



**Elke Environmental, Inc.
P. O. Box 14167
Odessa, Tx. 79768**

**Closure Report for Trilogy Operating
Natalie Federal #001 Drilling Pit**

**CC: Larry Johnson – NMOCD
Chris Smith – Trilogy Operating
Elke File**

incident - nPAC0624027882
application - pPAC0624027998
RP# 1014

Elke Environmental, Inc.

4817 Andrews Hwy.
Odessa, Tx. 79762

Pho. 432-366-0043
Fax: 432-366-0884

Mail: P. O. Box 14167
Odessa, Tx. 79768

July 27, 2006

Mr. Larry Johnson
New Mexico Oil Conservation Division
1625 N. French
Hobbs, New Mexico 88240

Subject: Closure Report for Trilogy Operating, Inc. Natalie Federal #001,
32°40.26.91" N 103°05'08.14" W – U/L K Sec. 7 T19S R39E - Lea County, New
Mexico

Dear Mr. Johnson,

Elke Environmental, Inc. was contracted by Trilogy Operating to begin closure of the
subject pit July 10, 2006.

Ground water in the immediate area of the pit site has been determined to be 65 to 110 ft.
below ground level according to information from the office of the New Mexico State
Engineer.

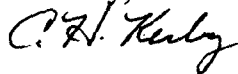
The pit contents were mixed and stiffened with clean native soil and placed into an
impervious liner 12 mils thick with a 3 ft. overlap on all sides, then covered with a 20 mil
liner and 3 ft. of soil, domed to prevent pooling.

In mixing the pit contents a breach in the pit liner was encountered, prompting the need
for sampling of the four corners and the center of the pit area for chlorides contamination.
The sample points were excavated with a trackhoe to determine the depth of
contamination at each point. Attached are a sketch of the sampled pit bottom and a table
indicating field and confirmatory laboratory sample results.

Per our conversation August 1, 2006, the excavated soil was pushed back into the
excavated pit area to a level 3 ft. below ground surface and covered with a 20 mil liner,
then covered with 3 ft. of clean native soil and domed to prevent pooling. The work was
completed on 8-4-06.

Any questions or concerns with this report may be addressed to Mr. Rob Elam, Elke Environmental, Inc. at 432-556-3140.

