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

29

L

Type of Release

Produced Water

Water Tank

By Whom?

N/A

Source of Release

Was Immediate Notice Given?

9S

35E

1650

State of New Mexico **Energy Minerals and Natural Resources**

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

Submit 2 Copies to appropriate

District Office in accordance with Rule 116 on back side of form

Form C-141

Revised October 10, 2003

Release Notification and Corrective Action OPERATOR Initial Report Final Report Name of Company OGRID Number Contact Yates Petroleum Corporation 25575 Robert Asher Address 104 S. 4TH Street Telephone No. 505-748-1471 Facility Name **API Number** Facility Type Order Number Gill BGJ #1 30-025-37103 Well 1RP-1232 Lease No. Mineral Owner Surface Owner Fee Fee LOCATION OF RELEASE Feet from the North/South Line Feet from the East/West Line Unit Letter Section Township Range County

Latitude 33.50238 Longitude 103.38888

South

660

Pat Caperton via phone notification and follow up e-mail

West

Lea

Volume Recovered

3/2/2007 9:00 AM

Date and Hour of Discovery

25 B/PW

NATURE OF RELEASE

30 B/PW

Volume of Release

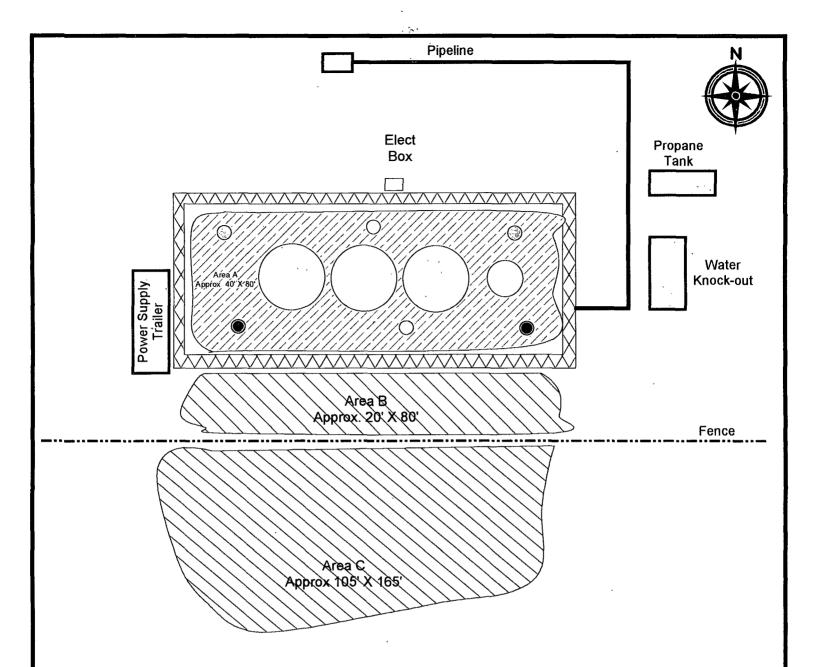
3/2/2007 9 00 AM

If YES, To Whom?

Date and Hour

Date and Hour of Occurrence

| N/A | INT |
|--|---|
| Was a Watercourse Reached? ☐ Yes ☒ No | If YES, Volume Impacting the Watercourse N/A |
| If a Watercourse was Impacted, Describe Fully * | |
| N/A | |
| Describe Cause of Problem and Remedial Action Taken.* | CED 4 0 0000 |
| Lease kill switch did not function Repaired switch | FEB 1 2 2008 |
| Deade kill switch that the tenter of the ten | B C Million (Million Charles and Carles and |
| Describe Area Affected and Cleanup Action Taken.* | HARRSACA |
| An approximate area of 50' X 60'. Approximate chloride content of water | s 28,993 ppm. Vacuum truck picked up remaining produced water All |
| contaminated soils were excavated and taken to an OCD approved facility. | Depth to Ground Water: >100" (approx. 135"), Wellhead Protection Area: |
| No, Distance to Surface Water Body: >1000', SITE RANKING IS 0. I | Based on soils excavated, analytical results and site ranking, Yates |
| Petroleum Corporation requests closure. | |
| | |
| I hereby certify that the information given above is true and complete to the | e best of my knowledge and understand that pursuant to NMOCD rules and |
| regulations all operators are required to report and/or the certain release no | otifications and perform corrective actions for releases which may endanger MMOCD marked as "Final Report" does not relieve the operator of liability |
| should their operations have failed to adequately investigate and remediate | contamination that pose a threat to ground water, surface water, human health |
| or the environment. In addition, NMOCD acceptance of a C-141 report do | pes not relieve the operator of responsibility for compliance with any other |
| federal, state, or local laws and/or regulations. | os not reneve the operator of responsionity for compliance with any other |
| $\overline{}$ | OIL CONSERVATION DIVISION |
| (La W) | OIL CONSERVATION DIVISION |
| Signature: . | • |
| | Approved by District Supervisor: |
| Printed Name: Robert Asher | Mus Williams |
| | Approved by District Supervisor: Chus Williams Approval Date: 2/15/08 Expiration Date: 2/15/08 |
| Title: Environmental Regulatory Agent | Approval Date: 2/15/08 Expiration Date: 2/15/08 |
| | |
| E-mail Address: boba@ypcnm.com | Conditions of Approval: |
| D ((F - 1 - 12 2009 | |
| Date: Tuesday, February 12, 2008 Phone: 505-748-4217 | |
| Attach Additional Sheets If Necessary | |



