7')	5C25006-10	Soil	03/22/05 11:50	03/24/05 17:00
BH-2 (10'-12')	5C25006-11	Soil	03/22/05 11:55	03/24/05 17:00
BH-3 (1'-3')	5C25006-17	Soil	03/22/05 13:00	03/24/05 17:00
BH-3 (5'-7')	5C25006-18	Soil	03/22/05 13:05	03/24/05 17:00
BH-3 (10'-12')	5C25006-19	Soil	03/22/05 13:10	03/24/05 17:00
BH-4 (1'-3')	5C25006-25	Soil	03/22/05 13:45	03/24/05 17:00
BH-4 (5'-7')	5C25006-26	Soil	03/22/05 13:50	03/24/05 17:00
BH-4 (10'-12')	5C25006-27	Soil	03/22/05 13:55	03/24/05 17:00
BH-5 (1'-3')	5C25006-33	Soil	03/22/05 14:40	03/24/05 17:00
BH-5 (5'-7')	5C25006-34	Soil	03/22/05 14:45	03/24/05 17:00
BH-5 (10'-12')	5C25006-35	Soil	03/22/05 14:50	03/24/05 17:00
BH-6 (1'-3')	5C25006-41	Soil	03/23/05 09:30	03/24/05 17:00
BH-6 (5'-7')	5C25006-42	Soil	03/23/05 09:40	03/24/05 17:00
BH-6 (10'-12')	5C25006-43	Soil	03/23/05 09:42	03/24/05 17:00
BH-7 (1'-3')	5C25006-49	Soil	03/22/05 15:35	03/24/05 17:00
BH-7 (5'-7')	5C25006-50	Soil	03/22/05 15:37	03/24/05 17:00
BH-7 (10'-12')	5C25006-51	Soil	03/22/05 15:45	03/24/05 17:00
BH-8 (1'-3')	5C25006-57	Soil	03/22/05 16:20	03/24/05 17:00
BH-8 (5'-7')	5C25006-58	Soil	03/22/05 16:25	03/24/05 17:00
BH-8 (10'-12')	5C25006-59	Soil	03/22/05 16:30	03/24/05 17:00

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
03/30/05 15:18

**General Chemistry Parameters by EPA / Standard Methods**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>BH-1 (1'-3') (5C25006-01) Soil</b>									
Chloride	44.3	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-1 (5'-7') (5C25006-02) Soil</b>									
Chloride	26.0	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-1 (10'-12') (5C25006-03) Soil</b>									
Chloride	27.2	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-2 (1'-3') (5C25006-09) Soil</b>									
Chloride	31.5	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-2 (5'-7') (5C25006-10) Soil</b>									
Chloride	27.2	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-2 (10'-12') (5C25006-11) Soil</b>									
Chloride	24.5	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-3 (1'-3') (5C25006-17) Soil</b>									
Chloride	21.6	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-3 (5'-7') (5C25006-18) Soil</b>									
Chloride	28.7	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-3 (10'-12') (5C25006-19) Soil</b>									
Chloride	30.2	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-4 (1'-3') (5C25006-25) Soil</b>									
Chloride	23.0	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	

Environmental Lab of Texas

*The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.*

Page 2 of 6

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
03/30/05 15:18

**General Chemistry Parameters by EPA / Standard Methods**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>BH-4 (5'-7') (5C25006-26) Soil</b>									
Chloride	34.5	5.00	mg/kg	10	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-4 (10'-12') (5C25006-27) Soil</b>									
Chloride	58.5	10.0	mg/kg	20	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-5 (1'-3') (5C25006-33) Soil</b>									
Chloride	8480	1000	mg/kg	2000	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-5 (5'-7') (5C25006-34) Soil</b>									
Chloride	4070	100	mg/kg	200	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-5 (10'-12') (5C25006-35) Soil</b>									
Chloride	2770	100	mg/kg	200	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-6 (1'-3') (5C25006-41) Soil</b>									
Chloride	19800	2500	mg/kg	5000	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-6 (5'-7') (5C25006-42) Soil</b>									
Chloride	18400	2500	mg/kg	5000	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-6 (10'-12') (5C25006-43) Soil</b>									
Chloride	4540	100	mg/kg	200	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-7 (1'-3') (5C25006-49) Soil</b>									
Chloride	355	25.0	mg/kg	50	EC53013	03/29/05	03/29/05	EPA 300.0	
<b>BH-7 (5'-7') (5C25006-50) Soil</b>									
Chloride	417	25.0	mg/kg	50	EC53013	03/29/05	03/29/05	EPA 300.0	

Environmental Lab of Texas

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Page 3 of 6

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
03/30/05 15:18

**General Chemistry Parameters by EPA / Standard Methods**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>BH-7 (10'-12') (5C25006-51) Soil</b>									
Chloride	444	25.0	mg/kg	50	EC53014	03/30/05	03/30/05	EPA 300.0	
<b>BH-8 (1'-3') (5C25006-57) Soil</b>									
Chloride	8600	1000	mg/kg	2000	EC53014	03/30/05	03/30/05	EPA 300.0	
<b>BH-8 (5'-7') (5C25006-58) Soil</b>									
Chloride	11000	1000	mg/kg	2000	EC53014	03/30/05	03/30/05	EPA 300.0	
<b>BH-8 (10'-12') (5C25006-59) Soil</b>									
Chloride	7660	1000	mg/kg	2000	EC53014	03/30/05	03/30/05	EPA 300.0	

Environmental Lab of Texas

*The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.*

Page 4 of 6

Highlander Environmental Corp.  
 1910 N. Big Spring St.  
 Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
 Project Number: 2321  
 Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
 03/30/05 15:18

**General Chemistry Parameters by EPA / Standard Methods - Quality Control  
 Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
---------	--------	-----------------	-------	-------------	---------------	------	-------------	-----	-----------	-------

**Batch EC53013 - Water Extraction**

<b>Blank (EC53013-BLK1)</b>				Prepared & Analyzed: 03/29/05						
Chloride	ND	0.500	mg/kg							
<b>LCS (EC53013-BS1)</b>				Prepared & Analyzed: 03/29/05						
Chloride	10.4		mg/L	10.0		104	80-120			
<b>Calibration Check (EC53013-CCV1)</b>				Prepared & Analyzed: 03/29/05						
Chloride	10.6		mg/L	10.0		106	80-120			
<b>Duplicate (EC53013-DUP1)</b>				Source: 5C25006-26		Prepared & Analyzed: 03/29/05				
Chloride	38.3	5.00	mg/kg		34.5			10.4	20	

**Batch EC53014 - Water Extraction**

<b>Blank (EC53014-BLK1)</b>				Prepared & Analyzed: 03/30/05						
Chloride	ND	0.500	mg/kg							
<b>LCS (EC53014-BS1)</b>				Prepared & Analyzed: 03/30/05						
Chloride	10.5		mg/L	10.0		105	80-120			
<b>Calibration Check (EC53014-CCV1)</b>				Prepared & Analyzed: 03/30/05						
Chloride	10.6		mg/L	10.0		106	80-120			
<b>Duplicate (EC53014-DUP1)</b>				Source: 5C25006-51		Prepared & Analyzed: 03/30/05				
Chloride	449	25.0	mg/kg		444			1.12	20	

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
03/30/05 15:18

### Notes and Definitions

DET Analyte DETECTED  
ND Analyte NOT DETECTED at or above the reporting limit  
NR Not Reported  
dry Sample results reported on a dry weight basis  
RPD Relative Percent Difference  
LCS Laboratory Control Spike  
MS Matrix Spike  
Dup Duplicate

Report Approved By: Raland K Tuttle Date: 3-31-05

Raland K. Tuttle, Lab Manager  
Celey D. Keene, Lab Director, Org. Tech Director  
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director  
James L. Hawkins, Chemist/Geologist  
Sandra Sanchez, Lab Tech.

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

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

Client: Highlander Env.

Date/Time: 03-24-05 @ 1700

Order #: 5C25006

Initials: JMM

### Sample Receipt Checklist

Temperature of <u>container</u> /cooler?	<input checked="" type="radio"/> Yes	No	16.0 C
Shipping container/ <u>cooler</u> in good condition?	<input checked="" type="radio"/> Yes	No	
Custody Seals intact on shipping container/cooler?	<input checked="" type="radio"/> Yes	No	Not present
Custody Seals intact on sample bottles?	<input checked="" type="radio"/> Yes	No	Not present
Chain of custody present?	<input checked="" type="radio"/> Yes	No	
Sample Instructions complete on Chain of Custody?	<input checked="" type="radio"/> Yes	No	
Chain of Custody signed when relinquished and received?	<input checked="" type="radio"/> Yes	No	
Chain of custody agrees with sample label(s)	<input checked="" type="radio"/> Yes	No	
Container labels legible and intact?	<input checked="" type="radio"/> Yes	No	
Sample Matrix and properties same as on chain of custody?	<input checked="" type="radio"/> Yes	No	
Samples in proper container/bottle?	<input checked="" type="radio"/> Yes	No	
Samples properly preserved?	<input checked="" type="radio"/> Yes	No	
Sample bottles intact?	<input checked="" type="radio"/> Yes	No	
Preservations documented on Chain of Custody?	<input checked="" type="radio"/> Yes	No	
Containers documented on Chain of Custody?	<input checked="" type="radio"/> Yes	No	
Sufficient sample amount for indicated test?	<input checked="" type="radio"/> Yes	No	
All samples received within sufficient hold time?	<input checked="" type="radio"/> Yes	No	
VOC samples have zero headspace?	Yes	No	<input checked="" type="radio"/> Not Applicable

Other observations:

Containers in boxes on top of ice

---



---

### Variance Documentation:

Contact Person: - \_\_\_\_\_ Date/Time: \_\_\_\_\_ Contacted by: \_\_\_\_\_  
Regarding: \_\_\_\_\_

Corrective Action Taken:

---



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# Analysis Request and Chain of Custody Record

## HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.  
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: Guy Petroleum SITE MANAGER: Tim Reed

PROJECT NO.: 2321 PROJECT NAME: Biddle State #1

SAMPLE IDENTIFICATION

PRESERVATIVE METHOD

HCL  
HNOS  
ICE  
NONE

NUMBER OF CONTAINERS

FILTERED (Y/N)

GRAB

MATRIX

DATE

TIME

LAB I.D. NUMBER

SC2500L

RELINQUISHED BY: (Signature)

RELINQUISHED BY: (Signature)

RELINQUISHED BY: (Signature)

RECEIVING LABORATORY: Edwin Labs of TX

CITY: Odessa STATE: TX ZIP: \_\_\_\_\_

CONTACT: \_\_\_\_\_ PHONE: \_\_\_\_\_

SAMPLE CONDITION WHEN RECEIVED: 16.0°C

MATRIX: W-Water A-Air SD-Solid 0-Other

PAGE: 7 OF: 7

ANALYSIS REQUEST (Circle or Specify Method No.)

