

SITE INFORMATION

Report Type: Closure Report

| General Site Information: | | | | |
|-------------------------------|---|-----|--------------|--|
| Site: | Skelly Unit #975 | | | |
| Company: | COG Operating LLC | | | |
| Section, Township, and Range: | 23 | 17S | 31E | |
| Lease Number: | API# 30-015-36356 | | | |
| County: | Eddy County, NM | | | |
| GPS: | N 32.82613° | | W 103.83923° | |
| Surface Owner: | Federal | | | |
| Mineral Owner: | | | | |
| Directions: | From the intersection of Hwy 529 and Hwy 82, go East on Hwy 82 for 2 miles, turn North on dirt road and go 0.1 mile, turn East and go 0.2 mile, turn South to location. | | | |

| Release Data: | |
|--------------------------|---------------------------------|
| Date Released: | 10/21/2013 |
| Type of Release: | Oil and produced water |
| Source of Contamination: | Chemical injection line on well |
| Fluid Released: | 5 bbls of oil |
| Fluids Recovered: | 5 bbls of produced water |

| Official Communication: | | |
|-------------------------|------------------------------|--------------------------------|
| Name: | Pat Ellis | Cliff Brunson |
| Company: | COG Operating LLC | BBC International, Inc. |
| Address: | 550 W. Texas Ave., Ste. 1300 | 1324 W. Marland |
| PO Box: | | PO Box 805 |
| City, State, Zip Code: | Midland, TX 79701 | Hobbs, NM 88241 |
| Phone Number: | (432) 686-3023 | (575) 397-6388 |
| Fax: | (432) 684-7137 | (575) 397-0397 |
| Email: | pellis@conchoresources.com | cbrunson@bbcbinternational.com |

| Ranking Criteria: | | |
|---------------------------------------|----------------------|------------------|
| Depth to Groundwater: | Ranking Score | Site Data |
| <50 ft. | 20 | |
| 50-99 ft. | 10 | |
| >100 ft. | 0 | 0 |
| Well Head Protection: | Ranking Score | Site Data |
| Water Source <1,000 ft., Private <200 | 20 | |
| Water Source >1,000 ft., Private >200 | 0 | 0 |
| Surface Body of Water: | Ranking Score | Site Data |
| <200 ft. | 20 | |
| 200 ft. - 1,000 ft. | 10 | |
| >1,000 ft. | 0 | 0 |

| | |
|-----------------------------|---|
| Total Ranking Score: | 0 |
|-----------------------------|---|

NM OIL CONSERVATION
ARTESIA DISTRICT

JUN 06 2014

RECEIVED

| Acceptable Soil RRAL (mg/kg) | | |
|------------------------------|------------|------|
| Benzene | Total BTEX | TPH |
| 10 | 50 | 5000 |



COG Operating LLC

Skelly Unit #975

(Release Date 10/21/2013)

Unit B, Section 23, Township 17 South, Range 31 East

Eddy County, New Mexico

GPS: N 32.82613° W 103.83923°

ENVIRONMENTAL SITE INVESTIGATION

CLOSURE REPORT

PERFORMED BY:

BBC INTERNATIONAL, INC.
WORLD-WIDE ENVIRONMENTAL SPECIALISTS
1324 W. MARLAND BLVD.
P. O. BOX 805
HOBBS, NEW MEXICO 88240
(575) 397-6388 • FAX (575) 397-0397

June 4, 2014

PREPARED FOR:

MR. PAT ELLIS
MANAGER, HSE
COG OPERATING LLC
FASKEN CENTER TOWER II
550 WEST TEXAS AVENUE, SUITE 100
MIDLAND, TEXAS 79701

Mr. Mike Bratcher
Compliance Officer
Oil Conservation Division, District 2
811 South First
Artesia, NM 88210

Re: Closure Report for COG Operating LLC, Skelly Unit #975, Unit B,
Section 23, Township 17 South, Range 31 East, Eddy County, NM

1.0 SITE CHARACTERIZATION

The subject site is located East of Maljamar, NM, in Section 23, Township 17 South, and Range 31 East, Eddy County, New Mexico. The GPS coordinates are N 32.82613° W 103.83923°. The site consists of undeveloped rangeland and petroleum production facilities. On October 21, 2013, a leak occurred in a chemical injection line on the well. The spill measured roughly 85 feet in length and 45 feet in width. Approximately 5 bbls of oil were released and 5 bbls of produced water were recovered.

A diagram of the location including the sample points can be reviewed in Appendix I of this report. The surface soil is tan or reddish sand with caliche and rock. There is no water source within 1,000 feet of this site. Based on the data from the Eddy County Groundwater Trend Map, the depth to groundwater in Section 23, Township 17 South, and Range 31 East is approximately 300 feet. The initial C-141 for the leak is at the end of this report in Appendix III.

2.0 SITE INVESTIGATION ACTIVITIES

On November 13, 2013, and November 14, 2013, BBC personnel conducted a delineation of the site using a hand auger. The site delineation occurred after initial spill response activities had been conducted by COG. Sample points were taken at the surface, at 1 foot, and at 2 feet in the area of SP1. At SP2, samples were taken at the surface and at depths of 2 feet, 4 feet, and 6 feet. Sample points were taken at 1 foot, 2 feet, and 3 feet at SP3. And, at SP4 samples were taken at the surface and at depths of 1 foot and 2 feet. The samples were delivered to Cardinal Laboratories for BTEX, chloride content, and TPH analysis. The total BTEX results were as follows: 3.53 mg/Kg at SP1 at the surface, and below reporting limits for SP1 at 1 foot and 2 foot. For SP2 and SP3, total BTEX was below reporting limits at all depths including surface. For SP4, total BTEX was 2.29 mg/Kg at the surface and below reporting limits at 1 foot and 2 feet. Chloride content results were 2,240 mg/Kg at SP1 at the surface, 320 mg/Kg at 1 foot, and 112 mg/Kg at 2 feet. At SP2, chloride results were 3,080 mg/Kg at the surface, 7,280 mg/Kg at 2 feet, 14,800 mg/Kg at 4 feet, and 1,880 mg/Kg at 6 feet. The chloride results at SP3 were 464 mg/Kg at 1 foot, 352 mg/Kg at 2 feet, and 160 mg/Kg at 3 feet. At SP4, the chloride results were 4,480 mg/Kg at the

surface, 48 mg/Kg at 1 foot, and 1,140 mg/Kg at 2 feet. The TPH results were as follows: All samples at SP1 were below reporting limits except the DRO at SP1 at the surface which was 135 mg/Kg. The GRO for SP2 were all below reporting limits but the DRO were 20.8 mg/Kg at the surface, 34.6 mg/Kg at 2 feet, 13.8 mg/Kg at 4 feet, and 67.4 mg/Kg at 6 feet. All TPH results for SP3 and SP4 were below reporting limits except the DRO for SP4 at the surface which was 112 mg/Kg.

Upon review of the initial chloride results, it was determined that additional sampling would need to be completed at SP2 and SP4. Therefore, on December 19, 2013, using a backhoe, additional samples were conducted 7 feet, 8 feet, and 9 feet at SP2 and at 4 feet at SP4. The samples were taken to Cardinal Laboratories for chloride content sampling. The results of the analysis for SP2 were 784 mg/Kg at 7 feet, 64 mg/Kg at 8 feet, and 32 mg/Kg at 9 feet. The results at SP4 were 32 mg/Kg at 4 feet. The results of the analysis are located in Appendix II of this report. The sample point locations can be viewed on the site diagram in Appendix I of this report.

3.0 CONCLUSION AND RECOMMENDATION

On February 19, 2014, Cliff Brunson with BBC International met with Mike Bratcher of NMOCD to discuss the proposed remediation plan for this site. Mike Bratcher approved the plan during the meeting and the correspondence correlating this conversation can be located in Appendix IV of this report.

On February 25, 2014, the proposed remediation plan for this site was sent via email to Mike Burton of the BLM requesting his approval. Mr. Burton approved the plan with two stipulations: the area around SP2 should be excavated to at least 4 feet to remove most of the chloride contamination, and that confirmation sidewall samples be obtained to verify removal of any horizontal contamination. Email correspondence is located in Appendix IV of this report.

In accordance with the approved remediation plan, excavation was completed by removing the impacted soil to a depth of 6 inches across the entire leak site, except in the area of SP2. In this area, impacted soil was removed to a depth of 4 feet. Confirmation sidewall samples were obtained at the request of the BLM and the results of those samples were all below reporting limits. Results of the analysis of these samples are located in Appendix II of this report. Once, confirmation sample results were verified to be below reporting limits, the site was backfilled with clean soil.

