

TALON/LPE

February 5, 2007

Mr. Patrick Ellis
POGO PRODUCING COMPANY
P.O. Box 10340
Midland, Texas 79702

Re: Excavation and Sampling of Reserve Pit, Never Ready 14 Federal #1,
U/L: E Section 14 T 20S R 34E.

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3002533120000

Dear Mr. Ellis:

Talon/LPE is pleased to provide this letter describing the activities performed at the above referenced site. The scope of work for the project included the excavation and removal of a reserve pit as well as confirmation sampling and soil disposal.

Excavation and Disposal of the Reserve Pit

On January 27, 2007, Talon/LPE mobilized to the site. A front end loader was utilized to excavate the reserve pit and stockpile the material on plastic sheeting. A total of 1,595 yd³ of soil was excavated from the pit. On January 29, 2007, Talon/LPE began loading this material into haul trucks for disposal at the CRI landfill. Soil removal operations were completed on January 31, 2007.

Sampling

For sampling purposes, the site was broken down into 4 quadrants as requested in the C-144. The quadrant locations are labeled on the attached site map (Attachment 1). Grab samples were collected from each quadrant at six (6) inches beneath the bottom of the excavation on the afternoon of February 1, 2007. The samples were then submitted to TraceAnalysis, Inc. and analyzed for total chlorides (Attachment 2). A breakdown of the analytical results from each location is as follows:

<u>Location</u>	<u>Total Chlorides</u>
Bottom Hole 1 (BH-1)	191 mg/Kg
Bottom Hole 2 (BH-2)	144 mg/Kg
Bottom Hole 3 (BH-3)	583 mg/Kg
Bottom Hole 4 (BH-4)	499 mg/Kg

Per the Form C-144 requirements, the backfilling activities will not be conducted until concurrence is given by the New Mexico Oil Conservation Division (NMOCD).

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Amarillo, Texas 79107
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RPA#1352

Talon/LPE appreciates the opportunity to provide these professional services to Pogo Producing Company. If you have any questions, or require additional information regarding this letter, please contact the undersigned at (432)522-2133.

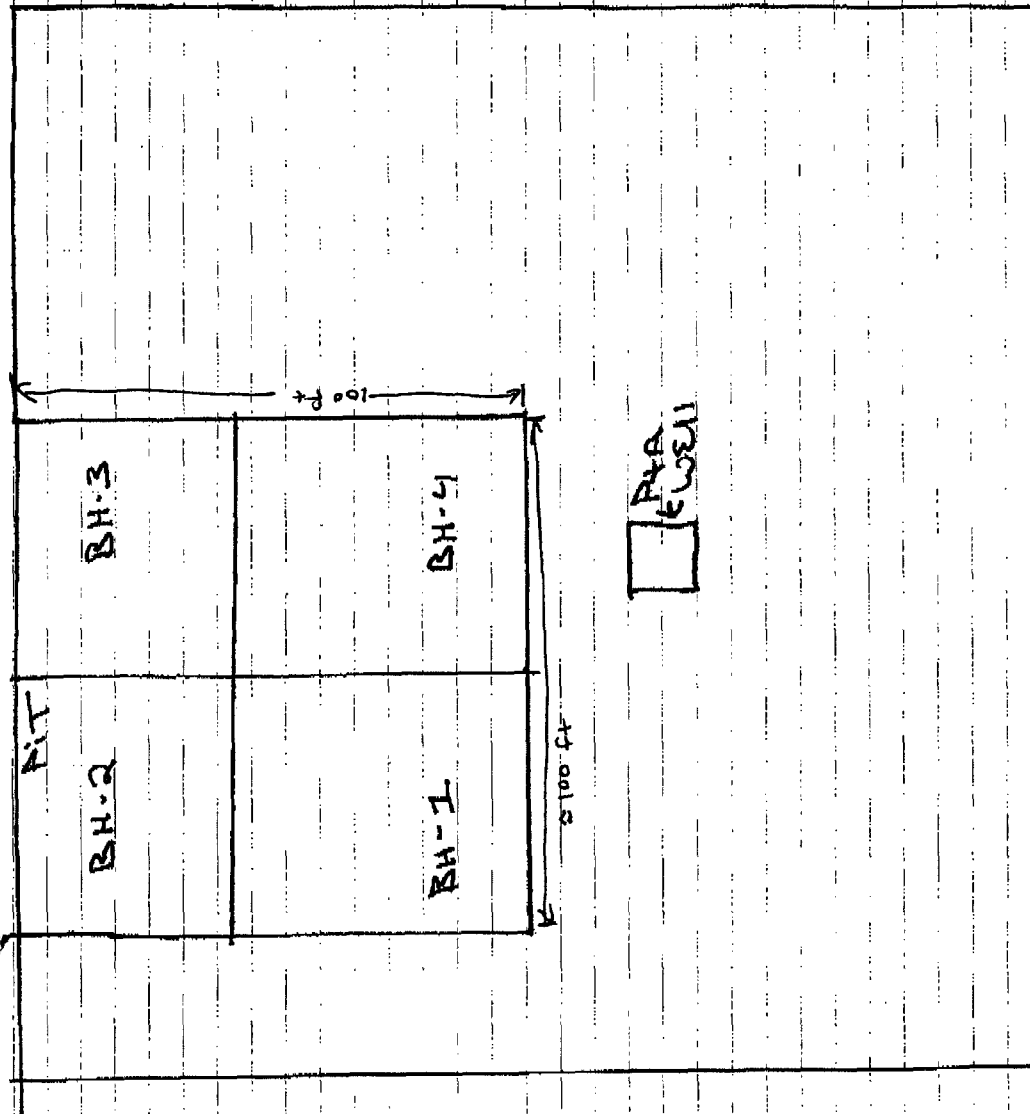
Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Kyle J. Waggoner', is positioned above the printed name.

