Dirt Work • On-Site Remediation • Soil Testing • Excavation

March 8, 2011

cotil

Mr. Mike Bratcher Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department 1301 W. Grand Avenue Artesia, New Mexico 88210

MENTA

Re: Spill Remediation Report Devon Energy, Ore Ida 14 Federal #12, Unit Letter K (NE/4, SW/4), Section 14, Township 24 South, Range 29 East, Eddy County, New Mexico (Latitude: N 32.21306°, Longitude: W 103.95565°) 2RP # 417

Dear Mr. Bratcher:

Please find enclosed a copy of the above-referenced report. The report is submitted on behalf of Devon Energy, and presents the final results of spill remediation conducted by Ocotillo Environmental, LLC. Please call Jerry Mathews at (575) 748-5234 or myself at (575) 441-7244 if you have questions.

Sincerely, Ocotillo Environmental, LLC

Ciny K. Crain

Cindy K. Crain, P.G. Environmental Manager

| RECEIVED           |  |  |  |  |  |  |  |
|--------------------|--|--|--|--|--|--|--|
| MAR <b>10</b> 2011 |  |  |  |  |  |  |  |
| NMOCD ARTESIA      |  |  |  |  |  |  |  |

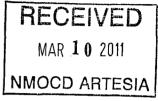
cc: Jerry Mathews – Devon Jim Amos - BLM Dirt Work • On-Site Remediation • Soil Testing • Excavation

March 4, 2011

Re:

Mr. Mike Bratcher Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department 1301 W. Grand Avenue Artesia, New Mexico 88210

EN



Spill Remediation Report Devon Energy, Ore Ida 14 Federal #12, Unit Letter K (NE/4, SW/4), Section 14, Township 24 South, Range 29 East, Eddy County, New Mexico (Latitude: N 32.21306°, Longitude: W 103.95565°) 2RP # 417

Dear Mr. Bratcher:

Devon Energy Production Company, L.P. (Devon) has retained Ocotillo Environmental, LLC (Ocotillo) to remediate impacts to soil from a spill that occurred at the Ore Ida 14 Federal #12 (Site) on May 27, 2010. Approximately 15 barrels of produced water were spilled from a flow line located in the northeast quarter (NE/4) of the southwest quarter (SW/4), Section 14, Township 24 South, Range 29 East, Eddy County, New Mexico, and no fluid was recovered from the site. A C-141 was submitted to the New Mexico Oil Conservation Division (NMOCD) on May 28, 2010, a copy of which is attached. Figure 1 shows the site location. Figure 2 shows the spill area.

Based on published literature (1961), well records of the New Mexico State Engineer (NMSE), and well records from the United States Geological Service (USGS) database, groundwater occurs at approximately 90 feet below ground surface (bgs) at the nearest well. No domestic water wells are located within 1,000 feet of the Site. The NMOCD has established RRALs for benzene, total BTEX and TPH resulting from spills of natural gas liquids ("Guidelines for Remediation of Leaks, Spills and Releases, August 13, 1993"). Remediation levels for benzene, total BTEX and TPH were calculated using the following NMOCD criteria:

| Criteria                          | Result                | Ranking Score |
|-----------------------------------|-----------------------|---------------|
| Depth-to-Groundwater              | 50-99 Feet            | 10            |
| Wellhead Protection Area          | No                    | 0             |
| Distance to Surface Water<br>Body | >1000 Horizontal Feet | 0             |
|                                   |                       | Total: 10     |

The following RRALs have been assigned based on NMOCD criteria:Benzene10 mg/kgTotal BTEX50 mg/kgTPH1,000 mg/kg

Mr. Mike Bratcher Page 2 March 4, 2011

A Remediation Workplan was submitted to the NMOCD via email on September 14, 2010 that detailed the collection of samples from two (2) locations (TH-1 and TH-2) at the spill area. In that Workplan, Devon proposed to "conduct excavation of the chloride impacted soil in the vicinity of sample point TH-2 to a depth of approximately eight (8) to nine (9) feet bgs. Horizontal delineation will be determined by laboratory analysis of samples collected during excavation. All excavated soil will be hauled to an NMOCD approved disposal facility." The Workplan also stated that "upon obtaining laboratory chloride results less than 1,000 mg/kg, a 20 mil plastic liner will be installed at the eight (8) to nine (9) foot depth, and the excavated area will be backfilled with clean soil."

The Remediation Workplan was verbally approved on September 15, 2010. Figure 2 shows the sample point TH-1 and TH-2 locations.

#### **Remediation Activities**

From September 21 to October 13, 2010, Ocotillo excavated soil from the spill area and hauled to an NMOCD approved disposal facility. Soil samples were collected from the sides of the excavated area and submitted to Cardinal Laboratories (Cardinal) of Hobbs, New Mexico for chloride analyses. The spill area in the vicinity of initial soil sample TH-2 was excavated to a depth of 8.5 feet bgs until side wall samples reported chloride concentrations less than 1,000 mg/kg. A 20 mil plastic liner was installed at the 8.5 foot depth, and the area was backfilled with clean soil. The area in the vicinity of initial soil sample TH-1 was excavated to a depth of one (1) foot bgs until side wall samples reported a chloride concentration less than 1,000 mg/kg, and that area was also backfilled with clean soil. Figure 2 shows the soil sample locations and respective chloride concentrations. Table 1 presents a summary of the laboratory analyses of soil samples. Appendix A provides laboratory data and chain of custody documentation. Appendix B provides photographic documentation of the remediation activities.

Devon respectfully requests that the Ore Ida 14 Federal #12 site be closed by the NMOCD. A final C141 form is attached as the last page of this report.

If you have any questions or need additional information, please call Mr. Jerry Mathews at (575) 748-5234, or myself at (575) 441-7244. We may also be reached by email at Jerry.Mathews@dvn.com or <u>Cindy.Crain@gmail.com</u>.

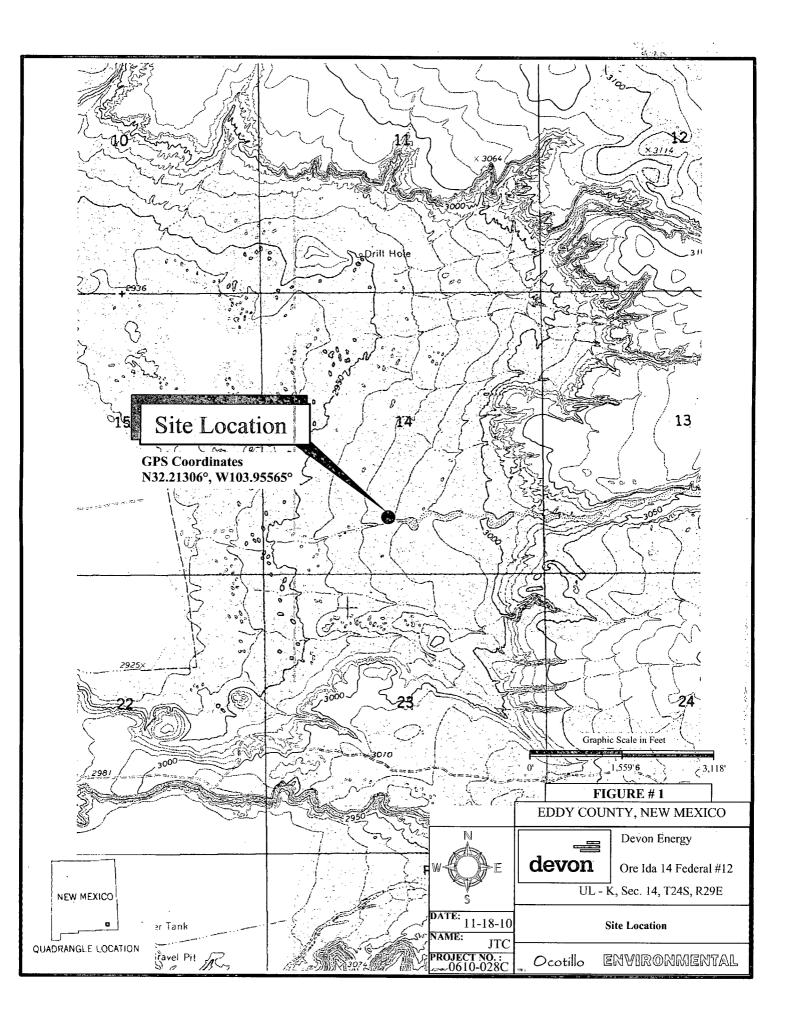
Sincerely, Ocotillo Environmental, LLC

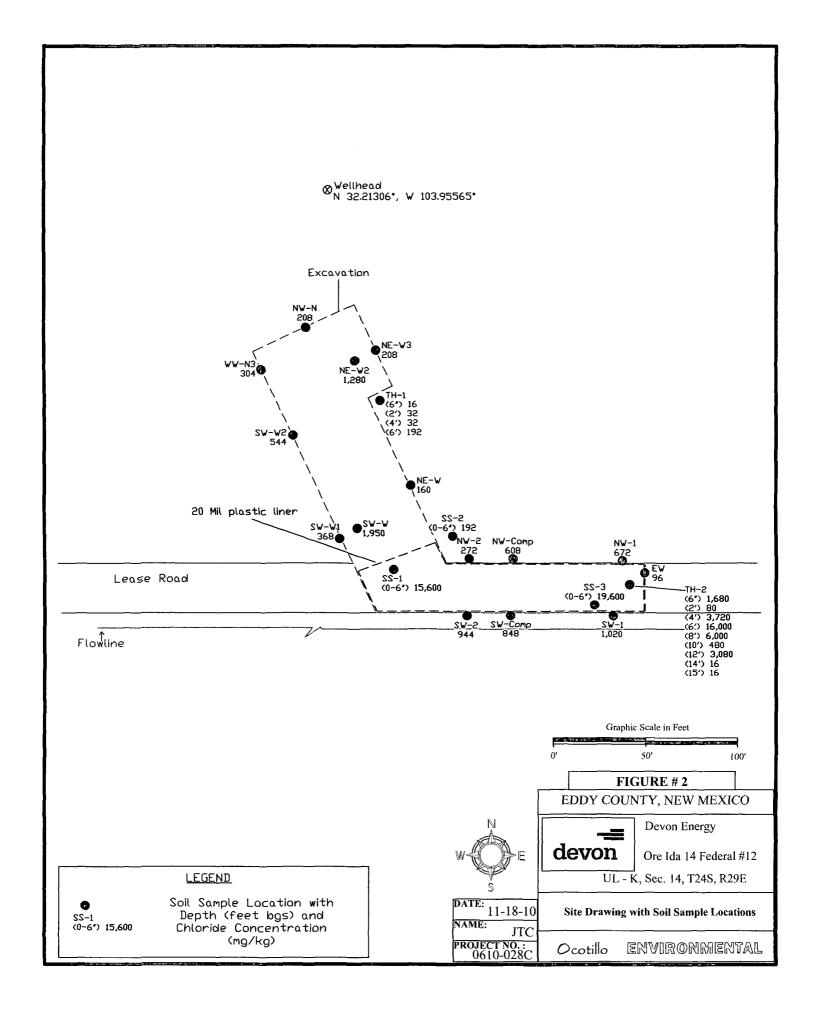
indy Crain

Cindy K. Crain, P.G. Environmental Manager

cc: Jim Amos, BLM Jerry Mathews, Devon

## **FIGURES**





TABLE

Table 1:Summary of Laboratory Analysis of Soil Samples from ExcavationDevon Energy, Ore Ida 14 Federal #12Unit Letter K, Section 14, Township 24 South, Range 29 EastEddy County, New Mexico