Thus, BBC International requests closure of this site since all remediation activities have been completed as described in the approved plan. Also, a final C-141 is located in Appendix III of this report.

APPENDIX I

Site Diagram

November 2013

Skelly Unit #975 (10/21/2013)

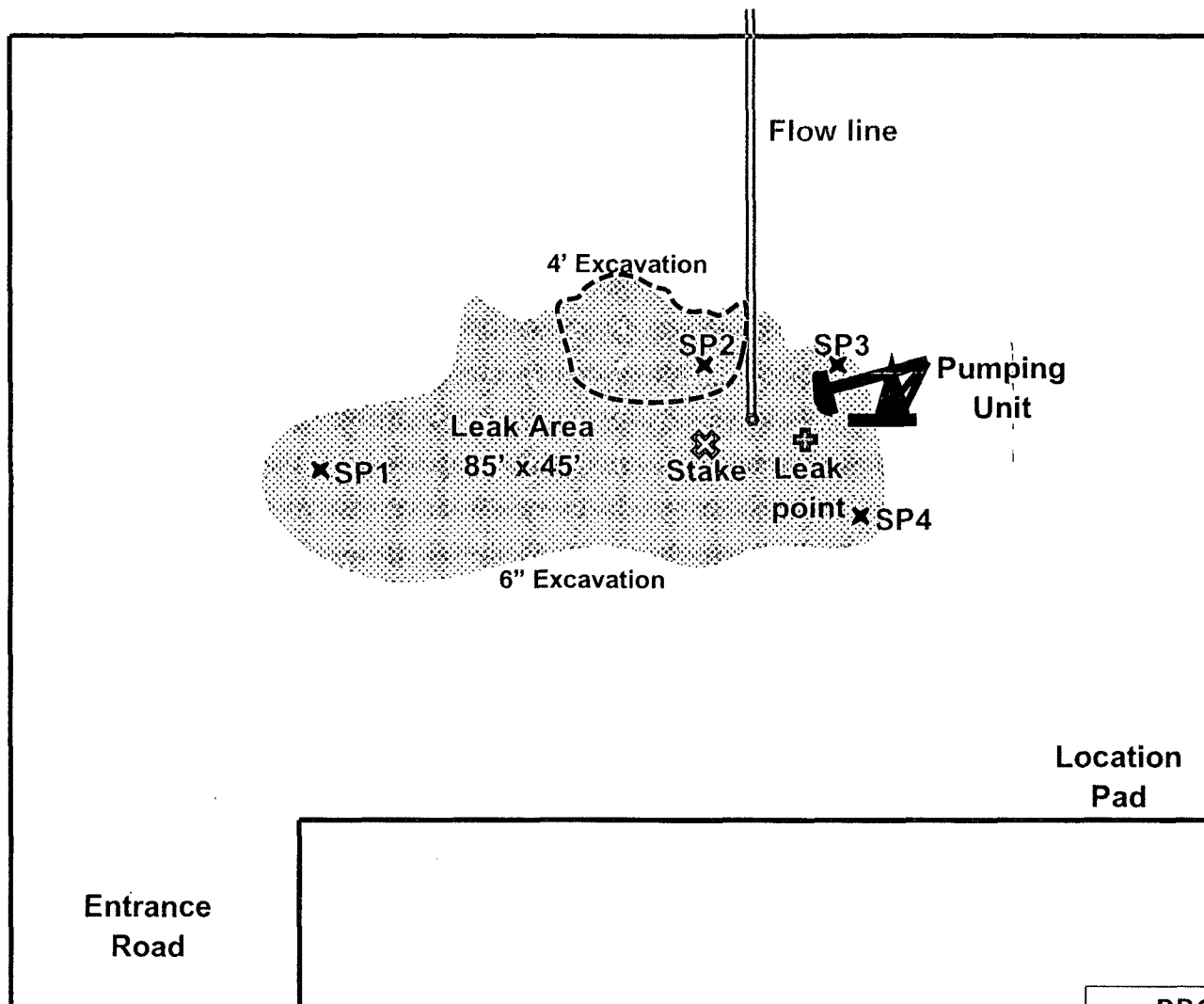
Unit B, Section 23, Township 17 South, Range 31 East
Eddy County, NM
GPS: N 32.82613° W 103.83923°

Prepared for:
COG Operating LLC
Midland, Texas

Prepared by:
BBC International, Inc.



COG
Skelly Unit #975



U/L B, Section 23, T17S, R31E
500'FNL and 2310'FEL
Eddy County, NM
N 32.82613° W 103.83923° at stake
API# 30-01536356

| BBC International, Inc. | |
|-------------------------|--------------------|
| COG | |
| Skelly Unit #975 | |
| Date: 11/7/13 | DRWG by: K. Purvis |
| NOT TO SCALE | File: COG 2013 |



Groundwater Plot

COG Skelly Unit #975

County
Eddy

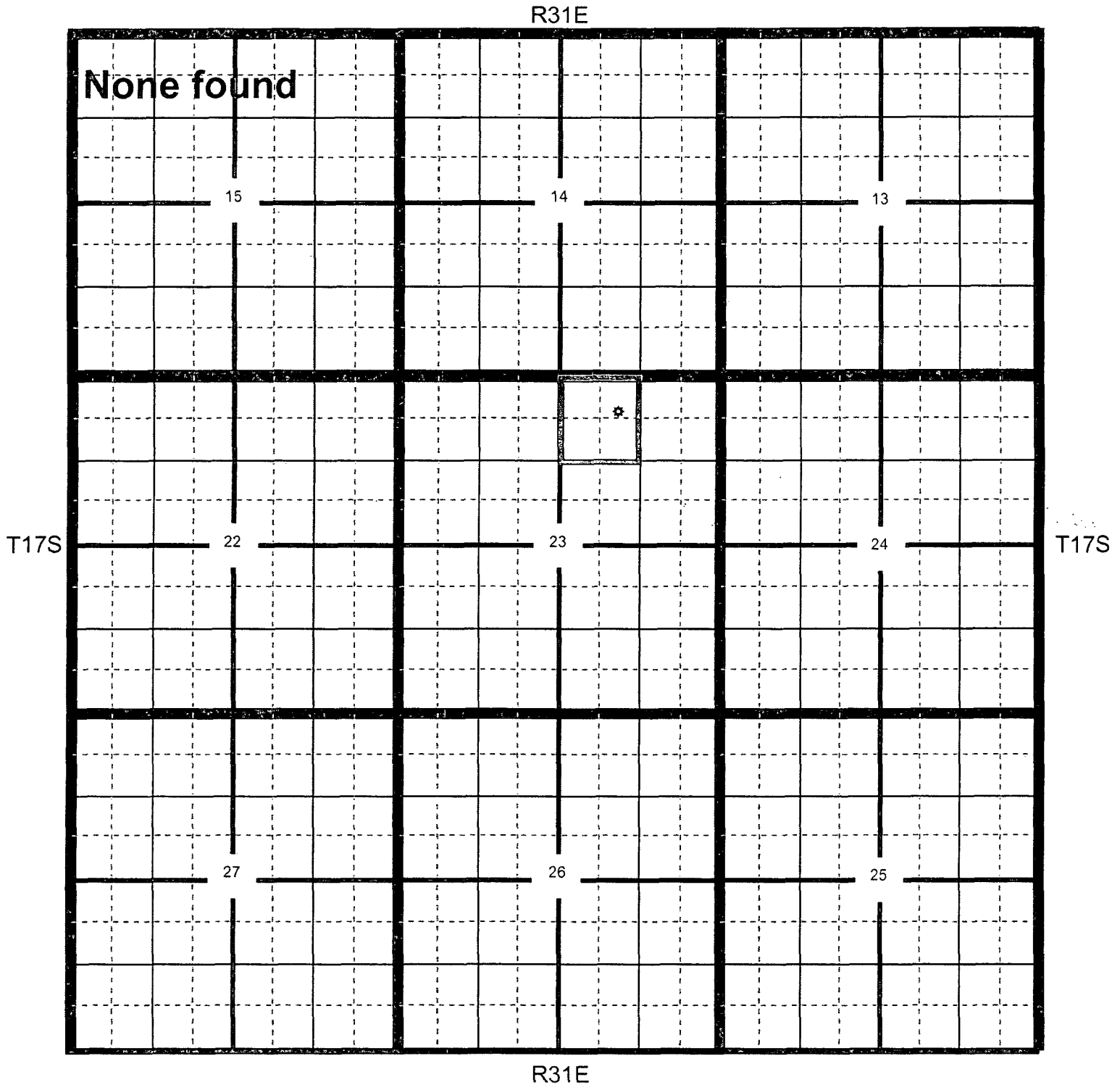
Unit Letter
B

Section
23

Township
17S

Range
31E

Trend Map 300'



