

October 28, 2009

Mr. Geoffrey Leking, Env. Engineer
State of New Mexico – Oil Conservation Division
1625 N French Drive
Hobbs, New Mexico 88240

RE: OCD Remediation Project No. 1RP-09-10-2311, EMSU Satellite #3 Removal and
Excavation Closure Report, XTO Energy, Inc., Unit D (NW/4, NW/4), Section 4, Township
21 South, Range 36 East, Lea County, New Mexico

Dear Mr. Leking:

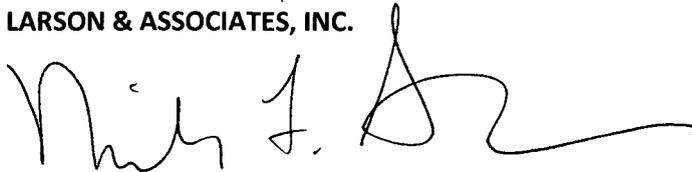
This report is submitted to the State of New Mexico Oil Conservation Division on behalf of XTO Energy, Inc. (XTO) by Larson and Associates, Inc., its agent, and presents the results of remedial actions performed at referenced below grade tank removal.

Based upon the results of this investigation, XTO requests OCD closure approval.

If you have any questions or concerns, please call me at 432.687.0901 to discuss.

Sincerely,

LARSON & ASSOCIATES, INC.



Michelle L. Green
Environmental Scientist - Chemist
michelle@laenvironmental.com

Attachments

CC Mr. Don Embrey – Targa, Midland, TX
Mr. Cal Wrangham – Targa, Midland, TX
Mr. Larry Johnson – OCD District 1

Below Grade Tank Removal and Excavation Closure Report

XTO Energy, Inc.

1RP-09-10-2311

**Eunice Monument South Unit – Satellite #3
Unit D (NW/4, NW/4), Section 4, T21S, R36E
Lea County, NM**

Project No. 8-0141

Prepared by:

**Larson and Associates, Inc.
507 North Marienfeld Street
Suite 200
Midland, Texas 79701
432.687.0901**

October 28, 2009

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1.0 Executive Summary

This report is submitted to the State of New Mexico Oil Conservation Division (OCD) on behalf of XTO Energy, Inc. (XTO) by Larson and Associates, Inc. (LAI), its consultant, and presents the results of remedial actions performed at the referenced below grade tank removal. The following report documents the removal of the below grade tank associated with the Eunice Monument South Unit (EMSU), Satellite #3 (Facility) located in Lea County, New Mexico. The legal description of the Facility is Unit D (NW/4, NW/4), Section 4, Township 21 South, Range 36 East (Figure 1).

Closure activities consisted of notifications to the New Mexico Oil Conservation Division (OCD) and the landowner of record (New Mexico State Land Office), removal of ancillary equipment and tank, removal of soil, collection of soil samples, OCD issuance of a remediation case number and the subsequent investigation. Activities were performed in conformance with New Mexico Administrative Code Rule 19.15.17 as amended June 16, 2008 and June 18, 2009.

2.0 Operator Information

Primary Contact: Mr. Rick Wilson
Address: XTO Energy Inc., Permian Division – SE New Mexico
PO Box 700
Eunice, New Mexico 88231
Office: 575.394.2089, ext. 2201

Secondary Contact: Mr. Guy Haykus
Address: XTO Energy Inc.
Midland Office
200 N. Loraine Street, Suite 800
Midland, Texas 79701
Office: 432.682.8873

3.0 Closure Actions

3.1 Location and Siting Description

The Site has a geodetic location of N32° 31' 15.54", W103° 16' 28.50", and is located in rural Lea County, New Mexico. The nearest producing well is the XTO EMSU Well #182, with API # 30-025-29868. The Site encompasses a 0.6-acre tract of land. The Facility consisted of a fiberglass, below-ground storage tank, with an approximate capacity of 90 barrels. The battery is covered with crushed caliche rock and is flat to very gently sloping (Figures 2 and 3).

The Facility's siting criteria presented the following findings:

- Groundwater is between 50 and 100 feet below ground surface based on records from the New Mexico State Engineer (NMSE).
- No continuously flowing watercourse is within 300 horizontal feet of the Facility.
- No surface water features, including lakes, rivers, ponds, arroyos, lakebed, sinkhole, or playa lake, are located within 200 horizontal feet of Facility.

- No permanent residence, school, hospital, institution, or church is within 300 horizontal feet of Facility.
- No private, domestic fresh-water well or spring are within 500 horizontal feet of Facility.
- No other fresh water wells or springs are within 1000 horizontal feet of the Facility.
- The Facility is not located within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance.
- The Facility is not within 500 feet an area designated as wetlands.
- The Facility is not within an area overlying a subsurface mine.
- The Facility is not within an unstable area.
- The Facility is not within a 100-year flood plain.

3.2 Closure Plan and Approval

On December 11, 2008, Larson & Associates, Inc. (LAI), on behalf of XTO, submitted a below grade tank closure plan to the OCD in Santa Fe and Hobbs, New Mexico, in accordance with an Agreed Scheduling Order (ASO-008) between XTO and OCD. The Closure Plan was approved and signed by the OCD representative Mr. Brad Jones on July 17, 2009.

3.3 Landowner and OCD Notifications

In accordance with the approved closure plan and prior to commencing work, notification of closure was sent by XTO to the New Mexico State Land Office (the surface owner) and the OCD.

3.4 Tank Removal Closure Activities

On October 14, 2009, XTO removed ancillary equipment (i.e. metal barricade) for salvage or scrap metal. A Hydro-Vac truck was used to excavate soil around the tank. LAI personnel performed a site visit to collect a 5-part composite soil sample from the bottom (Satellite 3 Bottom).