| Sample<br>Date | Sample Name                           | Sample Depth<br>(feet BGS) | Chloride<br>(mg/kg) | Soil Status |
|----------------|---------------------------------------|----------------------------|---------------------|-------------|
|                | ć<br>e                                |                            |                     |             |
| •              | WQCC Standar                          | rd                         | 1,000               |             |
| 6/10/10        | SS-1                                  | 0-6"                       | 15,600              | Excavated   |
| 6/10/10        | SS-2                                  | 0-6"                       | 192                 | Excavated   |
| 6/10/10        | SS-3                                  | 0-6"                       | 19,600 *            | Excavated   |
|                |                                       |                            |                     |             |
| 9/8/10         | TH-1                                  | 0-6"                       | 16                  | In Situ     |
| 9/8/10         | TH-1                                  | 2                          | 32                  | In Situ     |
| 9/8/10         | TH-1                                  | 4                          | 32                  | In Situ     |
| 9/8/10         | TH-1                                  | 6                          | 192                 | In Situ     |
|                | · · · · · · · · · · · · · · · · · · · |                            |                     |             |
| 9/8/10         | TH-2                                  | 0-6"                       | 1,680               | Excavated   |
| 9/8/10         | TH-2                                  | 2                          | 80                  | Excavated   |
| 9/8/10         | TH-2                                  | 4                          | 3,720               | Excavated   |
| 9/8/10         | TH-2                                  | 6                          | 16,000              | Excavated   |
| 9/8/10         | TH-2                                  | 8                          | 6,000               | Excavated   |
| 9/8/10         | TH-2                                  | 10                         | 480                 | In Situ     |
| 9/8/10         | TH-2                                  | 12                         | 3,080               | In Situ     |
| 9/8/10         | TH-2                                  | 14                         | 16                  | In Situ     |
| 9/8/10         | TH-2                                  | 15                         | 16                  | In Situ     |
|                |                                       |                            |                     |             |
| 9/21/10        | NW Comp                               | (side wall)                | 608                 | In Situ     |
| 9/21/10        | SW Comp                               | (side wall)                | 848                 | In Situ     |
|                |                                       |                            |                     |             |
| 9/23/10        | ΕW                                    | (side wall)                | 96                  | In Situ     |
| 9/23/10        | NW-1                                  | (side wall)                | 672                 | In Situ     |
| 9/23/10        | NW-2                                  | (side wall)                | 272                 | In Situ     |
| 9/23/10        | SW-1                                  | (side wall)                | 1,020               | In Situ     |
| 9/23/10        | SW-2                                  | (side wall)                | 944                 | In Situ     |
| 9/23/10        | NE-W                                  | (side wall)                | 160                 | In Situ     |
| 9/23/10        | SW-W                                  | (side wall)                | 1,950               | Excavated   |
| 9/29/10        | SW-W                                  | (side wall)                | 368                 | In Situ     |
| 9/29/10        | SW-1-2                                | (side wall)                | 544                 | In Situ     |
|                |                                       |                            |                     |             |
| 10/11/10       | NE W-2                                | (side wall)                | 1,280               | Excavated   |
| 10/13/10       | NE W-3                                | (side wall)                | 208                 | In Situ     |
| 10/11/10       | NW N                                  | (side wall)                | 208                 | In Situ     |
| 10/11/10       | WW N-3                                | (side wall)                | 304                 | In Situ     |

Notes: All analyses conducted by Cardinal Laboratories, Hobbs, NM

1. BGS: Below Ground Surface

2. mg/kg: Milligrams per kilogram

## **APPENDIX A**

## LABORATORY DATA AND CHAIN OF CUSTODY DOCUMENTATION



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

June 15, 2010

Cindy Crain Ocotillo Environmental P.O. Box 1816 Hobbs, NM 88241

Re: ORE IDA 14 #1 A Battery

Enclosed are the results of analyses for sample number H20099, received by the laboratory on 06/11/10 at 2:20 pm.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021 Method SW-846 8260 Method TX 1005 Benzene, Toluene, Ethyl Benzene, and Total Xylenes Benzene, Toluene, Ethyl Benzene, and Total Xylenes Total Petroleum Hydrocarbons

CORE OF LOCAL BUILDING A 19 A LOCAL BUILDING

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accredited though 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 524.2 | Regulated VOCs (V2, V3)      |

Accreditation applies to public drinking water matrices.

Total Number of Pages of Report: 3 (includes Chain of Custody)

Sincerely,

Celey D. Keene Laboratory Director



ANALYTICAL RESULTS FOR OCOTILLO ENVIRONMENTAL ATTN: CINDY CRAIN P.O. BOX 1816 HOBBS, NM 88241 FAX TO: (432) 272-0304

Receiving Date: 06/11/10 Reporting Date: 06/14/10 Project Owner: DEVON ENERGY Project Name: ORE IDA 14 #1 A BATTERY Project Location: N32.21524 W103.95576 Analysis Date: 06/11/10 Sampling Date: 06/10/10 Sample Type: SOIL Sample Condition: COOL & INTACT @ 5°C Sample Received By: JH Analyzed By: AB

|                                |          | CI      |
|--------------------------------|----------|---------|
| LAB NO. S                      | AMPLE ID | (mg/kg) |
| H20099-1 S                     | S#1      | 15,600  |
| H20099-2 S                     | S#2      | 192     |
| H20099-3 S                     | S#3      | 19,600  |
|                                |          |         |
|                                |          |         |
|                                |          |         |
|                                |          |         |
| Quality Control                |          | 500     |
| True Value QC                  |          | 500     |
| % Recovery                     |          | 100     |
| <b>Relative Percent Differ</b> | 3.9      |         |

METHOD: Standard Methods4500-Cl<sup>-</sup>BNote: Analyses performed on 1:4 w:v aqueous extracts.

Klene hemist

Oblistin Date

#### H20099 Ocotillo

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

| 101 East Marland, Hobbs, NM 88240 |
|-----------------------------------|
| (575) 393-2326 Fax (575) 393-2476 |

| Page | _ of |
|------|------|
|------|------|

| Company Name:   | J JJJJ-2320 Ta                 | x (373) 333-2-                    | 410           |              |             |                    |              | -                 |            |            | 85) A (  | 1 1 TO            |                        | 7      |          |              |             | <u> </u> | 1 1 1 1/4 |         | REQU | ECT      |   |   |          |
|---|--------------------------------|-----------------------------------|---------------|--------------|-------------|--------------------|--------------|-------------------|------------|------------|----------|-------------------|------------------------|--------|----------|--------------|-------------|----------|-----------|---------|------|----------|---|---|----------|
| Company Name: OCOTILO EASVIRON MONTAL<br>Project Manager: CINCY CRAIN                     |                                |                                   |               |              |             |                    | _            | BILL TO           |            |            |          |                   | <b>_</b>               |        |          |              |             |          |           | (EQUI   | -51  |          |   |   |          |
| Project Manager: C  | NOY CRAIN                      | J                                 |               |              |             |                    |              | P                 | .O. ‡      | <i>t:</i>  |          |                   |                        | _      |          |              |             |          |           |         |      |          |   |   |          |
| Address: POBOX 1816   |                                |                                   |               |              |             | C                  | omp          | any               |            |            |          | _                 |                        |        |          |              |             |          |           |         |      |          |   |   |          |
|   |                                |                                   |               |              |             | A                  | ttn:         |                   | 0          | SIA IA     |          |                   |                        |        |          |              |             |          |           |         |      |          |   |   |          |
| Phone #: 575-39.  | 3-6371                         | Fax #: 432                        | -2            | 72           | -0          | 30                 | $\checkmark$ |                   | ddre       | ess:       |          | +4/               | <u> </u>               |        |          |              |             |          |           |         |      |          | } |   |          |
| Project #:  |                                | Projeçt Owner                     | : D           | ev           | 1021        | G                  | 40           | 5Xc               | ity:       |            |          |                   | _                      |        |          |              |             |          |           |         |      |          |   |   |          |
| Project #: Project Owner: De Viz/ Efforts y<br>Project Name: ORE IDA 14#1 A BATERY        |                                |                                   |               |              | s           | tate:              |              |                   | Zip:       |            |          |                   |                        |        |          |              |             |          |           |         |      |          |   |   |          |
| Project Location: H 3   | 32.21524                       | W 103                             | 1.9           | 55           | 77          | 6                  |              |                   | hone       | e #:       |          |                   |                        |        |          |              |             |          |           |         |      |          |   | ` |          |
| Sampler Name: Bol   |                                |                                   |               |              |             |                    |              | F                 | ax #       | :          |          |                   |                        |        |          |              |             |          |           |         |      |          |   |   |          |
| FOR LAB USE ONLY  |                                |                                   |               |              |             | MA                 | TRIX         |                   | PR         | ESE        | RV.      | SAMPL             | .ING                   |        |          |              |             |          |           |         |      |          |   |   |          |
|   |                                |                                   | dMC           |              | ы           |                    |              |                   |            |            |          |                   |                        |        |          |              |             |          |           |         |      |          |   |   |          |
|   |                                |                                   | (C)(          | # CONTAINERS | GROUNDWATER | WASTEWATER<br>SOIL |              |                   |            |            |          |                   |                        | 1      |          |              |             |          |           |         |      |          |   |   |          |
| LabiliD.  | Sample I.E                     | ).                                | 3 OR          | TAIN         | NDN         | M                  |              | ш і .             | ASE        | 00         |          |                   |                        |        | 1        |              |             |          |           |         |      |          |   |   |          |
|   |                                |                                   | D(G)RAB       | NOC          | Sou         | ASTE<br>DIL        | oIL          | SLUDGE<br>OTHER · | ACID/BASE: | ICE / COOL | OTHER :  |                   |                        | $\sim$ | 1        |              |             |          |           |         |      |          |   |   |          |
| 1100001 (CC)  | H /                            |                                   | 0             | <u>#</u>     | <u>u</u>    | 3 S                | ō            | 3 5               | <u>A</u>   | 2          | 6        | DATE              | TIME                   |        | <u> </u> |              | _           | _        |           |         |      | <u> </u> |   |   |          |
| H20099-1 SS 2<br>2 55 2<br>3 55 2   | 17                             |                                   | G             | <u> </u>     |             |                    |              |                   |            | /<br>/     |          | 6-10-10           | 5.pm<br>5:15p<br>5:30p |        |          |              |             |          |           |         |      |          |   |   |          |
| 253-  | - 2                            |                                   | $\frac{a}{6}$ | 1            |             |                    |              |                   |            | -          |          | 670-10            | 2.10                   | 1      | -        |              |             |          |           |         |      |          |   |   |          |
| 355-  | 3                              |                                   | 0             | -            | _           |                    |              |                   |            |            |          | 6-10-10           | J. JOD                 | 1      |          |              |             |          | -         |         |      |          |   |   |          |
|   |                                |                                   |               |              |             |                    |              |                   | -          |            |          |                   |                        |        | -        |              | _           |          |           |         |      |          |   |   |          |
|   |                                |                                   |               | —            |             |                    |              |                   | _          |            |          |                   |                        |        |          |              |             |          |           |         |      |          |   |   |          |
|   |                                |                                   |               |              |             |                    | +            |                   |            |            |          |                   |                        |        |          |              | _           |          |           |         |      |          |   |   |          |
|   |                                |                                   | —             |              |             |                    | +            |                   | -          |            |          |                   |                        |        |          |              |             |          |           |         |      |          |   |   |          |
|   |                                |                                   |               |              |             |                    |              |                   | -1         |            |          |                   |                        | -      |          |              |             |          |           |         |      |          |   |   |          |
|   |                                |                                   |               |              |             |                    | +            |                   |            |            |          |                   |                        | -      | -        |              |             |          |           |         | •••  |          |   |   |          |
| PLEASE NOTE: Liability and Damages.   |                                |                                   |               |              |             |                    |              |                   |            |            |          |                   |                        |        | able     | 1            |             |          |           | <u></u> |      | L        | h |   | <u> </u> |
| analyses. All claims including those for r<br>service. In no event shall Cardinal be liat | ble for incidental or conseque | intal damages, including          | without       | t limital    | hon, bu     | siness in          | terruptio    | ns, loss          | of use,    | or loss    | s of pr  | ofits incurred by | client, its subsidia   | aries, | aule     |              |             |          |           |         |      |          |   |   |          |
| affiliates or successors arising out of or re<br>Sampler Relinquished:                    |                                | services hereunder by Ca<br>Date: |               |              | ed E        |                    | r such cla   | airtí is da       | asea up    | on any     | y or the | e above stated i  | Phone Re               | esult: |          |              | No          |          | I Phone   |         |      |          |   |   |          |
|   | -                              | Time:                             |               |              |             |                    |              |                   |            |            |          |                   | Fax Resu<br>REMARK     |        |          |              | No          |          | Fax #     |         |      | ········ |   |   |          |
|   |                                |                                   |               |              |             | <u> </u>           |              |                   |            |            |          |                   |                        | Ĩ      | - A      | ×.           | кт <b>(</b> | KA       | (1-1      |         |      |          |   |   |          |
| Relinquished By   |                                | MALE IIIM                         | Кө            | çeıv         | ea E        | sy:                | 1            | 1                 |            |            |          |                   | 1                      | •      | 1        | t <i>l</i> . | 17 ]        | -        |           |         |      |          |   |   |          |

