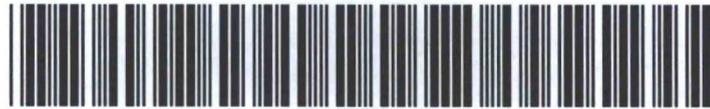




AE Order Number Banner

Report Description

This report shows an AE Order Number in Barcode format for purposes of scanning. The Barcode format is Code 39.



App Number: pJXK1604732741

1RP - 2795

FASKEN OIL AND RANCH, LTD.

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

X Final Report

| | | | |
|-----------------|---|---------------|---------------------|
| Name of Company | Fasken Oil & Ranch, Ltd. | Contact | Jimmy Carlile |
| Address | 303 W. Wall Ave., Ste. 1800 Midland, TX 79701-5116 | Telephone No. | (432)687-1777 |
| Facility Name | Denton SWD Historical Site #2 | Facility Type | Salt Water Disposal |
| Surface Owner | Darr Angell | Mineral Owner | Private |
| | | Lease No. | |

LOCATION OF RELEASE API # 30.025.23621.00.00

| | | | | | | | | |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| P | 11 | 15S | 37E | | | | | Eddy |

Latitude 33.0271° North

Longitude 103.1654° West

NATURE OF RELEASE

| | | | | | |
|---|---------------------------------------|---|---------|----------------------------|---------|
| Type of Release | Produced water | Volume of Release | Unknown | Volume Recovered | Unknown |
| Source of Release | SWD Trunk Line | Date and Hour of Occurrence | Unknown | Date and Hour of Discovery | Unknown |
| Was Immediate Notice Given? | Yes No X Not Required | If YES, To Whom? | | | |
| By Whom? | Date and Hour 7/31/2009, Time unknown | | | | |
| Was a Watercourse Reached? | <input type="checkbox"/> Yes X No | If YES, Volume Impacting the Watercourse. | | | |
| If a Watercourse was Impacted, Describe Fully.* | | | | | |

Describe Cause of Problem and Remedial Action Taken:

In July 2009, Fasken discovered a historical release along the Denton Salt Water Disposal (SWD) flowline. The release was attributed to failure of a section of an old steel flowline, which had been replaced with a fiberglass line several years prior to the discovery of the release. Failure of the steel flowline resulted in the release of an unknown volume of produced water. Following vertical delineation, the historical release was reported to the NMOCD Hobbs District Office on July 31, 2009, in a remediation plan entitled *Proposed Cleanup of Historical Salt Water Spill Sites*.

Describe Area Affected and Cleanup Action Taken.

The release affected an area of pastureland measuring approximately 242' x 85'. The release was remediated as per NMOCD approval. Please reference the attached *Remediation Summary & Risk-Based Site Closure Request* for remediation details.

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.

| | | | |
|---|--|--------------------|--|
| Signature: | OIL CONSERVATION DIVISION | | |
| Printed Name: Ben J. Arguijo (Agent on behalf of Fasken O&R, Ltd) | Approved by ENV SPECIALIST: <i>Jeff Leung</i> District Supervisor. | | |
| Title: Project Manager, Basin Environmental | Approval Date: 4/17/12 | Expiration Date: - | |
| E-mail Address: bjarguijo@basinenv.com | Conditions of Approval: REFER TO CAVERT SECT. 3.0 SUMMARY OF SOIL REMEDIATION ACTIVITIES | | |
| Date: 4/17/2012 | Phone: (575)396-2378 | IRP-4-12-2795 | |

Basin Environmental Service Technologies, LLC

3100 Plains Highway
P. O. Box 301
Lovington, New Mexico 88260
bjarguijo@basinenv.com
Office: (575) 396-2378 Fax: (575) 396-1429



REMEDIATION SUMMARY & RISK-BASED SITE CLOSURE REQUEST

**FASKEN OIL & RANCH, LTD.
DENTON SWD HISTORICAL SITE #2
Lea County, New Mexico
Unit Letter "P" (SE/SE), Section 11, Township 15 South, Range 37 East
Latitude 33.0271° North, Longitude 103.1654° West**

Prepared For:

Fasken Oil and Ranch, Ltd.
303 W. Wall Ave., Suite 1800
Midland, TX 79701-5116

Prepared By:

Basin Environmental Service Technologies, LLC
3100 Plains Highway
Lovington, New Mexico 88260

April 2012



Ben J. Arguijo
Project Manager

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FIGURES

Figure 1 – Site Location Map

Figure 2 – Site & Sample Location Map

TABLES

Table 1 – Concentrations of Chloride in Soil

APPENDICES

Appendix A – Photographs

Appendix B – Laboratory Analytical Reports

Appendix C – Soil Disposal Manifests

1.0 INTRODUCTION & BACKGROUND INFORMATION

Basin Environmental Service Technologies, LLC (Basin), on behalf of Fasken Oil & Ranch, Ltd. (Fasken), has prepared this *Remediation Summary & Risk-Based Site Closure Request* for the release site known as Denton SWD Historical Site #2. The legal description of the release site is Unit Letter "P" (SE/SE), Section 11, Township 15 South, Range 37 East, in Lea County, New Mexico. The geographic coordinates of the release site are 33.0271° North latitude and 103.1654° West longitude. The property affected by the release is owned by Mr. Darr Angell. A "Site Location Map" is provided as Figure 1.

