ON SITE
TECHNOLOGIES, LTD.

October 18, 1999

Orville S. Slaughter, Jr.
2626 Adams St.
Denver, Co 80205-4812

On Site Project #: 4-1597

Re: Remediation of Petroleum Contaminated Soils at Sangre De Cristo #4, Unit G, Section 29, T29N, R10W.

Introduction:

On May 18, 1999, ***On Site Technologies Limited Partnership*** was contacted by Mr. Orville Slaughter, Owner/Operator of the Sangre De Cristo #4, to assist in the cleanup of a spill of light crude oil from the production tank in the containment area.

Summary:

Mr. Larry Trujillo of ***On Site*** was dispatched to do an initial site assessment. Upon arrival at the location, Mr. Trujillo noted a large area of stained soil and standing free product in the containment area of two tanks. Mr. Trujillo spread SphagSorb® absorbent on the standing free product, and explained to Mr. Slaughter that the cleanup would require more time and equipment than was currently on hand. Mr. Trujillo explained that ***On Site*** would return with necessary equipment and supplies to start the cleanup.

On May 20, 1999, Mr. Trujillo and Ms. Cindy Gray of ***On Site*** returned to the referenced location to further assess the spill site. SphagSorb absorbent was spread over the area of the spill to absorb and encapsulate the free product. Mr. Denny Foust of the New Mexico Oil Conservation Division (NMOCD) was on site to direct sampling efforts. At his request samples were taken at various depths and locations throughout the spill site. Refer to the enclosed Test Hole Location map.

A total of five test holes were advanced using a hand auger. Test hole number five was located 2 feet south of the security fence of the production tank. Petroleum contamination was encountered from the ground surface to a depth of approximately 7.5 feet. Mr. Foust suspected that this may have been the site of a former drip pit. After discussions with Mr. Foust, and Mr. Slaughter it was decided to excavate the location and to landfarm the contaminated soil on site, and that the exterior of the production tank would have to be cleaned of residual hydrocarbons to aid in the detection of any leaks and future overfills.

On July 6, 1999, Mr. Trujillo of ***On Site*** met with a crew from SCAT Hot Wash at the referenced location to clean the exterior of the production tank using a high-pressure steam cleaner and detergent. Cleaning effluent was contained within the previously impacted area of the tank containment berm.

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