| ampler Relinquished:  | Date:           | Received By:  | Phone Result:           | <u>L</u>            | <u>No</u> | Add'l Phone #:                |   |          |  |
|---|-----------------|---|-------------------------|---------------------|-----------|-------------------------------|---|----------|--|
| elinquished By<br>Delive Ed By: (Circle One)<br>Sampler) UPS - Bus - Other: |                 | Received By:<br>How Action CHECKED BY:<br>Cool Intact (nitlas)<br>Cool Intact (nitlas)<br>Cool Intact (nitlas)<br>No No | Fax Result:<br>REMARKS: | БХ.<br>Сіни<br>32-2 | №<br>272- | RAUI-Fax #:<br>RAU-F<br>-0304 |   | <u> </u> |  |
| † Cardinal cannot accept verbal   | changes. Please | e fax written changes to 575-393-2476.  |                         |                     | _         |                               | ; |          |  |

Ľ



September 10, 2010

Cindy Crain Ocotillo Environmental, LLC P.O. Box 1816 Hobbs, NM 88241

RE: ORE IDA 14, FED #12

Enclosed are the results of analyses for samples received by the laboratory on 09/09/10 7:53.

Cardinal Laboratories is accredited through Texas NELAP for:

| Method SW-846 8021 | Benzene, Toluene, Ethyl Benzene, and Total Xylenes |
|--------------------|--|
| Method SW-846 8260 | Benzene, Toluene, Ethyl Benzene, and Total Xylenes |
| Method TX 1005     | Total Petroleum Hydorcarbons                       |

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accreditated 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 (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,

Celuy D. Kune

Celey D. Keene Lab Director/Quality Manager



#### Analytical Results For:

Ocotillo Environmental, LLC Cindy Crain P.O. Box 1816 Hobbs NM, 88241 Fax To: (432) 272-0304

| Received:         | 09/09/2010                | Sampling Date:      | 09/08/2010     |
|-------------------|---------------------------|---------------------|----------------|
| Reported:         | 09/10/2010                | Sampling Type:      | Soil           |
| Project Name:     | ORE IDA 14, FED #12       | Sampling Condition: | ** (See Notes) |
| Project Number:   | NONE GIVEN                | Sample Received By: | Jodi Henson    |
| Project Location: | 10 MILES NE OF MALAGA, NM |                     |                |

#### Sample ID: TH1 @ 6" (H020818-01)

| Chloride, SM4500Cl-B | mg,    | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 16.0   | 16.0            | 09/09/2010 | ND           | 432 | 108        | 400           | 0.00 |           |

#### Sample ID: TH1 @ 2' (H020818-02)

| Chloride, SM4500Cl-B | mg/kg  |                 | Analyzed By: HM |              |     |            |               |      |           |
|----------------------|--------|-----------------|-----------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed        | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 32.0   | 16.0            | 09/09/2010      | ND           | 432 | 108        | 400           | 0.00 |           |

#### Sample ID: TH1 @ 4' (H020818-03)

| Chloride, SM4500Cl-B | mg     | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 32.0   | 16.0            | 09/09/2010 | ND           | 432 | 108        | 400           | 0.00 |           |

#### Sample ID: TH1 @ 6' (H020818-04)

| Chloride, SM4500Cl-B | mg     | /kg             | Analyze    | d By: HM     |     |            |               | <u></u> |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|---------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD     | Qualifier |
| Chloride             | 192    | 16.0            | 09/09/2010 | ND           | 432 | 108        | 400           | 0.00    |           |

#### Sample ID: TH2 @ 6" (H020818-05)

| Chloride, SM4500Cl-B | mg/kg  |                 | Analyzed By: HM |              |     |            |               |      |           |
|----------------------|--------|-----------------|-----------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed        | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 1680   | 16.0            | 09/09/2010      | ND           | 432 | 108        | 400           | 0.00 |           |

#### **Cardinal Laboratories**

\*=Accredited Analyte

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Celey D. Kune

Celey D. Keene, Lab Director/Quality Manager



#### Analytical Results For:

Ocotillo Environmental, LLC Cindy Crain P.O. Box 1816 Hobbs NM, 88241 Fax To: (432) 272-0304

| Received:         | 09/09/2010                | Sampling Date:      | 09/08/2010     |
|-------------------|---------------------------|---------------------|----------------|
| Reported:         | 09/10/2010                | Sampling Type:      | Soil           |
| Project Name:     | ORE IDA 14, FED #12       | Sampling Condition: | ** (See Notes) |
| Project Number:   | NONE GIVEN                | Sample Received By: | Jodi Henson    |
| Project Location: | 10 MILES NE OF MALAGA, NM |                     |                |

#### Sample ID: TH2 @ 2' (H020818-06)

| Chloride, SM4500Cl-B | mg,    | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 80.0   | 16.0            | 09/09/2010 | ND           | 432 | 108        | 400           | 0.00 |           |

#### Sample ID: TH2 @ 4' (H020818-07)

| Chloride, SM4500Cl-B | mg/kg  |                 | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 3720   | 16.0            | 09/09/2010 | ND           | 432 | 108        | 400           | 0.00 |           |

#### Sample ID: TH2 @ 6' (H020818-08)

| Chloride, SM4500Cl-B | mg/    | /kg             | Analyzed By: HM |              |     |            |               |      | <u></u>   |
|----------------------|--------|-----------------|-----------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed        | Method Blank | 8S  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 16000  | 16.0            | 09/09/2010      | ND           | 432 | 108        | 400           | 0.00 |           |

#### Sample ID: TH2 @ 8' (H020818-09)

| Chloride, SM4500Cl-B | mg     | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 6000   | 16.0            | 09/09/2010 | ND           | 432 | 108        | 400           | 0.00 |           |

#### Sample ID: TH2 @ 10' (H020818-10)

| Chloride, SM4500Cl-B | 00Cl-B mg/kg |                 | Analyzed By: HM |              |     |            |               |      |           |
|----------------------|--------------|-----------------|-----------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result       | Reporting Limit | Analyzed        | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 480          | 16.0            | 09/09/2010      | ND           | 432 | 108        | 400           | 0.00 |           |

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Celey D.Keine

Celey D. Keene, Lab Director/Quality Manager

## **CARDINAL** Laboratories

#### Analytical Results For:

Ocotillo Environmental, LLC Cindy Crain P.O. Box 1816 Hobbs NM, 88241 Fax To: (432) 272-0304

| Received: 09/09/2010                        | Sampling Date:      | 09/08/2010     |
|---|---------------------|----------------|
| Reported: 09/10/2010                        | Sampling Type:      | Soil           |
| Project Name: ORE IDA 14, FED #12           | Sampling Condition: | ** (See Notes) |
| Project Number: NONE GIVEN                  | Sample Received By: | Jodi Henson    |
| Project Location: 10 MILES NE OF MALAGA, NM |                     |                |

#### Sample ID: TH2 @ 12' (H020818-11)

| Chloride, SM4500Cl-B | mg     | /kg             | Analyzed By: HM |              |     |            |               |      | · .        |
|----------------------|--------|-----------------|-----------------|--------------|-----|------------|---------------|------|------------|
| Analyte              | Result | Reporting Limit | Analyzed        | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier  |
| Chloride             | 3080   | 16.0            | 09/09/2010      | ND           | 432 | 108        | 400           | 0.00 | <b>N</b> . |

#### Sample ID: TH2 @14' (H020818-12)

| Chloride, SM4500Cl-B mg/kg |        | Analyze         | Analyzed By: HM |              |     |            |               |      |           |
|----------------------------|--------|-----------------|-----------------|--------------|-----|------------|---------------|------|-----------|
| Analyte                    | Result | Reporting Limit | Analyzed        | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride                   | 16.0   | 16.0            | 09/09/2010      | ND           | 432 | 108        | 400           | 0.00 |           |

#### Sample ID: TH2 @ 15' (H020818-13)

| Chloride, SM4500Cl-B | oride, SM4500Cl-B mg/kg |                 | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|-------------------------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result                  | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 16.0                    | 16.0            | 09/09/2010 | ND           | 432 | 108        | 400           | 0.00 |           |

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#### \*=Accredited Analyte

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Celegt une

Celey D. Keene, Lab Director/Quality Manager



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

#### **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 SM4500CI-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 |