BTEX 8020/808	
MTHB 8080/808	
TPH 418.1 8015 MOD. 73006	
PAH 8270	
HCR Metals Ag As Ba Cd Cr Pb Hg Se	
TCP Metals Ag As Ba Cd Cr Pd Hg Se	
TCP Volatiles	
TCP Semi Volatiles	
RCI	
GC/MS Vol. B240/B280/B24	
GC/MS Semi Vol. B270/B25	
PCB's 8080/808	
Post. 808/808	
BOD, TSS, PH, TDS, Chloride	X
Gamma Spec.	
Alpha Beta (Air)	
PLM (Asbestos)	

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP.	GRAB	SAMPLE IDENTIFICATION	NUMBER OF CONTAINERS	FILTERED (Y/N)	HCL	HNOS	ICE	NONE
-01	3-22-05	10:50				BH-1 (1'-3')	1				X	
-02	3-22-05	10:55				BH-1 (5'-7')	1				X	
-03		11:00				BH-1 (10'-12')	1				X	
-04		11:05				BH-1 (15'-17')	1				X	
-05		11:10				BH-1 (20'-22')	1				X	
-06		11:20				BH-1 (25'-27')	1				X	
-07		11:25				BH-1 (30'-32')	1				X	
-08		11:30				BH-1 (35'-37')	1				X	
-09		11:45				BH-2 (1'-3')	1				X	
-10		11:50				BH-2 (5'-7')	1				X	

RELINQUISHED BY: (Signature) Date: 3/22/05 Time: 3:10

RELINQUISHED BY: (Signature) Date: \_\_\_\_\_ Time: \_\_\_\_\_

RELINQUISHED BY: (Signature) Date: \_\_\_\_\_ Time: \_\_\_\_\_

RECEIVED BY: (Signature) Date: \_\_\_\_\_ Time: \_\_\_\_\_

RECEIVED BY: (Signature) Date: 03-24-05 Time: 1700

RECEIVED BY: (Signature) Date: \_\_\_\_\_ Time: \_\_\_\_\_

SAMPLED BY: Tim Reed Date: 3/22/05  
 TIME: 11:00 AM  
 SAMPLE SHIPPED BY: (Circle) Hand Delivered  
 FEDEX \_\_\_\_\_ BUS \_\_\_\_\_ UPS \_\_\_\_\_  
 AIRBILL # \_\_\_\_\_  
 OTHER: \_\_\_\_\_  
 Results by: \_\_\_\_\_  
 RUSH Charges Authorized: Yes \_\_\_\_\_ No \_\_\_\_\_

HIGHLANDER CONTACT PERSON: Tim Reed

REMARKS: 4oz glass on ice w/seals on containers + cooler  
Hold re marine samples



# Analysis Request and Chain of Custody Record

## HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.  
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: Environ Labs SITE MANAGER: Tim Reed  
 PROJECT NO.: 23-21 PROJECT NAME: Riddle State #1

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP.	GRAB	SAMPLE IDENTIFICATION	PRESERVATIVE METHOD						
							NUMBER OF CONTAINERS	FILTERED (Y/N)	HCL	HNO3	ICE	NONE	
21	7/24/05	13:20				BH-3 (20' - 22')	1		X				
22		13:22				BH-3 (25' - 27')	1		X				
23		13:25				BH-3 (30' - 32')	1		X				
24		13:30				BH-3 (35' - 37')	1		X				
25		13:45				BH-4 (1' - 3')	1		X				
26		13:50				BH-4 (5' - 7')	1		X				
27		13:55				BH-4 (10' - 12')	1		X				
28		14:00				BH-4 (15' - 17')	1		X				
29		14:05				BH-4 (20' - 22')	1		X				
30		14:10				BH-4 (25' - 27')	1		X				

RELINQUISHED BY: (Signature) [Signature] Date: 7/24/05 Time: 5:00  
 RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RECEIVING LABORATORY: Environ Labs of TX  
 ADDRESS: 1910 N. Big Spring St. STATE: TX ZIP: \_\_\_\_\_  
 CONTACT: Environ PHONE: \_\_\_\_\_  
 SAMPLE CONDITION WHEN RECEIVED: 16.0°C  
 MATRIX: W-Water A-Air SD-Solid  
S-Soil SL-Sludge O-Other  
 DATE: 03-24-05 TIME: 1700  
 REMARKS: Hold Al Minum samples  
4oz glass on 15g vials on containers

PAGE: 3 OF: 7  
 ANALYSIS REQUEST  
 (Circle or Specify Method No.)

BTEX 8020/808	
MTBE 8020/808	
TPH 4181 8015 MOD. TX1005	
PAH 8270	
HCRA Metals Ag As Ba Cd Cr Pb Hg Se	
TCAP Metals Ag As Ba Cd Cr Pd Hg Se	
TCAP Volatiles	
TCAP Semi Volatiles	
RCI	
GC/MS Vol. 8240/8280/824	
GC/MS Semi Vol. 8270/825	
PCB's 8080/808	
Post. 808/808	
BOD, TSS, pH, TDS, Chloride	
Gamma Spec.	
Alpha Beta (Air)	
PLM (Asbestos)	

SAMPLED BY: (Print & Sign) Tim Reed Date: 7/24/05  
 SAMPLE SHIPPED BY: (Circle) FEDX Time: 14:00  
 AIRBILL # \_\_\_\_\_  
 OTHER: HAND DELIVERED  
 RESULTS BY: \_\_\_\_\_  
 RUSH CHARGES AUTHORIZED: Yes No  
 HIGHLANDER CONTACT PERSON: Tim Reed

# Analysis Request and Chain of Custody Record

## HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.  
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: Rockefeller SITE MANAGER: Tim Reed  
 PROJECT NO.: 2321 PROJECT NAME: Little State #1

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP.	GRAB	SAMPLE IDENTIFICATION	PRESERVATIVE METHOD			NUMBER OF CONTAINERS	FILTERED (Y/N)
							HCL	HNO3	ICE		
-31	3/24/05	14:15				BH-4 (30' - 32')		X		1	
-32		14:20				BH-4 (35' - 37')		X		1	
-33		14:40				BH-5 (1' - 3')		X		1	
-34		14:45				BH-5 (5' - 7')		X		1	
-35		14:50				BH-5 (10' - 12')		X		1	
-36		14:53				BH-5 (15' - 17')		X		1	
-37		14:55				BH-5 (20' - 22')		X		1	
-38		15:00				BH-5 (25' - 27')		X		1	
-39		15:05				BH-5 (30 - 32')		X		1	
-40		15:15				BH-5 (35 - 37')		X		1	

RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: 3/24/05 Time: 5:00 RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_ RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_ RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RECEIVING LABORATORY: Environmental Labs of TX RECEIVED BY: (Signature) Joan Manning  
 ADDRESS: Rockefeller STATE: TX ZIP: \_\_\_\_\_  
 CONTACT: \_\_\_\_\_ PHONE: \_\_\_\_\_ DATE: 03-24-05 TIME: 1700

MATRIX: W-Water S-Soil A-Air SD-Solid  
 SL-Sludge O-Other

SAMPLE CONDITION WHEN RECEIVED: 16.0L

PAGE: 4 OF: 7  
 ANALYSIS REQUEST  
 (Circle or Specify Method No.)

BTEX 8020/808	
MTBE 8020/808	
TPH 418.1 8015 MOD. TX1006	
PAH 8270	
ECRA Metals Ag As Ba Cd Cr Pb Hg Se	
TCAP Volatiles	
TCAP Semi Volatiles	
TCAP	
GC/MS Vol. 8240/8260/824	
GC/MS Semi Vol. 8270/825	
PCB# 8080/808	
Test. 808/808	
BOD, TSS, PH, TDS, Chloride	
Gamma Spec.	
Alpha Beta (Abv)	
PLM (Asbestos)	

SAMPLED BY: (Print & Sign) Tim Reed Date: 3/24/05 Time: 14:00  
 SAMPLE SHIPPED BY: (Circle) BUS AIRBILL # \_\_\_\_\_  
 FEDERAL HAND DELIVERED OTHER: \_\_\_\_\_  
 Results by: \_\_\_\_\_  
 RUSH CHARGES Authorized: \_\_\_\_\_  
 Yes \_\_\_\_\_ No \_\_\_\_\_

HIGHLANDER CONTACT PERSON: Tim Reed

REMARKS: 4oz glass or ice w/seals on containers + coolers  
Hold remaining samples

# Analysis Request and Chain of Custody Record

## HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.  
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: Petrochem SITE MANAGER: Tim Reed

PROJECT NO.: 2321 PROJECT NAME: Kiddo State #1

SAMPLE IDENTIFICATION

LAB I.D. NUMBER  
5C25006

DATE

TIME

MATRIX

COMP.

GRAB

PRESERVATIVE METHOD

NUMBER OF CONTAINERS

FILTERED (Y/N)

HCL

HNO3

ICE

NONE

BTEX 8020/808	
MTRB 8020/808	
TPH 4181 8015 MOD. TK1006	
PAH 8270	
RCRA Metals Ag As Ba Cd Cr Pb Hg Se	
TCIP Metals Ag As Ba Cd Cr Pd Hg Se	
TCIP Volatiles	
TCIP Semi Volatiles	
RCI	
GC/MS Vol. 8240/8260/824	
GC/MS Semi Vol. 8270/825	
PCB's 8080/808	
Post. 808/808	
BOD, TSS, PH, TDS, Chloride	X
Gamma Spec.	
Alpha Beta (Air)	
PLM (Asbestos)	

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP.	GRAB	SAMPLE IDENTIFICATION	NUMBER OF CONTAINERS	FILTERED (Y/N)	HCL	HNO3	ICE	NONE
-41	3-23-05	9:30				BH-6 (1'-3')	1				X	
-42	3-23-05	9:40				BH-6 (5'-7')	1				X	
-43	3-23-05	9:42				BH-6 (10'-12')	1				X	
-44	3-23-05	9:45				BH-6 (15'-17')	1				X	
-45	3-23-05	9:55				BH-6 (20'-22')	1				X	
-46	3-23-05	10:00				BH-6 (25'-27')	1				X	
-47	3-23-05	10:05				BH-6 (30'-32')	1				X	
-48	3-23-05	10:15				BH-6 (35'-37')	1				X	
-49	3-22-05	15:35				BH-7 (1'-3')	1				X	
-50		15:37				BH-7 (5'-7')	1				X	