⊛ Location

○ OCD

○ USGS

○ SEO

● All Databases

COG Skelly Unit #975

County
Eddy

Unit Letter
B

Section
23

Township
17S

Range
31E

Trend Map 300'

1

2

| | | | |
|---|------------------------|------------------------|------------------------|
| NW/NW None found Unit Letter D | NE/NW Unit Letter C | NW/NE Unit Letter B | NE/NE Unit Letter A |
| SW/NW Unit Letter E | SE/NW Unit Letter F | SW/NE Unit Letter G | SE/NE Unit Letter H |
| NW/SW Unit Letter L | NE/SW Unit Letter K | NW/SE Unit Letter J | NE/SE Unit Letter I |
| SW/SW Unit Letter M | SE/SW Unit Letter N | SW/SE Unit Letter O | SE/SE Unit Letter P |

3

4

⊙ Location

○ OCD

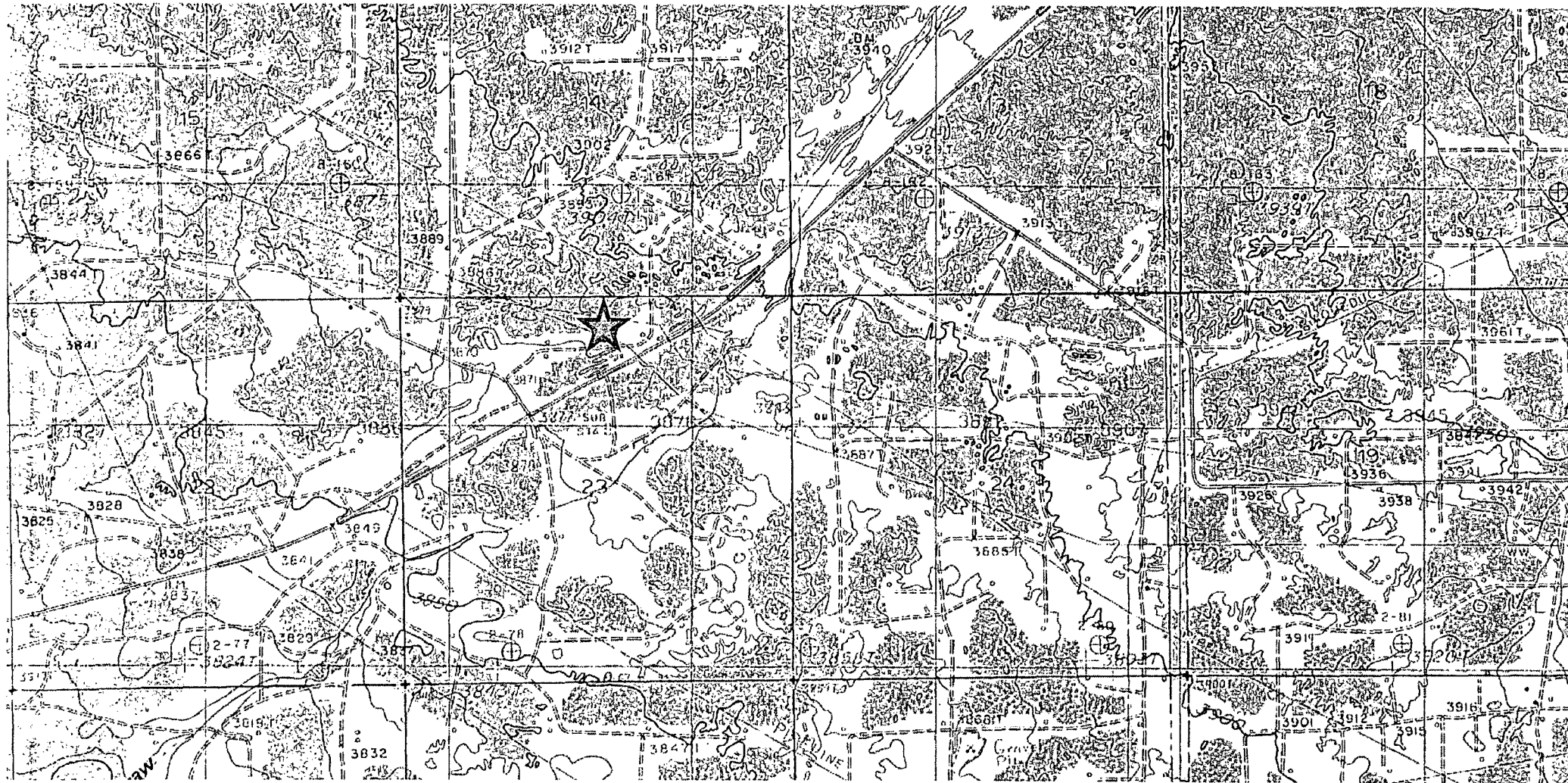
○ USGS

○ SEO

● All Databases

COG

Skelly Unit #975





Google

Imagery Date: 3/2/2012 1:22:19.34 N 108:50:20.98 W elev 3390

APPENDIX II

Laboratory Analytical Results

November 2013, December 2013, and April 2014

Skelly Unit #975 (10/21/2013)

Unit B, Section 23, Township 17 South, Range 31 East
Eddy County, NM
GPS: N 32.82613° W 103.83923°

Prepared for:
COG Operating LLC
Midland, Texas

Prepared by:
BBC International, Inc.

Laboratory Analytical Results Summary
COG, Skelly Unit #975

| | | Sample | SP1 @ SURFACE | SP1 @ 1' | SP1 @ 2' |
|---------------|------------|--------|---------------|----------|----------|
| Analyte | Method | Date | 11/13/13 | 11/13/13 | 11/13/13 |
| | | | mg/Kg | mg/Kg | mg/Kg |
| Benzene | BTEX 8021B | | 0.108 | <0.050 | <0.050 |
| Toluene | BTEX 8021B | | 1.33 | <0.050 | <0.050 |
| Ethylbenzene | BTEX 8021B | | 0.887 | <0.050 | <0.050 |
| Total Xylenes | BTEX 8021B | | 1.2 | <0.150 | <0.150 |
| Total BTEX | BTEX 8021B | | 3.53 | <0.300 | <0.300 |
| Chloride | SM4500Cl-B | | 2240 | 320 | 112 |
| GRO | TPH 8015M | | <10.0 | <10.0 | <10.0 |
| DRO | TPH 8015M | | 135 | <10.0 | <10.0 |

| | | Sample | SP2 @ SURFACE | SP2 @ 2' | SP2 @ 4' | SP2 @ 6' | SP2 @ 7' | SP2 @ 8' | SP2 @ 9' |
|---------------|------------|--------|---------------|----------|----------|----------|----------|----------|----------|
| Analyte | Method | Date | 11/13/13 | 11/13/13 | 11/14/13 | 11/14/13 | 12/19/13 | 12/19/13 | 12/19/13 |
| | | | mg/Kg | mg/Kg | mg/Kg | mg/Kg | mg/Kg | mg/Kg | mg/Kg |
| Benzene | BTEX 8021B | | <0.050 | <0.050 | <0.050 | <0.050 | n/a | n/a | n/a |
| Toluene | BTEX 8021B | | <0.050 | <0.050 | <0.050 | <0.050 | n/a | n/a | n/a |
| Ethylbenzene | BTEX 8021B | | 0.077 | <0.050 | <0.050 | <0.050 | n/a | n/a | n/a |
| Total Xylenes | BTEX 8021B | | <0.150 | <0.150 | <0.150 | <0.150 | n/a | n/a | n/a |
| Total BTEX | BTEX 8021B | | <0.300 | <0.300 | <0.300 | <0.300 | n/a | n/a | n/a |
| Chloride | SM4500Cl-B | | 3080 | 7280 | 14800 | 1880 | 784 | 64 | 32 |
| GRO | TPH 8015M | | <10.0 | <10.0 | <10.0 | <10.0 | n/a | n/a | n/a |
| DRO | TPH 8015M | | 20.8 | 34.6 | 13.8 | 67.4 | n/a | n/a | n/a |

| | | Sample | SP3 @ 1' | SP3 @ 2' | SP3 @ 3' |
|---------------|------------|--------|----------|----------|----------|
| Analyte | Method | Date | 11/14/13 | 11/14/13 | 11/14/13 |
| | | | mg/Kg | mg/Kg | mg/Kg |
| Benzene | BTEX 8021B | | <0.050 | <0.050 | <0.050 |
| Toluene | BTEX 8021B | | <0.050 | <0.050 | <0.050 |
| Ethylbenzene | BTEX 8021B | | <0.050 | <0.050 | <0.050 |
| Total Xylenes | BTEX 8021B | | <0.150 | <0.150 | <0.150 |
| Total BTEX | BTEX 8021B | | <0.300 | <0.300 | <0.300 |
| Chloride | SM4500Cl-B | | 464 | 352 | 160 |
| GRO | TPH 8015M | | <10.0 | <10.0 | <10.0 |
| DRO | TPH 8015M | | <10.0 | <10.0 | <10.0 |