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Celey D. Kune

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C ARDINAL LABORATORIES

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 6 of 7

| Company Name     | (575) 393-2326 FAX (575) 393                  |                                  | N   | RI  | LL TO  |                                       | [  |   | PAG |      | REQ      | ILES | T |   |  |
|------------------|---|----------------------------------|---|---|--------|---------------------------------------|----|---|-----|------|----------|------|---|---|--|
| Project Manage   | CINdy CRAIN                                   | 1200                             | //  | P.O. #:   |        |                                       |    | T |     |      |          |      |   | r |  |
| Address: 212     | 5 FRENCH DRIVE , F                            | O. Rr                            | V 1916  | Company:  | rotile | 60                                    |    |   |     |      |          |      |   |   |  |
| City: Hal        | bs State: NA                                  | 9. 7in.                          | 88742   | Attn:   | 0//0-  | •                                     |    |   |     |      |          |      |   |   |  |
|                  | 5-44/-72 44 Fax #:                            | •• <u>2.1</u>                    | 00270   | Address:  |        |                                       |    |   |     |      |          |      |   |   |  |
|                  |   | 0                                | <u>~ 0</u>  |   |        |                                       |    |   |     |      |          |      |   |   |  |
| Pibject #:       | Project Own<br>ORE IDA 14, FEd. #             | er: 2                            | C/-   | City:   |        |                                       |    |   |     | [    |          |      |   |   |  |
| Project Name: 4  | REIVA 14 FEA.                                 |                                  |   | State:  | Zip:   |                                       |    |   |     |      |          |      |   |   |  |
| Project Location | 10 MILES NE OF M                              | BLAC                             | A, N/7.   | Phone #:  |        |                                       |    |   |     |      |          |      |   |   |  |
|                  | DON GREEN                                     |                                  | ALC TOUS  | Fax #:  |        |                                       |    | 1 |     |      |          |      |   |   |  |
| FOR LASING CALY  |   | a                                | MATRIX  | PRESERV   | SAMPLI | NG                                    |    |   |     |      |          |      |   |   |  |
| Lab I.D.         | Sample I.D.                                   | (G)RAE OR (C)OMF<br># CONTAINERS | GROUNIDWATER<br>WASTEWATER<br>SOIL<br>DIL<br>SUUDGE | OTHER :<br>ACID/BASE :<br>ICE / COOL<br>OTHER : | DATE   | TIME                                  | СК |   |     |      |          |      |   |   |  |
| H20818-1         | THIB6"  | 61                               |   |   | 9/8/10 | 14:30                                 | V  |   |     |      |          |      |   |   |  |
| 2                | TH1 & 6''<br>TH1 & 2'<br>TH1 & 4'<br>TH1 & 6' | 61                               |   |   | 11     | 11                                    | 1  |   |     | <br> |          |      |   |   |  |
| 3                | TH18 4  | 61                               |   |   | "      | 11                                    | V  |   |     | <br> |          |      |   |   |  |
| Ч                | TH10 6'                                       | 61                               | <u> </u>  |   | 11     | 11                                    | 12 |   |     | <br> |          |      |   |   |  |
|                  |   |                                  |   |   | Į      |                                       | ļ  |   |     | <br> |          |      |   | [ |  |
| 5                | TH266"  | 61                               | 4   |   | 9/8/10 | 15:30                                 | 1  | _ |     | <br> | <b> </b> |      |   |   |  |
|                  | TH2B2'  | 6                                |   |   |        | · · · · · · · · · · · · · · · · · · · | 1  |   |     | <br> | ļ        |      |   |   |  |
|                  | TH2 @ 4'                                      | 61                               |   |   | //     | 11                                    | Ľ  | e |     | <br> | ļ        |      |   |   |  |
| 8                | TH266"<br>TH262'<br>TH264'<br>TH266'          | 61                               |   |   | "      | 1/                                    |    |   |     | <br> |          |      |   |   |  |
| - 4              | TH2 P 8'                                      | 61                               |   |   | 11     | 11                                    |    |   |     |      |          |      |   |   |  |

| Relinquished By:             | Datey Received By:                           | Phone Result:        | 🗆 Yes      | 🗆 No     | Add'I Phone #: |      |
|------------------------------|--|----------------------|------------|----------|----------------|------|
|                              | 9/9/10                                       | Fax Result:          | 🗋 Yes      | D No     | Add'l Fax #:   |      |
| Im seen                      | Time: 7:53                                   | REMARKS:             |            |          | D = 1          |      |
|                              |  |                      |            |          | RUSH           |      |
| Relinguished By:             | Date: Received By:                           |                      |            |          | 11 9 6 15      |      |
|                              | Time: Man ManAber                            |                      |            |          |                |      |
| Delivered By: (Circle One)   | Sample Condition   CHECKED B)                |                      |            |          |                |      |
|                              | Cool Intact (Initials)                       |                      |            |          |                |      |
| Sampler - UPS - Bus - Other: | 19 G Yes Yes                                 | 1                    |            |          |                |      |
| FORM-006                     | No No VIV                                    |                      |            |          |                |      |
|                              | † Cardinal cannot accept verbal changes. Ple | ase fax written chai | naes to 67 | 6-393-24 | 76             |      |
| Revision 1.0                 | #76  |                      | <b>.</b>   |          |                | Page |

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 7 of 7

ARDINAL LABORATORIES 101 East Marland, Hobbs, NM 88240 (575) 303 2325 FAX (575) 303 2170

|   | (575) 393-2326 FAX (575) 393-2   | 2476  |   | PAGE 20F2                                 |              |              |                                |         |     |  |  |
|---|--|---|---|---|--------------|--------------|--------------------------------|---------|-----|--|--|
| Company Name  | Dep or bor Deraso  | DEVON   | BILL TO   |   |              | 1            | ANALYSIS                       | REQUEST |     |  |  |
| Project Manager   | CINOY CRAIN  |   | P.O. #:   |   |              |              |                                |         |     |  |  |
| Address: 2/2  | DEP CARE DESCRIPTION<br>CINDY CRAIN<br>5 FRENCH DRIVE, P.C.<br>bbbs State: MI  | 3. Box 1816   | Company: OcoTTL   | 60  |              |              |                                |         |     |  |  |
| city:   | obbs State: Mr   | 1.Zip: 88240  | Attn:   |   |              |              |                                |         |     |  |  |
| Phone #: 575  | -44-7244 Fax #:  |   | Address:  |   |              |              |                                |         |     |  |  |
| Project #:  | Project Owne   |   | City:   |   |              |              |                                |         |     |  |  |
| Project Name: 2   | ORE IDA 14, Fed. *<br>10 mile NE oF MA   | /2  | State: Zip:   |   |              |              |                                |         |     |  |  |
| Project Location  | 10 MILE NE OF MA   | LAGA MM.  | Phone #;  |   |              |              |                                |         |     |  |  |
| Sumpler Name:   | DON GREEN  | -   | Fax #:  |   |              |              |                                |         |     |  |  |
| POR , AS USE ONLY   |  | MATRIX  | PRESERV. SAMPL  | ING                                       |              |              |                                |         |     |  |  |
| Lab I.D.  | Sample I.D.  | (G)RAE OR (C)OMF<br>(G)RAE OR (C)OMF<br>(GROUNDWATER<br>GROUNDWATER<br>WASTEWATER<br>SOIL<br>VOIL<br>SLUDGE | OTHER :<br>ACIDBASE:<br>ICE / COOL<br>OTHER :   | TIME                                      | cL           |              |                                |         |     |  |  |
| H20818-10   | TH20810'   | GIV   | 9/8/10  |   |              |              |                                |         |     |  |  |
| II.   | TH2@10'<br>TH2@12'<br>TH2@14'<br>TH2@14'<br>TH2@15'  | 61 5  | 11  | 11  | 1            |              |                                |         |     |  |  |
| 12  | TH26914'   | 611   | 11  | 61  | 1            |              |                                |         |     |  |  |
| 13  | THZØ15   | 61 -  | ,1  | "   |              |              |                                |         |     |  |  |
|   | -  |   |   |   |              |              |                                |         |     |  |  |
|   | ······································   |   |   |   |              |              |                                |         |     |  |  |
|   |  |   |   |   |              |              |                                |         |     |  |  |
|   |  |   | -   | <u> </u>                                  |              |              |                                |         |     |  |  |
|   |  |   | ·+···   | +   | <b> </b> −−− |              | -                              |         |     |  |  |
| analyses we cause and and a<br>service and event while the<br>analyse second solution of the<br>analyses second solution of the | d Damages. Caronar's indexty and olient's evolusive remetay for al<br>g mose fun testigence and any other cause whatscever shake o<br>rainin be hore for insciental or consequential damages, including<br>of out after related to the performance of samples hereunder by C | emed waved unless made in writing and rec<br>atticut building, business internations, loss                  | ceived by Cardinal within 30 days after con-<br>of use, or loss of profite incurred by client | pletion of the appli<br>its subscriptions | cable        |              | <u>II.</u>                     |         |     |  |  |
| Relinquished By   | 1: Date: 9/9/10  | Received Du:  |   | Phone Re<br>Fax Resu                      |              |              | Add'l Phone #:<br>Add'l Fax #: |         |     |  |  |
| 2   | theen 7:53   | ~   |   | REMARK                                    |              |              | AUUIFAA#.                      | Ducli   | •   |  |  |
| Relinquished By   | /i Date:   | Received By:  | · · · · · · · · · · · · · · · · · · ·   | 1   |              |              |                                | RusH    |     |  |  |
|   | Time:  | - adi Me  | enson   |   |              |              |                                |         |     |  |  |
| Delivered By<br>Sampler - UPS   | : (Circle One)<br>- Bus - Other:   | Sample Condi<br>Cool Intact<br>19.5° Ures Pre-<br>L No No   | tion CHECKED BY:<br>(Initials)  |   |              |              |                                |         |     |  |  |
| FORM-0  |  | Cardinal cannot accept  |   | fax written                               | changes to 1 | 75 202 27    |                                |         |     |  |  |
| Revision  | 1.0  |   |   |   | changes to t | )/ 3-333-24/ | σ                              |         |     |  |  |
|   |  | -p+   | 26  |   |              |              |                                |         | Pag |  |  |



September 21, 2010 Cindy Crain Ocotillo Environmental, LLC P.O. Box 1816

Hobbs, NM 88241

RE: ORE IDA 14, FED #12

Enclosed are the results of analyses for samples received by the laboratory on 09/21/10 11:29.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021Benzene, Toluene, Ethyl Benzene, and Total XylenesMethod SW-846 8260Benzene, Toluene, Ethyl Benzene, and Total XylenesMethod TX 1005Total Petroleum Hydorcarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accreditated 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 (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. Keine

Celey D. Keene Lab Director/Quality Manager

# CARDINAL

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

#### Analytical Results For:

Ocotillo Environmental, LLC Cindy Crain P.O. Box 1816 Hobbs NM, 88241 Fax To: (432) 272-0304

| Received:         |     | 09/21/2010               |       | Sampling Date:      | 09/21/2010     | · · · · · |
|-------------------|-----|--------------------------|-------|---------------------|----------------|-----------|
| Reported:         |     | 09/21/2010               |       | Sampling Type:      | Soil           |           |
| Project Name:     |     | ORE IDA 14, FED #12      |       | Sampling Condition: | ** (See Notes) |           |
| Project Number:   |     | NONE GIVEN               | х · · | Sample Received By: | Jodi Henson    |           |
| Project Location: |     | 10 MILES NE OF MALAGA, N | M     |                     |                | . '       |
| - · ·             | · · |                          |       | •                   |                | · .       |

#### Sample ID: NW - COMP. (H020890-01)

| Chloride, SN | 4500CI-B |         | mg             | /kg             | Analyze    | d By: HM     |     |            | · ·           |      |              |
|--------------|----------|---------|----------------|-----------------|------------|--------------|-----|------------|---------------|------|--------------|
|              | Analyte  | • • • • | Result         | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier    |
| Chloride     |          |         | 608            | 16.0            | 09/21/2010 | ND           | 448 | 112        | 400           | 3.64 |              |
|              |          |         | ana gan<br>Mag |                 | *.         |              |     |            |               |      | 21<br>19 - 2 |

#### Sample ID: SW - COMP. (H020890-02)

| Chloride, SM4500Cl-B | mg/    | 'kg             | Analyzed By: HM |              |     |            |               |      |           |
|----------------------|--------|-----------------|-----------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed        | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chioride             | 848    | 16.0            | 09/21/2010      | ND           | 448 | 112        | 400           | 3.64 |           |

**Cardinal Laboratories** 

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Celegr une

Celey D. Keene, Lab Director/Quality Manager

Page 2 of 4



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

#### **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 SM4500CI-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 |