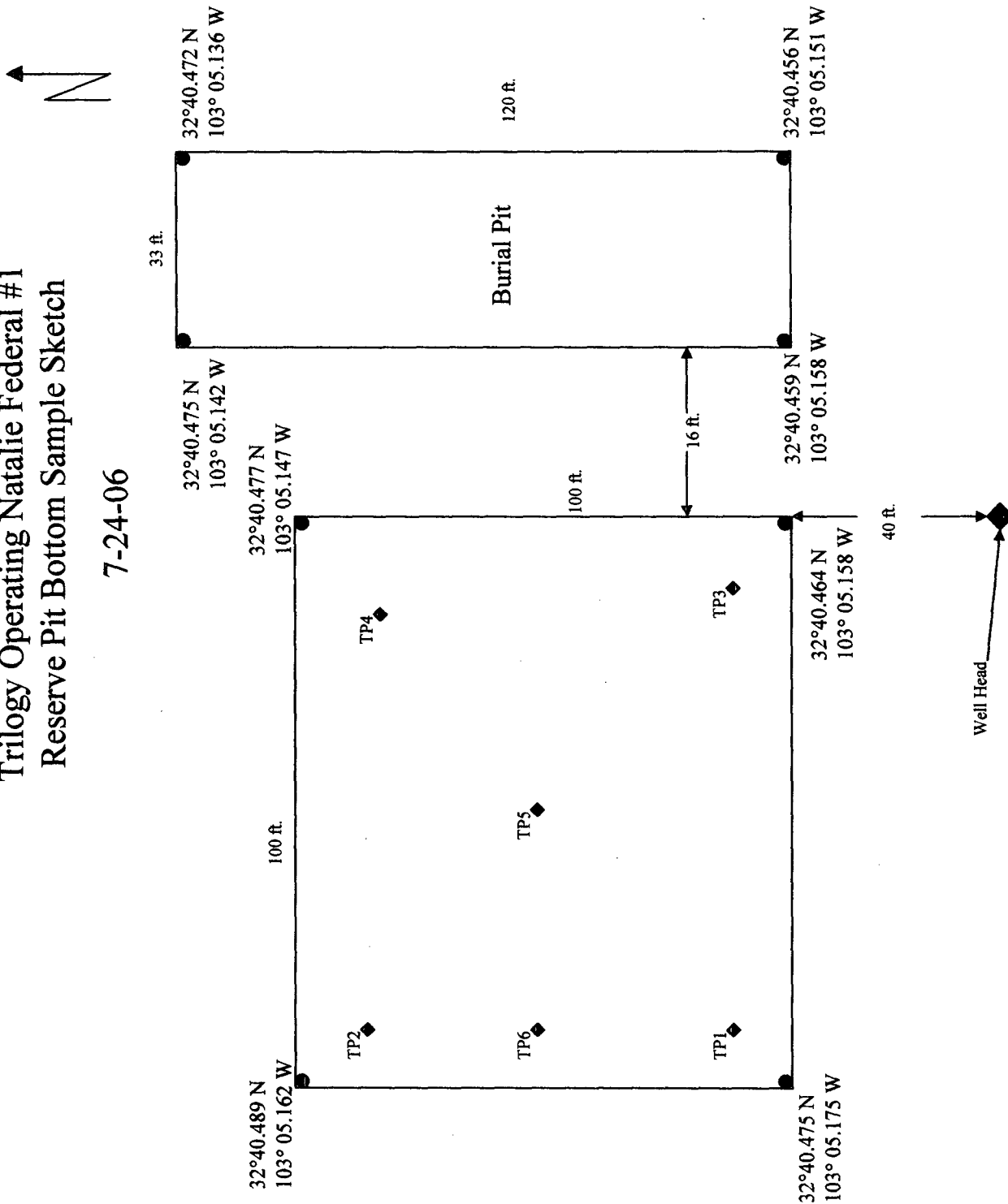
Sincerely,

A handwritten signature in cursive script, appearing to read "C. H. Kerby".

C. H. Kerby - Elke Environmental, Inc.

Trilogy Operating Natalie Federal #1 Reserve Pit Bottom Sample Sketch

7-24-06

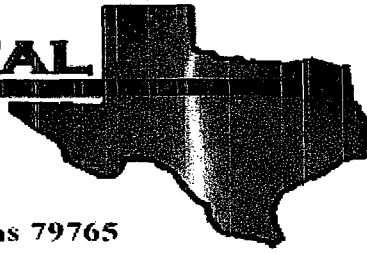


Trilogy Natalie Federal #001 Sample Table

For Closure Report Dated 8-08-06

Field Tests				Lab Tests		
Date	Sample ID	Depth	Chlorides - ppm	GPS	Lab Chlorides EPA 300	Lab TPH-8015 Lab BTEX-8021B
7/24/2006	TP1	6 ft.	13,334	N32 40.477 W103 05.167		
7/27/2006		20 ft.	3315			
" " "		22 ft.	3457			
" " "		26 ft.	3490			
" " "		30 ft.	3159			
7/31/2006		32 ft.	461			
" " "		34 ft.	759			
" " "		36 ft.	3437			
" " "		38 ft.	592			
" " "		40 ft.	417		384 ppm	ND
7/24/2006	TP2	6 ft.	55,151	N32 40.483 W103 05.161		
		20 ft.	13,661			
		24 ft.	7720			
		26 ft.	3359			
		30 ft.	415		397 ppm	ND
7/24/2006	TP3	6 ft.	14,767	N32 40.470 W103 05.159		
		11 ft.	3347			
		12 ft.	1199			
		14 ft.	902		629 ppm	ND
7/24/2006	TP4	6 ft.	N/A	N32 40.475 W103 05.153		
7/26/2006		11 ft.	305		312 ppm	ND
7/24/2006	TP5	6 ft.	10,861	N32 40.475 W103 05.160		
7/26/2006		11 ft.	1853			
7/26/2006		12 ft.	609		368 ppm	175 ppm
7/26/2006	TP6	11 ft.	6328	N32 40.475 W103 05.158		
" " "		16 ft.	8822			
" " "		18 ft.	2000			
" " "		20 ft.	597			
" " "		22 ft.	257			