Kyle J. Waggoner
Senior Project Manager
TalonLPE

Attachments:

Attachment 1 - Site Map
Attachment 2 - Analytical Table



NEVER READY 14 #1

PASTURE

ROAD

PASTURE



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Analytical and Quality Control Report

Kyle Waggoner
Talon LPE
921 North Bivins
Amarillo, TX, 79107

Report Date: February 5, 2007

Work Order: 7020213



Project Location: Lea County, NM
Project Name: Never Ready 141
Project Number: POGO PR010PIT

Enclosed are the Analytical Report and Quality Control Report for the following sample(s) submitted to TraceAnalysis, Inc.

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
115409	BH-1	soil	2007-02-01	13:57	2007-02-02
115410	BH-2	soil	2007-02-01	14:04	2007-02-02
115411	BH-3	soil	2007-02-01	14:10	2007-02-02
115412	BH-4	soil	2007-02-01	14:15	2007-02-02

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 5 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.

Dr. Blair Leftwich, Director

Standard Flags

B - The sample contains less than ten times the concentration found in the method blank.

Analytical Report

Sample: 115409 - BH-1

Analysis:	Chloride (IC)	Analytical Method:	E 300.0	Prep Method:	N/A
QC Batch:	34290	Date Analyzed:	2007-02-05	Analyzed By:	AR
Prep Batch:	29756	Sample Preparation:	2007-02-02	Prepared By:	AR

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		191	mg/Kg	10	1.00

Sample: 115410 - BH-2

Analysis:	Chloride (IC)	Analytical Method:	E 300.0	Prep Method:	N/A
QC Batch:	34290	Date Analyzed:	2007-02-05	Analyzed By:	AR
Prep Batch:	29756	Sample Preparation:	2007-02-02	Prepared By:	AR

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		144	mg/Kg	5	1.00

Sample: 115411 - BH-3

Analysis:	Chloride (IC)	Analytical Method:	E 300.0	Prep Method:	N/A
QC Batch:	34290	Date Analyzed:	2007-02-05	Analyzed By:	AR
Prep Batch:	29756	Sample Preparation:	2007-02-02	Prepared By:	AR

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		583	mg/Kg	10	1.00

Sample: 115412 - BH-4

Analysis:	Chloride (IC)	Analytical Method:	E 300.0	Prep Method:	N/A
QC Batch:	34290	Date Analyzed:	2007-02-05	Analyzed By:	AR
Prep Batch:	29756	Sample Preparation:	2007-02-02	Prepared By:	AR

Parameter	Flag	RL Result	Units	Dilution	RL
Chloride		499	mg/Kg	10	1.00

Matrix Blank (1) QC Batch: 34290

QC Batch:	34290	Date Analyzed:	2007-02-05	Analyzed By:	AR
Prep Batch:	29756	QC Preparation:	2007-02-02	Prepared By:	AR

Parameter	Flag	MDL Result	Units	RL
Chloride		2.04	mg/Kg	1

Laboratory Control Spike (LCS-1)

QC Batch: 34290
Prep Batch: 29756

Date Analyzed: 2007-02-05
QC Preparation: 2007-02-02

Analyzed By: AR
Prepared By: AR

Param	LCS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	13.8	mg/Kg	1	12.5	2.3	110	90 - 110

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	LCSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit	RPD	RPD Limit
Chloride	13.6	mg/Kg	1	12.5	2.3	109	90 - 110	1	

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Matrix Spike (MS-1) Spiked Sample: 115414

QC Batch: 34290
Prep Batch: 29756

Date Analyzed: 2007-02-05
QC Preparation: 2007-02-02

Analyzed By: AR
Prepared By: AR

Param	MS Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit
Chloride	1310	mg/Kg	50	625	727.824	93	90 - 110

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Param	MSD Result	Units	Dil.	Spike Amount	Matrix Result	Rec.	Rec. Limit	RPD	RPD Limit
Chloride	1390	mg/Kg	50	625	727.824	106	90 - 110	6	

Percent recovery is based on the spike result. RPD is based on the spike and spike duplicate result.

Standard (ICV-1)

QC Batch: 34290

Date Analyzed: 2007-02-05

Analyzed By: AR

Param	Flag	Units	ICVs True Conc.	ICVs Found Conc.	ICVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	12.5	11.9	95	90 - 110	2007-02-05

Standard (CCV-1)

QC Batch: 34290

Date Analyzed: 2007-02-05

Analyzed By: AR

Report Date: February 5, 2007
POGO PR010PIT

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Lea County, NM

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Chloride		mg/Kg	12.5	11.9	95	90 - 110	2007-02-05

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