In July 2009, Fasken discovered a historical release along the Denton Salt Water Disposal (SWD) flowline. The release was attributed to failure of a section of an old steel flowline, which had been replaced with a fiberglass line several years prior to the discovery of the release. Failure of the steel flowline resulted in the release of an unknown volume of produced water. The historical release was reported to the New Mexico Oil Conservation Division (NMOCD) Hobbs District Office on July 31, 2009. General photographs of the release site are provided as Appendix A.

In July 2009, a previous consultant advanced three (3) soil borings at the release site to delineate the vertical extent of impacted soil.

On July 31, 2009, Fasken submitted a risk-based site closure proposal, *Proposed Cleanup of Historical Salt Water Spill Sites*, to the NMOCD Hobbs District Office, presenting laboratory analytical results from the drilling event and summarizing remedial activities to-date. Based on laboratory analytical results, Fasken requested and received NMOCD approval to remove heavily chloride-impacted soil from above the hard rock layer at the site [approximately three feet (3') below ground surface (bgs)], install an impermeable liner in the floor of the excavation, and backfill the excavation with non-impacted material.

2.0 NMOCD SITE CLASSIFICATION

A search of the New Mexico Water Rights Reporting System (NMWRRS) database maintained by the New Mexico Office of the State Engineer (NMOSE) indicated the depth to water in Section 11, Township 15 South, Range 37 East ranges from approximately thirty seven feet (37') to sixty-five feet (65') bgs. A depth-to-groundwater reference map utilized by the NMOCD indicates groundwater should be encountered at approximately fifty-five feet (55') bgs at the release site. Based on the NMOCD ranking system, ten (10) points will be assigned to the site as a result of this criterion.

A search of the NMWRRS database indicated there are water supply wells within 1,000 feet of the release. Based on the NMOCD ranking system, twenty (20) points will be assigned to the site as a result of this criterion.

There are no surface water bodies within 1,000 feet of the release. Based on the NMOCD ranking system, zero (0) points will be assigned to the site as a result of this criterion.

NMOCD guidelines indicate the Denton SWD Historical Site #2 release site has an initial ranking score of thirty (30) points. The soil remediation levels for a site with a ranking score of thirty (30) points are as follows:

- Benzene – 10 mg/Kg (ppm)
- BTEX – 50 mg/Kg (ppm)
- TPH – 100 mg/Kg (ppm)

The New Mexico Administrative Code (NMAC) does not currently specify a remediation level for chloride concentrations in soil. Chloride remediation levels are set by the NMOCD on a site-specific basis.

3.0 SUMMARY OF SOIL REMEDIATION ACTIVITIES

On March 12, 2012, excavation of impacted soil commenced at the site. Hach Quantab Chloride Low Range (30-600 mg/Kg) Titrators were used to field-screen the horizontal extent of impacted soil and to guide the excavation. Excavated soil was stockpiled on-site, pending final disposition.

From March 12 through March 19, 2012, approximately two thousand, five hundred cubic yards (2,500 yd³) of impacted soil was excavated and transported to Gandy Marley, Inc. (NMOCD Permit # DP-1041), for disposal. A representative sample of soil disposal manifests is included as Appendix C.

On March 12, 2012, eight (8) soil samples (North Wall #1, East Wall #2, East Wall #3, East Wall #4, West Wall #1, West Wall #2, West Wall #3, and West Wall #4) were collected from the sidewalls of the excavation. The soil samples were submitted to Cardinal Laboratories in Hobbs, New Mexico, for analysis of chloride concentrations using EPA Method 4500 Cl-B. Table 1 summarizes the “Concentrations of Chloride in Soil”. Soil sample locations are depicted in Figure 2, “Site & Sample Location Map”. Laboratory analytical reports are provided as Appendix B.

Laboratory analytical results indicated chloride concentrations ranged from less than the laboratory method detection limit (MDL) of 16.0 mg/Kg in soil sample East Wall #4 to 976 mg/Kg in soil sample East Wall #2. Review of laboratory analytical results indicated the chloride concentrations in all submitted soil samples were less than the regulatory remediation action level (RRAL) established for the site by the NMOCD.

On March 19, 2012, one (1) delineation trench (Test Trench East Road) was advanced at the site to investigate the horizontal impact of chloride contamination east of an oil lease access road adjacent to the release site. The delineation trench was advanced to a total depth of approximately two and three-quarters feet (2.75') bgs. One (1) soil sample (Test Trench East Road #1) was submitted to the laboratory for analysis of chloride concentrations. Laboratory analytical results indicated the chloride concentration was 112 mg/Kg. Review of laboratory analytical results indicated the chloride concentration was less than the RRAL established for the site.