The sample was analyzed for the following constituents: benzene, toluene, ethylbenzene, xylenes (BTEX) by method 8021B, total petroleum hydrocarbons (TPH) by method 418.1 and chloride by method 300.1. The sample, Satellite 3 Bottom, was below the report levels for, benzene (<0.0012 ppm), total BTEX (<0.0012 ppm), TPH (<11.5 ppm) and Chloride (75.7 ppm) OCD reporting levels of 0.2, 50, 100, and 250 ppm, respectively.

Summary of analytical data is presented in Table 1. The analytical laboratory report is presented in Appendix A.

4.0 Conclusion and Recommendation

Based on the soil sample results, XTO requests approval from OCD District 1 to close the excavation according to the requirements of the closure plan approved by the OCD Santa Fe office. The initial and final C-141 forms are presented in Appendix B.

Table 1
 Soil Analytical Data Summary
 EMSU - Satellite #3
 XTO Energy, Inc.
 Lea County, New Mexico
 Project No.: 8-0141

| Sample ID | Date | Benzene | Ethyl benzene | Toluene | Total Xylenes | Total BTEX | TRPH | Chlorides |
|-----------------------|------------|---------|---------------|---------|---------------|------------|--------|-----------|
| Reporting Limit | | 0.2 | | | | 50 | 100 | 250 |
| Satellite 3 Bottom | 10/15/2009 | <0.0012 | <0.0012 | <0.0023 | <0.0012 | <0.0012 | <11.5 | 75.7 |
| Satellite 3 Soil Pile | 10/15/2009 | <0.0013 | 0.0023 | <0.0025 | 0.0111 | <0.0013 | 12,300 | 102 |

Notes

RRAL - Recommended Remediation Action Level

Total Petroleum Hydrocarbons analyzed via Method 418.1.

Chlorides analyzed via EPA Method 300.

All values reported in Milligrams per Kilogram - dry (mg/kg, parts per million).

Bold and blue indicates the value exceeds NMOCD requirements.