| Sample Date | Sample Type | Depth | BTEX | TPH (GRO) | TPH (DRO) | TPH (TOTAL) | Chlorides. |
|-------------|--|---|--|--|---|---|---|
| 8/9/2007 | Grab/Auger | 6" | 0.601 | 253.0 | 1200.0 | 1453.0 | 100000000000000000000000000000000000000 |
| 8/9/2007 | Grab/Auger | 6" | 0.0147 | 43.9 | 770.0 | 813.9 | |
| 8/9/2007 | Grab/Auger | 6" | 0.0217 | 136.0 | 2480.0 | 2616.0 | 7.1 |
| 8/9/2007 | Grab/Auger | 6" | 0 0053 | 21.7 | 783.0 | 804.7 | |
| 8/9/2007 | Grab/Auger | 6" | 0.112 | 182.0 | 4020.0 | 4202.0 | |
| 8/9/2007 | Grab/Auger | 6" | ND | 26.9 | 579.0 | 605.9 | |
| | 8/9/2007 8/9/2007 8/9/2007 8/9/2007 8/9/2007 | 8/9/2007 Grab/Auger 8/9/2007 Grab/Auger 8/9/2007 Grab/Auger 8/9/2007 Grab/Auger 8/9/2007 Grab/Auger | 8/9/2007 Grab/Auger 6" 8/9/2007 Grab/Auger 6" 8/9/2007 Grab/Auger 6" 8/9/2007 Grab/Auger 6" 8/9/2007 Grab/Auger 6" | 8/9/2007 Grab/Auger 6" 0.601 8/9/2007 Grab/Auger 6" 0.0147 8/9/2007 Grab/Auger 6" 0.0217 8/9/2007 Grab/Auger 6" 0.053 8/9/2007 Grab/Auger 6" 0.112 | 8/9/2007 Grab/Auger 6" 0.601 253.0 8/9/2007 Grab/Auger 6" 0.0147 43.9 8/9/2007 Grab/Auger 6" 0.0217 136.0 8/9/2007 Grab/Auger 6" 0.0053 21.7 8/9/2007 Grab/Auger 6" 0.112 182.0 | 8/9/2007 Grab/Auger 6" 0.601 253.0 1200.0 8/9/2007 Grab/Auger 6" 0.0147 43.9 770.0 8/9/2007 Grab/Auger 6" 0.0217 136.0 2480.0 8/9/2007 Grab/Auger 6" 0.053 21.7 783.0 8/9/2007 Grab/Auger 6" 0.112 182.0 4020.0 | 8/9/2007 Grab/Auger 6" 0.601 253.0 1200.0 1453.0 8/9/2007 Grab/Auger 6" 0.0147 43.9 770.0 813.9 8/9/2007 Grab/Auger 6" 0.0217 136.0 2480.0 2616.0 8/9/2007 Grab/Auger 6" 0.0053 21.7 783.0 804.7 8/9/2007 Grab/Auger 6" 0.112 182.0 4020.0 4202.0 |

Site Ranking is Zero (0). Depth to Ground Water > '100 (approx. 135'). All results are ppm.



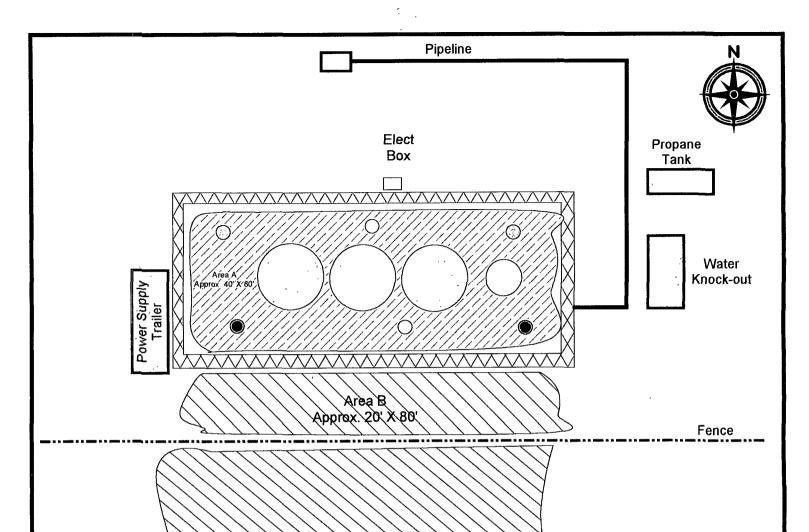
Gill BGJ #1

Section 29, T9S-R35E

Lea County, NM

EXHIBIT Sample Diagram (Not to Scale)