Three (3) soil samples (East Wall #5, South Wall #1, and South Wall #2) were also collected from the sidewalls of the excavation and submitted to the laboratory for analysis of chloride concentrations. Laboratory analytical results indicated chloride concentrations ranged from 3,200 mg/Kg in soil sample East Wall #5 to 5,360 mg/Kg in soil sample South Wall #2. Review of laboratory analytical results indicated the chloride concentrations in all submitted soil samples exceeded the RRAL established for the site.

Further excavation in the areas represented by soil samples East Wall #5, South Wall #1, and South Wall #2 was precluded by the presence of active pipelines and/or an oil lease access road immediately adjacent to the sample locations.

On March 22, 2012, a Basin representative met with a representative of the NMOCD Hobbs District Office to request permission to leave soil represented by soil samples East Wall #5, South Wall #1, and South Wall #2 in place and to backfill the excavation. The requests were approved by the NMOCD representative, with the caveat that soil exhibiting contamination above the RRAL established for the site will be remediated upon decommission or abandonment of the currently active pipelines.

Based on laboratory analytical results, and with NMOCD approval, from March 23 through April 6, 2012, the excavation was backfilled with approximately one thousand, six hundred and ninety-one cubic yards (1,691 yd³) of topsoil purchased from the landowner, compacted, and contoured to fit the surrounding topography. Prior to backfilling, an impermeable clay liner was placed in the floor of the excavation, compacted, and leveled. Final dimensions of the excavation were approximately two hundred and forty-two feet (242') in length, ranging in width from approximately eighty-five feet (85') to approximately ninety-two feet (92'), and ranging in depth from approximately two and three-quarters feet (2.75') to approximately three feet (3') bgs.

The Denton SWD Historical Site #2 release site will be seeded with an NMOCD-approved seed mixture during the 2012 calendar year.

4.0 QA/QC PROCEDURES

4.1 Soil Sampling

Soil Samples were delivered to Cardinal Laboratories in Hobbs, New Mexico, for analysis of chloride concentrations in accordance with EPA Method 4500 Cl-B. Soil samples were analyzed for chloride concentrations within fourteen (14) days following the collection date.

4.2 Decontamination of Equipment

Cleaning of the sampling equipment was the responsibility of the environmental technician. Prior to use, and between each sample, the sampling equipment was cleaned with Liqui-Nox® detergent and rinsed with distilled water.

4.3 Laboratory Protocol

The laboratory was responsible for proper QA/QC procedures after signing the chain-of-custody form(s). These procedures were either transmitted with the laboratory analytical reports or are on file at the laboratory.

5.0 SITE CLOSURE REQUEST

Soil samples collected from the sidewalls of the Denton SWD Historical Site #2 excavation were analyzed by an NMOCD-approved laboratory, and chloride concentrations were below the regulatory remediation action levels established for the site. The activities conducted at the site met the objectives set forth in the *Proposed Cleanup of Historic Salt Water Spill Sites*, dated July 31, 2009. Basin recommends Fasken provide the NMOCD Hobbs District Office a copy of this *Remediation Summary & Risk-Based Site Closure Request* and request the NMOCD grant site closure to the Denton SWD Historical Site #2 release site.