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Celuy D. Kune

Celey D. Keene, Lab Director/Quality Manager

Page 3 of 4

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

| R | ARDI | NAL | LABO | RATO | RIES |
|---|------|-----|------|------|------|
|   |      |     |      |      |      |

|                              | 101 East Marland, Hobbs, NM 88<br>(575) 393-2326 FAX (575) 393-2   |           |              | . <sub>1</sub>            |             |          | •             | ·<br>. •  |             |                  |              |            | ·                                     | · ·       | · · ·                         | PAG        | F        | 1              | o F             | 1       | 1<br>1   |          |                   |          |        |
|------------------------------|--|-----------|--------------|---------------------------|-------------|----------|---------------|-----------|-------------|------------------|--------------|------------|---------------------------------------|-----------|-------------------------------|------------|----------|----------------|-----------------|---------|----------|----------|-------------------|----------|--------|
| Company Name:                | DEVON ENERGY   |           |              |                           |             |          | 1             |           |             | BI               | LLT          | 0          |                                       |           |                               |            |          | ANAL           | YSIS            | RE      | QUE      | ST       |                   |          |        |
| Project Manager              | CINdy CRAIN  | • .       | •            | *. , .                    |             |          | P             | .0. ‡     | <b>#:</b> . |                  |              |            |                                       |           |                               | <u> </u>   |          | 1              | Γ.              |         |          |          |                   | <u> </u> |        |
| Address: 2/2                 | 5 FRENCH DRIVE P.O. B.   | x         | 1            | 816                       |             |          | c             | omp       | bany        | /: ·             |              |            |                                       | 1         | •                             |            |          |                |                 |         |          |          |                   |          | 1      |
| City:                        | 5 FRENCH DRIVE, P.O. BO<br>Hobbs State: M.M.   | Zip       | : 8          | 382                       | 4D          |          | A             | ttin:     |             | . 1              |              | ·          |                                       |           |                               |            | • .      |                |                 |         |          |          |                   |          | 1      |
| Phone #: 57                  | 5-441- 7244 Fax #:   | ۰         |              |                           |             |          | A             | ddre      | ess:        | •                |              | · · .      |                                       |           | 11<br>11 - 12 - 12<br>12 - 12 |            | • • •    |                | ľ               |         | [        |          |                   |          | ł      |
| Project #:                   | Project Owner  |           |              |                           |             | •        | с             | itý:      |             | ÷.,.             |              | ·, ·       |                                       | 1. st     |                               | · · · .    |          |                | l ·             | ł .     | · ·      |          | •                 |          |        |
| Project Name:                | ORE IDA 14, FEd. #1  | ス         |              |                           |             |          | s             | tate      |             | 34.              | Zip:         | -          |                                       | 1         |                               |            | ÷.,      | 1              |                 |         |          |          |                   |          | r<br>I |
| Project Location             | NE OF MALAGA, NA   | 1:        | 0            | 0 19.                     | iLE         | 3        | ) P           | hon       | e #:        | ÷                |              | ·          |                                       |           |                               |            | 1 - P.A. |                | 1               | ]       |          |          |                   |          |        |
| Sampler Name:                | DON GREEN  | ÷.,       | e.           |                           |             |          |               | ax #      |             | - <sup>-</sup> - |              |            |                                       | ]         |                               |            |          | 1 .*           |                 | ]       |          |          |                   |          | i      |
| FOR LAB USE ONLY             |  |           |              |                           | MATE        | RIX<br>T |               | PF        | RESE        | RV.              | SAN          | APLI       | NG                                    |           | · * .                         |            |          |                |                 |         |          |          |                   | 1        |        |
|                              |  | (C)OMF    | s            | и<br>Ш х                  |             |          |               |           |             |                  |              |            |                                       |           |                               | ·          | <b> </b> | <b>.</b> .     |                 |         |          |          |                   | · · · ·  |        |
| Lab I.D.                     | Sample I.D.  | 0         | NER          | NATI                      |             |          |               | ü         |             |                  |              |            |                                       |           |                               |            | ·        | 1 × × .        | <u>.</u>        |         |          |          |                   |          |        |
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|                              |  | (G)RA     | # CONTAINERS | GROUNDWATER<br>WASTEWATER | SOIL        | đ        | SLUDGE        | CD .      | ICE /       | OTHE             | DAT          | re         | TIME                                  | CL        |                               |            |          |                |                 |         | · ·      |          |                   |          | l      |
| +120890-1                    | NW-Comp.<br>SW-Comp  | Č         | 1            |                           | 1           | 1        |               |           | <u> </u>    |                  | 9/21         | lio        | 8:00                                  |           |                               | <u> </u>   |          | <b></b>        |                 | 1       | f        | [        | ÷                 |          |        |
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|                              |  |           |              |                           |             | ·        |               |           | ŀ           |                  |              | -<br>14    |                                       |           |                               |            |          |                |                 |         |          |          |                   |          |        |
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|                              | d Damages. Cardinal's Eablay and client's exclusive remody for any   |           |              |                           |             |          |               |           |             |                  |              |            |                                       | <b>L</b>  |                               |            |          | L              |                 | 1       | <u> </u> | <b>L</b> |                   |          |        |
| service In no event shall Ca | those for negligence and any other cause whatsoever shall be dec<br>rdinal be liable for incidental or consequental damages, including wi<br>ig out of or related to the performance of services hereunder by Ca | thout tim | nation       | n, business i             | interruptic | ns, lo   | ss of us      | e, or lo  | ss of p     | profits i        | ncurred by c | lient, its | s subsidiaries,                       | icable    |                               |            | ····     | <sup>та</sup>  |                 |         | ÷        | •        |                   |          |        |
| Relinquished By              |  |           |              | ved By                    |             |          |               |           |             |                  |              |            | Phone Re<br>Fax Resu                  |           |                               |            | No<br>No |                | Phone<br>Fax #: | #:      |          |          |                   |          |        |
| Don                          | Green 11:29  | · · .     |              |                           |             | , .      | · ·           |           |             |                  | 2            | ÷          | REMARK                                |           |                               | <u>s u</u> | INO      | Auu            |                 |         |          |          |                   |          |        |
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| FORM-0<br>Revision           |  | Car       | rdin         | al canı                   | not ac      | ce       | ot ve         | rbal      | cila        | inge             | s. Plea      | ise f      | ax written                            | chan      | ges to                        | 575-3      | 93-24    | 76             | • •             | · · · · |          |          | •                 |          |        |
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September 27, 2010

Cindy Crain Ocotillo Environmental, LLC P.O. Box 1816 Hobbs, NM 88241

RE: ORE IDA 14, FED #12

Enclosed are the results of analyses for samples received by the laboratory on 09/23/10 13:01.

Cardinal Laboratories is accredited through Texas NELAP for:

| Method SW-846 8021 | Benzene, Toluene, Ethyl Benzene, and Total Xylenes |
|--------------------|--|
| Method SW-846 8260 | Benzene, Toluene, Ethyl Benzene, and Total Xylenes |
| Method TX 1005     | Total Petroleum Hydorcarbons                       |

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accreditated 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 (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.Kune

Celey D. Keene Lab Director/Quality Manager



#### Analytical Results For:

Ocotillo Environmental, LLC Cindy Crain P.O. Box 1816 Hobbs NM, 88241 Fax To: (432) 272-0304

| Received:         | 09/23/2010                | Sampling Date:      | 09/23/2010    |
|-------------------|---------------------------|---------------------|---------------|
| Reported:         | 09/27/2010                | Sampling Type:      | Soil          |
| Project Name:     | ORE IDA 14, FED #12       | Sampling Condition: | Cool & Intact |
| Project Number:   | NONE GIVEN                | Sample Received By: | Jodi Henson   |
| Project Location: | 10 MILES NE OF MALAGA, NM |                     |               |

#### Sample ID: E W (H020910-01)

| Chloride, SM4500Cl-B | mg     | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 96.0   | 16.0            | 09/27/2010 | ND           | 432 | 108        | 400           | 3.77 |           |

#### Sample ID: NW - 1 (H020910-02)

| Chloride, SM4500CI-B | mg     | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 672    | 16.0            | 09/27/2010 | ND           | 432 | 108        | 400           | 3.77 |           |
|                      |        |                 |            |              |     |            |               |      |           |

#### Sample ID: NW - 2 (H020910-03)

| Chloride, SM4500Cl-B | mg     | /kg             | Analyze    | d By: HM     |     |            |               |      | ······    |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | 8S  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 272    | 16.0            | 09/27/2010 | ND           | 432 | 108        | 400           | 3.77 |           |

#### Sample ID: SW - 1 (H020910-04)

| Chloride, SM4500Cl-B | mg,    | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 1020   | 16.0            | 09/27/2010 | ND           | 432 | 108        | 400           | 3.77 |           |

#### Sample ID: SW - 2 (H020910-05)

| Chloride, SM4500Cl-B | mg_    | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 944    | 16.0            | 09/27/2010 | ND           | 432 | 108        | 400           | 3.77 |           |

#### **Cardinal Laboratories**

.

\*=Accredited Analyte

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Celey D. Keine

Celey D. Keene, Lab Director/Quality Manager



#### Analytical Results For:

Ocotillo Environmental, LLC Cindy Crain P.O. Box 1816 Hobbs NM, 88241 Fax To: (432) 272-0304

| Received:         | 09/23/2010                | Sampling Date:      | 09/23/2010    |
|-------------------|---------------------------|---------------------|---------------|
| Reported:         | 09/27/2010                | Sampling Type:      | Soil          |
| Project Name:     | ORE IDA 14, FED #12       | Sampling Condition: | Cool & Intact |
| Project Number:   | NONE GIVEN                | Sample Received By: | Jodi Henson   |
| Project Location: | 10 MILES NE OF MALAGA, NM |                     |               |

#### Sample ID: NE - W (H020910-06)

| Chloride, SM4500Cl-B | mg     | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 160    | 16.0            | 09/27/2010 | ND           | 432 | 108        | 400           | 3.77 |           |

#### Sample ID: SW - W (H020910-07)

| Chloride, SM4500Cl-B | mg,    | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 1950   | 16.0            | 09/27/2010 | ND           | 432 | 108        | 400           | 3.77 |           |

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\*=Accredited Analyte

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Celuy D. Kune

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 SM4500CI-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