Prepared by Robert Asher Environmental Regulatory Agent February 11, 2008



| Sample ID | Sample Date - | Sample Type | Depth | BTEX | TPH (GRO) | TPH (DRO) | TPH (TOTAL) | Chlorides |
|------------|---------------|-------------|-------|--|---|---|---|-----------|
| SPH | 5/22/2007 | Grab/Auger | 12" | alle Salatania de la como de la c | Salara de la companya del companya del companya de la companya de | 244000000000000000000000000000000000000 | NATION NAMED IN COLUMN | 504 |
| SP41 | 5/22/2007 | Grab/Auger | 24" | 1874 1 Laborator 188 | A company of the last | 4.18-2.000000000000000000000000000000000000 | SEED BUSINESS OF THE | 661 |
| SP41 | 5/22/2007 | Grab/Auger | 36" | SALAMAT VAN | CONT. FOR STANKING | | The second section of the second | 302 |
| SP42 | 5/22/2007 | Grab/Auger | 12" | NAME AND A | 100 0 100 100 100 100 100 100 100 100 1 | | President and the second | 1340 |
| SP#2 | 5/22/2007 | Grab/Auger | 24" | 700%的700%的100% | | 製造を発生を選択する | | 1490 |
| SP-2 | 5/22/2007 | Grab/Auger | 36" | TANK TENNEM | 77.100.000.000 | 美国城市的共享 | BECOME VALUE OF | 251 |
| SP-3 | 5/22/2007 | Grab/Auger | 12" | | RESERVED THE TAXABLE PROPERTY. | | TO COMPANY OF THE | 262 |
| SP-13 | 5/22/2007 | Grab/Auger | 24" | Section Services | | | Carlos Maria de Carlos de | 1420 |
| SP13 | 5/22/2007 | Grab/Auger | 36" | THE RESIDENCE OF THE PARTY OF T | 的现在分词的现在分词的 | Market Plans | 他们在10000000000 00000000000000000000000000 | 1460 |
| 头物验器SR:4.字 | 5/22/2007 | Grab/Auger | 12" | 《公司》 | | 对总法规理的规则 | DESCRIPTION OF PROPERTY OF | 1250 |
| 7. SP/47 | 5/22/2007 | Grab/Auger | 24" | 7-20-7-24-12 | 后,他们们从深刻的证明 | ALCOHOL: NAME OF STREET | | 31 |
| > | 5/22/2007 | Grab/Auger | 36" | ACCUPANT NAMED IN | NAMES OF STREET | | TANKS OF THE STATE OF | 320 |
| SP-5 | 5/22/2007 | Grab/Auger | 12" | | MARKET VERTALE | THE RESERVE OF THE | | 82 1 |
| SP-5 | 5/22/2007 | Grab/Auger | 24" | SHOW STOR | | | Salamina Cartel | 4 84 |
| SP-5 | 5/22/2007 | Grab/Auger | 36" | 建筑建筑建筑 | PRETRUMENT | | | 156 |
| SP46 | 5/22/2007 | Grab/Auger | 12" | SHARP APPEAR | Maria de la Carlo | MANAGEMENT AND AND ADDRESS | THE PERSONAL PROPERTY. | 21 7 |
| SP46 | 5/22/2007 | Grab/Auger | 24" | 14.00 | 建 的研究和研究。在中国的 | | | 1500 |
| SP46 | 5/22/2007 | Grab/Auger | 36" | THE REAL PROPERTY. | \$700 BECKEL | BUTTER BUTTER | armical State Contacted 1251 | 1900 |

Area C Approx 105'X 165'

Site Ranking Is Zero (0). Depth to Ground Water >'100 (approx 135') All results are ppm.



Gill BGJ #1

Section 29, T9S-R35E

Lea County, NM

EXHIBIT Sample Diagram (Not to Scale)

Prepared by Robert Asher Environmental Regulatory Agent February 11, 2008

Analytical Report 287440

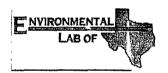
for

Talon LPE

Project Manager: Eb Taylor

Gill BGJ # 1 YatesP026SPL

15-AUG-07



12600 West I-20 East Odessa, Texas 79765

A Xenco Laboratories Company

NELAC certification numbers: Houston, TX E871002 - Miami, FL E86678 - Tampa, FL E86675

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America



15-AUG-07

Project Manager: Eb Taylor

Talon LPE 318 E. Taylor Hobbs, NM 88240

Reference: XENCO Report No: 287440

Gill BGJ #1

Project Address: Lea County New Mexico

Eb Taylor:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 287440. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

Unless otherwise noted in a Case Narrative, all data reported in this Analytical Report are in compliance with NELAC standards. Estimation of data uncertainty for this report is found in the quality control section of this report unless otherwise noted. Should insufficient sample be provided to the laboratory to meet the method and NELAC Matrix Duplicate and Matrix Spike requirements, then the data will be analyzed, evaluated and reported using all other available quality control measures.

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 287440 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

We thank you for selecting XENCO Laboratories to serve your analytical needs. If you have any questions concerning this report, please feel free to contact us at any time.

Respectfully,

Brent Barron

Odessa Laboratory Director

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

Certified and approved by numerous States and Agencies.

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

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Latin America



Sample Cross Reference 287440

Talon LPE, Hobbs, NM

Gill BGJ # 1

| Sample Id | Matrix | Date Collected | Sample Depth | Lab Sample Id |
|-----------|--------|-----------------|--------------|---------------|
| SP-1 | S | Aug-06-07 10:25 | | 287440-001 |
| SP-2 | S | Aug-06-07 10:34 | | 287440-002 |
| SP-3 | S | Aug-06-07 10:48 | | 287440-003 |
| SP-4 | S | Aug-06-07 11:01 | | 287440-004 |
| SP-5 | S | Aug-06-07 11:12 | | 287440-005 |
| SP-6 | 8 | Aug-06-07 11:19 | | 287440-006 |