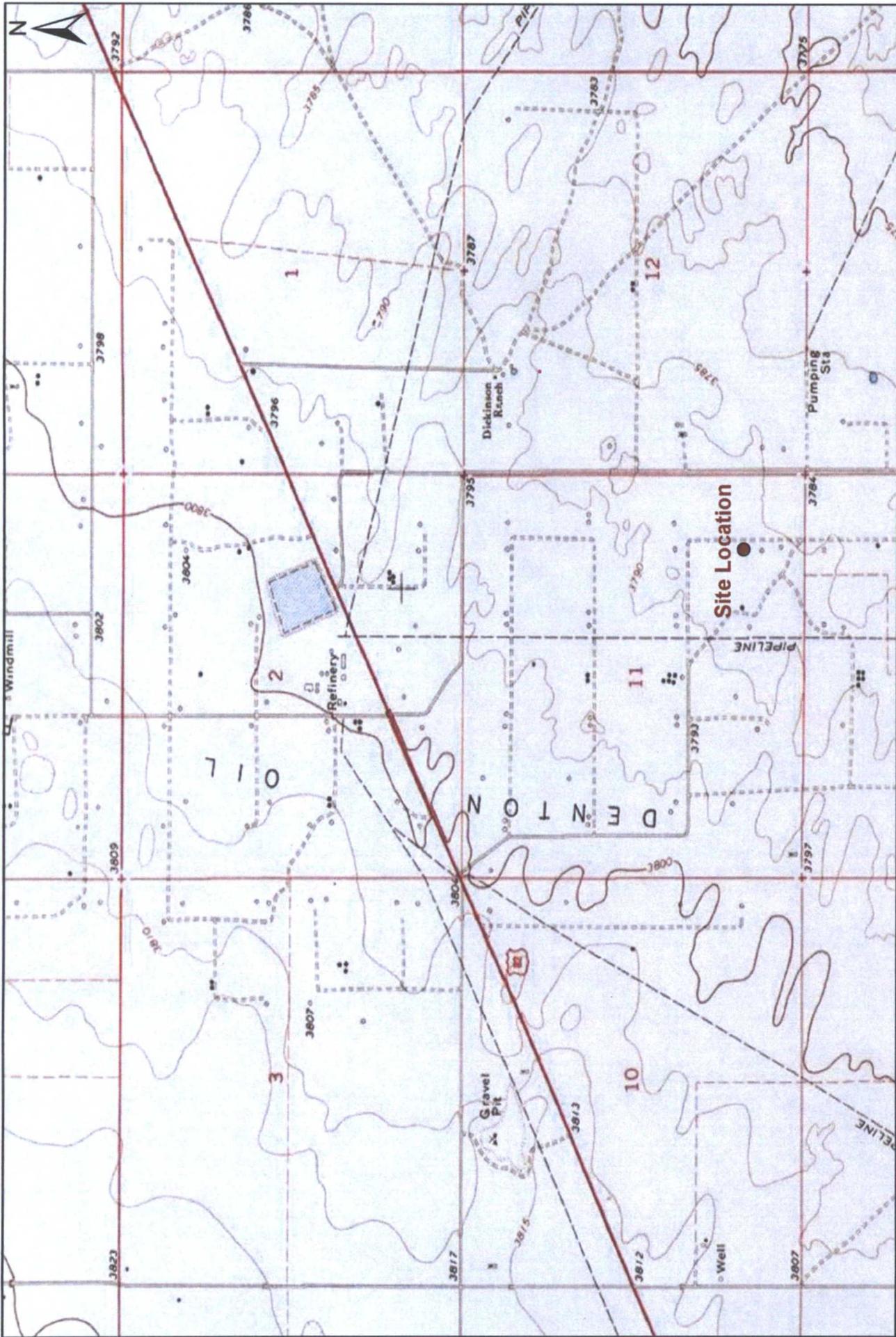
6.0 LIMITATIONS

Basin Environmental Service Technologies, LLC, has prepared this *Remediation Summary & Risk-Based Site Closure Request* to the best of its ability. No other warranty, expressed or implied, is made or intended. Basin has examined and relied upon documents referenced in the report and on oral statements made by certain individuals. Basin has not conducted an independent examination of the facts contained in referenced materials and statements. Basin has presumed the genuineness of these documents and statements and that the information provided therein is true and accurate. Basin has prepared this report in a professional manner, using the degree of skill and care exercised by similar environmental consultants. Basin notes that the facts and conditions referenced in this report may change over time, and the conclusions and recommendations set forth herein are applicable only to the facts and conditions as described at the time of this report.

This report has been prepared for the benefit of Fasken Oil & Ranch, Ltd. The information contained in this report, including all exhibits and attachments, may not be used by any other party without the express consent of Basin Environmental Service Technologies, LLC, and/or Fasken Oil & Ranch, Ltd.

7.0 DISTRIBUTION:

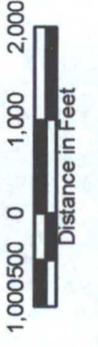
- Copy 1: Geoffrey Leking
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division (District 1)
1625 French Drive
Hobbs, NM 88240
GeoffreyR.Leking@state.nm.us
- Copy 2: Jimmy D. Carlile
Fasken Oil and Ranch, Ltd.
303 W. Wall Ave., Suite 1800
Midland, TX 79701-5116
jimmyc@forl.com
- Copy 3: Basin Environmental Service Technologies, LLC
P.O. Box 301
Lovington, New Mexico 88260



