Gandy Marley, Inc. (CLIENT)

And

CMB Environmental & Geological Services, Inc. (CMB)
Contract No. 2004/12/01

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THIS AGREEMENT is made on the _______ day of _______ day of _______, 2004______, by and between Gandy Marley Inc. (Hereinafter called "CLI-ENT"), and Clayton M. Barnhill, DBA CMB Environmental & Geological Services, Inc. (Hereinafter called "CMB"), a New Mexico Corporation with its principal place of business in Roswell, New Mexico.

WHEREAS CLIENT desires that CMB perform professional services related to conducting a environmental consulting services associated with Gandy Marley Commerical Landfarm located in sections 4, 5, 8, & 9 T.11S. R. 31 E. Chaves Co., New Mexico hereinafter referred to as the "PROJECT," and

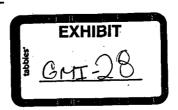
WHEREAS CMB has agreed to perform such services,

NOW, THEREFORE, for and in consideration of the mutual covenants hereinafter contained, subject to the following terms and conditions, and to the attached Additional Conditions of Agreement for Professional Services, CLIENT and CMB do hereby covenant and agree as follows:

PART I - SERVICES

Conduct Environmental Consulting services as described on the attached proposal to CLIENT, and all addenda attached thereto.

PART II - COMPENSATION



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CMB will perform the services for the fee schedules shown on the attached Proposal for Professional Services, and all attachments thereto.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands the day and date first above written.

FOR: CMB ENVIRONMENTAL &

GEOLOGICAL SERVICES, Inc.:

Clayton M. Barnhill

FOR: Gandy Marley Incorporated

Larry Gandy

Between
andy Marley INC. (CLIEN

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1.0 - DESCRIPTION OF SERVICES

1.1 General

1.1.1CMB agrees to professional provide services for the **PROJECT** as more completely described in Agreement the for Professional Services entered into between CMB and CLIENT on this same date, and, as appropriate. anv in Addenda to that Agreement jointly entered into between CMB and CLIENT.

1.1.2Hereinafter. the term "Agreement" shall refer both to the Agreement for Professional Services entered into between CMB and CLIENT on this date, and to any Addenda to that Agreement.

1.2 Pertaining to CMB's Services

1.2.1CMB's investigation performed. shall be within the limits and constraints prescribed by CLIENT, in a manner consistent with that level skill of care and exercised ordinarily under similar circumstances by other professional consultants practicing in this or similar localities. No other representations to CLIENT, expressed or implied, and no warranty or quarantee is included or intended in the Agreement, or in any report, opinion, document, professional advice or otherwise.

1.2.2CMB agrees to maintain insurance for general liability, worker's compensation, and environmental impairment errors and omissions insurance for

services performed by CMB on PROJECT. The foregoing insurance shall cover CMB only.

1.2.3CMB agrees to hold CLIENT harmless from any liens for materials and labor furnished by CMB in connection with CMB's work.

1.2.4CMB reserves the right to enter into subagreements with other professionals for portions of the work included under Agreement. Where such a sub-agreement would represent major a portion of the work, CMB shall receive approval of CLIENT for this sub agreement.

1.2.5All documents including drawings and specifications, furnished by CMB pursuant to the Agreement, are the instruments of CMB's services in respect to the PROJECT. CMB grants

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CLIENT to а nonexclusive license for CLIENT's use of the the documents on PROJECT. They are not intended or represented to be suitable for reuse by CLIENT or others on extensions of the PROJECT or on any other project. Any reuse specific without the written verification adaptation by CMB will be at CLIENT's sole risk and without liability or legal exposure to CMB from all claims. damages, losses and expenses, includina attorneys fees, arising resulting out of or Any such therefrom. verification. adaptation or reuse will entitle CMB to further compensation to be agreed on by CLIENT and CMB.

1.2.6Whenever CLIENT elects to enter into any contract or agreement with any person or entity other than CMB for the

performance of services on the PROJECT, CMB will not be responsible for the acts or omissions of said persons or entity at the site or otherwise performing such services. This includes those parties for whom providing CMB is coordination. Neither CMB's authority to act Contract under the Documents or under the Agreement nor any decision made by CMB in good faith either to exercise or not exercise such authority shall give rise to any duty or responsibility of CMB to the above, or any of their agents, or employees or anv other person performing any services for CLIENT testing or observation of portions of the work of other parties on the PROJECT shall not relieve other from parties their responsibility for performing their work in

with accordance applicable plans, specifications, and safety requirements.