Certificate of Analysis Summary 287440

Talon LPE, Hobbs, NM

Project Name: Gill BGJ #1

Date Received in Lab: Tue Aug-07-07 11:15 am

Report Date: 15-AUG-07

Project Location: Lea County New Mexico

Project Id: YatesP026SPL

Contact: Eb Taylor

| roject Location: Lea County New Mexico | | | | | | | | 244 | | 10 11000 | | | |
|--|------------|--------------|--------------|-----------|--------|-----------|--------|------------|--------|--------------|--------|-----------|--------|
| | · | | | | | | | Project Ma | nager: | Brent Barron | , U | | |
| | Lub id: | 287440-001 | | 287440-0 | 02 | 287440-0 | 03 | 287440-0 | 004 | 287440- | 005 | 287440-0 | 106 |
| Anglusis Daywooted | Field 1d: | SP-1 | | SP-2 | | SP-3 | | SP-4 | | SP-5 | | SP-6 | |
| Analysis Requested | Depth: | | | | | | | | | | | | |
| | Matrix: | SOUL | | SOIL | | SOIL | | SOIL | | SOII | . | SOIL | |
| | Sampled: | Aug-06-07 10 | ·25 | Aug-06-07 | 10-34 | Aug-06-07 | 10 48 | Aug-06-07 | 11:01 | Aug-06-07 | 11 12 | Aug-06-07 | 11.19 |
| BTEX by EPA 8021B | Extracted: | Aug-08-07 14 | .40 | Aug-08-07 | 14-40 | Aug-08-07 | 14:40 | .Aug-08-07 | 14:40 | Aug-08-07 | 14:40 | Aug-08-07 | 14:40 |
| | Analyzed: | Aug-09-07 23 | :13 | Aug-09-07 | 23.34 | Aug-09-07 | 23.55 | Aug-10-07 | 00:15 | Aug-10-07 | 00.36 | Aug-10-07 | 00 57 |
| | Unit\RL: | mg/kg | RL. | mg/kg | RL | mg/kg | Ri. | mg/kg | RL | mg/kg | RL | mg/kg | RL |
| Benzene | | | 0024 | ND | 0 0025 | | 0.0025 | | 0 0025 | l | 0 0024 | ND | 0 0029 |
| Toluene | | 0 1079 0. | 0024 | ND | 0.0025 | ND | 0.0025 | ND | 0 0025 | 0.0108 | 0.0024 | ND | 0.0029 |
| Ethylbenzene | | 0.0478 0. | 0024 | ND | 0.0025 | ND | 0.0025 | ND | 0 0025 | 0.0176 | 0 0024 | ND | 0.0029 |
| m,p -X ylene | | 0.2674 0. | 0048 | 0.0083 | 0.0050 | 0.0092 | 0.0050 | NID | 0 0049 | 0.0425 | 0.0047 | ND | 0.0057 |
| o-Xylene | | 0.1630 0. | 0024 | 0.0064 | 0.0025 | 0.0125 | 0.0025 | 0.0053 | 0.0025 | 0.0411 | 0.0024 | ND | 0.0029 |
| Total Xylenes | | 0 4304 | | 0.0147 | | 0.0217 | | 0 0053 | | 0.0836 | | ND | |
| Total BTEX | | 0.601 | | 0.0147 | | 0.0217 | | 0.0053 | | 0.112 | | ИD | |
| Percent Moisture | Extracted: | | | | | | | | | | | | |
| | Analyzed: | Aug-11-07 11 | :40 | Aug-11-07 | 11.45 | Aug-08-07 | 09 24 | Aug-08-07 | 09:25 | Aug-08-07 | 09-26 | Aug-08-07 | 09:27 |
| | Unit\RL: | 0% | RJ. | % | RL | % | RI. | % | RL | % | RL | % | RL |
| Percent Moisture | | 16.6 | | 19.3 | | 21.4 | 1 00 | 19.2 | 1.00 | 14 6 | 1.00 | 30.4 | 1 00 |
| TPH by SW 8015B | Extracted: | Aug-10-07 10 | · 4 5 | Aug-10-07 | 10-45 | Aug-10-07 | 10.45 | Aug-10-07 | 10:45 | Aug-10-07 | 10.45 | Aug-10-07 | 10 45 |
| 12 -1 -J 5 // 5 / 12 D | Analyzed: | Aug-10-07 19 | :45 | Aug-10-07 | 20:10 | Aug-10-07 | 20 35 | Aug-10-07 | 21:00 | Aug-10-07 | 21.24 | Aug-10-07 | 21.49 |
| | Units/RL: | mg/kg | RL | mg/kg | RL | mg/kg | RI. | mg/kg | RL | mg/kg | RL | mg/kg | _ RL |
| C6-C10 Gasoline Range Hydrocarbons | | 253 | 12.0 | 43.9 | 12.4 | 136 | 12.7 | 21.7 | 12 4 | 182 | 11.7 | 26 9 | 14 4 |
| C10-C28 Diesel Range Hydrocarbons | | 1200 | 12.0 | 770 | 12.4 | 2480 | 12.7 | 783 | 12 4 | 4020 | 11.7 | 579 | 14.4 |
| Total TPH | | 1453 | | 813.9 | | 2616 | | 804.7 | | 4202 | | 605.9 | |

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report register. The best independ of XENCO Laboratories assumes no responsibility and makes no warming to take only use of the data hereby presented. Our highlity is himself to no amount invisced for this week, which allowed between pages of to in writing.