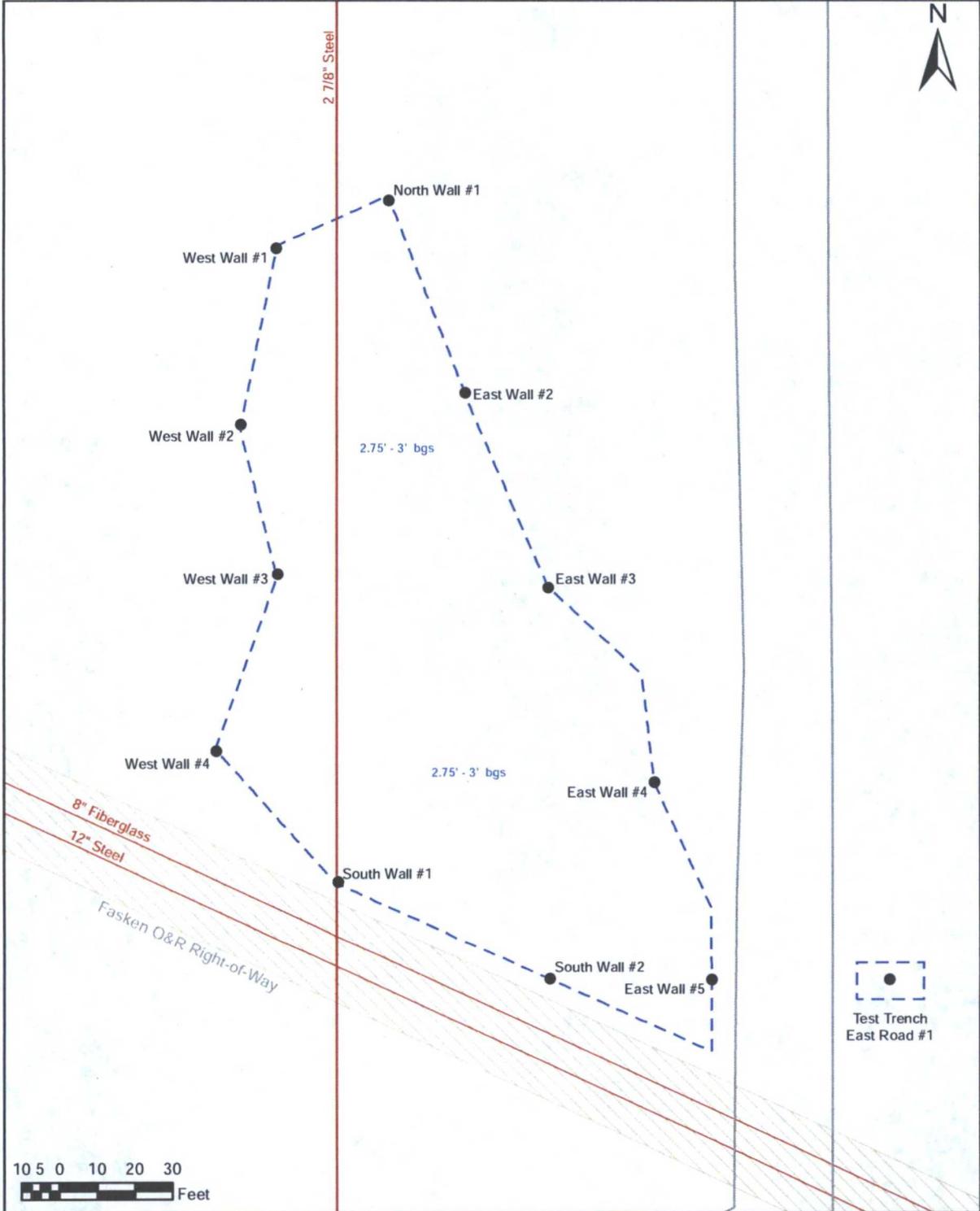
Basin Environmental Service Technologies, LLC
 3100 Plains Hwy.
 Lovington, NM 88260



Figure 1
Site Location Map
 Fasken Oil & Ranch, Ltd.
 Denton SWD Historical Site #2
 Lea County, New Mexico



| | |
|----------------|-------------------|
| Drawn By: BJA | Checked By: BRB |
| March 22, 2012 | Scale: 1" = 2000' |



Legend:

| | |
|--|-----------------------|
| | Excavation Extent |
| | Pipeline |
| | Road |
| | Sample Location |
| | Pipeline Right-of-Way |

Figure #2
Site & Sample Location Map
Fasken Oil & Ranch, Ltd.
Denton SWD Historical Site #2
Lea County, New Mexico

| | |
|---|------------------------------------|
| | |
| Basin Environmental Service Technologies 3100 Plains Hwy. Lovington, NM 88260 | |
| Drawn By: BJA March 22, 2012 | Checked By: BRB Scale: 1" = 40' |

TABLE 1

CONCENTRATIONS OF CHLORIDE IN SOIL

FASKEN OIL & RANCH, LTD.
 DENTON SWD HISTORICAL SITE #2
 LEA COUNTY, NEW MEXICO

| SAMPLE LOCATION | SAMPLE DEPTH (BGS) | SAMPLE DATE | SOIL STATUS | E 300 |
|--------------------------|--------------------|-------------|-------------|------------------|
| | | | | CHLORIDE (mg/Kg) |
| North Wall #1 | 2.75' | 3/12/2012 | In-situ | 80.0 |
| East Wall #2 | 2.75' | 3/12/2012 | In-situ | 976 |
| East Wall #3 | 2.75' | 3/12/2012 | In-situ | 784 |
| East Wall #4 | 2.75' | 3/12/2012 | In-situ | <16.0 |
| West Wall #1 | 2.75' | 3/12/2012 | In-situ | 32.0 |
| West Wall #2 | 2.75' | 3/12/2012 | In-situ | 623 |
| West Wall #3 | 2.75' | 3/12/2012 | In-situ | 960 |
| West Wall #4 | 2.75' | 3/12/2012 | In-situ | 144 |
| | | | | |
| East Wall #5 | 2.75' | 3/19/2012 | In-situ | 3,200 |
| South Wall #1 | 2.75' | 3/19/2012 | In-situ | 3,960 |
| South Wall #2 | 2.75' | 3/19/2012 | In-situ | 5,360 |
| Test Trench East Road #1 | 2.75' | 3/19/2012 | In-situ | 112 |
| | | | | |
| NMOCD Criteria | | | | 1,000 |