RELINQUISHED BY: (Signature) [Signature] Date: 3/23/05 Time: 5:00

RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RECEIVING LABORATORY: Sullivan Labs of TX

ADDRESS: Adessa STATE: TX ZIP: \_\_\_\_\_

CITY: \_\_\_\_\_ PHONE: \_\_\_\_\_

DATE: 03-24-05 TIME: 1700

MATRIX: W-Water A-Air SD-Solid  
6-Soil SL-Sludge O-Other

SAMPLE CONDITION WHEN RECEIVED: 16.0°C

REMARKS: 4oz glass on ice w/seal on containers + cooler  
Hold Almann Sample

HIGHLANDER CONTACT PERSON: Tim Reed

FEDERX HAND-DISPATCHED \_\_\_\_\_ AIRBILL # \_\_\_\_\_

SAMPLE SHIPPED BY: (Circle) BUS \_\_\_\_\_ UPS \_\_\_\_\_ OTHER: \_\_\_\_\_

SAMPLED BY: (Print & Sign) Tim Reed Date: 3/24/05 Time: 14:00

RESULTS BY: \_\_\_\_\_

RUSH CHARGES AUTHORIZED: \_\_\_\_\_

Y/N

# Analysis Request and Chain of Custody Record

## HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.  
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: Gray Petroleum SITE MANAGER: Tim Reed

PROJECT NO.: 2321 PROJECT NAME: Riddle state #1

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP.	GRAB	SAMPLE IDENTIFICATION	PRESERVATIVE METHOD							
							NUMBER OF CONTAINERS	FILTERED (Y/N)	HCL	HNO3	ICE	NONE		
-51	3-22-05	15:45				BH-7 (10' - 12')	1				X			
-52		15:47				BH-7 (15' - 17')	1				X			
-53		15:50				BH-7 (20' - 22')	1				X			
-54		15:55				BH-7 (25' - 27')	1				X			
-55		16:00				BH-7 (30' - 32')	1				X			
-56		16:10				BH-7 (35' - 37')	1				X			
-57	3-22-05	16:20				BH-8 (1' - 3')	1				X			
-58		16:25				BH-8 (5' - 7')	1				X			
-59		16:30				BH-8 (10' - 12')	1				X			
-60		16:35				BH-8 (15' - 17')	1				X			

RELINQUISHED BY: (Signature) Tim Reed Date: 3/24/05 Time: 5:10  
 RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RECEIVING LABORATORY: Environ Labs of TX  
 ADDRESS: Address STATE: TX ZIP: \_\_\_\_\_  
 CONTACT: \_\_\_\_\_ PHONE: \_\_\_\_\_  
 SAMPLE CONDITION WHEN RECEIVED: 160°C MATRIX: B-Sol W-Water A-Air SD-Solid O-Other  
 DATE: 03-24-05 TIME: 1700

HIGHLANDER CONTACT PERSON: Tim Reed  
 Results by: \_\_\_\_\_  
 RUSH CHARGES AUTHORIZED: Yes  No

REMARKS: Hold Al Maning sample  
4oz glass on ice w/ seals on containers + cooler  
 Project Manager retains pink copy - Accounting receives Gold copy.

PAGE: 0 OF: 7

ANALYSIS REQUEST (Circle or Specify Method No.)

BTEX 8020/802	
MTHB 8020/802	
TPH 4181 8015 MOD. TX1006	
PAH 8270	
RCRA Metals Ag As Ba Cd Cr Pb Hg Se	
TCIP Metals Ag As Ba Cd Cr Pd Hg Se	
TCIP Volatiles	
TCIP Semi Volatiles	
HCI	
GC/MS Vol. 8240/8260/824	
GC/MS Semi Vol. 8270/825	
PCB's 8080/808	
Part. 808/808	
BOD, TSS, PH, TDS, Chloride	X
Gammma Spec.	
Alpha Beta (Air)	
PLM (Asbestos)	

SAMPLED BY: (Print & Sign) Tim Reed Date: 3/24/05  
 SAMPLE SHIPPED BY: (Circle) FEDX Time: 4:00 PM  
 AIRBILL # \_\_\_\_\_  
 OTHER: HAND DELIVERED

# Analysis Request and Chain of Custody Record

## HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.  
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: Petroleum SITE MANAGER: Tim Reed  
PROJECT NO.: 2321 PROJECT NAME: Riddle State #1

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP.	GRAB	SAMPLE IDENTIFICATION
-61	3-22-85	16:40				BH-8 (20' - 22')
-62		16:45				BH-8 (25' - 27')
-63		16:50				BH-8 (30' - 32')
-64		16:55				BH-8 (35' - 37')

PRESERVATIVE METHOD	FILTERED (Y/N)	NUMBER OF CONTAINERS			
		HCL	HNO3	ICE	NONE
				X	
				X	
				X	
				X	

PAGE: 7 OF: 7  
ANALYSIS REQUEST  
(Circle or Specify Method No.)

BTX 8020/802	
MTH 8020/802	
TPH 4181 8015 MOD. TX1006	
PAH 8270	
ECRA Metals Ag As Ba Cd Cr Pb Hg Se	
TCAP Volatiles	
TCAP Semi Volatiles	
TCAP	
GC/MS Vol. 8240/8260/824	
GC/MS Semi Vol. 8270/825	
PCB # 8080/808	
Post. 808/808	
BOD, TSS, pH, TDS, Chloride	
Gamma Spec.	
Alpha Beta (Air)	
PLM (Asbestos)	

RELINQUISHED BY (Signature)	Date:	Time:	RECEIVED BY: (Signature)	Date:	Time:
<u>[Signature]</u>	<u>3/24/85</u>	<u>5:30</u>	<u>[Signature]</u>	<u>3/24/85</u>	<u>4:00</u>
RELINQUISHED BY: (Signature)	Date:	Time:	RECEIVED BY: (Signature)	Date:	Time:
RELINQUISHED BY: (Signature)	Date:	Time:	RECEIVED BY: (Signature)	Date:	Time:
RELINQUISHED BY: (Signature)	Date:	Time:	RECEIVED BY: (Signature)	Date:	Time:

RECEIVING LABORATORY: Quincy Lakes of TX  
 ADDRESS: Address STATE: TX ZIP: \_\_\_\_\_  
 CONTACT: \_\_\_\_\_ PHONE: \_\_\_\_\_

SAMPLE CONDITION WHEN RECEIVED: 16.0L MATRIX: W-Water A-Air SD-Solid  
SL-Sludge O-Other

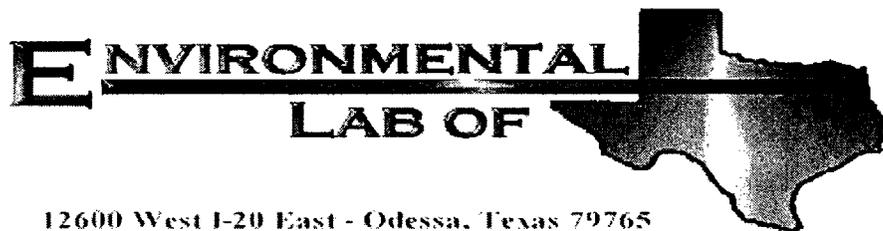
REMARKS: Hold Remains Sample  
4oz glass on ice wiscals on container + cooler

HIGHLANDER CONTACT PERSON: Tim Reed  
 RUSH CHARGES AUTHORIZED: Yes No

DATE: 03-24-85 TIME: 1700

**Analytical Report**

**4/06/2005**



12600 West I-20 East - Odessa, Texas 79765

## Analytical Report

**Prepared for:**

Tim Reed

Highlander Environmental Corp.

1910 N. Big Spring St.

Midland, TX 79705

Project: Gruy Petroleum/ Riddle State #1

Project Number: 2321

Location: None Given

Lab Order Number: 5C31011

Report Date: 04/06/05

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
04/06/05 14:47

### ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BH-5 (15'-17')	5C31011-01	Soil	03/22/05 14:53	03/24/05 17:00
BH-5 (20'-22')	5C31011-02	Soil	03/22/05 14:55	03/24/05 17:00
BH-6 (15'-17')	5C31011-03	Soil	03/23/05 09:45	03/24/05 17:00
BH-6 (20'-22')	5C31011-04	Soil	03/23/05 09:55	03/24/05 17:00
BH-7 (15'-17')	5C31011-05	Soil	03/22/05 15:47	03/24/05 17:00
BH-7 (20'-22')	5C31011-06	Soil	03/22/05 15:50	03/24/05 17:00
BH-8 (15'-17')	5C31011-07	Soil	03/22/05 16:35	03/24/05 17:00
BH-8 (20'-22')	5C31011-08	Soil	03/22/05 16:40	03/24/05 17:00

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
04/06/05 14:47

**General Chemistry Parameters by EPA / Standard Methods**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>BH-5 (15'-17') (5C31011-01) Soil</b>									
Chloride	2480	50.0	mg/kg	100	ED50504	04/01/05	04/01/05	EPA 300.0	
<b>BH-5 (20'-22') (5C31011-02) Soil</b>									
Chloride	3230	100	mg/kg	200	ED50504	04/01/05	04/01/05	EPA 300.0	
<b>BH-6 (15'-17') (5C31011-03) Soil</b>									
Chloride	881	25.0	mg/kg	50	ED50504	04/01/05	04/01/05	EPA 300.0	
<b>BH-6 (20'-22') (5C31011-04) Soil</b>									
Chloride	586	100	mg/kg	200	ED50504	04/01/05	04/01/05	EPA 300.0	
<b>BH-7 (15'-17') (5C31011-05) Soil</b>									
Chloride	1680	50.0	mg/kg	100	ED50504	04/01/05	04/01/05	EPA 300.0	
<b>BH-7 (20'-22') (5C31011-06) Soil</b>									
Chloride	527	10.0	mg/kg	20	ED50504	04/01/05	04/01/05	EPA 300.0	
<b>BH-8 (15'-17') (5C31011-07) Soil</b>									
Chloride	8860	1000	mg/kg	2000	ED50504	04/01/05	04/01/05	EPA 300.0	
<b>BH-8 (20'-22') (5C31011-08) Soil</b>									
Chloride	7860	1000	mg/kg	2000	ED50505	04/02/05	04/02/05	EPA 300.0	

Environmental Lab of Texas

*The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.*

Page 2 of 4

Highlander Environmental Corp.  
 1910 N. Big Spring St.  
 Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
 Project Number: 2321  
 Project Manager: Tim Reed