Houston - Dallas - San Antonio - Austin - Tampa - Miami - Lafin America

Odessa Laboratory Director

Environmental Lab of Texas

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East Odessa, Texas 79765 Phone: 432-563-1800 Fax: 432-563-1713

| | Project Manager | EB TAYLOR | | | | ···· | · | | | | | | | | | | | Proj | ect | Narr | 1 0 :_ | | | | | 31LL | BG | # لـذ | 1_ | | | | |
|-------------------------------------|--------------------|-------------|--|--|----------------------|--|---------------------|--|-----------------------|----|---|------------|------|---------|-----------|----------|-------------------|---------------------|--------------|---------------------|---------------------------|-----------------------------|--------------------------------------|---|---------------|----------------------------------|------------|----------------|---------------|---------------|-----------|-----------------------------|--------------|
| | Company Name | TALONUPE | | | | | | | | | | | | <i></i> | | | | | Pro | ject | #: | ··· | | | ΥA | TE | <u>spo</u> | 26S | <u>PL</u> | | , | | |
| | Company Address | 318 E TAYLO | DR | | ~~~~.4. | | | | - | | | | | | | · | | ۴ı | rojec | t Lo | se: _ | | ــــــــــــــــــــــــــــــــــــ | · | LE | A C | MUC | 1 YTI | иEM | ME) | KICO | | _ |
| | City/State/Zip | HOBBS NEW | V MEXICO 88 | 240 | | | | | | | | | | | | | | | í_E | GA | LS_ | | | | | SE | CTI | ON 2 | <u> 19 T9</u> | S R | 35E N | ivvi: | <u>5</u> 1 |
| | Telephone No: | 432-238-638 | 8 | | | | Fax No: | | | | | | | | | | R | eport | For | nat: | . | 3 s | itar.c | ard | | | 1RI | RP | | | IPDE | .s | |
| | Sampler Signature: | EL . | } | ### ### ############################## | | | e-mail [,] | | | | | | ota, | , ror | :11 | મુકા | 1 <u>1172.</u> | <u> </u> | | | | | | | | 1203 | | | | | | - 7 | |
| (lab use | " 1~~.\. | | | | | | | | | | | | | | <u> </u> | | ****** | | | | | TCL TOTA | ρ | Anal | yze / | -or. | | | | | 48. 72 hr | | |
| LAB# (lab use only) | | LD CODE | J | Beginning Depth | Ending Depth | Date Sampled | Time Sampled | reld i itered | Total # of Containers | | | Vallo 로 | | of Cor | None | Sectify) | St.=Sludge | oundwafe Potable | 418 1 8015AV | TPH TX 1005 TX 1006 | Calicata (Ca Ma Ma, K) | Anons (CI SO4, Alkalinity) | SARIESPICEC | Metals, As Ag ha t.u.c. ru rg ac | Semiwolatiles | BIE X SUZTEGOOD OF BIEX 8250 | P.G. | NORM | | | 7 | KUSH IA I ING Sejacumi I.S. | Standard 1A1 |
| 01 | | \$P-1 | | | =- | 8/6/2007 | 10 25 | | | Х | | | | 1 | | | † | S | х | | | | | T | | بر | | | | | | _\ | <u>C</u> |
| 01 | | SP-2 | | | | 8/6/2007 | 10 34 | <u> </u> | | X | | -1 | | | \dagger | † | | s | х | 7 | | | | 1 | | X | | | | | | | \times |
| 03 | | SP-3 | | - | | 8/6/2007 | 10 48 | | | Х | | | | | | † | T | S | х | | | 1 | | T | 1 | X | | | | | |] | X |
| M | | SP-4 | | | | 8/6/2007 | 11 01 | T | | X | | 1 | | | 1 | <u> </u> | * | S | х | | | | | | | X | | | | | | | ĸ |
| a3 | | SP-5 | | <u> </u> | | 8/6/2007 | 11.12 | | | х | | | | | | | | S | х | | 1 | T | | | | X | Γ | | | | | | X |
| 66 | | SP-6 | | | | 8/6/2007 | 11.19 | | | х | | | | | | | † | s | X | | | | | | | X | | I | | | | | < |
| | | # ~ T ? | | | | | | | | | _ | | _ | | - | - | | | | _ | - | \dashv | - | + | - | - | - | - | - | | - | + | |
| | | | | | | | | | | | | | | + | | | | | | | | | | | | _ | | | | | | 1 | |
| Special | nstructions: | | | | | 3 10 4 4 4 4 4 4 | | | | | | | | | 1. | 1_ | <u>L</u> | | | | Sam | ple | Conf | airil | mon rs In | tact | ? | <u></u> | | | L ' ! | v | |
| Relinquis Relinquis Relinquis | ned by | | Date 8/6/07 Date 8/7/07 Date | 15: 11:1 | <u>30</u> me 5 | Received by Received by Received by EL | 0 1 | | | | | | | | S | | ate ; 7 ate | | Time | , | Labe Cus Cus Sam | tody tody tody pte | n co sea sea Han | ntali is on is on it De er/Cl | er/s |) tains ler(s ed Reo | er(3) } | 1 Ł | | | h h | | ЭГ |
| | • | | | | | 1 71 | hea | 92 | Les | `~ | | - | | | ع | | רט | 1 | 17. | 15 | Tem | pen | atúré | Upo | ın Ri | ecelp | it: | | 2 ند | 2.5 | ≥ | °C | - |