| | | Sample | SP4 @ SURFACE | SP4 @ 1' | SP4 @ 2' | SP4 @ 4' |
|---------------|------------|--------|---------------|----------|----------|----------|
| Analyte | Method | Date | 11/14/13 | 11/14/13 | 11/14/13 | 12/19/13 |
| | | | mg/Kg | mg/Kg | mg/Kg | mg/Kg |
| Benzene | BTEX 8021B | | <0.050 | <0.050 | <0.050 | n/a |
| Toluene | BTEX 8021B | | 0.495 | <0.050 | <0.050 | n/a |
| Ethylbenzene | BTEX 8021B | | 0.695 | <0.050 | <0.050 | n/a |
| Total Xylenes | BTEX 8021B | | 1.1 | <0.150 | <0.150 | n/a |
| Total BTEX | BTEX 8021B | | 2.29 | <0.300 | <0.300 | n/a |
| Chloride | SM4500Cl-B | | 4480 | 48 | 1140 | 32 |
| GRO | TPH 8015M | | <10.0 | <10.0 | <10.0 | n/a |
| DRO | TPH 8015M | | 112 | <10.0 | <10.0 | n/a |

Laboratory Analytical Results Summary
COG, Skelly Unit #975

| | | Sample | North Sidewall | South Sidewall | East Sidewall | West Sidewall |
|----------|------------|--------|-------------------|-------------------|------------------|------------------|
| Analyte | Method | Date | 4/21/14 | 4/21/14 | 4/21/14 | 4/21/14 |
| | | | mg/Kg | mg/Kg | mg/Kg | mg/Kg |
| Chloride | SM4500Cl-B | | <16.0 | <16.0 | <16.0 | <16.0 |

November 27, 2013

Cliff Brunson

BBC International, Inc.

P.O. Box 805

Hobbs, NM 88241

RE: SKELLY #975

Enclosed are the results of analyses for samples received by the laboratory on 11/21/13 11:05.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

| | |
|------------------|------------------------------|
| Method EPA 552.2 | Haloacetic Acids (HAA-5) |
| Method EPA 524.2 | Total Trihalomethanes (TTHM) |
| Method EPA 524.4 | Regulated VOCs (V1, V2, V3) |

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Mike Snyder

Organic Supervisor

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 11/21/2013
Reported: 11/27/2013
Project Name: SKELLY #975
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 11/13/2013
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 1 @ SURFACE (H302849-01)

| BTX 8021B | | mg/kg | | Analyzed By: MS | | | | | |
|----------------|--------|-----------------|------------|-----------------|------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | 0.108 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | |
| Toluene* | 1.33 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | |
| Ethylbenzene* | 0.887 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | |
| Total Xylenes* | 1.20 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | |
| Total BTX | 3.53 | 0.300 | 11/25/2013 | ND | | | | | |

Surrogate: 4-Bromofluorobenzene (PIC) 111 % 89.4-126

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 2240 | 16.0 | 11/26/2013 | ND | 400 | 100 | 400 | 3.92 | |
| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |

| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
|--------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | 135 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |

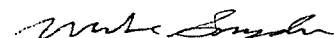
Surrogate: 1-Chlorooctane 93.6 % 65.2-140

Surrogate: 1-Chlorooctadecane 89.2 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 11/21/2013
Reported: 11/27/2013
Project Name: SKELLY #975
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 11/13/2013
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 1 @ 1 FT (H302849-02)

| BTEX 80218 | | | mg/kg | | Analyzed By: MS | | | | | |
|----------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | | |
| Ethylbenzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | | |
| Total BTEX | <0.300 | 0.300 | 11/25/2013 | ND | | | | | | |

Surrogate: 4-Bromofluorobenzene (PIC) 110 % 89.4-126

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 320 | 16.0 | 11/26/2013 | ND | 400 | 100 | 400 | 3.92 | |
| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |

Surrogate: 1-Chlorooctane 82.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 74.2 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 11/21/2013
Reported: 11/27/2013
Project Name: SKELLY #975
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 11/13/2013
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 1 @ 2 FT (H302849-03)

| BTEX 80218 | | | mg/kg | | Analyzed By: MS | | | | | |
|----------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | | |
| Ethylbenzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | | |
| Total BTEX | <0.300 | 0.300 | 11/25/2013 | ND | | | | | | |

Surrogate: 4-Bromofluorobenzene (PIC) 110 % 89.4-126

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 112 | 16.0 | 11/26/2013 | ND | 400 | 100 | 400 | 3.92 | |

| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |

Surrogate: 1-Chlorooctane 95.0 % 65.2-140

Surrogate: 1-Chlorooctadecane 90.2 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 11/21/2013
 Reported: 11/27/2013
 Project Name: SKELLY #975
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 11/13/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 2 @ SURFACE (H302849-04)

| BTEx 8021B | | | mg/kg | | Analyzed By: MS | | | | |
|----------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | |
| Ethylbenzene* | 0.077 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | |
| Total BTEx | <0.300 | 0.300 | 11/25/2013 | ND | | | | | |

Surrogate: 4-Bromofluorobenzene (PIC) 111 % 89.4-126

| Chloride, SM4500Cl-B | | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Chloride | 3080 | 16.0 | 11/26/2013 | ND | 400 | 100 | 400 | 3.92 | | |

| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | 20.8 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |

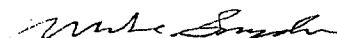
Surrogate: 1-Chlorooctane 76.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 71.7 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 11/21/2013
Reported: 11/27/2013
Project Name: SKELLY #975
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 11/13/2013
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 2 @ 2 FT (H302849-05)

| BTEX 80218 | | | mg/kg | | Analyzed By: MS | | | | | |
|----------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | | |
| Ethylbenzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | | |
| Total BTEX | <0.300 | 0.300 | 11/25/2013 | ND | | | | | | |

Surrogate: 4-Bromofluorobenzene (PIC) 110 % 89.4-126

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 7280 | 16.0 | 11/26/2013 | ND | 400 | 100 | 400 | 3.92 | |
| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |

| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | 34.6 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |

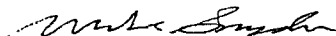
Surrogate: 1-Chlorooctane 82.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 78.4 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 11/21/2013
Reported: 11/27/2013
Project Name: SKELLY #975
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 11/14/2013
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 2 @ 4 FT (H302849-06)

| BTEX 8021B | | mg/kg | | Analyzed By: MS | | | | | |
|----------------|--------|-----------------|------------|-----------------|------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | |
| Total BTEX | <0.300 | 0.300 | 11/25/2013 | ND | | | | | |

Surrogate: 4-Bromofluorobenzene (PIL) 110 % 89.4-126

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 14800 | 16.0 | 11/26/2013 | ND | 400 | 100 | 400 | 3.92 | |

| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | 13.8 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |

Surrogate: 1-Chlorooctane 75.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 73.9 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 11/21/2013
 Reported: 11/27/2013
 Project Name: SKELLY #975
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 11/14/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 2 @ 6 FT (H302849-07)

| BTEX 8021B | | | mg/kg | | Analyzed By: MS | | | | |
|----------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | |
| Total BTEX | <0.300 | 0.300 | 11/25/2013 | ND | | | | | |

Surrogate: 4-Bromofluorobenzene (PID) 112 % 89.4-126

| Chloride, SM4500Cl-B | | | mg/kg | | Analyzed By: AP | | | | |
|----------------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 1880 | 16.0 | 11/26/2013 | ND | 400 | 100 | 400 | 3.92 | |

| TPH 8015M | | | mg/kg | | Analyzed By: MS | | | | |
|--------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | 67.4 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |

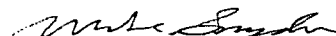
Surrogate: 1-Chlorooctane 85.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 86.1 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 11/21/2013
 Reported: 11/27/2013
 Project Name: SKELLY #975
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 11/14/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 3 @ 1 FT (H302849-08)

| BTEX 8021B | | | mg/kg | | Analyzed By: MS | | | | |
|----------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | |
| Total BTEX | <0.300 | 0.300 | 11/25/2013 | ND | | | | | |

