District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
June 1, 2004

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

# Pit or Below-Grade Tank Registration or Closure

**Final Report**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒
Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: OGX Resources Telephone: 432-685-1287 e-mail address:
Address: 400 N. Marienfeld Suite 200 Midland, TX 79702
Facility or well name: Second Chance Federal Com #1 API #: 30-015-33852 U/L or Qtr/Qtr P Sec 29 T 24S R 28E
County: Eddy Latitude 32-10-59.40N Longitude 104-06-12.80W NAD: 1927 ☐ 1983 ☐
Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐

| **Pit** | **Below-grade tank** | |
|---|---|---|
| Type: Drilling ☒ Production ☐ Disposal ☐<br>Workover ☐ Emergency ☐<br>Lined ☒ Unlined ☐<br>Liner type: Synthetic ☒ Thickness 12 mil Clay ☐<br>Pit Volume 11000 bbl | Volume: bbl Type of fluid:<br>Construction material:<br>Double-walled, with leak detection? Yes ☐ If not, explain why not. | |
| Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) | Less than 50 feet<br>50 feet or more, but less than 100 feet<br>100 feet or more | (20 points)<br>(10 points) XXX<br>( 0 points) |
| Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.) | Yes<br>No | (20 points)<br>( 0 points) XXX |
| Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.) | Less than 200 feet<br>200 feet or more, but less than 1000 feet<br>1000 feet or more | (20 points)<br>(10 points)<br>( 0 points) XXX |
| | **Ranking Score (Total Points)** | **10 Points** |

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

Additional Comments: A burial pit was constructed and lined with a 12mil impervious liner. The drilling pit contents were mixed with dry soil to stiffen the mud and Placed in the burial pit. After all mixed contents were placed in the burial pit, the contents were capped with a 20 mil impervious liner with a minimum of 3 ft. overlap on all sides and a minimum of 3 ft. below ground level. 5 bottom samples were taken after mud was removed and NMOCD Standards were met. The drilling pit and Burial pit were backfilled with clean native soil and contoured to the surrounding area.

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

Date:
Printed Name/Title Frank M. Hyde Jr - Member Signature

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

Approval:
Printed Name/Title Signature Accepted for record NMOCD Date: JUL 13 2007

Closure Data Attached

5

OGX Resources LLC
P.O. Box 2064 • Midland, TX 79702 • (432) 685-1287 Fax (432) 685-1320

JUN 20 2007
OCD-Artesia

June 19, 2007

New Mexico Oil Conservation Division
1301 West Grand Avenue
Artesia, New Mexico 88210

Attn: Mr. Mike Bratcher

RE: Drilling Pit Closure for OGX Resources LLC
High Brass Fee #1
Second Chance Federal #1 — 30-015-33852
Eddy County, New Mexico

Dear Mr. Bratcher:

Enclosed you will find drilling pit closure information on the above mentioned wells.

If you have any questions, please call me at the above number.

Sincerely,

Frank M. Agar, Jr.

FMA/sb

Enclosure

# *Elke Environmental, Inc.*

P.O. Box 14167 Odessa, TX 79768
Phone (432) 366-0043 Fax (432) 366-0884


JUN 20 2007

OCD-ARTESIA

June 18, 2007

New Mexico Oil Conservation Division
Mr. Mike Bratcher
1301 West Grand Ave.
Artesia, New Mexico 88210

Re: Drilling Pit Closure of OGX Resources – Second Chance Fed Com #1
UL 'P' Sec. 29 T24S R28E [redacted] County
API # 30-015-33852 Eddy

Mr. Mike Bratcher,

Elke Environmental was contracted by OGX Resources to complete the closure of the Second Chance Federal Com #1 drilling pit. As per the C-144 filed and signed by Mike Bratcher on 4-12-07 a burial pit was constructed and lined with 12 mil liner then the drilling mud was mixed with dry soil to stiffen then placed in the burial pit. The burial pit was capped with a 20 mil liner and backfilled with clean native soil. 5 bottom points were analyzed with all points achieving NMOCD standards. Lab samples were taken for confirmation. The drilling pit was backfilled with clean native soil and contoured to the surrounding area. If you have any questions about the enclosed report please contact me at the office.