Fax: (432) 682-3946  
 Reported:  
 04/06/05 14:47

**General Chemistry Parameters by EPA / Standard Methods - Quality Control  
 Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
<b>Batch ED50504 - Water Extraction</b>										
<b>Blank (ED50504-BLK1)</b>				Prepared & Analyzed: 04/01/05						
Chloride	ND	0.500	mg/kg							
<b>LCS (ED50504-BS1)</b>				Prepared & Analyzed: 04/01/05						
Chloride	10.6		mg/L	10.0		106	80-120			
<b>Calibration Check (ED50504-CCV1)</b>				Prepared & Analyzed: 04/01/05						
Chloride	10.7		mg/L	10.0		107	80-120			
<b>Duplicate (ED50504-DUP1)</b>		<b>Source: 5C31001-09</b>		Prepared & Analyzed: 04/01/05						
Chloride	354	10.0	mg/kg		353			0.283	20	
<b>Batch ED50505 - Water Extraction</b>										
<b>Blank (ED50505-BLK1)</b>				Prepared & Analyzed: 04/02/05						
Chloride	ND	0.500	mg/kg							
<b>LCS (ED50505-BS1)</b>				Prepared & Analyzed: 04/02/05						
Chloride	10.4		mg/L	10.0		104	80-120			
<b>Calibration Check (ED50505-CCV1)</b>				Prepared & Analyzed: 04/02/05						
Chloride	10.1		mg/L	10.0		101	80-120			
<b>Duplicate (ED50505-DUP1)</b>		<b>Source: 5C31011-08</b>		Prepared & Analyzed: 04/02/05						
Chloride	7800	1000	mg/kg		7860			0.766	20	

Environmental Lab of Texas

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Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
04/06/05 14:47

### Notes and Definitions

DET Analyte DETECTED  
ND Analyte NOT DETECTED at or above the reporting limit  
NR Not Reported  
dry Sample results reported on a dry weight basis  
RPD Relative Percent Difference  
LCS Laboratory Control Spike  
MS Matrix Spike  
Dup Duplicate

Report Approved By:

Raland K Tuttle

Date:

4/6/2005

Raland K. Tuttle, Lab Manager  
Celey D. Keene, Lab Director, Org. Tech Director  
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director  
James L. Hawkins, Chemist/Geologist  
Sandra Sanchez, Lab Tech.

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If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas

*The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.*

Page 4 of 4



# Analysis Request and Chain of Custody Record

## HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.  
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: *City Petroleum* SITE MANAGER: *Tim Reed*

PROJECT NO.: *2321* PROJECT NAME: *Riddo Stake #1*

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP	GRAB	SAMPLE IDENTIFICATION	NUMBER OF CONTAINERS	FILTERED (Y/N)	PRESERVATIVE METHOD				
									HCL	HNO3	ICE	NONE	
-41	3-23-05	9:30				BH-6 (1'-3')	1			X			
-42	3-23-05	9:40				BH-6 (5'-7')	1			X			
-43	3-23-05	9:42				BH-6 (10'-12')	1			X			
-44	3-23-05	9:45				BH-6 (15'-17')	1			X			
-45	3-23-05	9:55				BH-6 (20'-22')	1			X			
-46	3-23-05	10:00				BH-6 (25'-27')	1			X			
-47	3-23-05	10:05				BH-6 (30'-32')	1			X			
-48	3-23-05	10:15				BH-6 (35'-37')	1			X			
-49	3-22-05	5:35				BH-7 (1'-3')	1			X			
-50		15:37				BH-7 (5'-7')	1			X			

COPY

RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: *3/23/05* Time: *5:00*  
 RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RELINQUISHED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_  
 RECEIVED BY: (Signature) \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_

RECEIVING LABORATORY: *City Petroleum*  
 ADDRESS: \_\_\_\_\_  
 CITY: *Midland* STATE: *TX* ZIP: \_\_\_\_\_

CONTACT: \_\_\_\_\_ PHONE: \_\_\_\_\_

SAMPLE CONDITION WHEN RECEIVED: *16.0°C* MATRIX: *W-Water 4-Air 6-Soil 0-Other*

REMARKS: *Hold remaining sample*

DATE: *03-24-05* TIME: *1700*

HTX 8020/802 MTR 8020/802 TPR 4181 8015 MOD. T12005 PAH 8270

HCP Metals Ag As Ba Cd Cr Pb Hg Se  
 HCP Metals Ag As Ba Cd Cr Pb Hg Se  
 TCF Volatiles  
 TCF Semi Volatiles  
 ECI  
 GCMs Vol. 8240/8280/824  
 GCMs Sem. Vol. 8270/825  
 PCB's 8080/808  
 Part. 808/808  
 BOD, TSS, PH, TDS, Conductive  
 Gamma Spec.  
 Alpha Beta (Alr)  
 PLM (Asbestos)

SAMPLED BY: (Print & Sign) *Tim Reed* Date: *3/23/05* Time: *5:00*  
 SAMPLE SHIPPED BY: (Circle) *Hand-Delivered*  
 AIRBILL # \_\_\_\_\_  
 OTHER: \_\_\_\_\_  
 RESULTS BY: \_\_\_\_\_  
 AUTHORIZED: \_\_\_\_\_  
 YES \_\_\_\_\_ NO \_\_\_\_\_

HIGHLANDER CONTACT PERSON: *Tim Reed*

Please fill out all copies - Laboratory retains yellow copy - Return original copy to Highlander Environmental Corp. - Project Manager retains pink copy - Accounting receives Gold copy.



# Analysis Request and Chain of Custody Record

## HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.  
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: City Petroleum SITE MANAGER: Tim Reed  
PROJECT NO.: 2321 PROJECT NAME: Reddick State #1

LAB I.D. NUMBER	DATE	TIME	MATRIX	COMP	GRAB	SAMPLE IDENTIFICATION	NUMBER OF CONTAINERS	FILTERED (Y/N)	PRESERVATIVE METHOD				
									HCL	HMDS	ICE	NONE	
500-01	3-22-05	16:40				BH-8 (20' - 22')	1			X			
-02		16:45				BH-8 (25' - 27')	1			X			
-03		16:50				BH-8 (30' - 32')	1			X			
-04		16:55				BH-8 (35' - 37')	1			X			

COPY

RECEIVED BY: (Signature) [Signature] DATE: 3-24-05 TIME: 17:00  
 RECEIVED BY: (Signature) [Signature] DATE: 3-24-05 TIME: 17:00  
 RECEIVED BY: (Signature) [Signature] DATE: 3-24-05 TIME: 17:00  
 RECEIVED BY: (Signature) [Signature] DATE: 3-24-05 TIME: 17:00

RECEIVING LABORATORY: City Petroleum ADDRESS: City Petroleum CITY: Midland STATE: TX ZIP: 79705

SAMPLE CONDITION WHEN RECEIVED: 16.0°C MATRIX: W-Water A-Air SD-Solid SI-Sludge O-Other

HIGHLANDER CONTACT PERSON: Tim Reed PHONE: 432-682-4559

REMARKS: 4oz glass on ice viscous on containment (copy)  
Hold remaining sample

PAGE: 7 OF: 7

ANALYSIS REQUEST (Circle or Specify Method No.)

PCRA Metals Ag As Ba Cd Cr Pb Hg Se  
 TCP Metals Ag As Ba Cd Cr Pb Hg Se  
 TCP Volatiles  
 TCP Semi Volatiles  
 HCl  
 GCMs Vol. B240/B280/BA  
 GCMs Semi Vol. B270/B25  
 PCBs B080/B08  
 Part. 008/008  
 BOD, TSS, pH, TDS Chloride  
 Gamma Spec  
 Alpha Beta (Air)  
 PLM (Asbestos)

DATE: 3/24/05 TIME: 17:00

SAMPLED BY: Tim Reed RECEIVED BY: [Signature]

SHIPMENT BY: (Circle) BUS UPS  
 HOW DELIVERED: [Signature]

RESULT BY: Tim Reed

RUSH CHARGE AUTHORIZED: Yes No

Please Fill out all copies - Laboratory retains yellow copy - Returns original copy to Highlander Environmental Corp. - Project Manager retains pink copy - Accounting receives Gold copy.

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

Client: Highlander Env.

Date/Time: 03-24-05 @ 1700

Order #: 5625006 Resubmit # 5031011

Initials: JMM

**COPY**

**Sample Receipt Checklist**

Temperature of container/cooler?	<input checked="" type="checkbox"/> Yes	No	I.C.	C
Shipping container/cooler in good condition?	<input checked="" type="checkbox"/> Yes	No		
Custody Seals intact on shipping container/cooler?	<input checked="" type="checkbox"/> Yes	No	Not present	
Custody Seals intact on sample bottles?	<input checked="" type="checkbox"/> Yes	No	Not present	
Chain of custody present?	<input checked="" type="checkbox"/> Yes	No		
Sample Instructions complete on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Chain of Custody signed when relinquished and received?	<input checked="" type="checkbox"/> Yes	No		
Chain of custody agrees with sample label(s)	<input checked="" type="checkbox"/> Yes	No		
Container labels legible and intact?	<input checked="" type="checkbox"/> Yes	No		
Sample Matrix and properties same as on chain of custody?	<input checked="" type="checkbox"/> Yes	No		
Samples in proper container/bottle?	<input checked="" type="checkbox"/> Yes	No		
Samples properly preserved?	<input checked="" type="checkbox"/> Yes	No		
Sample bottles intact?	<input checked="" type="checkbox"/> Yes	No		
Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Containers documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Sufficient sample amount for indicated test?	<input checked="" type="checkbox"/> Yes	No		
All samples received within sufficient hold time?	<input checked="" type="checkbox"/> Yes	No		
VOC samples have zero headspace?	Yes	No	<input checked="" type="checkbox"/> Not Applicable	

Other observations:

Containers in boxes on top of ice

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**Variance Documentation:**

Contact Person: - \_\_\_\_\_ Date/Time: \_\_\_\_\_ Contacted by: \_\_\_\_\_  
 Regarding: \_\_\_\_\_

Corrective Action Taken:

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**Jeanne McMurrey**

---

**From:** "Gary Miller" <gmiller@hec-enviro.com>  
**To:** <jeanne@elabtexas.com>  
**Sent:** Thursday, March 31, 2005 2:41 PM  
**Subject:** Highlander Project Number 2321, Riddle State #1

Jeanne, please run the following samples for Project #2321, Riddle State #1, Chlorides only.