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

| Client | Talon | | | |
|---------------|--|-----------|----|--------------------------|
| Date/ Time. | 8-7-07 11:15 | | | • |
| Lab ID# | 287440 | | | |
| Initials: | <u> </u> | | | |
| | Sample Receipt | Checklist | | Client Initials |
| | sture of container/ cooler? | Yes | No | 3.5 °C |
| | container in good condition? | (65) | No | |
| | Seals intact on shipping container/ cooler? | Yes | No | diot Present |
| | Seals intact on sample bottles/ container? | Yes | No | Not Present |
| | Custody present? | (es) | No | Horriesen |
| | instructions complete of Chain of Custody? | Ves | No | |
| | Custody signed when relinquished/ received? | Yes | No | |
| | Custody agrees with sample label(s)? | (es) | No | ID written on Cont./ Ltd |
| | er label(s) legible and intact? | (es) | No | Not Applicable |
| | matrix/ properties agree with Chain of Custody? | (Pes) | No | TTOTT ISPINOUS. |
| | ners supplied by ELOT? | Ves | No | |
| | es in proper container/ bottle? | (Ves) | No | See Below |
| | es properly preserved? | (es) | No | See Below |
| | e bottles intact? | (es) | No | 333 23,611 |
| | /ations documented on Chain of Custody? | (es) | No | |
| | ners documented on Chain of Custody? | Yes | No | |
| | ent sample amount for indicated test(s)? | (es | No | See Below |
| | ples received within sufficient hold time? | Ves | No | See Below |
| | ntract of sample(s)? | Yes | No | Not Applicable> |
| | amples have zero headspace? | Yes | No | Not Applicable |
| Contact. | Variance Docui | mentation | | Date/ Time: |
| Regarding: | | | | |
| Corrective A | ction Taken | | | |
| Check all the | st Apply: See attached e-mail/ fax Client understands and wou Cooling process had begun | | | |

Analytical Report

Prepared for:

EB Taylor
Talon LPE
9 East Industrial Loop
Midland, TX 79701

Project: Gill BGJ # 1

Project Number: YatesP026SPL2 Location: Lea County New Mexico

Lab Order Number: 7E25019

Report Date: 05/30/07

Talon LPE 9 East Industrial Loop

Project Gill BGJ#1 Project Number YatesP026SPL2

Midland TX, 79701 Project Manager EB Taylor

ANALYTICAL REPORT FOR SAMPLES

| Sample 1D | Laboratory ID | Matrix | Date Sampled | Date Received |
|-----------|---------------|--------|----------------|------------------|
| SP-1 12" | 7E25019-01 | Soil | 05/22/07 15 45 | 05-25-2007 16 14 |
| SP-1 24" | 7E25019-02 | Soil | 05/22/07 15 50 | 05-25-2007 16 14 |
| SP-1 36" | 7E25019-03 | Soil | 05/22/07 16 00 | 05-25-2007 16 14 |
| SP-2 12" | 7E25019-04 | Soil | 05/22/07 16.05 | 05-25-2007 16 14 |
| SP-2 24" | 7E25019-05 | Soil | 05/22/07 16 15 | 05-25-2007 16 14 |
| SP-2 36" | 7E25019-06 | Soil | 05/22/07 16 25 | 05-25-2007 16 14 |
| SP-3 12" | 7E25019-07 | Soil | 05/22/07 16 40 | 05-25-2007 16 14 |
| SP-3 24" | 7E25019-08 | Soil | 05/22/07 16 55 | 05-25-2007 16 14 |
| SP-3 36" | 7E25019-09 | Soil | 05/22/07 17 05 | 05-25-2007 16 14 |
| SP-4 12" | 7E25019-10 | Soil | 05/22/07 17 10 | 05-25-2007 16 14 |
| SP-4 24" | 7E25019-11 | Soil | 05/22/07 17 15 | 05-25-2007 16 14 |
| SP-4 36" | 7E25019-12 | Soil | 05/22/07 17 20 | 05-25-2007 16 14 |
| SP-5 12" | 7E25019-13 | Soil | 05/22/07 17 25 | 05-25-2007 16 14 |
| SP-5 24" | 7E25019-14 | Soil | 05/22/07 17 30 | 05-25-2007 16 14 |
| SP-5 36" | 7E25019-15 | Soil | 05/22/07 17 35 | 05-25-2007 16 14 |
| SP-6 12" | 7E25019-16 | Soil | 05/22/07 17 40 | 05-25-2007 16 14 |
| SP-6 24" | 7E25019-17 | Soil | 05/22/07 17 45 | 05-25-2007 16 14 |
| SP-6 36" | 7E25019-18 | Soil | 05/22/07 17 50 | 05-25-2007 16 14 |

Fax (432) 522-2180

Talon LPE 9 East Industrial Loop Midland TX, 79701 Project Number YatesP026SPL2
Project Manager EB Taylor

Fax (432) 522-2180

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

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|----------------------------|--------|--------------------|-------|----------|---------|----------|----------|-----------|-------|
| SP-1 12" (7E25019-01) Soil | | | | | | | | | |
| Chloride | 504 | 100 | mg/kg | 20 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-1 24" (7E25019-02) Soil | | | | | | | · | · | |
| Chloride | 661 | 10 0 | mg/kg | 20 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-1 36" (7E25019-03) Soil | | | | | | | | | |
| Chloride | 302 | 5 00 | mg/kg | 10 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-2 12" (7E25019-04) Soil | | | | | | | | | |
| Chloride | 1340 | 25 0 | mg/kg | 50 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-2 24" (7E25019-05) Soil | | | | | | | | | |
| Chloride | 1490 | 25 0 | mg/kg | 50 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-2 36" (7E25019-06) Soil | | | | | | | | | |
| Chloride | 251 | 10 0 | mg/kg | 20 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-3 12" (7E25019-07) Soil | | | | | | | | | |
| Chloride | 262 | 10 0 | mg/kg | 20 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-3 24" (7E25019-08) Soil | | | | | | | | | |
| Chloride | 1420 | 50 0 | mg/kg | 100 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-3 36" (7E25019-09) Soil | | | | | | | | | |
| Chloride | 1460 | 50 0 | mg/kg | 100 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-4 12" (7E25019-10) Soil | | | | | | | | | |
| Chloride | 1250 | 50 0 | mg/kg | 100 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-4 24" (7E25019-11) Soil | | | | | | | | | |
| Chloride | 301 | 5 00 | mg/kg | 10 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |