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#### \*=Accredited Analyte

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Celey D.Kune

Celey D. Keene, Lab Director/Quality Manager

Page 4 of 5

### CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

ARDINAL LABORATORIES

| tear.            | 101 East Marland, Hobbs, NM 88<br>(575) 393-2326 FAX (575) 393-2 | 476             |              |   |             |                                       |          |      |                    |          |   | Pag | <u>a</u> Z | l of | <i>{</i> 1 |   |   |     |            |                           |
|------------------|--|-----------------|--------------|---|-------------|---------------------------------------|----------|------|--------------------|----------|---|-----|------------|------|------------|---|---|-----|------------|---------------------------|
| Company Name     | DEVON ENERGY   |                 |              |   | Γ           | BI                                    | LL TO    |      | ANALYSIS REQUEST   |          |   |     |            |      |            |   |   |     |            |                           |
| Project Manage   | Project Manager: Cindy CRAIN                                     |                 |              |   | Р.          | O. #:                                 |          |      |                    |          |   |     |            |      |            |   |   |     |            |                           |
| Address: 2/2     | 5 FRENCH DRIVE, P.O.   | Bo              | ×            | 1816  | Co          | ompany: Ø                             | coTil    | 10   |                    |          |   |     |            |      |            |   |   |     | , <b>,</b> |                           |
| City:            | Habbs State: N.M.  | Zip             | : {          | 38240   | Ati         |                                       |          |      | ]                  |          |   |     |            |      |            |   |   |     |            |                           |
|                  | -441-7244 Fax #:   |                 |              |   | Ad          | idress:                               |          |      |                    |          |   |     |            |      |            |   |   |     |            |                           |
| 1                | Project Owner  | :               |              |   | City:       |                                       |          |      |                    |          |   |     |            |      |            |   |   |     |            |                           |
| Project Name:    | ORE Ida 14, FEd. #12   | . ,             | nd           | De  | State: Zip: |                                       |          |      |                    |          |   |     |            |      |            |   |   |     |            |                           |
| Project Location | 10 min NE OF MAL   | 15%             | 2,           | NM.   | 1.1         | none #:                               |          |      | [                  |          |   |     |            |      |            |   |   |     |            |                           |
| Sampier Name:    | Don Green  |                 |              |   | Fa          | IX #:                                 |          |      | 1                  |          |   |     |            |      |            |   |   |     |            |                           |
| TOR LABOUE ON T  |  |                 |              | MATRIX  | -,          | PRESERV                               | SAMPL    | NG   | 1                  |          |   |     |            |      |            |   |   |     |            |                           |
| Lab I.D.         | Sample I.D.  | (G)RAE OR (C)OM | # CONTAINERS | GROUNDWATER<br>WASTEWATER<br>ISON.<br>SULUDGE | OTHER :     | ACID/BASE:<br>ICE / COOL<br>QTHER :   | DATE     | TIME | CL                 |          |   |     |            |      |            |   |   |     |            |                           |
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| 3                | NW-2   | C               | 1            |   |             | 1                                     | 11       | 11   | 1                  | L        |   |     |            |      |            |   |   |     |            |                           |
| 4                | sw-1<br>sw-2   | C               | []           |   |             | 1                                     | <u> </u> | //   | 1                  | K        |   |     |            |      |            |   |   |     |            |                           |
|                  |  | C               | []           |   |             |                                       | /1       |      | · · · ·            | k        |   |     |            |      |            | ļ |   |     |            |                           |
| 6                | NEW  | C               | 1            |   |             |                                       |          | 1)   | Ľ,                 | ×        |   |     |            |      |            |   |   |     |            | · · · · · · · · · · · · · |
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| Commit in 1176 Days Ott      | Cool Intact (Initials)   |                    |            |          |                |       |
| Sampler - UPS - Bus - Other: | TYes Yes   |                    |            |          |                |       |
| L                            | VCI NO NO VIVI   |                    |            |          |                | ,     |
| FORM-006                     |  |                    |            |          | · · ·          |       |
| Revolon 1.0                  | † Cardinal cannot accept verbal changes. Please                                | e fax written chai | nges to 57 | 5-393-24 | 76             |       |
|                              | -tn:   |                    |            |          |                |       |
|                              | -+++ / / or  |                    |            |          |                | Page  |
|                              | Curtiger   |                    |            |          |                | :raye |

Page 5 of 5



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

September 29, 2010

Cindy Crain Ocotillo Environmental, LLC P.O. Box 1816 Hobbs, NM 88241

RE: ORE IDA 14, FED #12

Enclosed are the results of analyses for samples received by the laboratory on 09/29/10 11:56.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021Benzene, Toluene, Ethyl Benzene, and Total XylenesMethod SW-846 8260Benzene, Toluene, Ethyl Benzene, and Total XylenesMethod TX 1005Total Petroleum Hydorcarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accreditated 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 (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. Keine

Celey D. Keene Lab Director/Quality Manager



#### Analytical Results For:

Ocotillo Environmental, LLC Cindy Crain P.O. Box 1816 Hobbs NM, 88241 Fax To: (432) 272-0304

| Received:         | 09/29/2010                | Sampling Date:      | 09/29/2010     |
|-------------------|---------------------------|---------------------|----------------|
| Reported:         | 09/29/2010                | Sampling Type:      | Soil           |
| Project Name:     | ORE IDA 14, FED #12       | Sampling Condition: | ** (See Notes) |
| Project Number:   | 3 IN POLY LINE            | Sample Received By: | Jodi Henson    |
| Project Location: | 10 MILES NE OF MALAGA, NM |                     |                |

#### Sample ID: SW - W 1 (H020945-01)

| Chloride, SM4500Cl-B | mg     | /kg             | Analyze    | d By: HM     | <u> </u> |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|----------|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS       | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 368    | 16.0            | 09/29/2010 | ND           | 400      | 100        | 400           | 0.00 |           |

#### Sample ID: SW - 1 - 2 (H020945-02)

| Chloride, SM4500Cl-B | mg     | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 544    | 16.0            | 09/29/2010 | ND           | 400 | 100        | 400           | 0.00 |           |

#### **Cardinal Laboratories**

\*=Accredited Analyte

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

Celev D.1 Vine

Celey D. Keene, Lab Director/Quality Manager



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

#### **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 $6^{\rm o}{\rm C}$ |
|     | Samples reported on an as received basis (wet) unless otherwise noted on report            |

#### Cardinal Laboratories

#### \*=Accredited Analyte

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

Celuy D.1 une

Celey D. Keene, Lab Director/Quality Manager

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

ARDINAL LABORATORIES

Chertine Range

| 10<br>(:                                    | 575) 393-2326 FAX (575) 393-   | 575) 393-2476 Pore 1 of 1        |   |                     |                        |                      |                    |         |          |        |       |         |       |       |       |         |     |      |
|---|--|----------------------------------|---|---------------------|------------------------|----------------------|--------------------|---------|----------|--------|-------|---------|-------|-------|-------|---------|-----|------|
| Company Name: D                             | EVON ENERGY  |                                  |   | 1                   | 81                     | LLTO                 |                    |         |          |        | Å     | NAL     | /SIS  | REC   | UEST  | Г       |     |      |
| Project Manager:                            | CINdy CRAIN  |                                  |   | P.O. #:             |                        |                      |                    | Π       |          | T      |       |         |       |       |       | T       | T   |      |
| Address: 2125                               | FRENCH DRIVE P.O   | Box                              | 1816                                      | Compa               | iny:                   |                      |                    |         |          |        |       |         | ł     |       |       |         |     |      |
| City: Ho                                    | bbs State: N.  | <b>7.</b> Zip:                   | 88240                                     | Attn:               |                        |                      |                    |         |          |        |       |         |       |       |       |         |     |      |
|   | 441-7244 Fax #:  |                                  |   | Addres              | 5S:                    |                      |                    |         |          |        |       |         |       |       |       |         |     |      |
| Project #: 3" Pa                            | by Line Project Own  | er:                              |   | City:               |                        |                      |                    |         |          |        |       |         | [     |       |       |         |     |      |
| Project Name: OA                            | RE ] dA 14, FEd. # 12  |                                  |   | State:              |                        | Zip:                 |                    |         |          |        |       |         |       |       |       |         |     |      |
| Project Location: /                         | OMILES NEOF MA   | LAGA                             | NM.                                       | Phone               | #:                     |                      |                    |         |          |        |       |         |       |       | 1     |         |     |      |
| Sampier Name:                               | Omiles NE OF MA  |                                  | /   | Fax #:              |                        |                      |                    |         |          |        | 1     |         |       |       |       |         |     |      |
| FORCAS USE ONLY                             |  |                                  | MATRIX                                    | PRI                 | SERV                   | SAMPLI               | NG                 |         |          |        |       |         | Ì     |       | 1     |         |     |      |
| Lab I.D.                                    | Sample I.D.  | (G)RAB OR (C)OMF<br># CONTAINERS | GROUNDWATER<br>WASTEWATER<br>SCOL         | OTHER<br>ACID/BASE: | COOL<br>SR :           |                      |                    |         |          |        |       |         |       |       |       |         |     |      |
|   | Barrow   | G)R/                             | GROUND<br>WASTEW<br>SOIL<br>SOIL<br>SUDGE | OTHER<br>ACIDIBA    | HE HE                  | DATE                 | TIME               | CL      |          | 1      | ĺ     |         |       |       |       |         |     |      |
| H20445-1                                    | 5 w - w - 1  | Cl                               |   |                     |                        | 9/29/10              |                    | 17      |          |        |       |         |       |       |       |         |     |      |
|   | 5w-12-2  | ci                               |   |                     | ;                      |                      | "                  | ~       |          |        |       |         |       | ····· |       |         |     |      |
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|   | ······································   | 1-1-                             |   |                     |                        |                      |                    |         |          |        |       |         |       |       |       |         |     |      |
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| 2 min                                       | 9/29/1<br>Time: 56   | <i>U</i>                         |   |                     |                        |                      | Fax Rest<br>REMARK | S:      | 0 Ye     | s 🖸    | NO    | Add'l I | ax #: | K     |       | 7 1     | An  | Te   |
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|   | 9/29/10<br>Tubu: Lo  | 2-11                             | VA: 41                                    | 1                   | n                      | f                    |                    | 12      | المسترجب | U      |       | U       | ~     |       |       |         |     |      |
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| FORM-006<br>Revision 1 (                    |  | † Cardir                         | al cannot accept                          | verbal              |                        | es. Please           | fax writter        | n chan  | ges to   | 675-35 | 3-247 | 6       |       |       | _     |         |     |      |
| i to vidio ni 1 t                           | <i>,</i>   |                                  | 士   | 26                  |                        |                      |                    |         |          |        |       |         |       |       |       |         |     |      |
|   |  |                                  | 4   |                     |                        |                      |                    |         |          |        |       |         |       |       |       |         |     | 1    |



October 12, 2010

Cindy Crain Ocotillo Environmental, LLC P.O. Box 1816 Hobbs, NM 88241

RE: ORE IDA 14, FED #12

Enclosed are the results of analyses for samples received by the laboratory on 10/12/10 8:30.

Cardinal Laboratories is accredited through Texas NELAP for:

| Method SW-846 8021 | Benzene, Toluene, Ethyl Benzene, and Total Xylenes |
|--------------------|--|
| Method SW-846 8260 | Benzene, Toluene, Ethyl Benzene, and Total Xylenes |
| Method TX 1005     | Total Petroleum Hydorcarbons                       |

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accreditated 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 (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.Keine

Celey D. Keene Lab Director/Quality Manager



#### Analytical Results For:

Ocotillo Environmental, LLC Cindy Crain P.O. Box 1816 Hobbs NM, 88241 Fax To: (432) 272-0304

| Received:         | 10/12/2010                | Sampling Date:      | 10/11/2010     |
|-------------------|---------------------------|---------------------|----------------|
| Reported:         | 10/12/2010                | Sampling Type:      | Soil           |
| Project Name:     | ORE IDA 14, FED #12       | Sampling Condition: | ** (See Notes) |
| Project Number:   | 3 IN. POLY LINE           | Sample Received By: | Jodi Henson    |
| Project Location: | 10 MILES NE OF MALAGA, NM |                     |                |

#### Sample ID: NE W - 2 (H021031-01)

| Chloride, SM4500CI-B | mg     | /kg             | Analyze    | d By: HM     |     |            | . <u></u>     |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 1280   | 16.0            | 10/12/2010 | ND           | 432 | 108        | 400           | 3.77 |           |

#### Sample ID: NW N (H021031-02)

| Chloride, SM4500Cl-B | mg,    | /kg             | Analyze    | d By: HM     |     |            |               |      | . <u> </u> |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|------------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier  |
| Chloride             | 208    | 16.0            | 10/12/2010 | ND           | 432 | 108        | 400           | 3.77 |            |

#### Sample ID: WW - N - 3 (H021031-03)

| Chloride, SM4500Cl-B | mg,    | /kg             | Analyze    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Anałyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 304    | 16.0            | 10/12/2010 | ND           | 432 | 108        | 400           | 3.77 |           |

#### **Cardinal Laboratories**

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any daim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whitspeers shall be deemed walked unless made in writing and received by client for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such dama based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall note period cell activities.