E NVIRONMENTAL LAB OF



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Robert Spangler

Elke Environmental

P.O. Box 14167

Odessa, TX 79768

Project: Trilogy

Project Number: None Given

Location: Natalie Fed. #1

Lab Order Number: 6H17001

Report Date: 08/21/06

Elke Environmental
P.O. Box 14167
Odessa TX, 79768

Project: Trilogy
Project Number: None Given
Project Manager: Robert Spangler

Fax: (432) 366-0884

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
TP1@ 40' BGS	6H17001-01	Soil	08/07/06 18:00	08-17-2006 11:05
TP2@ 30' BGS	6H17001-02	Soil	08/07/06 16:30	08-17-2006 11:05
TP3@ 14' BGS	6H17001-03	Soil	08/07/06 09:00	08-17-2006 11:05
TP4@ 11' BGS	6H17001-04	Soil	08/07/06 07:45	08-17-2006 11:05
TP5@ 12' BGS	6H17001-05	Soil	08/07/06 11:20	08-17-2006 11:05

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Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
TP1@ 40' BGS (6H17001-01) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EH61717	08/17/06	08/17/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		100 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		97.5 %	80-120		"	"	"	"	
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EH61706	08/17/06	08/17/06	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		102 %	70-130		"	"	"	"	
Surrogate: 1-Chlorooctadecane		97.0 %	70-130		"	"	"	"	
TP2@ 30' BGS (6H17001-02) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EH61717	08/17/06	08/17/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		98.0 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		99.0 %	80-120		"	"	"	"	
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EH61706	08/17/06	08/17/06	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		106 %	70-130		"	"	"	"	
Surrogate: 1-Chlorooctadecane		98.0 %	70-130		"	"	"	"	
TP3@ 14' BGS (6H17001-03) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EH61717	08/17/06	08/18/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		97.0 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		102 %	80-120		"	"	"	"	
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EH61706	08/17/06	08/17/06	EPA 8015M	

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

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Project: Trilogy
Project Number: None Given
Project Manager: Robert Spangler

Fax: (432) 366-0884

Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
TP3@ 14' BGS (6H17001-03) Soil									
Carbon Ranges C12-C28	ND	10.0	mg/kg dry	1	EH61706	08/17/06	08/17/06	EPA 8015M	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		102 %	70-130		"	"	"	"	
Surrogate: 1-Chlorooctadecane		95.6 %	70-130		"	"	"	"	
TP4@ 11' BGS (6H17001-04) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EH61717	08/17/06	08/17/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		101 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		105 %	80-120		"	"	"	"	
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EH61706	08/17/06	08/17/06	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		101 %	70-130		"	"	"	"	
Surrogate: 1-Chlorooctadecane		94.2 %	70-130		"	"	"	"	
TP5@ 12' BGS (6H17001-05) Soil									
Benzene	ND	0.0250	mg/kg dry	25	EH61717	08/17/06	08/17/06	EPA 8021B	
Toluene	ND	0.0250	"	"	"	"	"	"	
Ethylbenzene	ND	0.0250	"	"	"	"	"	"	
Xylene (p/m)	ND	0.0250	"	"	"	"	"	"	
Xylene (o)	ND	0.0250	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		102 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		99.0 %	80-120		"	"	"	"	
Carbon Ranges C6-C12	J [7.29]	10.0	mg/kg dry	1	EH61706	08/17/06	08/17/06	EPA 8015M	J
Carbon Ranges C12-C28	148	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	26.6	10.0	"	"	"	"	"	"	
Total Hydrocarbons	175	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		98.8 %	70-130		"	"	"	"	
Surrogate: 1-Chlorooctadecane		94.2 %	70-130		"	"	"	"	