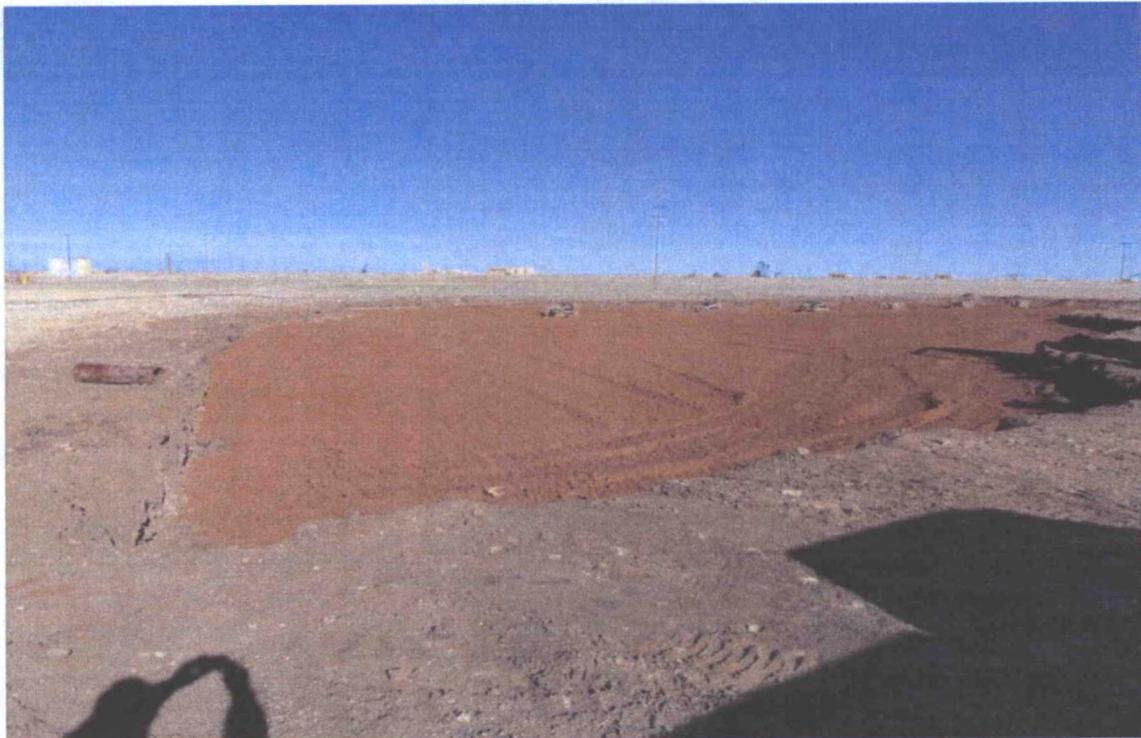
Denton SWD Historical Site #2 - Release Site



Denton SWD Historical Site #2 - Release Site (Delineation)



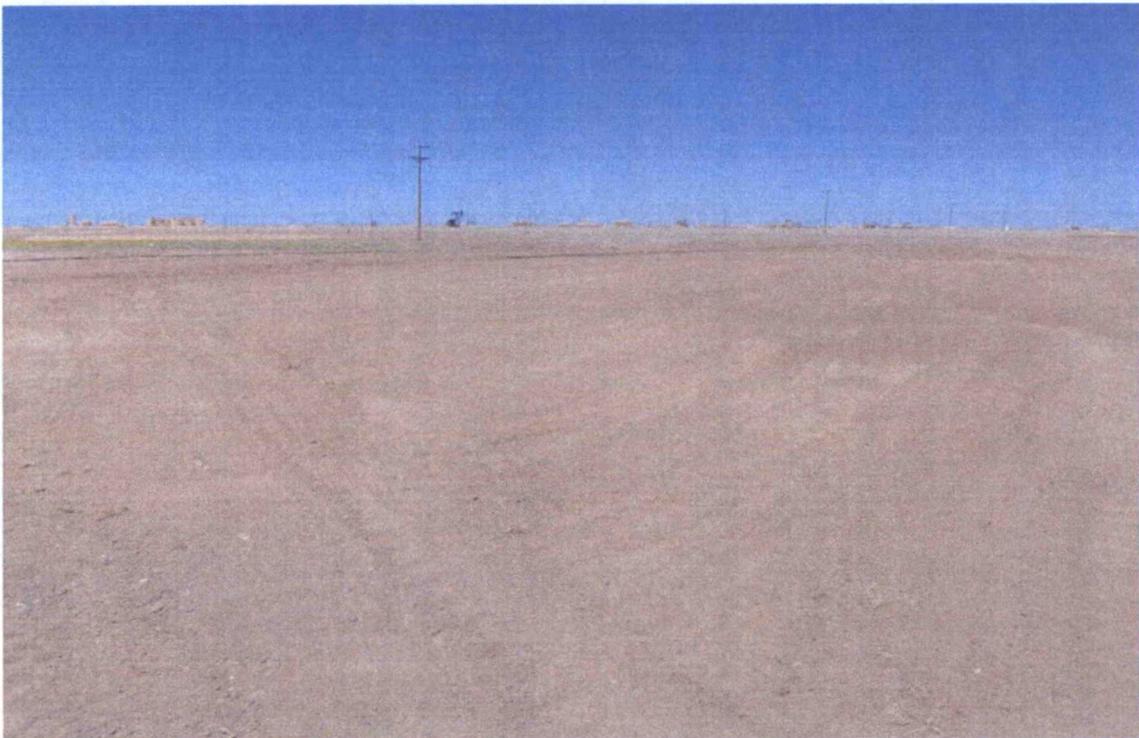
Denton SWD Historical Site #2 - Excavation