Surrogate: 4-Bromofluorobenzene (PIC) 110 % 89.4-126

| Chloride, SM4500Cl-B | | | mg/kg | | Analyzed By: AP | | | | |
|----------------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 464 | 16.0 | 11/26/2013 | ND | 400 | 100 | 400 | 3.92 | |

| TPH 8015M | | | mg/kg | | Analyzed By: MS | | | | |
|--------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |


Surrogate: 1-Chlorooctane 82.4 % 65.2-140

Surrogate: 1-Chlorooctadecane 78.8 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 11/21/2013
 Reported: 11/27/2013
 Project Name: SKELLY #975
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 11/14/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 3 @ 2 FT (H302849-09)

| BTEX 8021B | | | mg/kg | | Analyzed By: MS | | | | | |
|----------------|--------|-----------------|------------|--------------|-----------------|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | | |
| Ethylbenzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | | |
| Total BTEX | <0.300 | 0.300 | 11/25/2013 | ND | | | | | | |

Surrogate: 4-Bromofluorobenzene (PID) 111 % 89.4-126

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 352 | 16.0 | 11/26/2013 | ND | 400 | 100 | 400 | 3.92 | |

| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |

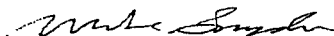
Surrogate: 1-Chlorooctane 98.1 % 65.2-140

Surrogate: 1-Chlorooctadecane 98.5 % 63.6-154

Cardinal Laboratories

* = Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 11/21/2013
 Reported: 11/27/2013
 Project Name: SKELLY #975
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 11/14/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 3 @ 3 FT (H302849-10)

| BTEX 8021B | | | mg/kg Analyzed By: MS | | | | | | |
|----------------|--------|-----------------|-----------------------|--------------|------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | |
| Total BTEX | <0.300 | 0.300 | 11/25/2013 | ND | | | | | |

Surrogate: 4-Bromofluorobenzene (PIC) 110 % 89.4-126

| Chloride, SM4500Cl-B | | | mg/kg Analyzed By: AP | | | | | | | |
|----------------------|--------|-----------------|-----------------------|--------------|-----|------------|---------------|------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Chloride | 160 | 16.0 | 11/26/2013 | ND | 400 | 100 | 400 | 3.92 | | |

| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |


Surrogate: 1-Chlorooctane 82.7 % 65.2-140

Surrogate: 1-Chlorooctadecane 79.1 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 11/21/2013
Reported: 11/27/2013
Project Name: SKELLY #975
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 11/14/2013
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 4 @ SURFACE (H302849-11)

| BTEX 8021B | | mg/kg | | Analyzed By: MS | | | | | |
|----------------|--------|-----------------|------------|-----------------|------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | |
| Toluene* | 0.495 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | |
| Ethylbenzene* | 0.695 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | |
| Total Xylenes* | 1.10 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | |
| Total BTEX | 2.29 | 0.300 | 11/25/2013 | ND | | | | | |

Surrogate: 4-Bromofluorobenzene (PIE) 113 % 89.4-126

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 4480 | 16.0 | 11/26/2013 | ND | 416 | 104 | 400 | 0.00 | |

| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | 112 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |

Surrogate: 1-Chlorooctane 97.0 % 65.2-140

Surrogate: 1-Chlorooctadecane 110 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 11/21/2013
Reported: 11/27/2013
Project Name: SKELLY #975
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 11/14/2013
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 4 @ 1 FT (H302849-12)

| BTEX 80218 | | mg/kg | | Analyzed By: MS | | | | | |
|----------------|--------|-----------------|------------|-----------------|------|------------|---------------|-------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.95 | 97.4 | 2.00 | 0.491 | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.96 | 97.8 | 2.00 | 0.750 | |
| Ethylbenzene* | <0.050 | 0.050 | 11/25/2013 | ND | 1.94 | 97.1 | 2.00 | 2.11 | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 5.74 | 95.7 | 6.00 | 2.65 | |
| Total BTEX | <0.300 | 0.300 | 11/25/2013 | ND | | - | | | |

Surrogate: 4-Bromofluorobenzene (PIC) 111 % 89.4-126

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 48.0 | 16.0 | 11/26/2013 | ND | 416 | 104 | 400 | 0.00 | |

| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |

Surrogate: 1-Chlorooctane 95.5 % 65.2-140

Surrogate: 1-Chlorooctadecane 94.2 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

Analytical Results For:

 BBC International, Inc.
 Cliff Brunson
 P.O. Box 805
 Hobbs NM, 88241
 Fax To: (575) 397-0397

 Received: 11/21/2013
 Reported: 11/27/2013
 Project Name: SKELLY #975
 Project Number: NONE GIVEN
 Project Location: LOCO HILLS, NM

 Sampling Date: 11/14/2013
 Sampling Type: Soil
 Sampling Condition: Cool & Intact
 Sample Received By: Jodi Henson

Sample ID: SP 4 @ 2 FT (H302849-13)

| BTEX 8021B | | mg/kg | | Analyzed By: MS | | | | | | |
|----------------|--------|-----------------|------------|-----------------|------|------------|---------------|-------|-----------|--|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier | |
| Benzene* | <0.050 | 0.050 | 11/25/2013 | ND | 2.14 | 107 | 2.00 | 0.779 | | |
| Toluene* | <0.050 | 0.050 | 11/25/2013 | ND | 2.10 | 105 | 2.00 | 0.448 | | |
| Ethylbenzene* | <0.050 | 0.050 | 11/25/2013 | ND | 2.05 | 103 | 2.00 | 0.544 | | |
| Total Xylenes* | <0.150 | 0.150 | 11/25/2013 | ND | 6.00 | 99.9 | 6.00 | 0.513 | | |
| Total BTEX | <0.300 | 0.300 | 11/25/2013 | ND | | | | | | |

Surrogate: 4-Bromofluorobenzene (PIC) 110 % 89.4-126

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 1140 | 16.0 | 11/26/2013 | ND | 416 | 104 | 400 | 0.00 | |

| TPH 8015M | | mg/kg | | Analyzed By: MS | | | | | |
|--------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 11/24/2013 | ND | 171 | 85.5 | 200 | 5.54 | |
| DRO >C10-C28 | <10.0 | 10.0 | 11/24/2013 | ND | 161 | 80.5 | 200 | 6.94 | |

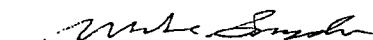
Surrogate: 1-Chlorooctane 108 % 65.2-140

Surrogate: 1-Chlorooctadecane 108 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor

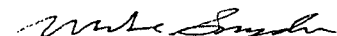
Notes and Definitions

| | |
|-----|---|
| ND | Analyte NOT DETECTED at or above the reporting limit |
| RPD | Relative Percent Difference |
| ** | Samples not received at proper temperature of 6°C or below. |
| *** | Insufficient time to reach temperature. |
| - | Chloride by SM4500Cl-B does not require samples be received at or below 6°C |
| | Samples reported on an as received basis (wet) unless otherwise noted on report |

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Mike Snyder, Organic Supervisor



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(505) 393-2326 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

1 of 1
Page 16 of 17

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|----------|--|----------------|--|------------------------------|--|-------------------------|--|------------|--|------|--|-----|--|--------|--|--------|--|------------|--|------------|--|--------|--|----------|--|-------|--|-----|--|-------|--|-----|--|
| Company Name: BBC International, Inc. | | | | BILL TO | | | | ANALYSIS REQUEST | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Manager: Cliff Brunson | | | | P.O. #: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Address: P.O. Box 805 | | | | Company: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| City: Hobbs State: NM Zip: 88241 | | | | Attn: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Phone #: 575-397-6388 Fax #: 575-397-0397 | | | | Address: Same | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project #: Project Owner: COG | | | | City: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Name: Skelly #975 | | | | State: Zip: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Location: Loco Hills | | | | Phone #: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sampler Name: Gary Ray | | | | Fax #: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FOR LAB USE ONLY | | Lab I.D. | | Sample I.D. | | GRAB OR (COMP. # CONTAINERS) | | GROUNDWATER | | WASTEWATER | | SOIL | | OIL | | SLUDGE | | OTHER: | | ACID/BASE: | | ICE / COOL | | OTHER: | | DATE | | TIME | | TPH | | B-Tex | | CL- | |
| H30284A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1- SP10 Surface ✓ | | 6 | | 2 | | | | | | | | X | | | | | | | | X | | | | | | 11-13-13 | | 1:00 | | X | | X | | X | |
| 2- SP10 1ft ✓ | | 6 | | 2 | | | | | | | | X | | | | | | | | X | | | | | | 11-13-13 | | 1:20 | | X | | X | | X | |
| 3- SP10 2ft ✓ | | 6 | | 2 | | | | | | | | X | | | | | | | | X | | | | | | 11-13-13 | | 1:40 | | X | | X | | X | |
| 4- SP20 Surface ✓ | | 6 | | 2 | | | | | | | | X | | | | | | | | X | | | | | | 11-13-13 | | 2:00 | | X | | X | | X | |
| 5- SP20 2ft ✓ | | 6 | | 2 | | | | | | | | X | | | | | | | | X | | | | | | 11-13-13 | | 2:40 | | X | | X | | X | |
| 6- SP20 4ft ✓ | | 6 | | 2 | | | | | | | | X | | | | | | | | X | | | | | | 11-14-13 | | 9:00 | | X | | X | | X | |
| 7- SP20 6ft ✓ | | 6 | | 2 | | | | | | | | X | | | | | | | | X | | | | | | 11-14-13 | | 9:40 | | X | | X | | X | |
| 8- SP30 1ft ✓ | | 6 | | 2 | | | | | | | | X | | | | | | | | X | | | | | | 11-14-13 | | 10:00 | | X | | X | | X | |
| 9- SP30 2ft ✓ | | 6 | | 2 | | | | | | | | X | | | | | | | | X | | | | | | 11-14-13 | | 10:38 | | X | | X | | X | |
| 10- SP30 3ft ✓ | | 6 | | 2 | | | | | | | | X | | | | | | | | X | | | | | | 11-14-13 | | 11:00 | | X | | X | | X | |