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Project: Trilogy
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Project Manager: Robert Spangler

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

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
TP1@ 40' BGS (6H17001-01) Soil									
Chloride	384	10.0	mg/kg	20	EH61804	08/17/06	08/18/06	EPA 300.0	
% Moisture	7.0	0.1	%	1	EH61801	08/17/06	08/18/06	% calculation	
TP2@ 30' BGS (6H17001-02) Soil									
Chloride	397	10.0	mg/kg	20	EH61804	08/17/06	08/18/06	EPA 300.0	
% Moisture	11.3	0.1	%	1	EH61801	08/17/06	08/18/06	% calculation	
TP3@ 14' BGS (6H17001-03) Soil									
Chloride	629	20.0	mg/kg	40	EH61804	08/17/06	08/18/06	EPA 300.0	
% Moisture	8.2	0.1	%	1	EH61801	08/17/06	08/18/06	% calculation	
TP4@ 11' BGS (6H17001-04) Soil									
Chloride	312	10.0	mg/kg	20	EH61804	08/17/06	08/18/06	EPA 300.0	
% Moisture	5.0	0.1	%	1	EH61801	08/17/06	08/18/06	% calculation	
TP5@ 12' BGS (6H17001-05) Soil									
Chloride	368	10.0	mg/kg	20	EH61804	08/17/06	08/18/06	EPA 300.0	
% Moisture	12.7	0.1	%	1	EH61801	08/17/06	08/18/06	% calculation	

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Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch EH61706 - Solvent Extraction (GC)

Blank (EH61706-BLK1)

Prepared & Analyzed: 08/17/06

Carbon Ranges C6-C12	ND	10.0	mg/kg wet							
Carbon Ranges C12-C28	ND	10.0	"							
Carbon Ranges C28-C35	ND	10.0	"							
Total Hydrocarbons	ND	10.0	"							
Surrogate: 1-Chlorooctane	50.2		mg/kg	50.0		100	70-130			
Surrogate: 1-Chlorooctadecane	47.3		"	50.0		94.6	70-130			

LCS (EH61706-BS1)

Prepared & Analyzed: 08/17/06

Carbon Ranges C6-C12	481	10.0	mg/kg wet	500		96.2	75-125			
Carbon Ranges C12-C28	418	10.0	"	500		83.6	75-125			
Carbon Ranges C28-C35	ND	10.0	"	0.00			75-125			
Total Hydrocarbons	899	10.0	"	1000		89.9	75-125			
Surrogate: 1-Chlorooctane	57.1		mg/kg	50.0		114	70-130			
Surrogate: 1-Chlorooctadecane	49.0		"	50.0		98.0	70-130			

Calibration Check (EH61706-CCV1)

Prepared & Analyzed: 08/17/06

Carbon Ranges C6-C12	281		mg/kg	250		112	80-120			
Carbon Ranges C12-C28	292		"	250		117	80-120			
Total Hydrocarbons	573		"	500		115	80-120			
Surrogate: 1-Chlorooctane	61.5		"	50.0		123	70-130			
Surrogate: 1-Chlorooctadecane	57.0		"	50.0		114	70-130			

Matrix Spike (EH61706-MS1)

Source: 6H17002-03

Prepared & Analyzed: 08/17/06

Carbon Ranges C6-C12	558	10.0	mg/kg dry	572	ND	97.6	75-125			
Carbon Ranges C12-C28	476	10.0	"	572	ND	83.2	75-125			
Carbon Ranges C28-C35	ND	10.0	"	0.00	ND		75-125			
Total Hydrocarbons	1030	10.0	"	1140	ND	90.4	75-125			
Surrogate: 1-Chlorooctane	56.5		mg/kg	50.0		113	70-130			
Surrogate: 1-Chlorooctadecane	49.5		"	50.0		99.0	70-130			

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Project Number: None Given
Project Manager: Robert Spangler

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Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch EH61706 - Solvent Extraction (GC)