Talon LPE Project Gill BGJ # 1 Fax (432) 522-2180
9 East Industrial Loop Project Number YatesP026SPL2
Midland TX, 79701 Project Manager EB Taylor

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

| | | Reporting | | | | | | | |
|----------------------------|----------|-----------|--------|----------|---------|----------|-----------|-----------|-------|
| Analyte | Result | Limit | Units | Dilution | Batch | Prepared | Analy zed | Method | Notes |
| SP-4 36" (7E25019-12) Soil | | | | | | | | | |
| Chloride | 320 | 5 00 | mg/kg | 10 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-5 12" (7E25019-13) Soil | | | | | | | | | |
| Chloride | 82.1 | 50 0 | ıng/kg | 100 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-5 24" (7E25019-14) Soil | | | | | | | | | |
| Chloride | J [4.84] | 5 00 | mg/kg | 10 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | 1 |
| SP-5 36" (7E25019-15) Soil | | | | | | | | | |
| Chloride | 15.6 | 10 0 | mg/kg | 20 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-6 12" (7E25019-16) Soil | | | | | | | | | |
| Chloride | 21.7 | 10 0 | mg/kg | 20 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |
| SP-6 24" (7E25019-17) Soil | | | | | | | | | |
| Chloride | 1500 | 50 0 | mg/kg | 100 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | _ |
| SP-6 36" (7E25019-18) Soil | | | | | | | | | |
| Chloride | . 1900 | 50 0 | mg/kg | 100 | EE73020 | 05/30/07 | 05/30/07 | EPA 300 0 | |

TO CONTROLL

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In-

Talen EPE

Cuent

| St 10 # | 7675019 | | | |
|--|--|--|--|--|
| nuals | <u>a</u> | | | |
| | Sample Receipt | . Checkfist | | Chent Iniuals |
| 1 Temperature | e of container/ cooler? | Tiges | No | 1 20 °C |
| | tainer in good condition? | Yes" | No | |
| was no an armed of the party of the same o | als intaction shipping container/ cooler? | Yes | No | Not Present |
| to the applies and the second | als intact on sample bottles/ container? | Yes | No | Not Present |
| | stody present? | Yes > | Nio | |
| | ructions complete of Chain of Custody? | CY.es | No | |
| | stody signed when relinguished; received? | TEYES | No | The second secon |
| | stody agrees with sample label(s)? | Yes | No | ID written on Cont / Lid |
| | bel(s) legible and intact? | Yes, | No | Not Applicable |
| | trix/ properties agree with Chain of Custody? | N'es' | No | |
| | supplied by ELOT? | Yes | No | and the state of t |
| the part of the part of the particle of the pa | proper container/ bottle? | Yes | No | Sne Below |
| | operly preserved? | Ves- | No | See Belovi |
| 4 Sample boti | The state of the s | /Yes/ | No | |
| | ns documented on Chain of Custody? | Yes! | No | |
| Hi Containers | documented on Chain of Custod;? | Yés I | No | |
| 7 Sufficient sa | ample amount for indicated test(s)? | Yes' | No | See Delow |
| 18 All samples | received within sufficient hold time? | i es | No | See Below |
| 9 Subcontract | t of sample(s)? | Yes | No | < Not Applicable |
| 20 VOC sampl | es have zero headspace? | -Ý.633 | сиі | Not Applicable |
| | Variance Docu | mentation | | |
| 0.7801 | Contacted by: | ولينض جدير ومنطقين جدارة فالا الانتجاب | | Date' Tinie |
| , sda. qimb | and the second section and the second section and the second section of the second section of the second section and the second section sectio | the right short on respect the Springer science and Springer | Millione and the second second second | |
| orrective Action | Takan. | · Mark full to an in a superproportion of constant | Printed of the American Printed Section (1997) | |
| | | or several to the second section of the second sections of the section sections of the second sections of the second sections of the second sections of the section sections of the section section section sections of the section section section sections of the section sect | | |
| Check all that Ap | ply See attached s-mail/ fax Client understands and wou Cooling process had begun | | | |



ANALYTICAL RESULTS FOR RAY HARDIN 607 DAKOTA DRIVE LOVINGTON, NM 88260

Receiving Date: 02/07/08
Reporting Date: 02/11/08
Project Number: NOT GIVEN
Project Name: NOT GIVEN