BH-5 (15'-17')  
BH-5 (20'-22')  
BH-6 (15'-17')  
BH-6 (20'-22')  
BH-7 (15'-17')  
BH-7 (20'-22')  
BH-8 (15'-17')  
BH-8 (20'-22')

Thanks,

Gary E. Miller  
Highlander Environmental Corp.  
1910 N. Big Spring  
Midland, Texas 79705

432-682-4559 office  
432-557-4681 cell  
432-682-3946 fax

--

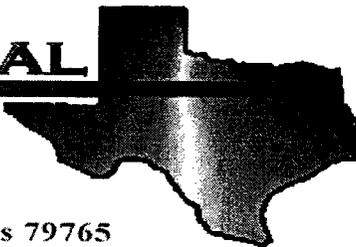
This message has been scanned for viruses and dangerous content by MailScanner at [BasinBroadBand.com](http://BasinBroadBand.com), and is believed to be clean.

3/31/2005

**Analytical Report**

**4/12/2005**

**E NVIRONMENTAL  
LAB OF**



12600 West I-20 East - Odessa, Texas 79765

## Analytical Report

**Prepared for:**

Tim Reed

Highlander Environmental Corp.

1910 N. Big Spring St.

Midland, TX 79705

Project: Gruy Petroleum/ Riddle State #1

Project Number: 2321

Location: None Given

Lab Order Number: 5D06005

Report Date: 04/12/05

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
04/12/05 15:20

### ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
BH-5 (25'-27')	5D06005-01	Soil	03/22/05 15:00	03/24/05 17:00
BH-5 (30'-32')	5D06005-02	Soil	03/22/05 15:05	03/24/05 17:00
BH-5 (35'-37')	5D06005-03	Soil	03/22/05 15:15	03/24/05 17:00
BH-6 (25'-27')	5D06005-04	Soil	03/23/05 10:00	03/24/05 17:00
BH-6 (30'-32')	5D06005-05	Soil	03/23/05 10:05	03/24/05 17:00
BH-6 (35'-37')	5D06005-06	Soil	03/23/05 10:15	03/24/05 17:00
BH-7 (25'-27')	5D06005-07	Soil	03/22/05 15:55	03/24/05 17:00
BH-7 (30'-32')	5D06005-08	Soil	03/22/05 16:00	03/24/05 17:00
BH-7 (35'-37')	5D06005-09	Soil	03/22/05 16:10	03/24/05 17:00
BH-8 (25'-27')	5D06005-10	Soil	03/22/05 16:45	03/24/05 17:00
BH-8 (30'-32')	5D06005-11	Soil	03/22/05 16:50	03/24/05 17:00
BH-8 (35'-37')	5D06005-12	Soil	03/22/05 16:55	03/24/05 17:00

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
04/12/05 15:20

**General Chemistry Parameters by EPA / Standard Methods**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>BH-5 (25'-27') (SD06005-01) Soil</b>									
Chloride	5640	1000	mg/kg	2000	ED51211	04/08/05	04/08/05	EPA 300.0	
<b>BH-5 (30'-32') (SD06005-02) Soil</b>									
Chloride	4030	100	mg/kg	200	ED51211	04/08/05	04/08/05	EPA 300.0	
<b>BH-5 (35'-37') (SD06005-03) Soil</b>									
Chloride	1540	50.0	mg/kg	100	ED51211	04/08/05	04/08/05	EPA 300.0	
<b>BH-6 (25'-27') (SD06005-04) Soil</b>									
Chloride	2390	50.0	mg/kg	100	ED51211	04/08/05	04/08/05	EPA 300.0	
<b>BH-6 (30'-32') (SD06005-05) Soil</b>									
Chloride	723	50.0	mg/kg	100	ED51211	04/08/05	04/08/05	EPA 300.0	
<b>BH-6 (35'-37') (SD06005-06) Soil</b>									
Chloride	1360	50.0	mg/kg	100	ED51211	04/08/05	04/08/05	EPA 300.0	
<b>BH-7 (25'-27') (SD06005-07) Soil</b>									
Chloride	828	25.0	mg/kg	50	ED51211	04/08/05	04/08/05	EPA 300.0	
<b>BH-7 (30'-32') (SD06005-08) Soil</b>									
Chloride	556	20.0	mg/kg	40	ED51211	04/08/05	04/08/05	EPA 300.0	
<b>BH-7 (35'-37') (SD06005-09) Soil</b>									
Chloride	590	25.0	mg/kg	50	ED51211	04/08/05	04/08/05	EPA 300.0	
<b>BH-8 (25'-27') (SD06005-10) Soil</b>									
Chloride	8120	1000	mg/kg	2000	ED51211	04/08/05	04/08/05	EPA 300.0	

Environmental Lab of Texas

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Page 2 of 5

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
04/12/05 15:20

**General Chemistry Parameters by EPA / Standard Methods**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>BH-8 (30'-32') (5D06005-11) Soil</b>									
Chloride	2250	50.0	mg/kg	100	ED51211	04/08/05	04/08/05	EPA 300.0	
<b>BH-8 (35'-37') (5D06005-12) Soil</b>									
Chloride	797	25.0	mg/kg	50	ED51211	04/08/05	04/08/05	EPA 300.0	

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
04/12/05 15:20

**General Chemistry Parameters by EPA / Standard Methods - Quality Control**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
<b>Batch ED51211 - Water Extraction</b>										
<b>Blank (ED51211-BLK1)</b> Prepared & Analyzed: 04/08/05										
Chloride	ND	0.500	mg/kg							
<b>LCS (ED51211-BS1)</b> Prepared & Analyzed: 04/08/05										
Chloride	10.6		mg/L	10.0		106	80-120			
<b>Calibration Check (ED51211-CCV1)</b> Prepared & Analyzed: 04/08/05										
Chloride	10.9		mg/L	10.0		109	80-120			
<b>Duplicate (ED51211-DUP1)</b> Source: 5D06005-11 Prepared & Analyzed: 04/08/05										
Chloride	2280	50.0	mg/kg		2250			1.32	20	

Highlander Environmental Corp.  
1910 N. Big Spring St.  
Midland TX, 79705

Project: Gruy Petroleum/ Riddle State #1  
Project Number: 2321  
Project Manager: Tim Reed

Fax: (432) 682-3946

Reported:  
04/12/05 15:20

### Notes and Definitions

DET Analyte DETECTED  
ND Analyte NOT DETECTED at or above the reporting limit  
NR Not Reported  
dry Sample results reported on a dry weight basis  
RPD Relative Percent Difference  
LCS Laboratory Control Spike  
MS Matrix Spike  
Dup Duplicate

Report Approved By: Raland K Tuttle Date: 4-14-05

Raland K. Tuttle, Lab Manager  
Celey D. Keene, Lab Director, Org. Tech Director  
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director  
James L. Hawkins, Chemist/Geologist  
Sandra Sanchez, Lab Tech.

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If you have received this material in error, please notify us immediately at 432-563-1800.

# Analysis Request and Chain of Custody Record

**HIGHLANDER ENVIRONMENTAL CORP.**  
 1910 N. Big Spring St.  
 Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME:	SITE MANAGER:	PROJECT NAME:	SAMPLE IDENTIFICATION	PRESERVATIVE METHOD		
				HCL	HNO3	ICE
404 PFA/Perm	Tim Reed	Riddle State #1	BH-4 (30' - 32')	X		
252			BH-4 (35' - 37')	X		
			BH-5 (1' - 3')	X		
			BH-5 (5' - 7')	X		
			BH-5 (10' - 12')	X		
			BH-5 (15' - 17')	X		
			BH-5 (20' - 22')	X		
			BH-5 (25' - 27')	X		
			BH-5 (30 - 32')	X		
			BH-5 (35 - 37')	X		

ANALYSIS REQUEST	DATE	TIME
HTEX 8020/602		
MTE 8020/602		
TPH 4181 8015 MOD. 731005		
PAH 8270		
RCRA Metals Ag As Ba Cd Cr Pb Hg Se		
TCP Metals Ag As Ba Cd Cr Pd Hg Se		
TCP Volatiles		
TCP Semi Volatiles		
HCL		
CCMS Vol 8240/8280/824		
CCMS Semi Vol 8270/825		
PCB's 8080/808		
Part. 808/808		
BOD, TSS, PH, TDS, Chlorides		
Gamma Spec		
Alpha Beta (Air)		
PLM (Asbestos)		

**COPY**

SAMPLED BY: <u>Print &amp; Sign</u>	DATE: <u>7/27/05</u>
TIME: <u>11:11 AM</u>	TIME: <u>11:00 AM</u>
RECEIVED BY: (Signature)	DATE: _____
TIME: _____	TIME: _____
RECEIVED BY: (Signature)	DATE: _____
TIME: _____	TIME: _____
RECEIVED BY: (Signature)	DATE: _____
TIME: _____	TIME: _____
RECEIVED BY: (Signature)	DATE: _____
TIME: _____	TIME: _____

RECEIVING LABORATORY: <u>Lab 101</u>	STATE: <u>TX</u>	PHONE: _____
CITY: <u>Midland</u>	ZIP: _____	
CONTACT: _____		
SAMPLE CONDITION WHEN RECEIVED: <u>16.0C</u>	MATRIX: <u>W-Water</u>	A-Air
	<u>S-Soil</u>	SL-Sludge
		SD-Solid
		O-Other
DATE: <u>03-24-05</u>	TIME: <u>1700</u>	

REMARKS: 4oz glass jar in ice w/seals on containers + cooler  
Hold remaining samples  
Tim Reed  
 \* Add 0.33-0.5 oz per container - mail  
 \* Add 0.1-0.2 oz to 11.0m as per attached email

Please fill out all copies - Laboratory retains yellow copy - Return original copy to Highlander Environmental Corp. - Project Manager retains pink copy - Accounting receives Gold copy.

# Analysis Request and Chain of Custody Record

## HIGHLANDER ENVIRONMENTAL CORP.

1910 N. Big Spring St.  
Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: Refco/Env SITE MANAGER: Tim Reed

PROJECT NO.: 2321 PROJECT NAME: Kiddie State #1

LAB ID. NUMBER	DATE	TIME	KATRIX	COKE	GRAB	SAMPLE IDENTIFICATION	NUMBER OF CONTAINERS			PRESERVATIVE METHOD		
							NUMBER OF CONTAINERS	FILTERED (Y/N)	HCL	HNOS	ICE	NONE
-41	3-23-05	9:30				BH-6 (1'-3')	1				X	NONE
-42	3-23-05	9:40				BH-6 (5'-7')	1				X	NONE
-43	3-23-05	9:42				BH-6 (10'-12')	1				X	NONE
-44	3-23-05	9:45				BH-6 (15'-17')	1				X	NONE
-45	3-23-05	9:55				BH-6 (20'-22')	1				X	NONE
-46	3-23-05	10:00				BH-6 (25'-27')	1				X	NONE
-47	3-23-05	10:05				BH-6 (30'-32')	1				X	NONE
-48	3-23-05	10:15				BH-6 (35'-37')	1				X	NONE
-49	3-22-05	15:35				BH-7 (1'-3')	1				X	NONE
-50		15:37				BH-7 (5'-7')	1				X	NONE

**COPY**

PAGE: 5 OF: 7  
ANALYSIS REQUEST  
(Circle or Specify Method No.)