Matrix Spike Dup (EH61706-MSD1)

Source: 6H17002-03

Prepared & Analyzed: 08/17/06

Carbon Ranges C6-C12	558	10.0	mg/kg dry	572	ND	97.6	75-125	0.00	20	
Carbon Ranges C12-C28	470	10.0	"	572	ND	82.2	75-125	1.27	20	
Carbon Ranges C28-C35	ND	10.0	"	0.00	ND		75-125		20	
Total Hydrocarbons	1030	10.0	"	1140	ND	90.4	75-125	0.00	20	
Surrogate: 1-Chlorooctane	56.6		mg/kg	50.0		113	70-130			
Surrogate: 1-Chlorooctadecane	47.8		"	50.0		95.6	70-130			

Batch EH61717 - EPA 5030C (GC)

Blank (EH61717-BLK1)

Prepared: 08/17/06. Analyzed: 08/18/06

Benzene	ND	0.0250	mg/kg wet							
Toluene	ND	0.0250	"							
Ethylbenzene	ND	0.0250	"							
Xylene (p/m)	ND	0.0250	"							
Xylene (o)	ND	0.0250	"							
Surrogate: a,a,a-Trifluorotoluene	35.5		ug/kg	40.0		88.8	80-120			
Surrogate: 4-Bromofluorobenzene	33.1		"	40.0		82.8	80-120			

CS (EH61717-BS1)

Prepared & Analyzed: 08/17/06

Benzene	1.12	0.0250	mg/kg wet	1.25		89.6	80-120			
Toluene	1.28	0.0250	"	1.25		102	80-120			
Ethylbenzene	1.30	0.0250	"	1.25		104	80-120			
Xylene (p/m)	2.92	0.0250	"	2.50		117	80-120			
Xylene (o)	1.42	0.0250	"	1.25		114	80-120			
Surrogate: a,a,a-Trifluorotoluene	38.7		ug/kg	40.0		96.8	80-120			
Surrogate: 4-Bromofluorobenzene	42.3		"	40.0		106	80-120			

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Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch EH61717 - EPA 5030C (GC)

Calibration Check (EH61717-CCV1)

Prepared & Analyzed: 08/17/06

Benzene	53.6		ug/kg	50.0		107	80-120			
Toluene	54.5		"	50.0		109	80-120			
Ethylbenzene	53.6		"	50.0		107	80-120			
Xylene (p/m)	107		"	100		107	80-120			
Xylene (o)	53.0		"	50.0		106	80-120			
Surrogate: a,a,a-Trifluorotoluene	41.5		"	40.0		104	80-120			
Surrogate: 4-Bromofluorobenzene	41.4		"	40.0		104	80-120			

Matrix Spike (EH61717-MS1)

Source: 6H17002-05

Prepared & Analyzed: 08/17/06

Benzene	1.25	0.0250	mg/kg dry	1.40	ND	89.3	80-120			
Toluene	1.41	0.0250	"	1.40	ND	101	80-120			
Ethylbenzene	1.29	0.0250	"	1.40	ND	92.1	80-120			
Xylene (p/m)	2.97	0.0250	"	2.81	ND	106	80-120			
Xylene (o)	1.40	0.0250	"	1.40	ND	100	80-120			
Surrogate: a,a,a-Trifluorotoluene	41.3		ug/kg	40.0		103	80-120			
Surrogate: 4-Bromofluorobenzene	46.0		"	40.0		115	80-120			

Matrix Spike Dup (EH61717-MSD1)

Source: 6H17002-05

Prepared & Analyzed: 08/17/06

Benzene	1.42	0.0250	mg/kg dry	1.40	ND	101	80-120	12.3	20	
Toluene	1.60	0.0250	"	1.40	ND	114	80-120	12.1	20	
Ethylbenzene	1.50	0.0250	"	1.40	ND	107	80-120	15.0	20	
Xylene (p/m)	3.36	0.0250	"	2.81	ND	120	80-120	12.4	20	
Xylene (o)	1.62	0.0250	"	1.40	ND	116	80-120	14.8	20	
Surrogate: a,a,a-Trifluorotoluene	41.2		ug/kg	40.0		103	80-120			
Surrogate: 4-Bromofluorobenzene	44.4		"	40.0		111	80-120			