JWW

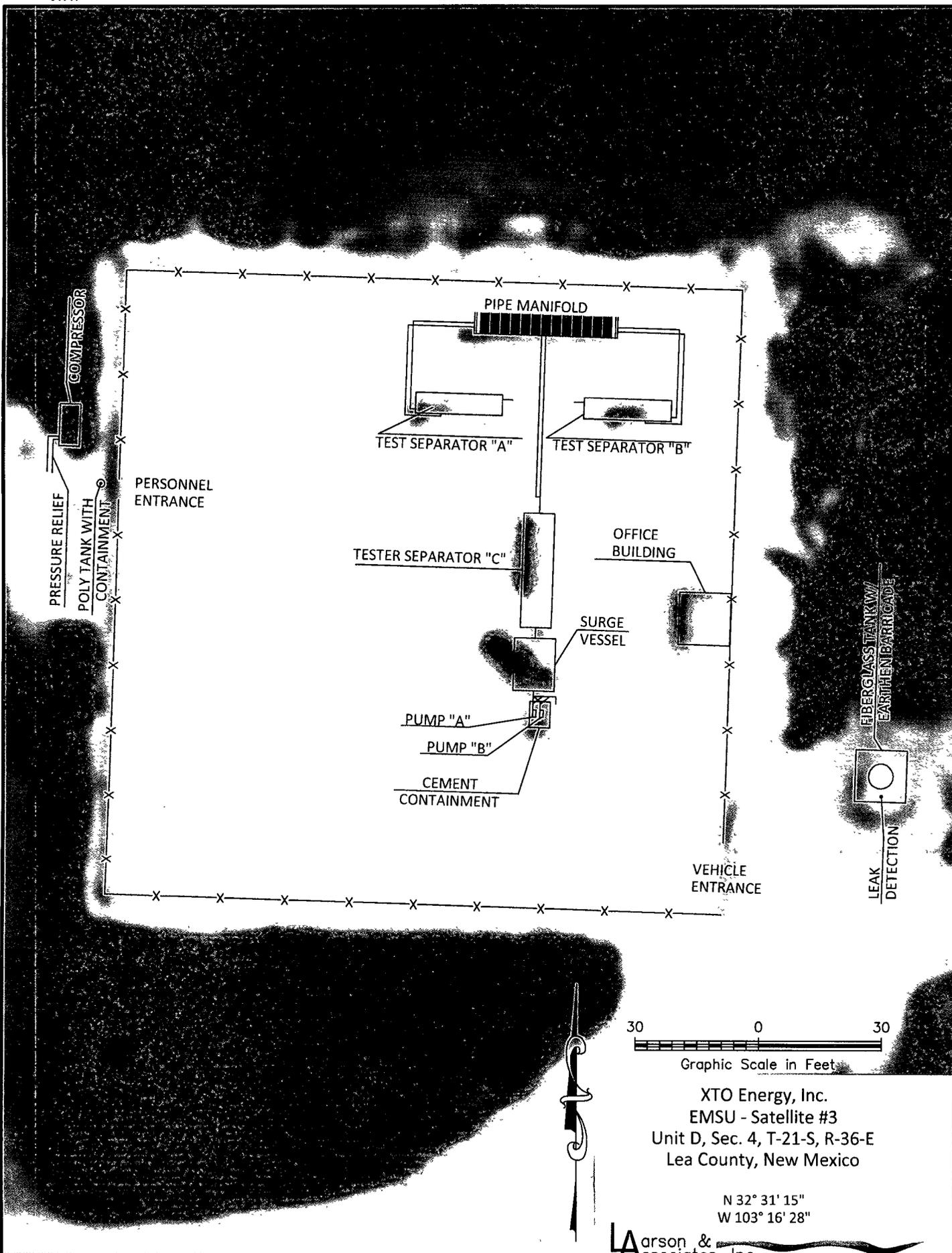


Figure 2 - Aerial

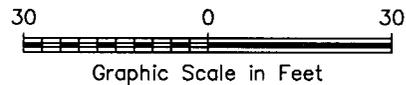
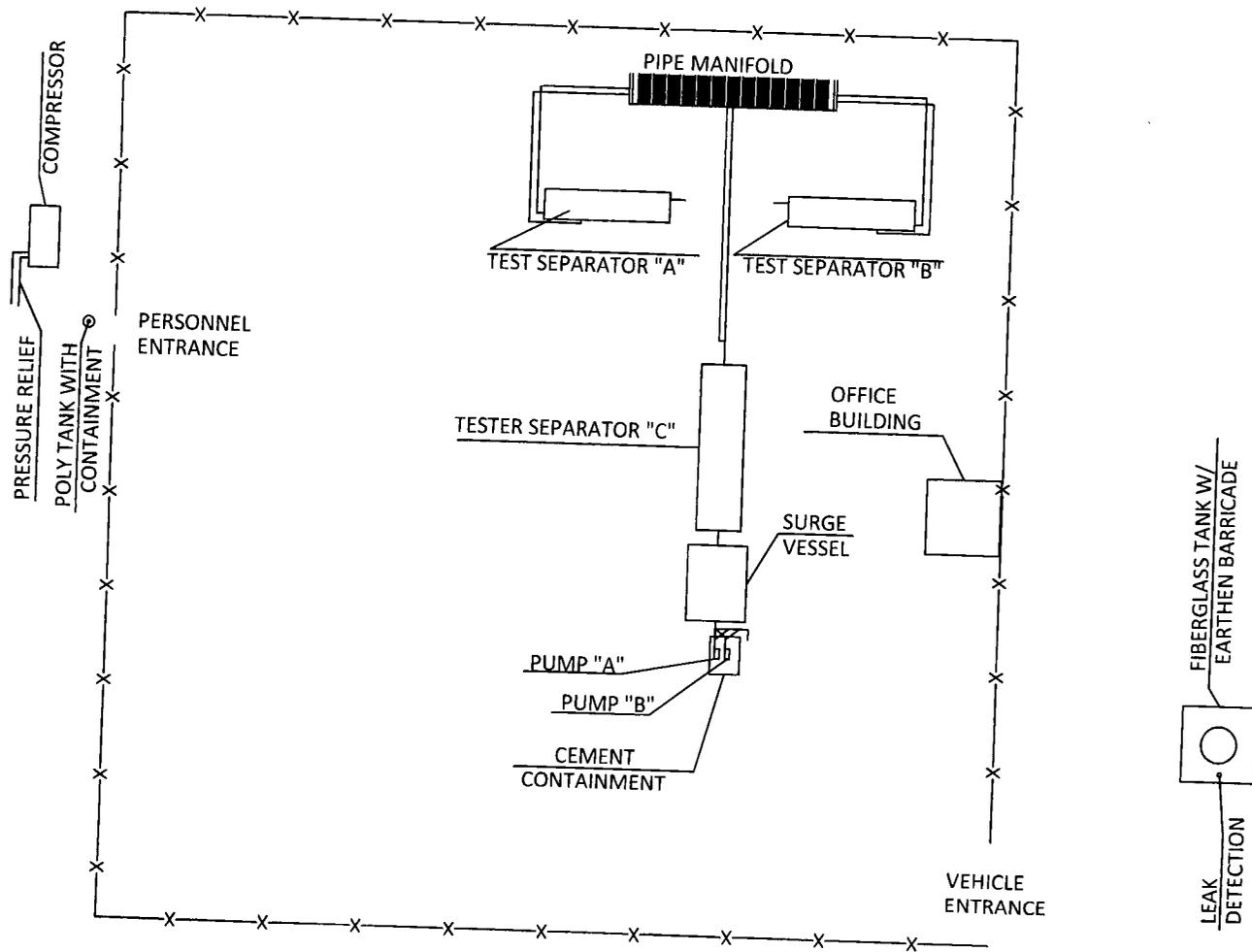


XTO Energy, Inc.
 EMSU - Satellite #3
 Unit D, Sec. 4, T-21-S, R-36-E
 Lea County, New Mexico

N 32° 31' 15"
 W 103° 16' 28"

Larson &
 Associates, Inc.
 Environmental Consultants

JWW



XTO Energy, Inc.
 EMSU - Satellite #3
 Unit D, Sec. 4, T-21-S, R-36-E
 Lea County, New Mexico

N 32° 31' 15"
 W 103° 16' 28"

Larson &
 Associates, Inc.
 Environmental Consultants

Figure 3 - Site Drawing

Analytical Report 348795

for

Larson & Associates

Project Manager: Michelle Green

XTO-EMSU Satellite # 3

8-0141

22-OCT-09



12600 West I-20 East Odessa, Texas 79765

Xenco-Houston (EPA Lab code: TX00122):

Texas (T104704215-08-TX), Arizona (AZ0738), Arkansas (08-039-0), Connecticut (PH-0102), Florida (E871002)
Illinois (002082), Indiana (C-TX-02), Iowa (392), Kansas (E-10380), Kentucky (45), Louisiana (03054)
New Hampshire (297408), New Jersey (TX007), New York (11763), Oklahoma (9218), Pennsylvania (68-03610)
Rhode Island (LAO00308), USDA (S-44102)

Xenco-Atlanta (EPA Lab Code: GA00046):

Florida (E87428), North Carolina (483), South Carolina (98015), Utah (AALI1), West Virginia (362), Kentucky (85)
Louisiana (04176), USDA (P330-07-00105)

Xenco-Miami (EPA Lab code: FL01152): Florida (E86678), Maryland (330)

Xenco-Tampa Mobile (EPA Lab code: FL01212): Florida (E84900)

Xenco-Odessa (EPA Lab code: TX00158): Texas (T104704400-08-TX)

Xenco-Dallas (EPA Lab code: TX01468): Texas (T104704295-08-TX)

Xenco-Corpus Christi (EPA Lab code: TX02613): Texas (T104704370-08-TX)

Xenco-Boca Raton (EPA Lab Code: FL00449): Florida(E86240),

South Carolina(96031001), Louisiana(04154), Georgia(917)



22-OCT-09

Project Manager: **Michelle Green**
Larson & Associates
P.O. Box 50685
Midland, TX 79710

Reference: XENCO Report No: **348795**
XTO-EMSU Satellite # 3
Project Address:

Michelle Green:

We are reporting to you the results of the analyses performed on the samples received under the project name referenced above and identified with the XENCO Report Number 348795. All results being reported under this Report Number apply to the samples analyzed and properly identified with a Laboratory ID number. Subcontracted analyses are identified in this report with either the NELAC certification number of the subcontract lab in the analyst ID field, or the complete subcontracted report attached to this report.