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 the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

| | | | |
|--|---------------------------------|---|---|
| Relinquished By: | Date: 11/21/13 Time: 8:00am | Received By: | Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #: |
| Relinquished By: | Date: 11/21/13 Time: 11:05am | Received By: Jodi Henson | Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #: |
| Delivered By: (Circle One) Sampler - UPS - Bus - Other: | 5.60 | Sample Condition Cool Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No | CHECKED BY: |
| REMARKS: | | | |

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#54



CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240

(505) 393-2326 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

2 of 2

Page 17 of 17

| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------------------------|-------------|---------------------------|--------------|----------------------|------------|----------|-----|------------------|--------|------------|------------|--------|-----------------|--------------|----------|----------|----------|--|--|--|--|--|--|--|--|--|--|
| Company Name: BBC International, Inc. | | | | BILL TO | | | | ANALYSIS REQUEST | | | | | | | | | | | | | | | | | | | |
| Project Manager: Cliff Brunson | | | | P.O. #: | | | | | | | | | | | | | | | | | | | | | | | |
| Address: P.O. Box 805 | | | | Company: | | | | | | | | | | | | | | | | | | | | | | | |
| City: Hobbs | | State: NM Zip: 88241 | | Attn: | | | | | | | | | | | | | | | | | | | | | | | |
| Phone #: 575-397-6388 | | Fax #: 575-397-0397 | | Address: <i>SAME</i> | | | | | | | | | | | | | | | | | | | | | | | |
| Project #: | | Project Owner: <i>COB</i> | | City: | | | | | | | | | | | | | | | | | | | | | | | |
| Project Name: <i>Skelly #975</i> | | | | State: Zip: | | | | | | | | | | | | | | | | | | | | | | | |
| Project Location: <i>Loco Hills</i> | | | | Phone #: | | | | | | | | | | | | | | | | | | | | | | | |
| Sampler Name: <i>Gary RAY</i> | | | | Fax #: | | | | | | | | | | | | | | | | | | | | | | | |
| FOR LAB USE ONLY | | | | MATRIX | | PRESERV | | SAMPLING | | | | | | | | | | | | | | | | | | | |
| Lab I.D. | Sample I.D. | (G)RAB OR (C)OMP. | # CONTAINERS | GROUNDWATER | WASTEWATER | SOIL | OIL | SLUDGE | OTHER: | ACID/BASE: | ICE / COOL | OTHER: | DATE | TIME | | | | | | | | | | | | | |
| <i>H3D2849</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>11 SP4 @ Surface ✓</i> | | <i>C</i> | <i>1</i> | | | <i>X</i> | | | | | <i>X</i> | | <i>11-11-13</i> | <i>11:20</i> | <i>X</i> | <i>X</i> | <i>X</i> | | | | | | | | | | |
| <i>12 SP4 @ 2ft ✓</i> | | <i>C</i> | <i>1</i> | | | <i>X</i> | | | | | <i>X</i> | | <i>11-14-13</i> | <i>11:45</i> | <i>X</i> | <i>X</i> | <i>X</i> | | | | | | | | | | |
| <i>13 SP4 @ 2ft ✓</i> | | <i>C</i> | <i>1</i> | | | <i>X</i> | | | | | <i>X</i> | | <i>11-14-13</i> | <i>12:15</i> | <i>X</i> | <i>X</i> | <i>X</i> | | | | | | | | | | |
| <i>KID 11/21/13</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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 the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

| | | | | |
|-------------------------------------|-----------------------|--|--|----------------|
| Relinquished By: <i>[Signature]</i> | Date: <i>11/21/13</i> | Received By: <i>[Signature]</i> | Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No | Add'l Phone #: |
| Relinquished By: <i>[Signature]</i> | Date: <i>8-0-08</i> | Received By: <i>[Signature]</i> | Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No | Add'l Fax #: |
| Delivered By: (Circle One) | | Sample Condition | CHECKED BY: <i>[Signature]</i> | |
| Sampler - UPS - Bus - Other: | <i>5.6°C</i> | Cool Intact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| REMARKS: | | | | |

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#54

January 03, 2014

Cliff Brunson

BBC International, Inc.

P.O. Box 805

Hobbs, NM 88241

RE: SKELLY #975

Enclosed are the results of analyses for samples received by the laboratory on 12/23/13 16:59.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

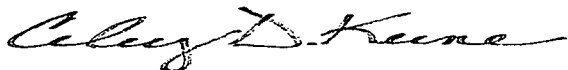
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

| | |
|------------------|------------------------------|
| Method EPA 552.2 | Haloacetic Acids (HAA-5) |
| Method EPA 524.2 | Total Trihalomethanes (TTHM) |
| Method EPA 524.4 | Regulated VOCs (V1, V2, V3) |

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 12/23/2013
Reported: 01/03/2014
Project Name: SKELLY #975
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 12/19/2013
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: SP 2 @ 7 FT (H303121-01)

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 784 | 16.0 | 12/31/2013 | ND | 400 | 100 | 400 | 11.3 | |

Sample ID: SP 2 @ 8 FT (H303121-02)

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 64.0 | 16.0 | 12/31/2013 | ND | 400 | 100 | 400 | 11.3 | |

Sample ID: SP 2 @ 9 FT (H303121-03)

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 32.0 | 16.0 | 12/31/2013 | ND | 400 | 100 | 400 | 11.3 | |

Sample ID: SP 4 @ 4 FT (H303121-04)

| Chloride, SM4500Cl-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 32.0 | 16.0 | 12/31/2013 | ND | 400 | 100 | 400 | 11.3 | |

Cardinal Laboratories

* = Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

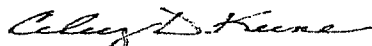
Notes and Definitions

| | |
|-----|--|
| ND | Analyte NOT DETECTED at or above the reporting limit |
| RPD | Relative Percent Difference |
| ** | Samples not received at proper temperature of 6°C or below. |
| *** | Insufficient time to reach temperature. |
| - | Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report |