Elke Environmental
P.O. Box 14167
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Project: Trilogy
Project Number: None Given
Project Manager: Robert Spangler

Fax: (432) 366-0884

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

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EH61801 - General Preparation (Prep)										
Blank (EH61801-BLK1)		Prepared: 08/17/06 Analyzed: 08/18/06								
% Solids	100		%							
Duplicate (EH61801-DUP1)		Source: 6H17001-01		Prepared: 08/17/06 Analyzed: 08/18/06						
% Solids	94.2		%		93.0			1.28	20	
Batch EH61804 - Water Extraction										
Blank (EH61804-BLK1)		Prepared & Analyzed: 08/18/06								
Chloride	ND	0.500	mg/kg							
LCS (EH61804-BS1)		Prepared & Analyzed: 08/18/06								
Chloride	9.72	0.500	mg/kg	10.0		97.2	80-120			
Calibration Check (EH61804-CCV1)		Prepared & Analyzed: 08/18/06								
Chloride	9.69		mg/L	10.0		96.9	80-120			
Duplicate (EH61804-DUP1)		Source: 6H16008-19		Prepared & Analyzed: 08/18/06						
Chloride	2580	50.0	mg/kg		2670			3.43	20	
Duplicate (EH61804-DUP2)		Source: 6H16008-22		Prepared & Analyzed: 08/18/06						
Chloride	204	10.0	mg/kg		213			4.32	20	
Matrix Spike (EH61804-MS1)		Source: 6H16008-19		Prepared & Analyzed: 08/18/06						
Chloride	3820	50.0	mg/kg	1000	2670	115	80-120			
Matrix Spike (EH61804-MS2)		Source: 6H16008-22		Prepared & Analyzed: 08/18/06						
Chloride	433	10.0	mg/kg	200	213	110	80-120			

Elke Environmental
P.O. Box 14167
Odessa TX, 79768

Project: Trilogy
Project Number: None Given
Project Manager: Robert Spangler

Fax: (432) 366-0884

Notes and Definitions

J Detected but below the Reporting Limit; therefore, result is an estimated concentration (CLP J-Flag).
DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference
LCS Laboratory Control Spike
MS Matrix Spike
Dup Duplicate

Report Approved By:

Raland K. Tuttle

Date:

8/21/2006

Raland K. Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director
LaTasha Cornish, Chemist
Sandra Sanchez, Lab Tech.

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas
Variance/ Corrective Action Report- Sample Log-In

Client: Elke Environmental

Date/ Time: 08-17-06 @ 1105

Lab ID #: 6417001

Initials: JMM

Sample Receipt Checklist

Client Initials

1	Temperature of container/ cooler?	<u>Yes</u>	No	12.0 °C	RS
2	Shipping container in good condition?	<u>Yes</u>	No		
3	Custody Seals intact on shipping container/ cooler?	<u>Yes</u>	No	Not Present	
4	Custody Seals intact on sample bottles/ container?	<u>Yes</u>	No	Not Present	
5	Chain of Custody present?	<u>Yes</u>	No		
6	Sample instructions complete of Chain of Custody?	<u>Yes</u>	No		
7	Chain of Custody signed when relinquished/ received?	<u>Yes</u>	No		
8	Chain of Custody agrees with sample label(s)?	<u>Yes</u>	No	ID written on Cont./ Lid	
9	Container label(s) legible and intact?	<u>Yes</u>	No	Not Applicable	
10	Sample matrix/ properties agree with Chain of Custody?	<u>Yes</u>	No		
11	Containers supplied by ELOT?	<u>Yes</u>	No		
12	Samples in proper container/ bottle?	<u>Yes</u>	No	See Below	
13	Samples properly preserved?	Yes	<u>No</u>	See Below	RS*
14	Sample bottles intact?	<u>Yes</u>	No		
15	Preservations documented on Chain of Custody?	<u>Yes</u>	No	No Ice In cooler	
16	Containers documented on Chain of Custody?	<u>Yes</u>	No		
17	Sufficient sample amount for indicated test(s)?	<u>Yes</u>	No	See Below	
18	All samples received within sufficient hold time?	<u>Yes</u>	No	See Below	
19	VOC samples have zero headspace?	<u>Yes</u>	No	Not Applicable	