1.2.7CMB has not been retained or compensated to provide design and construction review services relating to safety precautions or to methods. means. techniques, sequences, or procedures, all as may be required for any person or entity other than CMB to perform their work, including but not limited to shoring, scaffolding, underpinning, temporary retainment of excavations. any erection methods or temporary bracing methods, confined space entry. environmental sampling. soil boring, and rock drilling.

1.2.8CMB in no way undertakes to be responsible for any personal injury or property damage

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occurring to any person or entity arising out of construction the or subsequent operation of this PROJECT by any person or entity unless same shall be found to be the result of a design error. In spite of this, if any claims shall brought against CMB of that nature. CLIENT agrees to defend. indemnify and hold harmless CMB from all claims, damages and including expenses attorneys fees arising out of such claim, which damages claim. and expenses are the result or attributable to the acts or omissions in whole or in part of any person or entity other than CMB.

1.2.9Original documents, notes, and the like, except those furnished to CMB by CLIENT, represent CMB's cumulative knowledge and are, and shall remain, the

property of CMB and shall not constitute the work product of the Agreement.

1.2.10 lt is acknowledged hereby that CMB has procured a general liability insurance policy and an environmental impairment errors and omissions insurance policy to protect it from certain claims, as more fully described therein.

CLIENT shall indemnify CMB against and hold CMB harmless from all claims, damages and expenses, including attorney's fees arising out of or resulting from any claim not covered by CMB's general liability insurance policy or by CMB's environmental impairment errors and omissions insurance policy, including such claims, damages and expenses which arise out of the or acts omissions of CMB.

CLIENT shall also indemnify CMB against and hold CMB harmless from all claims, damages and expenses, including attorney's fees which are beyond the liability limits of CMB's general liability insurance policy or of CMB's environmental impairment errors and omissions insurance policy, including such claims, damages and expenses which arise of the acts out or omissions of CMB.

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1.3 Pertaining to CLIENT

1.3.1CLIENT shall CLIENT's provide at expense (unless CMB has specifically included them in the Agreement) and in such a manner that CMB may rely upon them in the performance of CMB's services under Agreement, all the desian. criteria. and construction standards including full information CLIENT's to as requirements the for PROJECT. Such information may include but not be limited to:

1.3.2CLIENT shall designate person a authorized to act as CLIENT's representative. CLIENT CLIENT's or representative shall receive examine and documents submitted by CMB and shall empowered to interpret CLIENT's and define

1.3.1.1

Laboratory tests, soils data, reports and inspections of samples, materials or other items, with appropriate professional interpretations.

1.3.1.2 A complete survey of the PROJECT site which shall include but not be limited to easements, right-of-way, encroachments, zoning and deed restrictions, existing buildings and improvements.

1.3.1.3 Legal, accounting, financial and policies and render decisions and authorizations in writing promptly to prevent unreasonable delay in the progress of CMB's services.

1.3.3CLIENT shall give prompt written notice to CMB whenever CLIENT observes or otherwise becomes aware of any insurance counseling services necessary for the PROJECT including legal review of the Construction Contract Documents.

1.3.1.4 Permits and approvals from any authorities having jurisdiction over the PROJECT.

defect in the PROJECT or other event which may substantially affect CMB's performance of services under the Agreement.

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1.4 Right of Entry

1.4.1 CLIENT will quarantee full and free CMB's for access personnel, and subcontractors and all necessary equipment, to enter upon all property required for the performance of CMB's services under the Agreement.

While CMB will take reasonable precautions to minimize damage to property, it is agreed that in the normal course of work, some damage will occur. CLIENT shall be responsible to repair or correct such damage.

1.5 PROJECT Site

1.5.1In the prosecution of CMB's work, CMB will take reasonable precautions to avoid damage or injury to subterranean structures or utilities.

CLIENT agrees to hold CMB harmless for any damage to subterranean

structures or utilities which are not called to CMB's attention and correctly shown on plans furnished to CMB.

CMB shall backfill all borings or excavations on completion of CMB's work. Settlement of the backfill may occur and CLIENT shall be responsible for filling holes as required. CMB shall not be responsible for any such settlement.