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

**CARDINAL LABORATORIES**

101 East Marland, Hobbs, NM 88240

(505) 393-2326 FAX (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 4 of 4

| | | | | | | | | | | | | | | | | | | | | | |
|---|-------------|------------------------------|-------------|-------------------------|----------|------|----------|-------|---|--|--|--|--|--|--|--|--|--|--|--|--|
| Company Name: BBC International, Inc. | | BILL TO | | ANALYSIS REQUEST | | | | | | | | | | | | | | | | | |
| Project Manager: Cliff Brunson | | P.O. #: | | | | | | | | | | | | | | | | | | | |
| Address: P.O. Box 805 | | Company: | | | | | | | | | | | | | | | | | | | |
| City: Hobbs State: NM Zip: 88241 | | Attn: | | | | | | | | | | | | | | | | | | | |
| Phone #: 575-397-6388 Fax #: 575-397-0397 | | Address: Same | | | | | | | | | | | | | | | | | | | |
| Project #: Project Owner: COG | | City: | | | | | | | | | | | | | | | | | | | |
| Project Name: Skelly #975 | | State: Zip: | | | | | | | | | | | | | | | | | | | |
| Project Location: loco Hills | | Phone #: | | | | | | | | | | | | | | | | | | | |
| Sampler Name: Gary Ray | | Fax #: | | | | | | | | | | | | | | | | | | | |
| FOR LAB USE ONLY | | | | | | | | | | | | | | | | | | | | | |
| Lab I.D. | Sample I.D. | GRAB OR (COMP. # CONTAINERS) | MATRIX | PRESERV. | SAMPLING | | | | | | | | | | | | | | | | |
| | | | GROUNDWATER | | | | | | | | | | | | | | | | | | |
| | | | WASTEWATER | | | | | | | | | | | | | | | | | | |
| | | | SOIL | | | | | | | | | | | | | | | | | | |
| | | | OIL | | | | | | | | | | | | | | | | | | |
| | | | SLUDGE | | | | | | | | | | | | | | | | | | |
| | | | OTHER: | | | | | | | | | | | | | | | | | | |
| | | | ACID/BASE: | | | | | | | | | | | | | | | | | | |
| | | | ICE / COOL | | | | | | | | | | | | | | | | | | |
| | | | OTHER: | | | | | | | | | | | | | | | | | | |
| | | | | | DATE | TIME | | | | | | | | | | | | | | | |
| H303121 | | | | | | | | | | | | | | | | | | | | | |
| 1 | SP2@ 7FT | 6 | | | X | | 12-14-13 | 9:00 | X | | | | | | | | | | | | |
| 2 | SP2@ 8FT | 6 | | | X | | 12-14-13 | 9:15 | X | | | | | | | | | | | | |
| 3 | SP2@ 9FT | 6 | | | X | | 12-14-13 | 9:30 | X | | | | | | | | | | | | |
| 4 | SP4@ 4FT | 6 | | | X | | 12-14-13 | 10:00 | X | | | | | | | | | | | | |

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 the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

| | | | | |
|------------------------------|------------------|--------------------------|--|----------------|
| Relinquished By: | Date: 12-23-13 | Received By: [Signature] | Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No | Add'l Phone #: |
| [Signature] | Time: 4:59 | [Signature] | Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No | Add'l Fax #: |
| Relinquished By: | Date: | Received By: | REMARKS: | |
| | Time: | | | |
| Delivered By: (Circle One) | Sample Condition | CHECKED BY: | | |
| Sampler - UPS - Bus - Other: | Cool Intact | [Signature] | | |
| | Yes No | | | |

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

#54



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

April 22, 2014

Cliff Brunson

BBC International, Inc.

P.O. Box 805

Hobbs, NM 88241

RE: SKELLY #975

Enclosed are the results of analyses for samples received by the laboratory on 04/21/14 16:55.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-13-5. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

| | |
|------------------|------------------------------|
| Method EPA 552.2 | Haloacetic Acids (HAA-5) |
| Method EPA 524.2 | Total Trihalomethanes (TTHM) |
| Method EPA 524.4 | Regulated VOCs (V1, V2, V3) |

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

BBC International, Inc.
Cliff Brunson
P.O. Box 805
Hobbs NM, 88241
Fax To: (575) 397-0397

Received: 04/21/2014
Reported: 04/22/2014
Project Name: SKELLY #975
Project Number: NONE GIVEN
Project Location: LOCO HILLS, NM

Sampling Date: 04/21/2014
Sampling Type: Soil
Sampling Condition: ** (See Notes)
Sample Received By: Celey D. Keene

Sample ID: NORTH SIDEWALL (H401197-01)

| Chloride, SM4500Cl-B | | mg/kg | Analyzed By: AP | | | | | | |
|----------------------|--------|-----------------|-----------------|--------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | <16.0 | 16.0 | 04/22/2014 | ND | 416 | 104 | 400 | 0.00 | |

Sample ID: SOUTH SIDEWALL (H401197-02)

| Chloride, SM4500Cl-B | | mg/kg | Analyzed By: AP | | | | | | |
|----------------------|--------|-----------------|-----------------|--------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | <16.0 | 16.0 | 04/22/2014 | ND | 416 | 104 | 400 | 0.00 | |

Sample ID: EAST SIDEWALL (H401197-03)

| Chloride, SM4500Cl-B | | mg/kg | Analyzed By: AP | | | | | | |
|----------------------|--------|-----------------|-----------------|--------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | <16.0 | 16.0 | 04/22/2014 | ND | 416 | 104 | 400 | 0.00 | |


Sample ID: WEST SIDEWALL (H401197-04)

| Chloride, SM4500Cl-B | | mg/kg | Analyzed By: AP | | | | | | |
|----------------------|--------|-----------------|-----------------|--------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | <16.0 | 16.0 | 04/22/2014 | ND | 416 | 104 | 400 | 0.00 | |

Cardinal Laboratories

*=Accredited Analyte

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. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

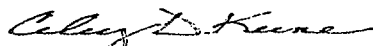
Notes and Definitions

| | |
|-----|--|
| ND | Analyte NOT DETECTED at or above the reporting limit |
| RPD | Relative Percent Difference |
| ** | Samples not received at proper temperature of 6°C or below. |
| *** | Insufficient time to reach temperature. |
| - | Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report |

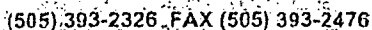
Cardinal Laboratories

*=Accredited Analyte


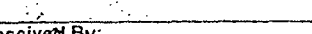
PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager



Page 4 of 4

| | | | |
|---|-----------------------------|---|---|
| <small>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 the client for the analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder, by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.</small> | | | |
| Relinquished By:  | Date: 4-21-14 Time: | Received By: | Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #: Add'l Fax #: REMARKS: RUSH |
| Relinquished By: | Date: 4-21-14 Time: 4:55 | Received By:  | |
| Delivered By: (Circle One) Sampler - UPS - Bus - Other: | 8.2 °C | Sample Condition Cool Intact <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | CHECKED BY: (Initials) AY. |

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476

* Samples were brought directly to our lab &

APPENDIX III

C-141

October 2013 and June 2014

Skelly Unit #975 (10/21/2013)

Unit B, Section 23, Township 17 South, Range 31 East
Eddy County, NM
GPS: N 32.82613° W 103.83923°

Prepared for:
COG Operating LLC
Midland, Texas

Prepared by:
BBC International, Inc.

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

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

| | | | |
|-----------------|---|------------------|----------------|
| Name of Company | COG OPERATING LLC | Contact | Robert McNeill |
| Address | 600 West Illinois Avenue, Midland, TX 79701 | Telephone No. | 432-230-0077 |
| Facility Name | Skelly Unit #975 | Facility Type | Well Pad |
| Surface Owner | Federal | Mineral Owner | |
| | | Lease No. (API#) | 30-015-36356 |

LOCATION OF RELEASE

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| B | 23 | 17S | 31E | | | | | Eddy |

Latitude 32.82599

Longitude 103.83930

NATURE OF RELEASE

| | | | | | |
|-----------------------------|--|---|--------------|----------------------------|-------------------------|
| Type of Release | Oil and produced water | Volume of Release | 5bbls of oil | Volume Recovered | 5bbls of produced water |
| Source of Release | Chemical injection line on well. | Date and Hour of Occurrence | 10-21-2013 | Date and Hour of Discovery | 10-21-2013 3:40pm |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | | | |
| By Whom? | | Date and Hour | | | |
| Was a Watercourse Reached? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | | | |

If a Watercourse was Impacted, Describe Fully.*

NM OIL CONSERVATION
ARTESIA DISTRICT

Describe Cause of Problem and Remedial Action Taken.*

JUN 06 2014

A stainless steel 90 on the chemical injection line broke. Replace the stainless steel 90.

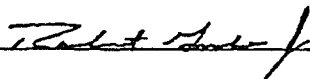
Describe Area Affected and Cleanup Action Taken.*

RECEIVED

Initially an estimated 5bbls of oil and 5bbls of produced water were released from a stainless steel 90. We were able to recover 4bbl of oil and 2bbls of produced water with a vacuum truck. The spill was located on the well pad. BBC will sample the spill site area to delineate any possible contamination from the release and we will present a work plan to the BLM/NMOCD for approval prior to any significant remediation work.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD 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 does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

| | | | |
|-----------------|---|-----------------------------------|------------------|
| Signature: |  | Approved by District Supervisor: | |
| Printed Name: | Robert Grubbs Jr. | Approval Date: | Expiration Date: |
| Title: | Senior Environmental Coordinator | Conditions of Approval: | |
| E-mail Address: | rgrubbs@concho.com | Attached <input type="checkbox"/> | |
| Date: | 10-25-2013 | Phone: | 432-661-6601 |

* Attach Additional Sheets If Necessary

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
20 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-141
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in
accordance with 19.15.29 NMAC.