RTX 8020/602	
KTR 8020/602	
TPH 4181 8015 MOD. TX1005	
PAH 8270	
RCRA Metals Ag As Ba Cd Cr Pb Hg Se	
TCP Metals Ag As Ba Cd Cr Pd Hg Se	
TCP Volatiles	
TCP Semi Volatiles	
ECI	
GCMS Vol 8240/8280/824	
GCMS Samt Vol 8270/825	
PCB's 8080/808	
PEL 808/808	
BOD, TSS, PH, TDS, <u>Radon</u>	X
Gamma Spec	X
Alpha Beta (Air)	X
PLM (Asbestos)	X

RECEIVED BY: (Signature) \_\_\_\_\_ DATE: 3/24/05  
 TIME: 3:10P

RECEIVED BY: (Signature) \_\_\_\_\_ DATE: \_\_\_\_\_  
 TIME: \_\_\_\_\_

RECEIVED BY: (Signature) \_\_\_\_\_ DATE: \_\_\_\_\_  
 TIME: \_\_\_\_\_

RECEIVED BY: (Signature) \_\_\_\_\_ DATE: \_\_\_\_\_  
 TIME: \_\_\_\_\_

RECEIVING LABORATORY: Supplent Lab #177

ADDRESS: \_\_\_\_\_ STATE: TX ZIP: \_\_\_\_\_

CITY: Midland PHONE: \_\_\_\_\_

CONTACT: \_\_\_\_\_

SAMPLE CONDITION WHEN RECEIVED: 16.0°C

MATRIX: W-Water A-Air SD-Solid  
SL-Sludge O-Other

REMARKS: Add Remaining samples  
4oz glass on ice w/season containers + cooler

SAMPLED BY: (Print & Sign) Tim Reed Date: 3/23/05  
 Time: 15:37

SAMPLE SHIPPED BY: (Circle) BUS AIRBILL # \_\_\_\_\_  
FEDEX UPS OTHER: \_\_\_\_\_

HAND-DELIVERED

HIGHLANDER CONTACT PERSON: Tim Reed

RESULTS BY: \_\_\_\_\_  
 RUSH CHARGE AUTHORIZED: Yes No \_\_\_\_\_

Please fill out all copies - Laboratory retains yellow copy - Return original copy to Highlander Environmental Corp. - Project Manager retains pink copy - Accounting receives Gold copy.



# Analysis Request and Chain of Custody Record

**HIGHLANDER ENVIRONMENTAL CORP.**  
 1910 N. Big Spring St.  
 Midland, Texas 79705

(432) 682-4559

Fax (432) 682-3946

CLIENT NAME: <i>Emily P. Yarbrough</i>	SITE MANAGER: <i>Tim Reed</i>										
PROJECT NO.: <i>2321</i>	PROJECT NAME: <i>Riddle State #1</i>										
LAB I.D. NUMBER: <i>5225006</i>	SAMPLE IDENTIFICATION										
DATE	TIME	MATRIX	COMP	GRAB	NUMBER OF CONTAINERS	FILTERED (Y/N)	HCL	HNOS	ICE	NONE	PRESERVATIVE METHOD
<i>3-22-05</i>	<i>16:40</i>				<i>1</i>				<i>X</i>		
<i>10-62</i>	<i>16:45</i>				<i>1</i>				<i>X</i>		
<i>11-63</i>	<i>16:50</i>				<i>1</i>				<i>X</i>		
<i>12-64</i>	<i>16:55</i>				<i>1</i>				<i>X</i>		

PAGE: 7 OF: 7  
 ANALYSIS REQUEST  
 (Circle or Specify Method No.)

<input type="checkbox"/>	BTEX 8020/602
<input type="checkbox"/>	MTHB 8020/602
<input type="checkbox"/>	TPH 418.1 8015 MOD. 71005
<input type="checkbox"/>	PAH 8270
<input type="checkbox"/>	RCRA Metals Ag As Ba Cd Cr Pb Hg Se
<input type="checkbox"/>	TCP Metals Ag As Ba Cd Cr Pd Hg Se
<input type="checkbox"/>	TCP Volatiles
<input type="checkbox"/>	TCP Semi Volatiles
<input type="checkbox"/>	ECMS Vol. 8240/8260/824
<input type="checkbox"/>	ECMS Semi Vol. 8270/825
<input type="checkbox"/>	PCB's 8080/808
<input type="checkbox"/>	Part. 808/808
<input checked="" type="checkbox"/>	BOD, TSS, PH, TDS, Chloride
<input type="checkbox"/>	Gamma Spec.
<input type="checkbox"/>	Alpha Beta (Air)
<input type="checkbox"/>	PLM (Asbestos)

COPY

RELINQUISHED BY: (Signature) <i>[Signature]</i>	Date: <i>3/24/05</i>	Time: <i>5:15</i>	RECEIVED BY: (Signature)	Date: _____	Time: _____
RELINQUISHED BY: (Signature)	Date: _____	Time: _____	RECEIVED BY: (Signature)	Date: _____	Time: _____
RELINQUISHED BY: (Signature)	Date: _____	Time: _____	RECEIVED BY: (Signature)	Date: _____	Time: _____
RECEIVING LABORATORY: <i>Leadwell Labs of TX</i>	ADDRESS: _____	CITY: <i>Midland</i>	STATE: <i>TX</i>	ZIP: _____	
CONTACT: <i>Adessa</i>	PHONE: _____	DATE: <i>03-24-05</i>	TIME: <i>1700</i>		
SAMPLE CONDITION WHEN RECEIVED: <i>16.0C</i>	MATRIX: <i>W-Water</i>	<i>A-Air</i>	<i>SD-Solid</i>	<i>0-Other</i>	
REMARKS: <i>Hold remaining sample</i>					

HIGHLANDER CONTACT PERSON:  
*Tim Reed*

Results by:  
 RUSH Charged  
 Authorised:  
 Yes No

Please fill out all copies - Laboratory retains yellow copy - Return original copy to Highlander Environmental Corp. - Project Manager retains pink copy - Accounting receives Gold copy.

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

Client: Highlander Env.

Date/Time: 03-24-05 @ 1700

Order #: 5025006 <sup>Resubmit # Jm</sup> ~~5031011~~ <sup>Resubmit</sup> ~~5031011~~   
 #5D06005

**COPY**

Initials: JMM

**Sample Receipt Checklist**

Temperature of container/cooler?	<input checked="" type="checkbox"/> Yes	No	16.0	C
Shipping container/cooler in good condition?	<input checked="" type="checkbox"/> Yes	No		
Custody Seals intact on shipping container/cooler?	<input checked="" type="checkbox"/> Yes	No	Not present	
Custody Seals intact on sample bottles?	<input checked="" type="checkbox"/> Yes	No	Not present	
Chain of custody present?	<input checked="" type="checkbox"/> Yes	No		
Sample Instructions complete on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Chain of Custody signed when relinquished and received?	<input checked="" type="checkbox"/> Yes	No		
Chain of custody agrees with sample label(s)	<input checked="" type="checkbox"/> Yes	No		
Container labels legible and intact?	<input checked="" type="checkbox"/> Yes	No		
Sample Matrix and properties same as on chain of custody?	<input checked="" type="checkbox"/> Yes	No		
Samples in proper container/bottle?	<input checked="" type="checkbox"/> Yes	No		
Samples properly preserved?	<input checked="" type="checkbox"/> Yes	No		
Sample bottles intact?	<input checked="" type="checkbox"/> Yes	No		
Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Containers documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Sufficient sample amount for indicated test?	<input checked="" type="checkbox"/> Yes	No		
All samples received within sufficient hold time?	<input checked="" type="checkbox"/> Yes	No		
VOC samples have zero headspace?	Yes	No	<input checked="" type="checkbox"/> Not Applicable	

Other observations:

Containers in boxes on top of ice

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**Variance Documentation:**

Contact Person: - \_\_\_\_\_ Date/Time: \_\_\_\_\_ Contacted by: \_\_\_\_\_

Regarding: \_\_\_\_\_

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Corrective Action Taken:

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**Martin, Ed**

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**From:** Randy Ray [rray@magnumhunter.com]  
**Sent:** Friday, February 04, 2005 8:39 AM  
**To:** emartin@state.nm.us  
**Cc:** PSHEELEY@STATE.NM.US; gmiller@hec-enviro.com; itavarez@hec-enviro.com; Bob Jennings; Reggie Reston  
**Subject:** Gruy Petroleum - Riddle State #1 Groundwater Delineation

Mr. Martin:

I am in receipt of your recent letter dated 1/26/05 concerning the notification of groundwater impact at the Gruy operated Riddle State #1 well site. Gruy has contracted Highlander Environmental to proceed with the proposed groundwater delineation project as originally proposed by Pat McCasland with Environmental Plus. Mr. Gary Miller with Highlander Environmental has submitted the water well easement and appropriate fees to the State of New Mexico to permit the 3 monitor wells on Gruy's behalf. Highlander is also currently contracting a water well rig to drill these 3 monitor wells wells as soon as possible. I want to assure you that we will forward these results to your office as soon as the information is obtained. If you should have any questions, please feel free to contact me at the numbers listed below, or Highland Environmental at (432) 682-4559.

Thanks,

Randy Ray

\*\*\*\*\*  
**Randy W. Ray**  
**Permian Operations Manager**  
**Gruy Petroleum Management**  
**rray@magnumhunter.com**  
**(432) 571 - 7800 office**  
**(432) 571 - 7832 fax**  
\*\*\*\*\*

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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

January 26, 2005

Mr. Randy W. Ray  
Gruy Petroleum Management Co.  
508 West Wall Street  
Suite 600  
Midland, TX 79701

Dear Mr. Ray:

The New Mexico Oil Conservation Division (NMOCD) has received a written notification of groundwater impact and preliminary groundwater delineation proposal for the Gruy Petroleum Co. (Gruy) Riddle State #1 site located in UL-B, Sec. 1, T22S, R34E, Lea County New Mexico. Environmental Plus, Inc prepared this report on Gruy's behalf. I have responded via email to Mr. Pat McCasland approving the preliminary groundwater delineation proposal.

Please ensure that the delineation phase commences shortly and proceeds swiftly. Please keep this office informed of any problems encountered at the site and the results of the delineation.

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

NEW MEXICO OIL CONSERVATION DIVISION

A handwritten signature in cursive script that reads "Ed Martin".