Project Location: LOVINGTON, NM

Sampling Date: 02/06/08

Sample Type: GROUNDWATER Sample Condition: INTACT Sample Received By: ML

Analyzed By: HM/KS

| | | Na | Ca | Mg | K | Conductivity | T-Alkalinity |
|-----------------------------|------------|-------------|-----------|-----------------|------------------|------------------|--------------------------|
| LAB NUMBER SAMP | LE ID | (mg/L) | (mg/L) | (mg/L) | (mg/L) | (<i>u</i> S/cm) | (mgCaCO ₃ /L) |
| ANALYSIS DATE: | | 02/08/08 | 02/08/08 | 02/08/08 | 02/07/08 | 02/07/08 | 02/07/08 |
| H14219-1 OUTS | IDE FAUCET | 59.9 | 77.2 | 8.87 | 2.29 | 670 | 168 |
| | | | | | | | |
| Quality Control | | NR | 49.2 | 54.1 | 2.95 | 1,421 | NR |
| True Value QC | | NR | 50.0 | 50.0 | 3.00 | 1,413 | NR |
| % Recovery | | NR | 98.5 | 108 | 98.3 | 101 | NR |
| Relative Percent Differ | ence | NR | < 0.1 | 4.7 | 6.9 | 0.1 | NR |
| METHODS: | | SM | 3500-Ca-D | 3500-Mg E | 8049 | 120.1 | 310.1 |
| | | CI¯ | SO₄ | CO ₃ | HCO ₃ | рН | TDS |
| | | (mg/L) | (mg/L) | (mg/L) | (mg/L) | (s.u.) | (mg/L) |
| ANALYSIS DATE: | | 02/07/08 | 02/08/08 | 02/07/08 | 02/07/08 | 02/07/08 | 02/07/08 |
| H14219-1 OUTS | IDE FAUCET | 48.0 | 122 | 0 | 205 | 7.61 | 429 |
| | | | | | | | |
| Quality Control | | 500 | 25.5 | NR | 1000 | 7.04 | NR |
| True Value QC | | 500 | 25.0 | NR | 1000 | 7.00 | NR |
| % Recovery | | 100 | 102 | NR | 100 | 101 | NR |
| Relative Percent Difference | ence | < 0.1 | 10.4 | NR | < 0.1 | < 0.1 | NR |
| METHODS: | | SM4500-CI-B | 375.4 | 310.1 | 310.1 | 150.1 | 160.1 |

Chemist S. Marms

02-11-08

Date

RECEIVED

FEB 2 0 2008

HOBBS OCD



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

| | (505) 393-2326 Fax (505) 393-2 | 476 | | | | | | | | | | | _ | | | | | | | | Page_ | <u> </u> | <u> </u> | | |
|---|---|---------------------|-------------------|------------------------|-----------------------|-------------------|---------------------|-------------------|------------|-------------------|--------------|--|--|----------------------|-----|----------|-------------|--------------|-------------|----------|--------------|-------------|--------------|-----------------------------|-----------------------------|
| Company Name: | 10170.111100 | | | | | | | B/LL TO | | | | | | | | | | ANA | LYSI | S RE | QUE | ST | | | |
| roject Manager: | | | | | | P.O. #: | | | | | | | | | | | | | | | | | 1 | | |
| Address: 607 Tutesta Enive | | | | | Company: Same | | | | | | | | | | | | | • | | | | | | | |
| City: Loving fon State: NM Zip: 88260 Phone #: 505-396-2079 4 Fax #: | | | | | | Attn: | | | | | | | | | | | | | | | l | ŀ | | | |
| Phone #: 505 | 396-2079 4 Fax#: | | | | | | | Address: | | | | | | | | | | | | 1 | | | | . | 1 |
| Project #: 505- | 631-6658 m Project Owner | r: | | | | | | City: | | | | | | | | | | Ì | 1 | | | ŀ | | . 1 | |
| Project Name: | | | | | | State: Zip: | | | | | 5 | | | | ļ | | | | | | . | | | | |
| Project Location: | | | | | | Phone #: | | | | | NON | | | 1 | 1 | | 1 | | 1 | | 1 | | | | |
| Sampler Name: | Pay D. Gandon | | | | | | | Fax #: | | | | | | 2 | | | | | | | | | | | |
| FOR LAB USE ONLY | ······································ | | | | MA. | TRIX | (| | PRE | SE | ₹٧. | SAMPLI | NG | 1 | | Ì | | | | | | | | | |
| Lab I.D. | Sample I.D. | D)(G)RAB OR (C)OMP. | # CONTAINERS | GROUNDWATER | SOIL | OIL | SLUDGE | отнек: | ACID/BASE: | ICE / COOL | OTHER: | DATE | TIME | (astion/ | | r. | | . • | | | | | | | |
| 1-14219-1 | | G | 1 | / | | | | | | | | 2/4/08 | 7:300 | X | | | | | | | | | | | |
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| analyses All claims including service. In no event shall Ca | d Damages. Cardinal's liability and client's exclusive remedy for g those for negligence and any other cause whatsoever shall be ridural be liable for incidental or consequential damages, including g out of or related to the performance of services hereunder by: | deeme g witho | d war ut limiu | ed unles ation, but | s made l siness iŋ | in wnti terrup | ing and tions, l | l recer oss of | ved by | y Card or loss | inal w | within 30 days after offits incurred by c | r completion of t lient, its subsidia | the applica ines, | ble | | | 30 | days past | | rate of 24 | % per ann | um from th | accounts m e original da | iore than ate of invoice |
| Sampler Relingu | lished: Date: | Re | | ved E | | | | | | , | | , | Phone Re | esult: | ПΥ | | No | | Phone | | | | | | |
| May Relinguished By | Date: 7/08 Time: Date: 1/08 Time: Time: | Re | ecei | ved E | (S) IV: (| 1 | | کے | e, | <u>D</u> | u | 1. | REMARK | Joa H | □ Y | Mnc | I No | | pet lc (| | i for | بيهي | nos | لحما | ja e |
| Delivered Bv: Sampler - UPS | (Circle One) - Bus - Other: | Ter | np. | C | ample ool Ye | Inta | act/ | | | CHE | ECK (Init | (ED BY: | | - () | | | | 1 | | V | | | | | |

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

Affidavit

February 13, 2008

This affidavit is to state for the record that Ray D. Hardin of 607 (3605E) Dakota Drive, Lovington, New Mexico, 88260, has collected a water sample for analysis from his water well. The purpose of this analysis is to verify the quality of the water as of February 7, 2008. The following laboratory analysis results are listed on the accompanying page.

| Ray D. Hardin May & Jun |
|---------------------------|
| Date: F9B. 20, 2008 |
| |
| |
| Notary of Public Onya Hom |
| · |