Sincerely,

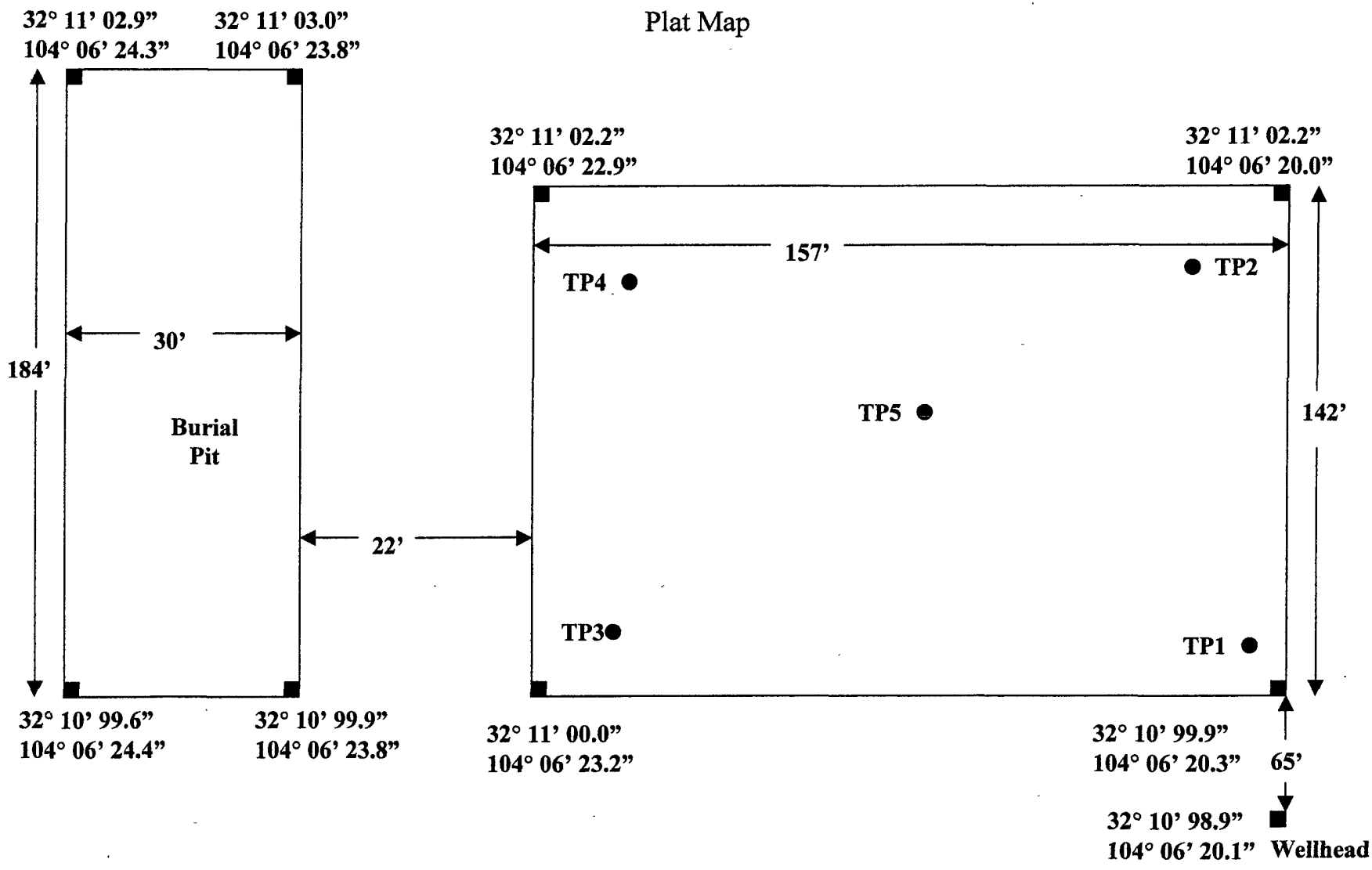
Logan Anderson

# OGX Resources

Second Chance Federal #1

N

Plat Map



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

# Field Analytical Report Form

**Client** OGX Resources **Analyst** Robert Spangler

**Site** Second Chance Federal #1

| Sample ID | Date | Depth | TPH / PPM | Cl / PPM | PID / PPM | GPS |
|---|---|---|---|---|---|---|
| TP1 | 6-11-07 | 4' | | 243 | 4.1 | 32° 10' 99.8" N<br>104° 06' 20.3" W |
| TP2 | 6-11-07 | 4' | | 236 | 7.9 | 32° 11' 01.5" N<br>104° 06' 20.5" W |