Edwin E. Martin  
Environmental Engineer

cc: Paul Sheeley, NMOCD Hobbs office  
Pat McCasland, Environmental Plus, Inc.



ENVIRONMENTAL PLUS, INC.

STATE APPROVED LAND FARM AND ENVIRONMENTAL SERVICES

Auto-Blaze

Micro-Blaze Out™

January 21, 2005

Mr. Ed Martin  
Energy, Minerals, and Natural Resources Department  
New Mexico Oil Conservation Division, Environmental Bureau  
P.O. Box 6429  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505

OIL CONSERVATION  
DIVISION

1R-431

Subject: Written notification of groundwater impact and preliminary  
groundwater delineation proposal.

Re: Gruy Petroleum  
Riddle State #1  
UL-B; NW¼ of the NE¼ of Section 1 T22S R34E  
Lea County New Mexico  
Latitude: 32°25'36.87"N Longitude: 103°25'07.52"W  
Landowner: State of New Mexico

Dear Mr. Martin,

Consistent with NMAC Title 20.6.2.1203 (NOTIFICATION OF DISCHARGE), Environmental Plus, Inc. (EPI), Eunice, New Mexico, on behalf of Gruy Petroleum (Gruy), submits this written notification of groundwater impact. During implementation of the New Mexico Oil Conservation Division (NMOCD) "Riddle State #1 Pit Delineation Work Plan," groundwater at the site was encountered at approximately 45 feet below ground surface. This information was needed to determine an accurate depth to groundwater for the site to support subsequent pit closure strategies. After saturation was encountered in the soil boring, the decision was made to install and develop a temporary 2" PVC monitor well and purge and sample it for selected New Mexico Water Quality Control Commission (WQCC) groundwater parameters. Laboratory results indicate the groundwater exceeds the WQCC standards for chloride, sulfate, and total dissolved standards as listed in NMAC 20.6.2.3103. The analytical results are summarized below and the reports attached along with site maps.

ENVIRONMENTAL PLUS, INC.



It is not known if the exceedances are due to impacted groundwater encroaching from an up gradient source or from the pit. Gruy proposes to install, survey and sample one up-gradient and two down-gradient monitoring wells. Information from these wells be used to accurately determine the groundwater gradient and if impacts are due to on-site or off-site activities not associated with the pit. The up-gradient well will identify encroaching sources and the two down-gradient wells will provide information as to the extent of impact. The USGS Report #6, "Geology and Ground-Water Conditions in Southern Lea County, New Mexico, A. Nicholson and A. Clebsch, 1961," suggests the groundwater gradient at the site is to the south (refer to the attached groundwater elevation map) therefore, the up-gradient monitor well (MW4) will be installed approximately 200-feet north of the pit perimeter upgradient of the site, the southeast down-gradient well (MW2) will be installed approximately 300-feet due south of the southeast corner of the pit and the southwest well (MW3) approximately 300-feet south of the southwest corner of the pit at a bearing of 206°.

If information from the monitor wells indicates the groundwater impact is from the drilling pit, a delineation and remediation work plan addressing soil and ground water will be developed consistent with the "New Mexico Oil Conservation Division (NMOCD) Pit and Below-Grade Tank Guidelines (November 1, 2004)" and the "NMOCD Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993)" and submitted to you for approval. There are no surface water bodies or domestic, agricultural, or public water supply wells within 1,000 feet of the site. All official communication should be sent to;

Gruy Petroleum Management Co.
Mr. Randy W. Ray
508 West Wall Street
Suite 600
Midland, Texas 79701
Email: rray@magnumhunter.com



**ENVIRONMENTAL PLUS, INC.**  
STATE APPROVED LAND FARM AND ENVIRONMENTAL SERVICES

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If there are any questions or more information is required please call Cody Miller or me at the office or Mr. Randy Ray at 432.571.7800.

Sincerely,

Pat McCasland  
EPI Technical Services Manager (enviplus1@aol.com)

cc: Paul Sheeley, NMOCD Hobbs (PSHEELEY@STATE.NM.US)  
Randy Ray, Gruy (rray@magnumhunter.com)  
Reggie Reston, Gruy (rreston@magnumhunter.com)  
Bob Jennings, Gruy (bjennings@magnumhunter.com)  
Cody Miller, EPI Vice President and General Manager (enviplus1@aol.com)  
Sherry Miller, EPI President (enviplus1@aol.com)  
File

Attachments:

1. Gruy Riddle State #1 Pit Delineation Groundwater Data Summary  
January 2005
2. Annotated USGS topographical map
3. Delineation Sample Location map
4. Proposed monitoring well location map
5. Laboratory Reports

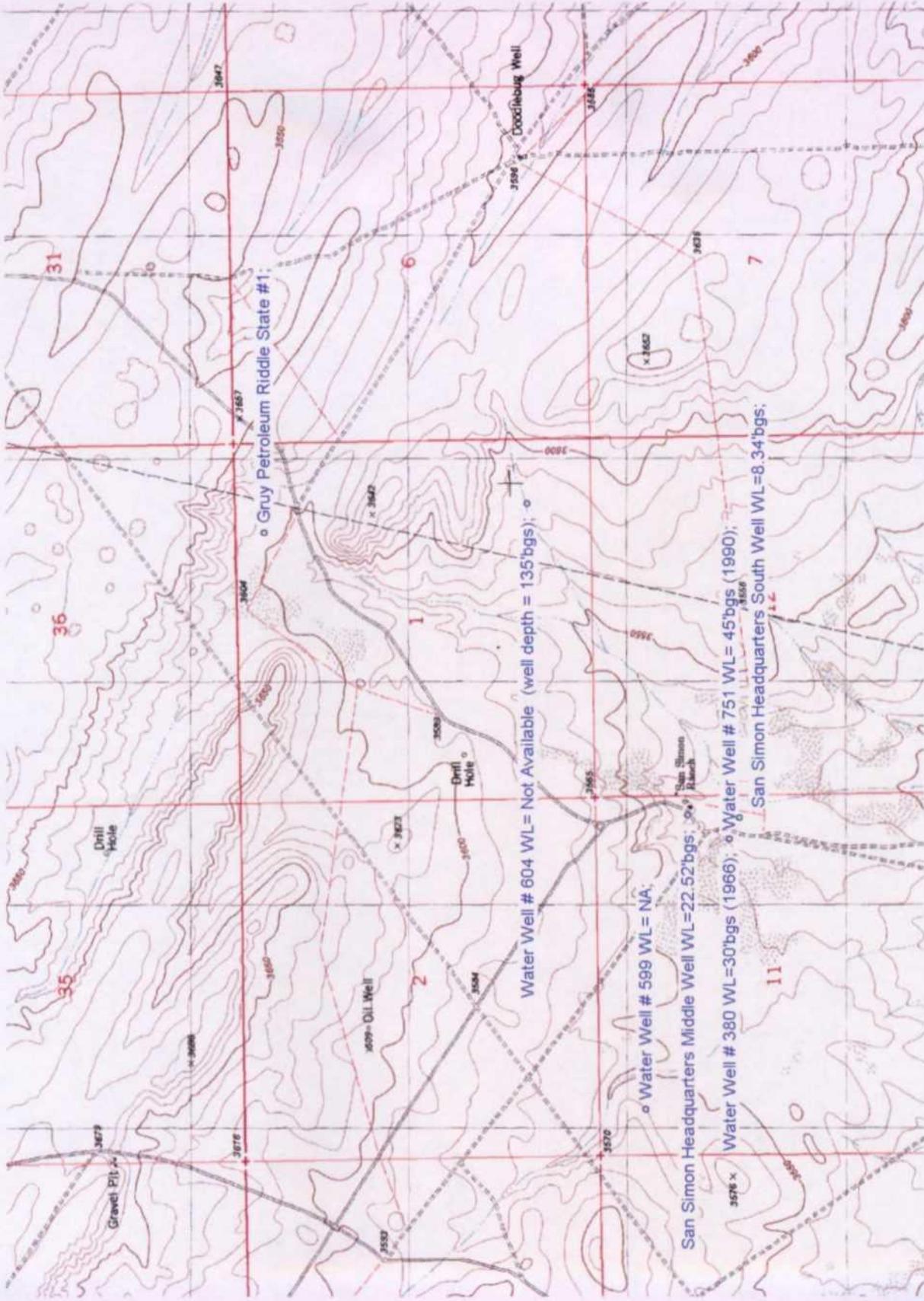
ENVIRONMENTAL PLUS, INC.