Denton SWD Historical Site #2 - Excavation (following installation of clay liner)



Denton SWD Historical Site #2 - Excavation (following installation of clay liner)



Denton SWD Historical Site #2 - Excavation (following backfill)

March 14, 2012

BEN J. ARGUIJO

Basin Environmental Service

P.O. Box 301

Lovington, NM 88260

RE: DENTON SWD HISTORICAL SITE #2

Enclosed are the results of analyses for samples received by the laboratory on 03/13/12 8:10.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. 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:

 Basin Environmental Service
 BEN J. ARGUIJO
 P.O. Box 301
 Lovington NM, 88260
 Fax To: (575) 396-1429

| | | | |
|-------------------|-------------------------------|---------------------|---------------|
| Received: | 03/13/2012 | Sampling Date: | 03/12/2012 |
| Reported: | 03/14/2012 | Sampling Type: | Soil |
| Project Name: | DENTON SWD HISTORICAL SITE #2 | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | LEA COUNTY, NM | | |

Sample ID: NORTH WALL #1 (H200634-01)

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 80.0 | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

Sample ID: EAST WALL #2 (H200634-02)

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 976 | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

Sample ID: EAST WALL #3 (H200634-03)

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 784 | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

Sample ID: EAST WALL #4 (H200634-04)

| Chloride, SM4500CI-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 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

Cardinal Laboratories

* = Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 Basin Environmental Service
 BEN J. ARGUJO
 P.O. Box 301
 Lovington NM, 88260
 Fax To: (575) 396-1429

| | | | |
|-------------------|-------------------------------|---------------------|---------------|
| Received: | 03/13/2012 | Sampling Date: | 03/12/2012 |
| Reported: | 03/14/2012 | Sampling Type: | Soil |
| Project Name: | DENTON SWD HISTORICAL SITE #2 | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | LEA COUNTY, NM | | |

Sample ID: WEST WALL #1 (H200634-05)

| Chloride, SM4500CI-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 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

Sample ID: WEST WALL #2 (H200634-06)

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 623 | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

Sample ID: WEST WALL #3 (H200634-07)

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 960 | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

Sample ID: WEST WALL #4 (H200634-08)

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 144 | 16.0 | 03/13/2012 | ND | 416 | 104 | 400 | 3.92 | |

Cardinal Laboratories

* = Accredited Analyte

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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

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Celey D. Keene, Lab Director/Quality Manager

March 22, 2012

BEN J. ARGUIJO

Basin Environmental Service

P.O. Box 301

Lovington, NM 88260

RE: DENTON SWD HISTORICAL SITE #2

Enclosed are the results of analyses for samples received by the laboratory on 03/20/12 8:50.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. 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:

 Basin Environmental Service
 BEN J. ARGUIJO
 P.O. Box 301
 Lovington NM, 88260
 Fax To: (575) 396-1429

| | | | |
|-------------------|-------------------------------|---------------------|---------------|
| Received: | 03/20/2012 | Sampling Date: | 03/19/2012 |
| Reported: | 03/22/2012 | Sampling Type: | Soil |
| Project Name: | DENTON SWD HISTORICAL SITE #2 | Sampling Condition: | Cool & Intact |
| Project Number: | NONE GIVEN | Sample Received By: | Jodi Henson |
| Project Location: | LEA COUNTY, NM | | |

Sample ID: EAST WALL #5 (H200678-01)

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 3200 | 16.0 | 03/21/2012 | ND | 416 | 104 | 400 | 0.00 | |

Sample ID: TEST TRENCH EAST ROAD #1 (H200678-02)

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 112 | 16.0 | 03/21/2012 | ND | 416 | 104 | 400 | 0.00 | |

Sample ID: SOUTH WALL #1 (H200678-03)

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 3960 | 16.0 | 03/21/2012 | ND | 416 | 104 | 400 | 0.00 | |

Sample ID: SOUTH WALL #2 (H200678-04)

| Chloride, SM4500CI-B | | mg/kg | | Analyzed By: AP | | | | | |
|----------------------|--------|-----------------|------------|-----------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | 5360 | 16.0 | 03/21/2012 | ND | 416 | 104 | 400 | 0.00 | |

Cardinal Laboratories

* = Accredited Analyte

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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

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Celey D. Keene, Lab Director/Quality Manager

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11104

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SWD HIST SITE 2

TRANSPORTER COMPANY: MONSTER **TIME:** 3:22 AM/PM

DATE: 03-13-12 **VEHICLE NO.:** 01 **DRIVER NO.:**

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20 : CELL# LF : [] _____

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO GANDY·MARLEY, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: _____