1.5.2CLIENT will make available to CMB all information readily available CLIENT to regarding existing and proposed conditions of the site which will aid CMB in the PROJECT. The information shall include, but not limited to plot plans. topographic surveys, hydrologic data. subterranean structures utilities. and and soil previous data including borings, field or laboratory tests. and

written reports. Owner will immediately transmit CMB any new information. which becomes available or any change in plans. CMB shall not be liable CLIENT for any advice. incorrect iudgment decision or based on any inaccurate information furnished by CLIENT. CLIENT's agents CLIENT's or other consultants, and CLIENT will indemnify against CMB claims. demands or liability to the extent arising out of or contributed to by such information. CMB shall be entitled to rely upon such information all without re-performing of the any environmental/geotechni cal work reflected in any reports. data information so furnished and CLIENT warrants the accuracy and suitability of same.

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1.5.3CLIENT recognizes commonly used that exploration methods such as drilling bore excavating holes and trenches involve inherent risk of injury or damage which cannot be **Exploration** avoided. methods may penetrate through an aquifer of contaminated fluid that result in mav contamination of aroundwater systems While and wells backfilling and grouting are intended to provide seals against ongoing contamination. it recognized that such seals may be imperfect. In recognition of the inherent risks of injury and damage to persons and the environment. CLIENT agrees to hold harmless and indemnify anv CMB for claim whatsoever by CLIENT or third parties arising out of drilling, trenching, related or activities.

including but not limited to attempts to backfill or grout trenches and borings.

1.6 Sample Handling and Retention

1.6.1 Generally, test samples or specimens consumed are or substantially altered during the conduct of tests and CMB, at CMB's discretion sole will dispose (subject to the following) any of remaining residue immediately upon completion of tests.

1.6.1.1 NON-**HAZARDOUS** SAMPLES. At Client's written request. CMB will maintain preservable test samples or the residue there from for 30 days after submission of CMB's report, free of storage charges. After the initial 30 days and written request, upon **CMB** will retain test specimens or samples

for a mutually acceptable storage charge and period of time. Owner agrees that it will not hold CMB responsible or liable for any loss of test specimens or samples retained in storage.

1.6.1.2

HAZARDOUS OR **POTENTIALLY HAZARDOUS** SAMPLES. In the event that samples contain substances constituents hazardous or detrimental to health. safety or the environment as defined by federal, state or local statutes, regulations, or ordinances. CMB will, after completion testing and at CLIENT's expense, return such samples to CLIENT, or, using a manifest signed by CLIENT as generator. CMB will have such samples transported to a location selected by CLIENT for final disposal. CLIENT

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agrees to pay all costs associated with the storage, transport, and disposal of samples. CLIENT recognizes and agrees that CMB is acting as a bailee and at no time assumes title to said waste.

1.7 Hazardous Substances and Constituents

1.7.1CLIENT agrees to CMB. advise upon execution the of of Agreement, anv hazardous substances or any condition existing in, on or near the site presenting a potential danger to human health, environment. the equipment of which CLIENT has knowledge. information. belief. or CLIENT agrees to provide **CMB** to immediately and on a basis continuing any such information subsequently available to CLIENT. CMB does not assume control of or responsibility for the site or the person in charge of the site, or undertake responsibility reporting to any federal, state or local public agencies any conditions at the site that may potential present a danger to public health. safety or the **CLIENT** environment.

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does hereby agree to assume such control and responsibility, and further agrees to notify the appropriate federal, state or local public agencies as required by law or otherwise disclose. in timely а manner, any information that may be necessary to prevent any danger to health, safety or the environment. ln connection with hazardous waste. CLIENT agrees to the maximum extent permitted by law to defend, hold harmless and indemnify CMB from and against any and all 1.7.1.5 CMB's discovery of, or failure to discover. hazardous substances or constituents on, in or under the site.

1.7.2CMB shall have no liability to CLIENT for detecting or failing to detect the presence of hazardous substances

claims and liabilities resulting from:

1.7.1.1 CLIENT's violation of any federal, state or local statute, regulation or ordinance relating to the disposal of hazardous substances or constituents;

1.7.1.2 **CLIENT's** undertaking of or arrangement for the handling, removal. treatment. storage. transportation or disposal of hazardous substances or constituents found or identified at the site.