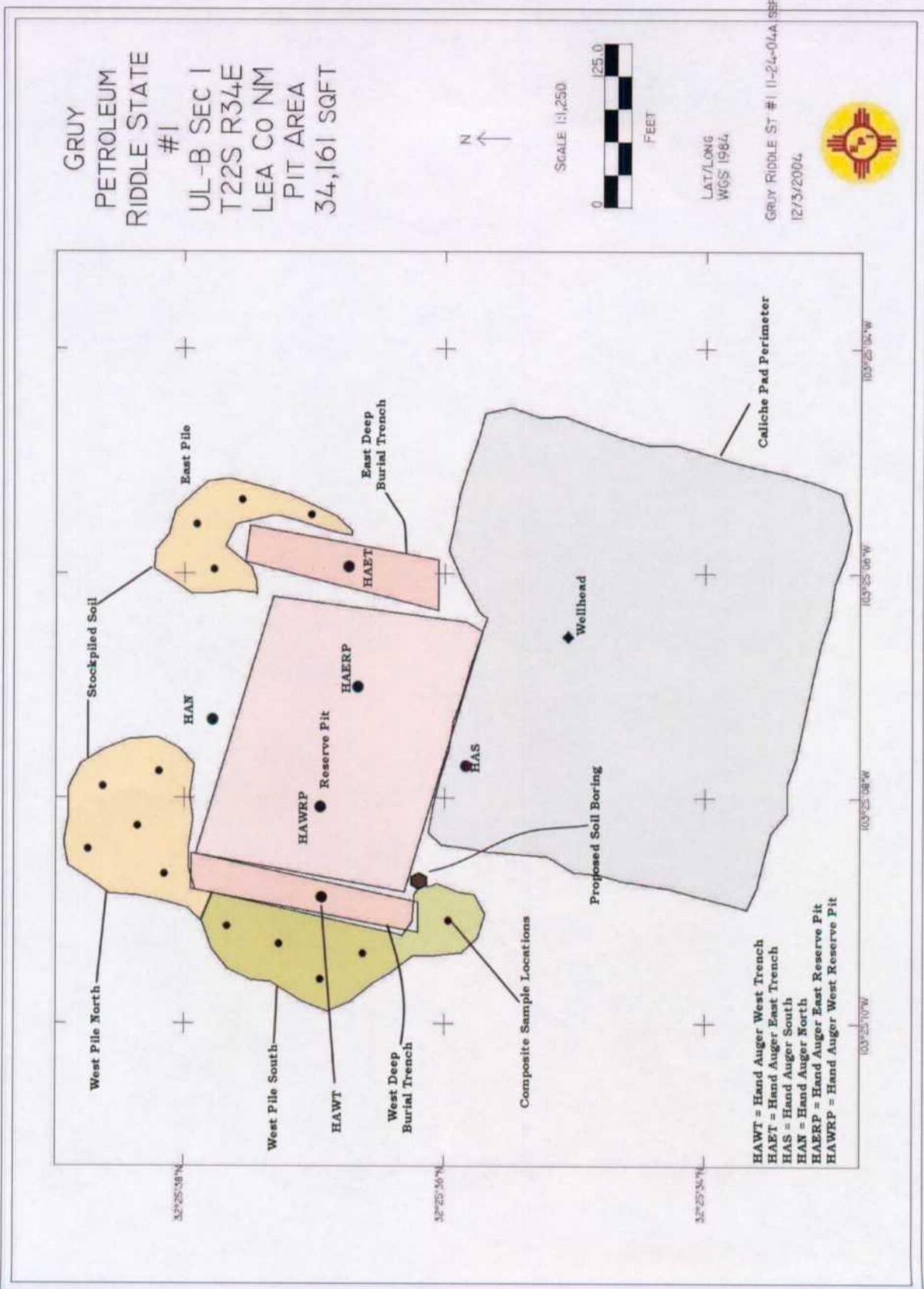


Gruy Petroleum

Riddle State #1 Drilling Pit Delineation Groundwater Data January 2005

Sample Location	Water Level (FT. BGS')	SAMPLE ID#	Date	Sodium (Na) mg/L	Calcium (Ca) mg/L	Magnesium (Mg) mg/L	Potassium (K) mg/L	Conductivity (µS/cm)	T-Alkalinity (mgCaCO <sub>3</sub> /L)	Chloride (Cl) mg/L	Sulfate (SO <sub>4</sub> ) mg/L
BH1	44.8	BH1 Monitor	1/12/2005	11914	2922	650	261	40044	180	24992	799
NM Water Quality Control Commission Standard											
Sample Location	Water Level (FT. BGS')	SAMPLE ID#	Date	Carbonate (CO <sub>3</sub> ) mg/L	Bicarbonate (HCO <sub>3</sub> ) mg/L	pH	Total Dissolved Solids (TDS) mg/L	Benzene mg/L	Toluene mg/L	Ethylbenzene mg/L	m,p, & o Xylenes mg/L
BH1	44.8	BH1 Monitor	1/12/2005	0	220	7	41800	<0.002	<0.002	<0.002	<0.006
NM Water Quality Control Commission Standard											
				--	--	6-9	1000	0.01	0.75	0.75	0.62







GRUY  
 PETROLEUM  
 RIDDLE ST. #1  
 UL-B SEC I  
 T22S R34E  
 LEA Co NM  
 PROPOSED  
 MONITORING  
 WELL LOCATION  
 MAP  
 01-24-05



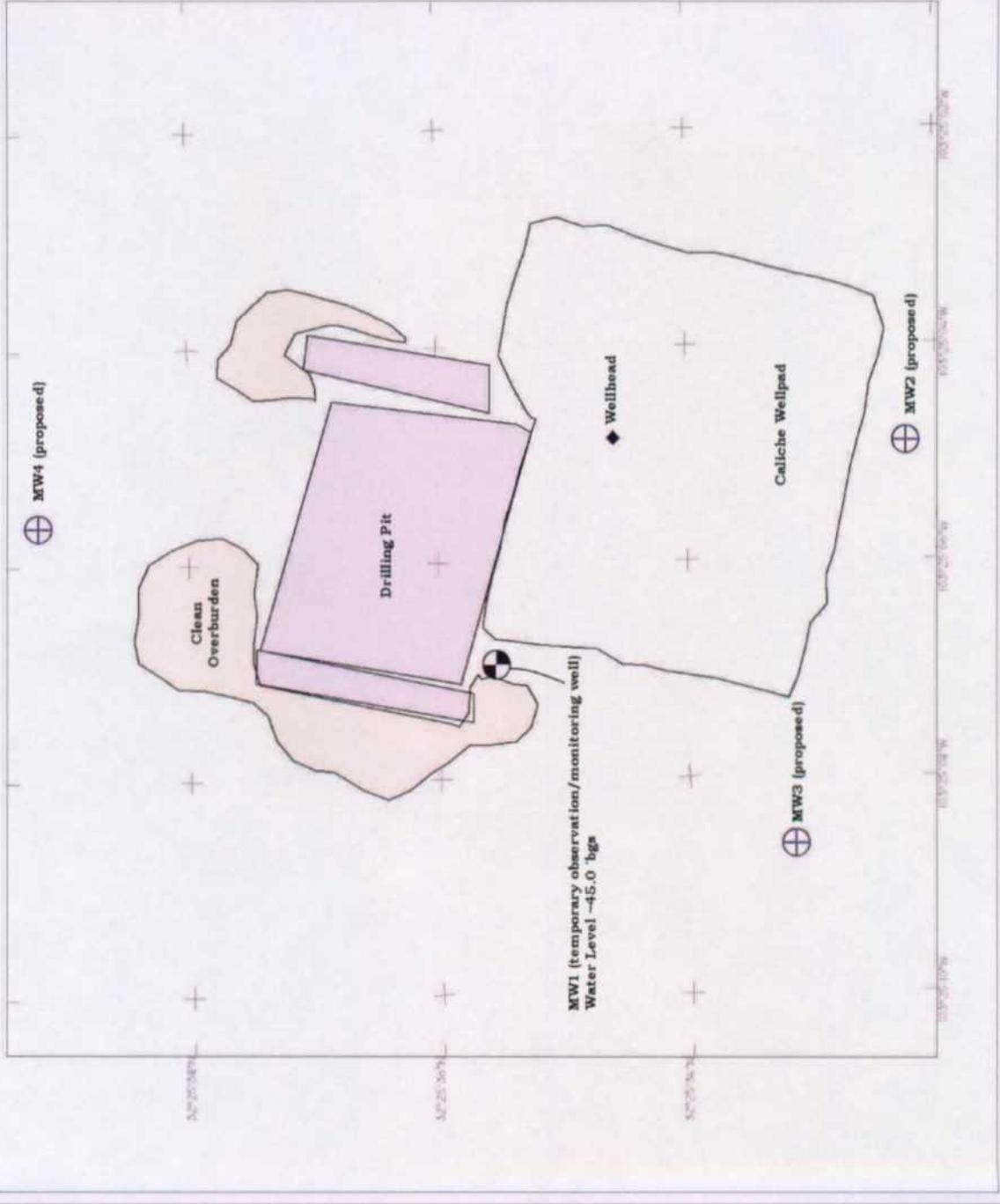
SCALE 1:1,500



FEET

UNIVERSAL TRANSVERSE MERCATOR  
 UTM NORTH  
 NAD 1927 (WESTERN US)

GRUY RIDDLE ST #1 11-24-04A SBF  
 1/24/2005





PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR ENVIRONMENTAL PLUS, INC. ATTN: PAT McCASLAND P.O. BOX 1558 EUNICE, NM 88231 FAX TO: (505) 394-2601

Receiving Date: 01/18/05 Reporting Date: 01/19/05 Project Owner: GRUY PETROLEUM Project Name: RIDDLE STATE #1 Project Location: NOT GIVEN

Sampling Date: 01/12/05 Sample Type: GROUNDWATER Sample Condition: COOL & INTACT Sample Received By: BC Analyzed By: AH

Table with 7 columns: LAB NUMBER, SAMPLE ID, Na (mg/L), Ca (mg/L), Mg (mg/L), K (mg/L), Conductivity (uS/cm), T-Alkalinity (mgCaCO3/L). Includes analysis dates, sample data for H9480-4, and quality control metrics.

Table with 7 columns: ANALYSIS DATE, Cl- (mg/L), SO4 (mg/L), CO3 (mg/L), HCO3 (mg/L), pH (s.u.), TDS (mg/L). Includes analysis dates, sample data for H9480-4, and quality control metrics.

Handwritten signature of Amy Hill, Chemist

Handwritten date 1/19/05

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses...



Gruy Petroleum

# Cardinal Laboratories Inc.

2111 Beechwood, Abilene, TX 79603  
915-673-7001 Fax 915-673-7020

101 East Marland, Hobbs, NM 88240  
505-393-2326 Fax 505-398-2476

Company Name **Gruy Petroleum**  
 Project Manager **Pat McCasland**  
 Address \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_  
 Phone#/Fax# \_\_\_\_\_  
 Project #/Owner \_\_\_\_\_  
 Project Name **Riddle State #1**  
 Project Location \_\_\_\_\_  
 Sampler Name **Manuel Gonzales**

**ENVIRONMENTAL PLUS INC.**

Analysis Request	
TPH 8015 Modified	
BTEX 8021B	
CI	
SAR	
EC	
TDS	
ANIONS	
CATIONS	

LAB I.D.	SAMPLE I.D.	(G)RAB OR (COM)P.	# CONTAINERS	MATRIX						PRESERV.			SAMPLING							
				GROUND WATER	WASTEWATER	SOIL	CRUDE OIL	SLUDGE	OTHER	ACID/BASE	ICE/COOL	OTHER	DATE	TIME						
1	HAWT Top Soil	G 1				X					X			1/12	8:01	X				
2	HAWT 5'	G 1				X					X			1/12	8:19	X				
3	HAWT 66"	G 1				X					X			1/12	8:57	X				
4	GPH20 MW1	G 1				X					X			1/12	10:29	X			X	X
5	BH1 MONITER	G 2				X					X			1/12	3:29	X			X	X
6	HAWT Top Soil	G 1				X					X			1/12	11:10					
7	HAWT 5'	G 1				X					X			1/12	11:38					
8	HAWRP Top Soil	G 1				X					X			1/12	11:47					
9	HAWRP 4'5"	G 1				X					X			1/12	11:53				X	X
10	HAWRP Top Soil	G 1				X					X			1/12	12:12				X	X
11	HAWRP 3'5"	G 1				X					X			1/12	12:20				X	X

Fax results to Pat McCasland 505-393-2901

Remarks

Received By:

*Pat McCasland*

Received By: (lab staff)

*Pat McCasland*

Sample Cool & Intd. No. *Yes*

Checked By:

*Pat McCasland*

Sampler Requisition #

*Manuel Gonzales*

Requisitioned by:

Delivered by Sampler