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

The validity and integrity of this report will remain intact as long as it is accompanied by this letter and reproduced in full, unless written approval is granted by XENCO Laboratories. This report will be filed for at least 5 years in our archives after which time it will be destroyed without further notice, unless otherwise arranged with you. The samples received, and described as recorded in Report No. 348795 will be filed for 60 days, and after that time they will be properly disposed without further notice, unless otherwise arranged with you. We reserve the right to return to you any unused samples, extracts or solutions related to them if we consider so necessary (e.g., samples identified as hazardous waste, sample sizes exceeding analytical standard practices, controlled substances under regulated protocols, etc).

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

Respectfully,

Brent Barron, II

Odessa Laboratory Manager

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Sample Cross Reference 348795



Larson & Associates, Midland, TX
XTO-EMSU Satellite # 3

| Sample Id | Matrix | Date Collected | Sample Depth | Lab Sample Id |
|-----------------------|---------------|-----------------------|---------------------|----------------------|
| Satellite # 3 | S | Oct-15-09 10:15 | | 348795-001 |
| Satellite 3 Soil Pile | S | Oct-15-09 13:20 | | 348795-002 |

CASE NARRATIVE



Client Name: Larson & Associates

Project Name: XTO-EMSU Satellite # 3

Project ID: 8-0141
Work Order Number: 348795

Report Date: 22-OCT-09
Date Received: 10/16/2009

Sample receipt non conformances and Comments:

None

Sample receipt Non Conformances and Comments per Sample:

None

Analytical Non Conformances and Comments:

*Batch: LBA-777626 BTEX-MTBE EPA 8021B
SW8021BM*

Batch 777626, Benzene, Ethylbenzene, Toluene, o-Xylene recovered below QC limits in the Matrix Spike and Matrix Spike Duplicate.

Samples affected are: 348795-002, -001.

The Laboratory Control Sample for Toluene, Benzene, Ethylbenzene, o-Xylene is within laboratory Control Limits

Batch: LBA-777740 Percent Moisture

None

Batch: LBA-777745 Inorganic Anions by EPA 300

None

Batch: LBA-778126 TPH by EPA 418.1

None



Certificate of Analysis Summary 348795

Larson & Associates, Midland, TX

Project Name: XTO-EMSU Satellite # 3



Project Id: 8-0141

Contact: Michelle Green

Project Location:

Date Received in Lab: Fri Oct-16-09 03:10 pm

Report Date: 22-OCT-09

Project Manager: Brent Barron, II

| <i>Analysis Requested</i> | <i>Lab Id:</i> | 348795-001 | 348795-002 | | | |
|-----------------------------------|-------------------|-----------------|-----------------------|--|--|--|
| | <i>Field Id:</i> | Satellite # 3 | Satellite 3 Soil Pile | | | |
| | <i>Depth:</i> | | | | | |
| | <i>Matrix:</i> | SOIL | SOIL | | | |
| | <i>Sampled:</i> | Oct-15-09 10 15 | Oct-15-09 13 20 | | | |
| Anions by E300 | <i>Extracted:</i> | | | | | |
| | <i>Analyzed:</i> | Oct-19-09 09 42 | Oct-19-09 09 42 | | | |
| | <i>Units/RL:</i> | mg/kg RL | mg/kg RL | | | |
| Chloride | | 75.7 4.83 | 102 5.26 | | | |
| BTEX by EPA 8021B | <i>Extracted:</i> | Oct-17-09 11 00 | Oct-17-09 11 00 | | | |
| | <i>Analyzed:</i> | Oct-17-09 16 47 | Oct-17-09 17 08 | | | |
| | <i>Units/RL:</i> | mg/kg RL | mg/kg RL | | | |
| Benzene | | ND 0.0012 | ND 0.0013 | | | |
| Toluene | | ND 0.0023 | ND 0.0025 | | | |
| Ethylbenzene | | ND 0.0012 | 0.0023 0.0013 | | | |
| m,p-Xylenes | | ND 0.0023 | 0.0058 0.0025 | | | |
| o-Xylene | | ND 0.0012 | 0.0053 0.0013 | | | |
| Total Xylenes | | ND 0.0012 | 0.0111 0.0013 | | | |
| Total BTEX | | ND 0.0012 | 0.0134 0.0013 | | | |
| Percent Moisture | <i>Extracted:</i> | | | | | |
| | <i>Analyzed:</i> | Oct-19-09 09 00 | Oct-19-09 09 00 | | | |
| | <i>Units/RL:</i> | % RL | % RL | | | |
| Percent Moisture | | 13.1 1.00 | 20.2 1.00 | | | |
| TPH by EPA 418.1 | <i>Extracted:</i> | | | | | |
| | <i>Analyzed:</i> | Oct-21-09 12 53 | Oct-21-09 12 53 | | | |
| | <i>Units/RL:</i> | mg/kg RL | mg/kg RL | | | |
| TPH, Total Petroleum Hydrocarbons | | ND 11.5 | 12300 12.5 | | | |

This analytical report, and the entire data package it represents, has been made for your exclusive and confidential use. The interpretations and results expressed throughout this analytical report represent the best judgment of XENCO Laboratories. XENCO Laboratories assumes no responsibility and makes no warranty to the end use of the data hereby presented. Our liability is limited to the amount invoiced for this work order unless otherwise agreed to in writing.