1.7.1.3 Changed conditions or hazardous or constituents on, in or under the site.

substances or constituents introduced at the site by CLIENT or third persons before, during or after the completion of services herein;

1.7.1.4

Allegations that CMB is a handler, generator, operator, treater or storer, transporter, or disposer under the Resource Conservation Recovery and Act (RCRA) of 1976 as amended, or any other similar Federal, state or local statute, ordinance. regulation or law;

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1.8 Contaminated Equipment

1.8.1Costs related to of decontamination equipment will be charged to CLIENT in those instances where contact by substances encountered at the site requires decontamination efforts beyond that routinely provided by CMB or its subcontractors.

1.9 Unforeseen Occurrences

1.9.1lf. during the performance of services. unforeseen any substances hazardous or constituents or other unforeseen conditions or occurrences are encountered which, in CMB's sole judgment significantly affect may affect the services. the involved risk providing the services or the recommended Scope of Services, CMB will promptly notify CLIENT thereof. Subsequent to that notification, CMB may:

If 1.9.1.1 practicable. in CMB's sole judgment, complete the Agreement's Scope Services of in accordance with the originally procedures intended.

1.9.1.2 Agree with CLIENT to modify the Scope of Services

and the estimate of charges to include study of the previously unforeseen conditions or occurrences, such revision to be in writing and signed by the parties and incorporated herein; or

1.9.1.3

Terminate the services immediately and/or effective on the date specified by CMB in writing.

1.9.2CLIENT recognizes that the state of practice. particularly with respect hazardous to waste conditions, is changing evolving. and example, the technology involved in the detection. and/or removal treatment of hazardous substances is constantly evolving and the interaction of soils and groundwater with hazardous substances is not fully understood at this time. CMB will be required to perform in

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reasonable accordance with the standards set forth in effect at the time its services are performed, but will not be held accountable to standards which later might be modified due to changes in the state of practice.

1.10 Confidentiality

CMB 1.10.1 shall hold confidential all business or technical information obtained CLIENT from or affiliates or generated in performance the of services under the Agreement. CMB shall not disclose such information without CLIENT's consent except to the extent required for (1) performance of services under the Agreement; (2) compliance professional standards conduct of preservation of public safety, health. and welfare; (3) compliance with any court order or governmental other directive; and/or (4) protection of CMB against claims or liabilities arising from performance of services under the Agreement. CMB's obligations hereunder shall not

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apply to information in the public domain or lawfully acquired on a non-confidential basis from others.

1.11 Limitations on Performance

Soil, 1.11.1 water and other geologic conditions can vary significantly between borings, groundwater wells. test pits. and surface outcrops. **CLIENT** recognizes that environmental, geologic geotechnical and conditions can vary from those encountered at the times and locations where data are obtained by CMB, and that the limitation on available data results in some level of uncertainty with respect the to interpretation of these conditions, despite the use of due professional care.

1.11.2

Conditions revealed

by excavation or drilling may be at variance with preliminary findings. If this occurs, the changed conditions will be evaluated by CMB's PROJECT Manager. If necessary, will modify the Scope of Services through an Addendum to the Agreement.

1.11.3 Reports prepared under the Agreement will be prepared under constraints of cost, time, and scope and reflect a limited investigation and analysis rather than a full, total, complete, or extensive investigation and analysis. Such reports become invalid with the passage of time due to changes and conditions in the property which result from natural processes or the works of this man on adiacent properties. Changing standards and expanded knowledge

may also cause reports to become invalid.

1.11.4 The findings of all reports be invalidated may wholly or partially by changes beyond CMB's Reports control. produced under the Agreement shall not be relied upon if there have been any changes in site conditions, regulations, or standards.

1.11.5 lt is recognized that many desired required or results cannot be accomplished in an absolute sense, e.g., the detection and clean-up of all hazardous substances. Whenever a desired or required result cannot be accomplished in an absolute sense. in CMB's sole determination. **CMB** shall use due care in an attempt to accomplish the desired or required result but need nat

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accomplish the result in an absolute sense.

CLIENT 1.11.6 recognizes that installations in connection with hazardous waste sites. sanitary landfill and sites. monitoring projects, and certain remedial action techniques and procedures not may perform in the field as anticipated by CLIENT, even if CMB's services are performed according to the level of care and skill ordinarily exercised by other professional consultants under similar circumstances.