Variance Documentation

Contact: Robert Spangler Date/ Time: 08-17-06 @ 1105

Contacted by: Jeanne McMan
Date/ Time:

Regarding: Sample temp 12°C

Corrective Action Taken:

Check all that Apply:

☐

See attached e-mail/ fax

☒

Client understands and would like to proceed with analysis

☐

Cooling process had begun shortly after sampling event

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

Form C-144
June 1, 2004

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

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: Trilogy Operating, Inc. Telephone: 432-686-2027 e-mail address: _____
Address: P. O. Box 7606 Midland, Tx. 79708
Facility or well name: Natalie Federal #001 API #: 30-025-37736 U/L or Qtr/Qtr K Sec 7 T 19s R 39e
County: Lea Latitude 32°40'26.91"N Longitude 103°05'08.14"W NAD: 1927 ☐ 1983 ☐
Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐
Workover ☐ Emergency ☐
Lined ☒ Unlined ☐
Liner type: Synthetic ☐ Thickness _____ mil Clay ☐
Pit Volume _____ bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____
Construction material: _____
Double-walled, with leak detection? Yes ☐ If not, explain why not.

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet
50 feet or more, but less than 100 feet
100 feet or more

(20 points)
(10 points) ☒
(0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes
No

(20 points)
(0 points) ☒

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet
200 feet or more, but less than 1000 feet
1000 feet or more

(20 points)
(10 points)
(0 points) ☒

Ranking Score (Total Points)

10 Points

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☒ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments: Drilling Pit Closure Report - See Attached

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 8-8-06

Printed Name/Title C. H. Kerby - Elke Environmental, Inc.-Agent Signature _____

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title _____ Signature _____ Date: _____

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
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State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

Oil Conservation Division
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For drilling and production facilities, submit to appropriate NMOCD District Office.
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Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: Trilogy Operating, Inc. Telephone: 432-686-2027 e-mail address: _____
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Pit

Type: Drilling ☒ Production ☐ Disposal ☐
Workover ☐ Emergency ☐
Lined ☒ Unlined ☐
Liner type: Synthetic ☐ Thickness _____ mil Clay ☐
Pit Volume _____ bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____
Construction material: _____
Double-walled, with leak detection? Yes ☐ If not, explain why not.

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Less than 50 feet
50 feet or more, but less than 100 feet
100 feet or more

(20 points)
(10 points)
(0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes
No

(20 points)
(0 points) X

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet
200 feet or more, but less than 1000 feet
1000 feet or more

(20 points)
(10 points)
(0 points) X

Ranking Score (Total Points)

10 Points

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☒ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments: Drilling Pit Closure Plan – Excess water will be removed from the pit. The pit contents will then be stirred and mixed with clean native to promote stiffening of pit contents. A deep burial pit will be constructed and lined with a 12 mil impervious liner with a minimum of 3 ft. of over hang on all sides. After the stiffened pit contents are placed into the burial pit, the contents will be covered with a 20 mil impervious liner with a minimum of 3 ft. overhang on all sides and a minimum of 3ft. below ground level. The pit will then be covered with clean native soil and domed to prevent pooling. A drawing of the site will be attached to the final report.
Groundwater depth is 120 ft. per landowner Gary Schubert. Beginning date: approx. 7-10-06 Completion date: _____

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines X ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.
Date: 6-30-06

Printed Name/Title C. H. Kerby - Elke Environmental, Inc.-Agent Signature _____

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Printed Name/Title L. JOHNSON - ENVIR ENGR Signature [Signature] Date: 8.23.06