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 Brent Barron, II
 Odessa Laboratory Manager



Flagging Criteria



- X** In our quality control review of the data a QC deficiency was observed and flagged as noted. MS/MSD recoveries were found to be outside of the laboratory control limits due to possible matrix /chemical interference, or a concentration of target analyte high enough to effect the recovery of the spike concentration. This condition could also effect the relative percent difference in the MS/MSD.
- B** A target analyte or common laboratory contaminant was identified in the method blank. Its presence indicates possible field or laboratory contamination.
- D** The sample(s) were diluted due to targets detected over the highest point of the calibration curve, or due to matrix interference. Dilution factors are included in the final results. The result is from a diluted sample.
- E** The data exceeds the upper calibration limit; therefore, the concentration is reported as estimated.
- F** RPD exceeded lab control limits.
- J** The target analyte was positively identified below the MQL and above the SQL.
- U** Analyte was not detected.
- L** The LCS data for this analytical batch was reported below the laboratory control limits for this analyte. The department supervisor and QA Director reviewed data. The samples were either reanalyzed or flagged as estimated concentrations.
- H** The LCS data for this analytical batch was reported above the laboratory control limits. Supporting QC Data were reviewed by the Department Supervisor and QA Director. Data were determined to be valid for reporting.
- K** Sample analyzed outside of recommended hold time.
- JN** A combination of the "N" and the "J" qualifier. The analysis indicates that the analyte is "tentatively identified" and the associated numerical value may not be consistent with the amount actually present in the environmental sample.

BRL Below Reporting Limit.

RL Reporting Limit

* Outside XENCO's scope of NELAC Accreditation.

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| (214) 902 0300 | (214) 351-9139 |
| (210) 509-3334 | (210) 509-3335 |
| (813) 620-2000 | (813) 620-2033 |
| (305) 823-8500 | (305) 823-8555 |
| (432) 563-1800 | (432) 563-1713 |
| (361) 884-0371 | (361) 884-9116 |



Form 2 - Surrogate Recoveries

Project Name: XTO-EMSU Satellite # 3

Work Orders : 348795,

Project ID: 8-0141

Lab Batch #: 777626

Sample: 540830-1-BKS / BKS

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 10/17/09 12:31

SURROGATE RECOVERY STUDY

| BTEX by EPA 8021B Analytes | Amount Found [A] | True Amount [B] | Recovery %R [D] | Control Limits %R | Flags |
|-------------------------------|------------------|-----------------|-----------------|-------------------|-------|
| 1,4-Difluorobenzene | 0.0298 | 0.0300 | 99 | 80-120 | |
| 4-Bromofluorobenzene | 0.0311 | 0.0300 | 104 | 80-120 | |

Lab Batch #: 777626

Sample: 540830-1-BSD / BSD

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 10/17/09 12:53

SURROGATE RECOVERY STUDY

| BTEX by EPA 8021B Analytes | Amount Found [A] | True Amount [B] | Recovery %R [D] | Control Limits %R | Flags |
|-------------------------------|------------------|-----------------|-----------------|-------------------|-------|
| 1,4-Difluorobenzene | 0.0296 | 0.0300 | 99 | 80-120 | |
| 4-Bromofluorobenzene | 0.0311 | 0.0300 | 104 | 80-120 | |

Lab Batch #: 777626

Sample: 540830-1-BLK / BLK

Batch: 1 Matrix: Solid

Units: mg/kg

Date Analyzed: 10/17/09 13:35

SURROGATE RECOVERY STUDY

| BTEX by EPA 8021B Analytes | Amount Found [A] | True Amount [B] | Recovery %R [D] | Control Limits %R | Flags |
|-------------------------------|------------------|-----------------|-----------------|-------------------|-------|
| 1,4-Difluorobenzene | 0.0267 | 0.0300 | 89 | 80-120 | |
| 4-Bromofluorobenzene | 0.0308 | 0.0300 | 103 | 80-120 | |

Lab Batch #: 777626

Sample: 348795-001 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 10/17/09 16:47

SURROGATE RECOVERY STUDY

| BTEX by EPA 8021B Analytes | Amount Found [A] | True Amount [B] | Recovery %R [D] | Control Limits %R | Flags |
|-------------------------------|------------------|-----------------|-----------------|-------------------|-------|
| 1,4-Difluorobenzene | 0.0271 | 0.0300 | 90 | 80-120 | |
| 4-Bromofluorobenzene | 0.0319 | 0.0300 | 106 | 80-120 | |

Lab Batch #: 777626

Sample: 348795-002 / SMP

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 10/17/09 17:08

SURROGATE RECOVERY STUDY

| BTEX by EPA 8021B Analytes | Amount Found [A] | True Amount [B] | Recovery %R [D] | Control Limits %R | Flags |
|-------------------------------|------------------|-----------------|-----------------|-------------------|-------|
| 1,4-Difluorobenzene | 0.0266 | 0.0300 | 89 | 80-120 | |
| 4-Bromofluorobenzene | 0.0328 | 0.0300 | 109 | 80-120 | |

* Surrogate outside of Laboratory QC limits
 ** Surrogates outside limits, data and surrogates confirmed by reanalysis
 *** Poor recoveries due to dilution
 Surrogate Recovery [D] = 100 * A / B
 All results are based on MDL and validated for QC purposes