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

| | | | |
|-----------------|---|---------------|----------------|
| Name of Company | COG OPERATING LLC | Contact | Robert McNeill |
| Address | 600 West Illinois Avenue, Midland, TX 79701 | Telephone No. | 432-230-0077 |
| Facility Name | Skelly Unit #975 | Facility Type | Well Pad |
| Surface Owner | Federal | Mineral Owner | |
| | | API No. | 30-015-36356 |

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| B | 23 | 17S | 31E | | | | | Eddy |

Latitude N 32.82599° Longitude W 103.83930°

NATURE OF RELEASE

| | | | | | |
|-----------------------------|--|---|---|----------------------------|--------------------------------------|
| Type of Release | Oil and Produced water | Volume of Release | 5 bbls oil and 5 bbls of produced water | Volume Recovered | 4 bbls oil and 2 bbls produced water |
| Source of Release | Chemical injection line on well | Date and Hour of Occurrence | 10/21/2013 | Date and Hour of Discovery | 10/21/2013 @ 3:40 pm |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required | If YES, To Whom? | | | |
| By Whom? | | Date and Hour | | | |
| Was a Watercourse Reached? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If YES, Volume Impacting the Watercourse. | | | |

If a Watercourse was Impacted, Describe Fully.*

NM OIL CONSERVATION
ARTESIA DISTRICT

JUN 06 2014

Describe Cause of Problem and Remedial Action Taken.*

A stainless steel 90 on the chemical injection line broke. Replaced the stainless steel 90.

RECEIVED

Describe Area Affected and Cleanup Action Taken.*

Initially an estimated 5 bbls of oil and 5 bbls of produced water were released from a stainless steel 90. We were able to recover 4 bbls oil and 2 bbls of produced water with a vacuum truck. The spill was located on the well pad. Remediation was completed in accordance with a remediation plan approved verbally by Mike Bratcher of NMOCD and approved by Mike Burton of the BLM via email on 02/26/2014.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD 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 does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature:

Printed Name: Robert Grubbs Jr.

Approved by Environmental Specialist:

Title: Senior Environmental Coordinator

Approval Date:

Expiration Date:

E-mail Address: rgrubbs@concho.com

Conditions of Approval:

Attached ☐

Date: 6-4-14 Phone: (432) 661-6601

* Attach Additional Sheets If Necessary

APPENDIX IV

Correspondence

February 2014

Skelly Unit #975 (10/21/2013)

Unit B, Section 23, Township 17 South, Range 31 East
Eddy County, NM
GPS: N 32.82613° W 103.83923°

Prepared for:
COG Operating LLC
Midland, Texas

Prepared by:
BBC International, Inc.

Kathy Purvis

From: Cliff P. Brunson <cbrunson@bbcinternational.com>
Sent: Tuesday, February 25, 2014 6:55 PM
To: Mike Bratcher
Cc: Robert Grubbs; Michelle Mullins; Ken Swinney; Jennifer Gilkey; Kathy Purvis
Subject: Concho (COG) Skelly Unit #975-Remediation Plan
Attachments: Remediation Plan Report, Skelly Unit #975.pdf

Mike,

This e-mail is to confirm our conversation on February 19, 2014 about the remediation plan for the above referenced site. I have attached the materials that we used in our discussion. As discussed, Concho will excavate to a depth of 6 inches in the area covering SP1, SP3, and SP4 as depicted on the attached site diagram. The area around SP2 will be excavated to a depth of 4 feet. The area will then be backfilled.

If you would please e-mail your concurrence with this remediation plan, it would be greatly appreciated.

Thanks, Cliff

Cliff P. Brunson, CEI, CRS
President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, NM 88241-0805 USA
Shipping Address:
1324 W. Marland St.
Hobbs, NM 88240 USA
Phone: (575) 397-6388
Fax: (575) 397-0397
E-Mail: cbrunson@bbcinternational.com

Confidentiality Notice: This electronic transmission (and any attached documents) is intended only for the person(s) to whom it is addressed and may contain information that is privileged, confidential, or otherwise protected from disclosure. If you have received this transmission in error, please immediately notify the sender by e-mail or by telephone call to (575) 397-6388 for handling instructions. Any disclosure or distribution of the contents of this transmission by anyone other than the named recipient(s) is strictly prohibited.

Kathy Purvis

From: Cliff P. Brunson <cbrunson@bbcinternational.com>
Sent: Tuesday, February 25, 2014 5:14 PM
To: Mike Burton
Cc: Robert Grubbs; Michelle Mullins; Ken Swinney; Jennifer Gilkey; Kathy Purvis
Subject: Concho (COG) Skelly Unit #975-Remediation Plan
Attachments: Remediation Plan Report, Skelly Unit #975.pdf

Mike,

This e-mail is to request the BLM's approval for the following remediation plan for the above referenced site. I have attached the materials that pertain to the site and the plan. This plan has already been approved by Mike Bratcher of the NMOCD. Concho (COG) will excavate to a depth of 6 inches across the leak area except in the area of SP2 which will be a 4 foot excavation as shown on the attached diagram. The area will then be backfilled with clean soil.

If you would please e-mail your concurrence with this remediation plan, it would be greatly appreciated. If you have any questions, please let us know.

Thanks, Cliff

Cliff P. Brunson, CEI, CRS
President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, NM 88241-0805 USA
Shipping Address:
1324 W. Marland St.
Hobbs, NM 88240 USA
Phone: (575) 397-6388
Fax: (575) 397-0397
E-Mail: cbrunson@bbcinternational.com

Confidentiality Notice: This electronic transmission (and any attached documents) is intended only for the person(s) to whom it is addressed and may contain information that is privileged, confidential, or otherwise protected from disclosure. If you have received this transmission in error, please immediately notify the sender by e-mail or by telephone call to (575) 397-6388 for handling instructions. Any disclosure or distribution of the contents of this transmission by anyone other than the named recipient(s) is strictly prohibited.

Kathy Purvis

From: Cliff P. Brunson <cbrunson@bbcinternational.com>
Sent: Wednesday, February 26, 2014 9:11 AM
To: Ken Swinney; Jennifer Gilkey; Kathy Purvis
Subject: FW: Concho (COG) Skelly Unit #975-Remediation Plan

FYI....BLM approval

Cliff P. Brunson, CEI, CRS
President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, NM 88241-0805 USA
Shipping Address:
1324 W. Marland St.
Hobbs, NM 88240 USA
Phone: (575) 397-6388
Fax: (575) 397-0397
E-Mail: cbrunson@bbcinternational.com

Confidentiality Notice: This electronic transmission (and any attached documents) is intended only for the person(s) to whom it is addressed and may contain information that is privileged, confidential, or otherwise protected from disclosure. If you have received this transmission in error, please immediately notify the sender by e-mail or by telephone call to (575) 397-6388 for handling instructions. Any disclosure or distribution of the contents of this transmission by anyone other than the named recipient(s) is strictly prohibited.

From: Mike Burton <mburton@blm.gov>
Date: Wednesday, February 26, 2014 6:34 AM
To: Cliff Brunson <cbrunson@bbcinternational.com>
Subject: Re: Concho (COG) Skelly Unit #975-Remediation Plan

Cliff,

This plan is approved with these stipulations.

1. The area around SP2 should be excavated to at least 4' BGS to remove most of the chloride contamination.
2. We will require side wall confirmation samples to ensure the all horizontal contamination was removed.

Thanks.

Mike Burton
BLM-CFO
Environmental Protection Specialist
575-234-2226 office
575-361-3574 cell
mburton@blm.gov

CONFIDENTIALITY NOTICE: The information in this email may be confidential and/or privileged. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein, is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system. Thank you.

On Tue, Feb 25, 2014 at 5:14 PM, Cliff P. Brunson <cbrunson@bbcinternational.com> wrote:
Mike,

This e-mail is to request the BLM's approval for the following remediation plan for the above referenced site. I have attached the materials that pertain to the site and the plan. This plan has already been approved by Mike Bratcher of the NMOCD. Concho (COG) will excavate to a depth of 6 inches across the leak area except in the area of SP2 which will be a 4 foot excavation as shown on the attached diagram. The area will then be backfilled with clean soil.

If you would please e-mail your concurrence with this remediation plan, it would be greatly appreciated. If you have any questions, please let us know.

Thanks, Cliff

Cliff P. Brunson, CEI, CRS
President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, NM 88241-0805 USA
Shipping Address:
1324 W. Marland St.
Hobbs, NM 88240 USA
Phone: (575) 397-6388
Fax: (575) 397-0397
E-Mail: cbrunson@bbcinternational.com

Confidentiality Notice: This electronic transmission (and any attached documents) is intended only for the person(s) to whom it is addressed and may contain information that is privileged, confidential, or otherwise protected from disclosure. If you have received this transmission in error, please immediately notify the sender by e-mail or by telephone call to (575) 397-6388 for handling instructions. Any disclosure or distribution of the contents of this transmission by anyone other than the named recipient(s) is strictly prohibited.