Celunt Sune

Celey D. Keene, Lab Director/Quality Manager

# **CARDINAL** Laboratories

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

#### **Notes and Definitions**

Analyte NOT DETECTED at or above the reporting limit

Relative Percent Difference

ND

RPD

\*\*

\*\*\*

Samples not received at proper temperature of 6°C or below.

Insufficient time to reach temperature.

Chloride by SM4500CI-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

#### \*=Accredited Analyte

PLEASE NOTE: Liability and Damages All claims, including those for negligence and Carc contract 'or tort, shall be limited to the amount nais liablity paid by client for analyses. dv for dental or cons any other cause ng and re by Cardinal within thirty (30) days after com letion of the applicable serv In no event shall Cardinal be liable itial damades. including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or succes sons arising out of or related to the performance of the services hereunder by Cardinal, regardless of whether such daim is based upon a event in hill of Card inal Laboratori

Celey D.Keine

**Cardinal Laboratories** 

Celey D. Keene, Lab Director/Quality Manager

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

ARDINAL LABORATORIES

- LCOCRE

101 East Marland, Hobbs, NM 88240

|  | (575) 393-2326 FAX (575) 393-2  |  |                            |                                    |                      |                    |          |        |                | PA         | 16E 1  | off | ·                |         |
|--|---|--|----------------------------|------------------------------------|----------------------|--------------------|----------|--------|----------------|------------|--------|-----|------------------|---------|
| Company Name   | DEVON ENERGY  | · · · · · · · · · · · · · · · · · · ·                |                            |                                    | L TO                 |                    |          |        | AN             | ALYSIS     | REQU   | EST |                  | <b></b> |
| Project Manage   | CINDY CRAIN   | ······································               |                            | .0. #:                             |                      |                    |          |        |                |            |        |     |                  |         |
| Address: 2/2   | 5 FRENCH DRIVE, PO.<br>Hobbs State: NM  | Box 1816   | C                          | ompany: C                          | DCoTILL              | 0                  |          |        |                |            |        |     |                  |         |
| City:  | Hobbs State: NM   | 1-Zip: 88240   | Ai                         | ito:                               |                      |                    |          |        |                |            |        |     |                  |         |
| -hone #: 57  | 5-441-72 4 4 Fax #:   |  | A                          | ddress:                            | ·····                |                    |          |        |                |            |        |     |                  |         |
| Project #: 3   | Poly LINE Project Owne  | er: DEVON  | c                          | ity:                               |                      |                    |          |        |                |            |        |     |                  |         |
| Project Name:  | B' Poly LINE Project Owne<br>ORE Ida 14, FEd. #1  | /2   | s                          | tate:                              | Zip:                 |                    |          |        |                |            |        |     |                  |         |
| Project Location   | 10 miles NEOFM  | 1ALASA, NIM  | 7. PI                      | hone #:                            |                      |                    |          |        |                |            |        |     |                  |         |
| Sampier Name:  |   |  | 1                          | ax #:                              |                      |                    |          |        |                |            |        |     |                  |         |
| 97.97. SA 1.85 (1.12)  |   | MATR   | IX                         | PRESERV.                           | SAMPLI               | VG                 |          |        |                |            |        |     |                  |         |
|  |   | OMD C  |                            |                                    |                      |                    |          |        |                |            |        |     |                  |         |
| 1.55.173   |   | ICC)<br>IN TER                                       | 1                          |                                    |                      |                    |          |        |                |            |        |     |                  |         |
| Lab I.D.   | Sample I.D.   | S OF<br>NDW<br>NDW                                   | 14                         | MSE<br>001                         |                      |                    |          | }      |                |            |        |     |                  |         |
|  |   | (G)RAE OF<br># CONTAIN<br>GROUNDW<br>WASTEWA<br>SOIL | SLUDGE<br>SLUDGE           | ACID/BASE<br>ICE / COOL<br>OTHER : |                      |                    | CL       |        |                |            |        |     |                  |         |
| 101021.1   | NE  | 80 80 80 80 80 80 80 80 80 80 80 80 80 8             | 5 5 5                      | O V O                              | DATE                 |                    | <b></b>  |        | ╉╼╼╼╋╼╍        | ~+         | ┼╌╌┼╌╴ |     |                  | +       |
| 121021-1   | NEW-2<br>NW-N<br>WW-N-3   |  |                            |                                    | 0/11/10              | 14:00              |          |        |                |            | -      |     |                  |         |
| 12   | WW-W<br>WW A/-3   |  |                            |                                    |                      | <u></u>            | -A-      |        | +              |            |        |     |                  |         |
|  | 10 10 - 10 - 3  |  |                            |                                    |                      | U.                 |          |        |                |            |        |     |                  |         |
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| 51   | Green 8:30  |  |                            |                                    |                      | Fax Rest<br>REMARK |          | ]Yes [ | No A           | dd'l Fax # |        |     |                  |         |
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|  | D12/10  | 0 Andi   | 1                          | 1 -                                |                      |                    |          | ť      | 441            | -04        | 05     | DD  | $\Gamma \subset$ |         |
| 1)   | 15:30   | ) CALLE.   | All                        | MAG                                | K                    |                    |          |        |                |            |        |     |                  |         |
|  | : (Circle One)  | Sample C   | undition<br>tact.          | n CHECH<br>(Init                   | (ED BY:<br>jals)     |                    |          |        |                |            |        |     |                  |         |
|  | - Bus - Other:  | Cool In<br>22°C El Yes                               | Yes No                     |                                    |                      |                    | Ri       | 154    |                |            |        |     |                  |         |
| FORMO  |   | + Cardinal cannot ac                                 | a subsection of the second | chal change                        | s Please f           | ay writte          |          |        | 393,2476       |            |        |     |                  |         |
| Revision   | 1.0   |  |                            |                                    | .a. ricase i         | ox writter         | i change |        | 000-24/0       |            |        |     |                  |         |
|  |   |  | -++                        | =26                                |                      |                    |          |        |                |            |        |     |                  | Pa      |

# **CARDINAL** Laboratories

October 13, 2010

Cindy Crain

Ocotillo Environmental, LLC

P.O. Box 1816

Hobbs, NM 88241

RE: ORE IDA 14, FED #12

Enclosed are the results of analyses for samples received by the laboratory on 10/13/10 13:18.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021 Method SW-846 8260 Method TX 1005

Benzene, Toluene, Ethyl Benzene, and Total Xylenes Benzene, Toluene, Ethyl Benzene, and Total Xylenes Total Petroleum Hydorcarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accreditated 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 (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

Celey D. Keene Lab Director/Quality Manager

SEED CO OF

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



#### Analytical Results For:

Ocotillo Environmental, LLC Cindy Crain P.O. Box 1816 Hobbs NM, 88241 Fax To: (432) 272-0304

| Received:         | 10/13/2010                | Sampling Date:      | 10/13/2010     |
|-------------------|---------------------------|---------------------|----------------|
| Reported:         | 10/13/2010                | Sampling Type:      | Soil           |
| Project Name:     | ORE IDA 14, FED #12       | Sampling Condition: | ** (See Notes) |
| Project Number:   | none given                | Sample Received By: | Jodi Henson    |
| Project Location: | 10 MILES NE OF MALAGA, NM |                     |                |
|                   |                           |                     |                |

#### Sample ID: NE-W-3 (H021047-01)

| Chloride, SM4500Cl-B | mg     | /kg             | Алајуzе    | d By: HM     |     |            |               |      |           |
|----------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte              | Result | Reporting Limit | Analyzed   | Method Blank | BS  | % Recovery | True Value QC | RPD  | Qualifier |
| Chloride             | 208    | 16.0            | 10/13/2010 | ND           | 416 | 104        | 400           | 3.77 |           |

#### **Cardinal Laboratories**

\*=Accredited Analyte

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any dawn arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, inducing those for negligence and any other cause whetscever shall be deemed waved unless made in writing and received by claimal, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, inducing those for incidental admages, including, which cardinal be liable for incidental or consequential damages, including, which cardinal builts exervice. In no event shall Cardinal be liable for incidental or consequential damages, including, who will limit the part of or related to the performance of the services hereunder by Cardinal, regardless of whether such claims based upon any of the above stated reasons on otherwise. Results relate only to the samples identified above. This report shall not be exerviced in full with writem approval of Cardinal Laboratives.

Celunt une

Celey D. Keene, Lab Director/Quality Manager



PHONE (575) 393-2326 ° 101 E. MARLAND ° HOBBS, NN 88240

#### **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 |
|     |   |

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\*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

ARDINAL LABORATORIES 101 East Marland, Hobbs, NM 88240

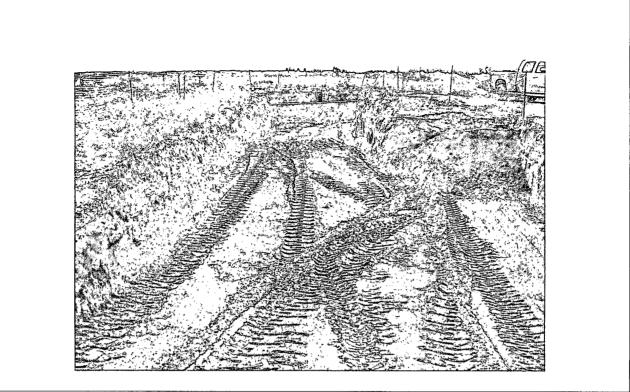
## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

| (575) 393-2326 FAX (575) 393-2476   |  |  | PAGE 1 of 1                       |
|---|--|--|-----------------------------------|
| Company Name: DEVON ENERGY  |  | BILL TO  | ANALYSIS REQUEST                  |
| Project Manager: CINGY CRAIN  |  | P.O. #:  |                                   |
| Adurass: 2125 FRENCH DRIVE, P.D. Box  | 1816   | Company:   |                                   |
| Address: 2125 FRENCH DRIVE, POBox<br>City: Hobbs State: NMZip:  | 88240  | Attn:  |                                   |
| Phone #: 575-441-72 44 Fax #:   |  | Address:   |                                   |
| Project #: Project Owner:   |  | City:  |                                   |
| Project Name: ORE I dA 14, FEd. #12   |  | State: Zip:                                      |                                   |
| Project Location: 10 Miles NE of MALAG  | A, N.M.  | Phone #:   |                                   |
| Sampler Name: DON GREEN   |  | Fax #:   |                                   |
| FOR , AB USE ONLY   | MATRIX   | PRESERV. SAMPLIN                                 | G                                 |
| (C)OMI  | R R R  |  |                                   |
| Lab I.D. Sample I.D. 8  |  |  |                                   |
|   | UCND<br>DGE  | ER :<br>/BAS<br>000<br>000                       |                                   |
| Lab I.D. Sample I.D.  | # CONTAINERS<br>GROUNDWATE<br>WASTEWATER<br>soit<br>oil<br>siludge | DATE   |                                   |
| H21047-1 NE-W-3 C   | 1  | 19/13/10   | 11:00 1                           |
|   |  |  |                                   |
|   |  |  |                                   |
| · · · · · · · · · · · · · · · · · · ·   |  |  |                                   |
|   |  |  |                                   |
| ·····   |  |  |                                   |
| · · · · · · · · · · · · · · · · · · ·   |  |  |                                   |
|   |  |  |                                   |
|   |  |  |                                   |
| PLEASE NOTE: Closinly and Damagee Cordinary appling and client's exclusive remeay for any claim o<br>clogado. All climes including those for heig gence, and any other course vinatoever shart be deemed an                       |  |  |                                   |
| ು ಅಗಳು ಅಂಗಳು ಕಾಳಗಳ ಕೇಳಿತ ಕಳಿಗಾಗ ಸೇರಿಕ ಕಾರ್ಯಕರ್ಗೆ ನೀಡುಕೊಳಿತೆಗೆ ರಾಜಕಾರ್ಭಕರಣ, ರಾಗಕ್ಕಳಕು ಮರುಗತ್ತುಕು ಮರುಗತ್ತು ಮಾಡಿದ<br>ಸ್ವಾಯ್ ಕಾರ್ಯಕ್ರಿಯ ಮಕ್ಕಾಲಕರಿಗೆ ವಿಗಾರ 6 ಹಿವೆ 21 ರಗ ಗೋಷಕ್ರಾಗಿನ ಗೇಕ್ಷಿ ತಿರ್ದರಗಡಿಸಿಕೆ ಕಾರ್ಗೆಟ್ ಕಾರ್ಗಟ್ ಕಾರ್ಗಟ್ ಕಾರ್ಗ | mation publicess interruptions, loss                               | of use, or loss of profits mounted by chent, its | subskillures,<br>57 Oliterwise,   |
|   | eceived By:  |  | Phone Result:                     |
| Don freen 10/18/10<br>The Jon Jacon J3:18<br>Returnished By: Data of Las Be   |  |  | REMARKS:                          |
| Relinquished By: Date: Date: 12, 17, 18   | eceived By:  |  | Don 441-0405                      |
| Tm2:12/   | Odi M  | ANAR   |                                   |
| Delivered By: (Circle One)  | Sample Condi   | tion CHECKED BY:                                 | RUSA                              |
| Sampler - UPS - Bus - Other: 2  | Cool Intact  | es (hitials)                                     | /                                 |
| L FORM-006  |  | 7  |                                   |
| Revision 1.0 <b>† Ca</b>  | rdinal cannot accept   | : verbal dhanges. Please fa<br>1/1 - 1           | x written changes to 575-393-2476 |
|   | =pt-   | 10   | Pa                                |