2.0 - COMPENSATION FOR SERVICES

2.1 General

2.1.1CLIENT shall compensate CMB for services rendered under the Agreement. The method of compensation for said services shall be as set forth in the Agreement.

2.1.2Payments Services are due when invoiced, unless another schedule of payments is agreed upon in the Agreement.

2.1.3Where CLIENT disputes some portion of the charges contained in CMB's bill for services. CLIENT shall make payment of that portion of the bill which is undisputed and shall notify CMB in writing of the reason for CLIENT's dispute. In no case may CLIENT elect to withhold payment to CMB of the entire amount due. This would constitute a failure to make payment.

2.1.4If CLIENT fails to make any payment due CMB for services and expenses after receipt of CMB's bill therefor, the amounts due CMB shall include a charge at the rate set forth in the Agreement. In addition, CMB may, after giving ten (10) days written notice to CLIENT. suspend services under Agreement CMB has been paid in full all amounts due CMB under the Agreement.

3.0 **GENERAL PROVISIONS**

3.1 General

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3.1.1The Agreement is the of final result negotiations between CLIENT and CMB and represents the entire and integrated agreement between CLIENT and CMB for the PROJECT and supersedes all prior negotiations. representations or agreements, either written or oral. The Agreement may be amended only by written signed instrument both CLIENT and CMB. 3.1.2Neither party shall hold the other responsible for damages or delay in performance by acts of God, strikes, lockouts, accidents, or other events beyond the control of the other or other's the agents. However, when these delays require additional work to be performed by CMB. CMB shall be additional entitled to compensation at CMB's prevailing "Time and

Materials Rates" or as

otherwise agreed to between CLIENT and CMB.

3.1.3The Agreement may be terminated by either party if the other party substantially fails to fulfill obligations its under the Agreement through no fault of the terminating party. such termination may be effected unless the other party is given not less than ten calendar days written notice of intent to terminate and an opportunity for correcting the default and for consultation with the terminating party before termination. In addition. CLIENT may terminate the Agreement, in whole or in part, for cause (such as for legal financial reasons. major changes in the work or program requirements), and CMB is given not less than ten (10)calendar days written notice and an opportunity for

consultation before If CLIENT termination. terminates as a result of default. CMB's payment due CMB at the time of termination may be adjusted to the extent of any additional cost CLIENT incurs due to CMB's default. If CMB terminates as a result of CLIENT default CLIENT terminates for cause. CMB shall be services paid for performed the to termination date including reimbursable expenses due. Upon receipt of the terminating **CMB** shall action, promptly discontinue all services unless the notice directs otherwise. and upon receipt of final compensation make available to CLIENT all appropriate documents prepared under the Agreement.

3.1.4The parties to this agreement, acknowledging that each has a constitutional and

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statutory right to trial by jury, hereby waive this right in any action or proceeding of any kind or nature in any court to which they may both be parties arising out of the Agreement or the transaction associated Agreement with the regardless of the nature of the causes of action alleged.

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- 3.1.5Unless otherwise specified within the Agreement, the Agreement shall be governed by the laws of the State of Wisconsin.
- 3.1.6In the event any of provisions the Agreement shall be held be invalid and unenforceable. the provisions remaining shall valid be and binding upon the parties. One or more waivers by party either of any provision, term, condition or covenant shall not be construed by the other party as a waiver of a subsequent breach

the same by the other party.

- 3.1.7CLIENT may not assign or transfer CLIENT's duties or interest in the Agreement without CMB's written consent.
- 3.1.8The Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of CLIENT.
- 3.1.9The PROJECT include shall not asbestos sampling and analysis by CMB. asbestos sampling and analysis is required as part of this site CLIENT assessment. shall contract directly with entity an complete the asbestos sampling and analysis.
- 3.1.10 CLIENT shall provide all legal services necessary for the PROJECT including, but not limited to necessary counseling regarding compliance

with federal and state environmental regulations.

3.1.11 CLIENT agrees that any claims made by CLIENT, its heirs. successors, or assignees, other or affected parties which requires or results in the performance of additional site investigation work or remedial work compensated by CMB's errors and omissions or liability professional insurance coverage will completed solely by CMB. or under the direction of CMB, unless CMB declines in writing to perform the services.