Form 2 - Surrogate Recoveries

Project Name: XTO-EMSU Satellite # 3

Work Orders : 348795,

Project ID: 8-0141

Lab Batch #: 777626

Sample: 348710-001 S / MS

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 10/17/09 20:19

SURROGATE RECOVERY STUDY

| BTEX by EPA 8021B Analytes | Amount Found [A] | True Amount [B] | Recovery %R [D] | Control Limits %R | Flags |
|-------------------------------|------------------|-----------------|-----------------|-------------------|-------|
| 1,4-Difluorobenzene | 0 0286 | 0 0300 | 95 | 80-120 | |
| 4-Bromofluorobenzene | 0 0314 | 0 0300 | 105 | 80-120 | |

Lab Batch #: 777626

Sample: 348710-001 SD / MSD

Batch: 1 Matrix: Soil

Units: mg/kg

Date Analyzed: 10/17/09 20:40

SURROGATE RECOVERY STUDY

| BTEX by EPA 8021B Analytes | Amount Found [A] | True Amount [B] | Recovery %R [D] | Control Limits %R | Flags |
|-------------------------------|------------------|-----------------|-----------------|-------------------|-------|
| 1,4-Difluorobenzene | 0 0285 | 0 0300 | 95 | 80-120 | |
| 4-Bromofluorobenzene | 0 0317 | 0 0300 | 106 | 80-120 | |

* Surrogate outside of Laboratory QC limits

** Surrogates outside limits, data and surrogates confirmed by reanalysis

*** Poor recoveries due to dilution

Surrogate Recovery [D] = 100 * A / B

All results are based on MDL and validated for QC purposes



Blank Spike Recovery



Project Name: XTO-EMSU Satellite # 3

Work Order #: 348795

Project ID:

8-0141

Lab Batch #: 777745

Sample: 777745-1-BKS

Matrix: Solid

Date Analyzed: 10/19/2009

Date Prepared: 10/19/2009

Analyst: LATCOR

Reporting Units: mg/kg

Batch #: 1

BLANK /BLANK SPIKE RECOVERY STUDY

| Anions by E300 Analytes | Blank Result [A] | Spike Added [B] | Blank Spike Result [C] | Blank Spike %R [D] | Control Limits %R | Flags |
|----------------------------|---------------------|--------------------|---------------------------|-----------------------|----------------------|-------|
| Chloride | ND | 10.0 | 9.98 | 100 | 75-125 | |

Blank Spike Recovery [D] = 100*[C]/[B]

All results are based on MDL and validated for QC purposes

BRL - Below Reporting Limit



BS / BSD Recoveries



Project Name: XTO-EMSU Satellite # 3

Work Order #: 348795

Project ID: 8-0141

Analyst: ASA

Date Prepared: 10/17/2009

Date Analyzed: 10/17/2009

Lab Batch ID: 777626

Sample: 540830-1-BKS

Batch #: 1

Matrix: Solid

Units: mg/kg

BLANK / BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

| BTEX by EPA 8021B | Blank Sample Result [A] | Spike Added [B] | Blank Spike Result [C] | Blank Spike %R [D] | Spike Added [E] | Blank Spike Duplicate Result [F] | Blk. Spk Dup. %R [G] | RPD % | Control Limits %R | Control Limits %RPD | Flag |
|-------------------|-------------------------|-----------------|------------------------|--------------------|-----------------|----------------------------------|----------------------|-------|-------------------|---------------------|------|
| Analytes | | | | | | | | | | | |
| Benzene | ND | 0 1000 | 0 0826 | 83 | 0 1 | 0 0785 | 79 | 5 | 70-130 | 35 | |
| Toluene | ND | 0 1000 | 0 0819 | 82 | 0 1 | 0 0777 | 78 | 5 | 70-130 | 35 | |
| Ethylbenzene | ND | 0 1000 | 0 0835 | 84 | 0 1 | 0 0791 | 79 | 5 | 71-129 | 35 | |
| m,p-Xylenes | ND | 0 2000 | 0 1852 | 93 | 0 2 | 0 1754 | 88 | 5 | 70-135 | 35 | |
| o-Xylene | ND | 0 1000 | 0 0890 | 89 | 0 1 | 0 0847 | 85 | 5 | 71-133 | 35 | |

Analyst: ASA

Date Prepared: 10/21/2009

Date Analyzed: 10/21/2009

Lab Batch ID: 778126

Sample: 778126-1-BKS

Batch #: 1

Matrix: Solid

Units: mg/kg

BLANK / BLANK SPIKE / BLANK SPIKE DUPLICATE RECOVERY STUDY

| TPH by EPA 418.1 | Blank Sample Result [A] | Spike Added [B] | Blank Spike Result [C] | Blank Spike %R [D] | Spike Added [E] | Blank Spike Duplicate Result [F] | Blk. Spk Dup. %R [G] | RPD % | Control Limits %R | Control Limits %RPD | Flag |
|-----------------------------------|-------------------------|-----------------|------------------------|--------------------|-----------------|----------------------------------|----------------------|-------|-------------------|---------------------|------|
| Analytes | | | | | | | | | | | |
| TPH, Total Petroleum Hydrocarbons | ND | 2500 | 2430 | 97 | 2500 | 2320 | 93 | 5 | 65-135 | 35 | |

Relative Percent Difference RPD = $200 * [(C-F)/(C+F)]$

Blank Spike Recovery [D] = $100 * (C)/[B]$

Blank Spike Duplicate Recovery [G] = $100 * (F)/[E]$

All results are based on MDL and Validated for QC Purposes



Form 3 - MS Recoveries



Project Name: XTO-EMSU Satellite # 3

Work Order #: 348795

Lab Batch #: 777745

Project ID: 8-0141

Date Analyzed: 10/19/2009

Date Prepared: 10/19/2009

Analyst: LATCOR

QC- Sample ID: 348726-001 S

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg

MATRIX / MATRIX SPIKE RECOVERY STUDY

| Inorganic Anions by EPA 300 | Parent Sample Result [A] | Spike Added [B] | Spiked Sample Result [C] | %R [D] | Control Limits %R | Flag |
|-----------------------------|--------------------------|-----------------|--------------------------|--------|-------------------|------|
| Analytes | | | | | | |
| Chloride | 102 | 212 | 293 | 90 | 75-125 | |