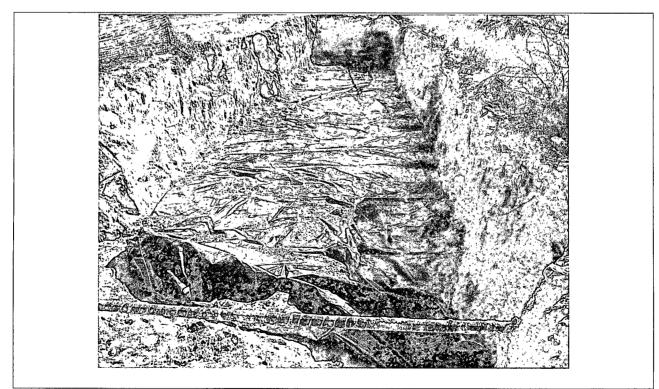
Page 4 of 4

## **APPENDIX B**

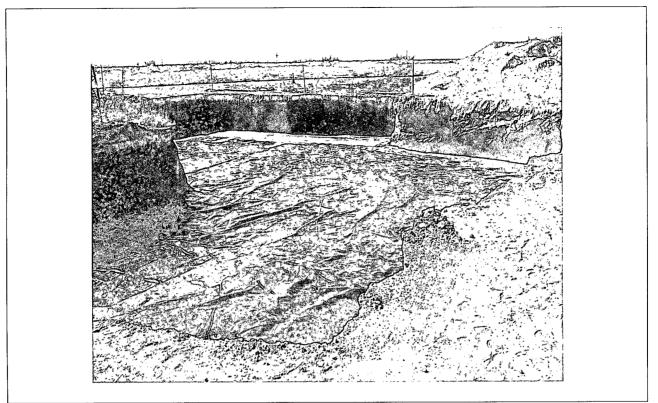
## PHOTOGRAPHS



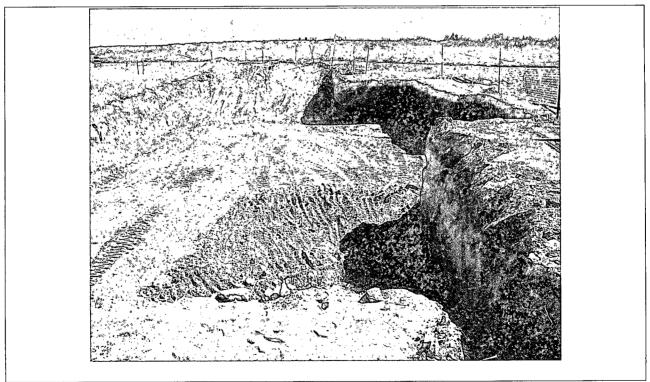
1. View to east of excavation prior to lining.



2. View to east of excavation with liner.

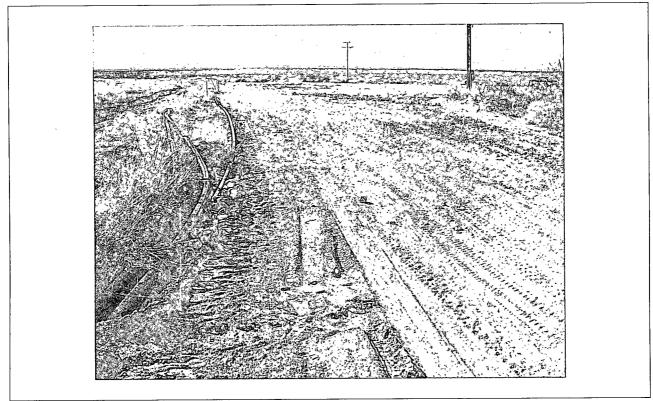


3. View to south of excavation with liner.

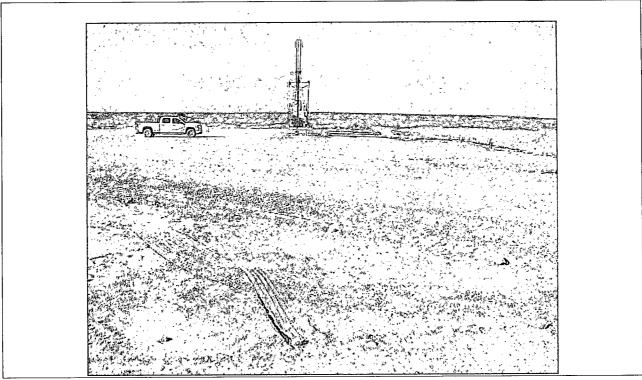


4. View to east of northern portion of excavation.

## **DEVON ENERGY, ORE IDA 14 FEDERAL #12**



5. View to east of southernmost backfilled spill area.



6. View to northeast of northernmost backfilled spill area.

## **C141 DOCUMENTATION**

| District I<br>625 N. French Dr., Hobbs, N<br>District II                |   |   | Sta<br>Energy Min   | te of ]<br>erals a           | New Mexi<br>and Natural   | co<br>Resourc                              | esRE                                | CEIVE  | D Form C-<br>Revised October 10, 2   |
|---|---|---|---|------------------------------|---|--|-------------------------------------|--|--|
| 301 W. Grand Avenue, Arte<br>District III<br>000 Rio Brazos Road, Aztec |   |   | -   |                              | vation Div<br>St. Franci  |  | JU                                  | JN -4 2010   | Submit 2 Copies to appropriation of the second seco |
|   |   |   |   |                              | st. Manch<br>, NM 875   |  | NMO                                 | CD ARTE  |  |
| 30-015-29   | 291   | Rele  | ease Notific  | ation                        | and Co  | rrectiv                                    | e Act                               | ion  |  |
| MLB 10160455  |   |   | 6137  |                              | OPERAT  |  |                                     |  | al Report   Final R  |
| Name of Company D<br>Address 6488 Seve                                  |   | and the second se |   |                              | Contact <b>Je</b><br>Felephone N  |  |                                     |  |  |
| Facility Name Ore I   |   |   |   |                              | Facility Typ  |  |                                     |  |  |
| Surface Owner BC  | -M  |   | Mineral O   | wner                         |   |  |                                     | Lease N  | Jo.  |
|   | (   |   | LOCA  | TION                         | N OF REL  | EASE                                       |                                     |  |  |
| Unit Letter Section 14  | Township<br>24S   | Range<br>29E  |   | North/                       | South Line  | Feet from 2480                             | 1                                   | ast/West Line  | County<br>Eddy   |
|   | ·····   |   | Latitude - <u>N 32</u><br>NATI                                      |                              | OF RELE   | CASE                                       |                                     | 1 37.1   |  |
| Type of Release<br>Produced Water                                       | Volume of <b>15 bbls</b>  | Kelease   |   | Volume I<br>0                | Recovered   |  |                                     |  |  |
| Source of Release Flowline  |   |   |   |                              | Date and Hour of OccurrenceDate and Hour of Discovery05/27/10 - 11:30 am05-27-10 - 11:30 am |  |                                     |  |  |
| Was Immediate Notice G  |   | Yes [   | No 🗌 Not Rec  | quired                       | If YES, To<br>Jim Amo   | Whom?                                      |                                     | 03-27-1  | 0 – 11.50 am   |
| By Whom?<br>Eric Bell, Lease Or   | arator  |   |   |                              | Date and He<br>05-27-10   |  | ,<br>,                              |  | ,,   |
| Was a Watercourse Reac  | hed?  | Yes 🛛   |   |                              |   |  |                                     | Watercourse.   |  |
| If a Watercourse was Imp  |   |   |   |                              |   |  |                                     |  |  |
| observed standing<br>Operator that they (<br>had gang come out          | e Ida 14 #12<br>water. Wen<br>discovered<br>and fix line                | 2 the Lo<br>t to inv<br>the lea   | ease Operator<br>restigate where<br>k and went int                  | e it wa                      | is coming   | from and                                   | l an em                             | nployee from   | a near our poly line; a<br>n B&H informed Leas<br>ing the line. Called a   |
| Describe Area Affected a<br>Took clamp off and                          |   |   |   | and f                        | ertilize affo   | ective ar                                  | a on lo                             | ocation.   |  |
| regulations all operators a<br>public health or the enviro              | tre required to a<br>conment. The a<br>twe failed to ad<br>dition, NMOC | report an<br>cceptance<br>equately<br>D accept  | d/or file certain rel<br>e of a C-141 report<br>investigate and rer | ease no<br>by the<br>nediate | tifications and<br>NMOCD man<br>contaminatio  | d perform c<br>rked as "Fin<br>n that pose | orrective<br>al Repor<br>a threat t | actions for rele<br>rt" does not reli<br>to ground water | uant to NMOCD rules and<br>cases which may endanger<br>eve the operator of liability<br>, surface water, human heal<br>ompliance with any other  |
| Signature: MY   | eol Horn  | ler   | ,   |                              |   |  |                                     | RVATION  | DIVISION   |
|   |   |   |   | A                            | pproved by  | gned By                                    | CONTY/4                             | 1 DRATUL   | x  |
| V.  | Horner  |   |   |                              |   |  | 0 004                               |  |  |
| Printed Name: Myko  | Horner<br>Tech 1  |   |   | A                            | pproval Date  | JUN (                                      | <b>y</b> 201                        | Expiration I   | Date:  |
| Printed Name: Myko  | Tech 1  | vn.con  | 1   |                              | - 1.4.  |  |                                     |  | Date:  |
| Printed Name: Myko  | Tech 1<br>I.horner@d<br>Phone: 57!                                      | 5-748-0   |   | C                            |   | Approval:<br>N per OC                      |                                     | s and  |  |

2RP-417