FACILITY REPRESENTATIVE: _____

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11192

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SWD HIST. SITE #2

TRANSPORTER COMPANY: JOSIE HOLGUIN TIME: 11:50 AM/PM

DATE: 03-13-12 VEHICLE NO.: 02 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20 : CELL# LF : [] _____

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO GANDY·MARLEY, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: Johnny Ponder

FACILITY REPRESENTATIVE: T. J. Jones

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

W. H. ...

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11116

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SUID HIST. SITE "2"

TRANSPORTER COMPANY: RAM LARA'S **TIME:** 9:43 AM/PM

DATE: 03-14-12 **VEHICLE NO.:** R-1 **DRIVER NO.:**

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20 : CELL# LF : [] _____

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO GANDY·MARLEY, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: _____

FACILITY REPRESENTATIVE: _____

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

BACK HAUL - CLAY -

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11117

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SWD HIST. SITE "2"

TRANSPORTER COMPANY: A MARTINEZ TIME: 11:00 AM/PM

DATE: 03-14-12 VEHICLE NO.: 27 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material:

Contaminated soil

C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20 : CELL# LF : [] _____

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO GANDY·MARLEY, INC.'S FACILITY FOR DISPOSAL.

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DRIVER: EYNKSTO

FACILITY REPRESENTATIVE: J Tolton

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

BACK HAUL - CLAY -

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11122

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SWD HIST. SITE "2"

TRANSPORTER COMPANY: MONSTER TIME: 12:30 AM/PM

DATE: 03-14-12 VEHICLE NO.: 01 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20 : CELL# LF : [] _____

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature]

FACILITY REPRESENTATIVE: [Signature]

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11143

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SWD Hist. Site "2"

TRANSPORTER COMPANY: ANGEL'S TIME: 9:50 AM/PM

DATE: 03-15-12 VEHICLE NO.: 02 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL _____

VOLUME OF MATERIAL []: YARDS 20 : CELL# LF : [] _____

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO GANDY·MARLEY, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: Joe - A [Signature]

FACILITY REPRESENTATIVE: [Signature]

White - GMI Canary - Shipper Pink - GMI Gold - Transporter

BACK HAUL - CLAY -

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11147

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SWD HIST. SITE #2

TRANSPORTER COMPANY: M. R. McCracken TIME: 12:10 AM/PM

DATE: 03-15-12 VEHICLE NO.: 04 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20: CELL# LF: [] _____

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: Michael R. McCracken

FACILITY REPRESENTATIVE: T. Tolson

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

BACK HAUL - CLAY - site 2

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11266

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SWD HIST. SITE #2

TRANSPORTER COMPANY: ANGEL'S TIME: 9:46 AM/PM

DATE: 03-16-12 VEHICLE NO.: 01 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20 : CELL# LF : [] _____

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO GANDY·MARLEY, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: Albino B. 51102

FACILITY REPRESENTATIVE: J. Taylor

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

BACK HAUL - CLAY

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11270

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SWD HIST. Site # 2

TRANSPORTER COMPANY: A MARTINEZ TIME: 12:08 (AM/PM)

DATE: 03-16-12 VEHICLE NO.: 27 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20 : CELL# LF : [] _____

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: ERNESTO

FACILITY REPRESENTATIVE: J. TOSTON

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

BACKHOLE - CLAY = No CLAY

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11331

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SWD HIST. SITE #2

TRANSPORTER COMPANY: M.R. McCracken TIME: 847 AM/PM

DATE: 03-19-12 VEHICLE NO.: 04 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20 : CELL# LF : []

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: Michael R. McCracken

FACILITY REPRESENTATIVE: J. Tolson

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11341

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL RANCH

LEASE NAME: DENTON SWD HIST. Site # 2

TRANSPORTER COMPANY: Josie HOLGUIN TIME: 11:30 AM/PM

DATE: 03-19-12 VEHICLE NO.: 02 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20: CELL# LF: [] _____

AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. §6901, et seq., THE NM HEALTH AND SAF. CODE, §361.001, et seq. AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED CONTAMINATED SOILS AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO GANDY·MARLEY, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO GANDY·MARLEY, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: Johnny Ponder

FACILITY REPRESENTATIVE: Toston

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter

GANDY·MARLEY, INC.

P.O. Box 1658
Roswell, NM 88202
(575) 347-0434
Fax (575) 347-0435

No. 11345

LEASE OPERATOR/SHIPPER/COMPANY: FASKEN OIL & RANCH

LEASE NAME: DENTON SWD HIST. SITE #2

TRANSPORTER COMPANY: ANGEL'S TIME: 1217 AM/PM

DATE: 03-19-12 VEHICLE NO.: 01 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

OCD

Other Material: Contaminated soil C-117 No.: _____

BS&W content: _____

Description: CL

VOLUME OF MATERIAL []: YARDS 20 : CELL# LF : []

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DRIVER: Alberto B... (signature)

FACILITY REPRESENTATIVE: J. T... (signature)

White - GMI

Canary - Shipper

Pink - GMI

Gold - Transporter