Matrix Spike Percent Recovery [D] = $100 * (C-A) / B$
 Relative Percent Difference [E] = $200 * (C-A) / (C+B)$
 All Results are based on MDL and Validated for QC Purposes

BRL - Below Reporting Limit



Form 3 - MS / MSD Recoveries



Project Name: XTO-EMSU Satellite # 3

Work Order #: 348795

Project ID: 8-0141

Lab Batch ID: 777626

QC- Sample ID: 348710-001 S

Batch #: 1 Matrix: Soil

Date Analyzed: 10/17/2009

Date Prepared: 10/17/2009

Analyst: ASA

Reporting Units: mg/kg

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

| BTEX by EPA 8021B Analytes | Parent Sample Result [A] | Spike Added [B] | Spiked Sample Result [C] | Spiked Sample %R [D] | Spike Added [E] | Duplicate Spiked Sample Result [F] | Spiked Dup. %R [G] | RPD % | Control Limits %R | Control Limits %RPD | Flag |
|-------------------------------|--------------------------|-----------------|--------------------------|----------------------|-----------------|------------------------------------|--------------------|-------|-------------------|---------------------|------|
| Benzene | ND | 0 1166 | 0 0733 | 63 | 0 1166 | 0 0738 | 63 | 1 | 70-130 | 35 | X |
| Toluene | ND | 0 1166 | 0 0735 | 63 | 0 1166 | 0 0743 | 64 | 1 | 70-130 | 35 | X |
| Ethylbenzene | ND | 0 1166 | 0 0747 | 64 | 0 1166 | 0 0740 | 63 | 1 | 71-129 | 35 | X |
| m,p-Xylenes | ND | 0 2332 | 0 1649 | 71 | 0 2332 | 0 1632 | 70 | 1 | 70-135 | 35 | |
| o-Xylene | ND | 0 1166 | 0 0791 | 68 | 0 1166 | 0 0780 | 67 | 1 | 71-133 | 35 | X |

Lab Batch ID: 778126

QC- Sample ID: 348795-001 S

Batch #: 1 Matrix: Soil

Date Analyzed: 10/21/2009

Date Prepared: 10/21/2009

Analyst: ASA

Reporting Units: mg/kg

MATRIX SPIKE / MATRIX SPIKE DUPLICATE RECOVERY STUDY

| TPH by EPA 418.1 Analytes | Parent Sample Result [A] | Spike Added [B] | Spiked Sample Result [C] | Spiked Sample %R [D] | Spike Added [E] | Duplicate Spiked Sample Result [F] | Spiked Dup. %R [G] | RPD % | Control Limits %R | Control Limits %RPD | Flag |
|-----------------------------------|--------------------------|-----------------|--------------------------|----------------------|-----------------|------------------------------------|--------------------|-------|-------------------|---------------------|------|
| TPH, Total Petroleum Hydrocarbons | ND | 2880 | 2950 | 102 | 2880 | 2940 | 102 | 0 | 65-135 | 35 | |

Matrix Spike Percent Recovery $[D] = 100*(C-A)/B$
Relative Percent Difference $RPD = 200*(C-F)/(C+F)$

Matrix Spike Duplicate Percent Recovery $[G] = 100*(F-A)/E$

ND = Not Detected, J = Present Below Reporting Limit, B = Present in Blank, NR = Not Requested, I = Interference, NA = Not Applicable
N = See Narrative, EQL = Estimated Quantitation Limit



Sample Duplicate Recovery



Project Name: XTO-EMSU Satellite # 3

Work Order #: 348795

Lab Batch #: 777745

Project ID: 8-0141

Date Analyzed: 10/19/2009

Date Prepared: 10/19/2009

Analyst: LATCOR

QC- Sample ID: 348726-001 D

Batch #: 1

Matrix: Soil

Reporting Units: mg/kg

SAMPLE / SAMPLE DUPLICATE RECOVERY

| Anions by E300 | Parent Sample Result [A] | Sample Duplicate Result [B] | RPD | Control Limits %RPD | Flag |
|-----------------------|---------------------------------|------------------------------------|------------|----------------------------|-------------|
| Analyte | | | | | |
| Chloride | 102 | 101 | 1 | 20 | |

Lab Batch #: 777740

Date Analyzed: 10/19/2009

Date Prepared: 10/19/2009

Analyst: LATCOR

QC- Sample ID: 348724-001 D

Batch #: 1

Matrix: Soil

Reporting Units: %

SAMPLE / SAMPLE DUPLICATE RECOVERY

| Percent Moisture | Parent Sample Result [A] | Sample Duplicate Result [B] | RPD | Control Limits %RPD | Flag |
|-------------------------|---------------------------------|------------------------------------|------------|----------------------------|-------------|
| Analyte | | | | | |
| Percent Moisture | 12.0 | 12.2 | 2 | 20 | |

Spike Relative Difference RPD $200 * |(B-A)/(B+A)|$

All Results are based on MDL and validated for QC purposes

BRL - Below Reporting Limit

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

Client. Larson & Assoc.
 Date/ Time 10-16-09 15:10
 Lab ID # 348795
 Initials AL

Sample Receipt Checklist

| | | | Client Initials |
|-----|--|--------------------------------------|-----------------------------|
| #1 | Temperature of container/ cooler? | <input checked="" type="radio"/> Yes | No <u>2.6 °C</u> |
| #2 | Shipping container in good condition? | <input checked="" type="radio"/> Yes | No |
| #3 | Custody Seals intact on shipping container/ cooler? | Yes | No <u>Not Present</u> |
| #4 | Custody Seals intact on sample bottles/ container? | Yes | No <u>Not Present</u> |
| #5 | Chain of Custody present? | <input checked="" type="radio"/> Yes | No |
| #6 | Sample instructions complete of Chain of Custody? | <input checked="" type="radio"/> Yes | No |
| #7 | Chain of Custody signed when relinquished/ received? | <input checked="" type="radio"/> Yes | No |
| #8 | Chain of Custody agrees with sample label(s)? | <input checked="" type="radio"/> Yes | No ID written on Cont / Lid |
| #9 | Container label(s) legible and intact? | <input checked="" type="radio"/> Yes | No Not Applicable |
| #10 | Sample matrix/ properties agree with Chain of Custody? | <input checked="" type="radio"/> Yes | No |
| #11 | Containers supplied by ELOT? | <input checked="" type="radio"/> Yes | No |
| #12 | Samples in proper container/ bottle? | <input checked="" type="radio"/> Yes | No See Below |
| #13 | Samples properly preserved? | <input checked="" type="radio"/> Yes | No See Below |
| #14 | Sample bottles intact? | <input checked="" type="radio"/> Yes | No |
| #15 | Preservations documented on Chain of Custody? | <input checked="" type="radio"/> Yes | No |
| #16 | Containers documented on Chain of Custody? | <input checked="" type="radio"/> Yes | No |
| #17 | Sufficient sample amount for indicated test(s)? | <input checked="" type="radio"/> Yes | No See Below |
| #18 | All samples received within sufficient hold time? | <input checked="" type="radio"/> Yes | No See Below |
| #19 | Subcontract of sample(s)? | Yes | No <u>Not Applicable</u> |
| #20 | VOC samples have zero headspace? | <input checked="" type="radio"/> Yes | No Not Applicable |

Variance Documentation

Contact. _____ Contacted by _____ Date/ Time. _____

Regarding: _____

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

1RP-09-10-2311

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: XTO Energy Permian Division - SE New Mexico Contact: Rick Wilson/Production Foreman
Address: P.O. Box 700, Eunice, New Mexico 88231 Telephone No.: (575) 394-2089
Facility Name: EMSU - Satellite No. 3 Facility Type: Tank Battery - Nearest Well is EMSU #182 (API #30-025-29868)

Surface Owner: State of New Mexico Mineral Owner Lease No.

LOCATION OF RELEASE

| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| D | 4 | 21S | 36E | | | | | Lea |

Latitude: N 32° 31' 15.54" Longitude: W 103° 16' 28.50"

NATURE OF RELEASE

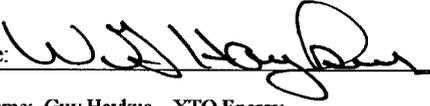
| | | |
|--|---|-------------------------------------|
| Type of Release: Crude Oil and Water | Volume of Release: Unknown | Volume Recovered: N/A |
| Source of Release: Below Grade Tank | Date and Hour of Occurrence: Unknown | Date and Hour of Discovery: Unknown |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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.*

Describe Cause of Problem and Remedial Action Taken.* Below grade tank removed per OCD approved closure plan. Initial composite sample (5-spot) from bottom of tank excavation shows no evidence of a release. Propose to close with clean soil.

Describe Area Affected and Cleanup Action Taken.* Below grade tank removed and laboratory sample results showed no sign of release, therefore, close tank excavation per OCD approved closure plan.

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: Guy Haykus - XTO Energy | Approved by District Supervisor: | |
| Title: <u>Production Superintendent</u> | Approval Date: | Expiration Date: |
| E-mail Address: William haykus@xtoenergy.com | Conditions of Approval: | Attached <input type="checkbox"/> |
| Date: 10/26/2009 Phone: (432) 682-8873 | | |

* Attach Additional Sheets If Necessary

IRP-09-10-2311

District I
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Energy Minerals and Natural Resources
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1220 South St. Francis Dr.
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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: XTO Energy Permian Division – SE New Mexico | Contact: Rick Wilson/Production Foreman |
| Address: P.O. Box 700, Eunice, New Mexico 88231 | Telephone No.: (575) 394-2089 |
| Facility Name: EMSU – Satellite No. 3 | Facility Type: Tank Battery – Nearest Well is EMSU #182 (API #30-025-29868) |

| | | |
|------------------------------------|---------------|-----------|
| Surface Owner: State of New Mexico | Mineral Owner | Lease No. |
|------------------------------------|---------------|-----------|

LOCATION OF RELEASE

| | | | | | | | | |
|------------------|--------------|-----------------|--------------|---------------|------------------|---------------|----------------|---------------|
| Unit Letter D | Section 4 | Township 21S | Range 36E | Feet from the | North/South Line | Feet from the | East/West Line | County Lea |
|------------------|--------------|-----------------|--------------|---------------|------------------|---------------|----------------|---------------|

Latitude: N 32° 31' 15.54" Longitude: W 103° 16' 28.50"

NATURE OF RELEASE

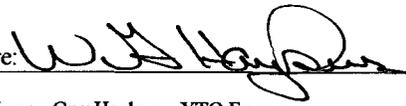
| | | |
|--|---|--|
| Type of Release: Crude Oil and Water | Volume of Release: Unknown | Volume Recovered: N/A |
| Source of Release: Below Grade Tank | Date and Hour of Occurrence: Unknown | Date and Hour of Discovery: Unknown |
| Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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. | |

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| | | |
|--|-----------------------------------|------------------|
| Signature:  | OIL CONSERVATION DIVISION | |
| Printed Name: Guy Haykus – XTO Energy | Approved by District Supervisor: | |
| Title: <i>Production Superintendent</i> | Approval Date: | Expiration Date: |
| E-mail Address: William_haykus@xtoenergy.com | Conditions of Approval: | |
| Date: 10/26/2009 Phone: (432) 682-8873 | Attached <input type="checkbox"/> | |

* Attach Additional Sheets If Necessary