| TP3 | 6-11-07 | 4' | | 1,042 | 9.3 | 32° 11' 00.4" N<br>104° 06' 22.9" W |
| TP4 | 6-11-07 | 4' | | 439 | 5.1 | 32° 11' 01.4" N<br>104° 06' 23.2" W |
| TP5 | 6-11-07 | 4' | | 737 | 4.7 | 32° 11' 00.7" N<br>104° 06' 22.8" W |
| Background | 6-11-07 | | | 1,203 | | |
| | | | | | | |
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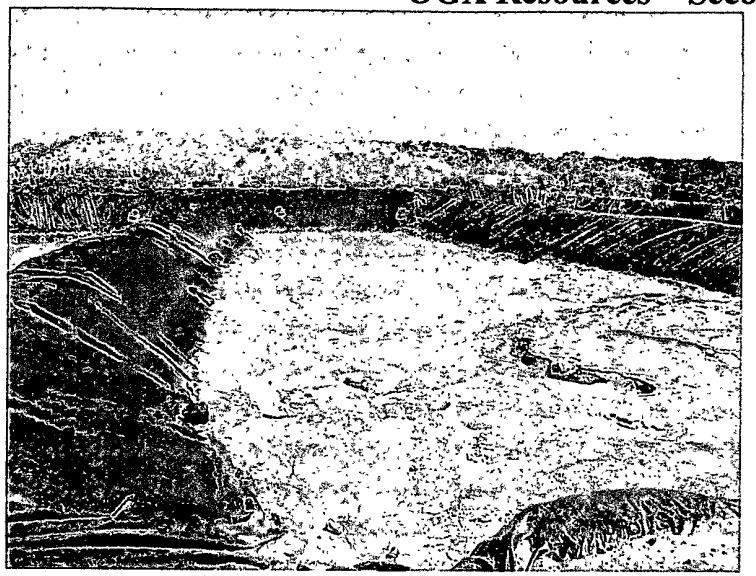
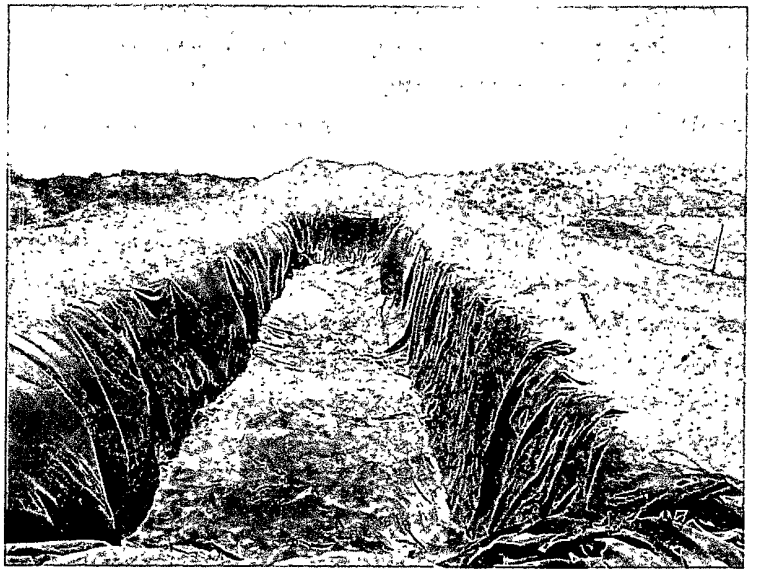
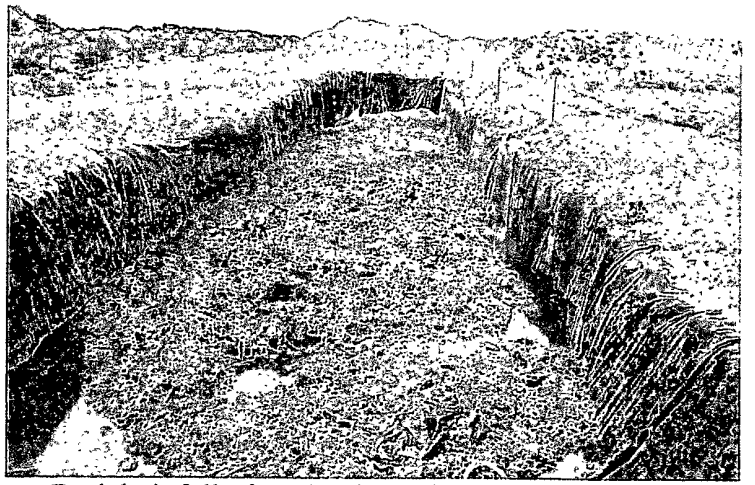
**OGX Resources – Second Chance Federal Com #1**



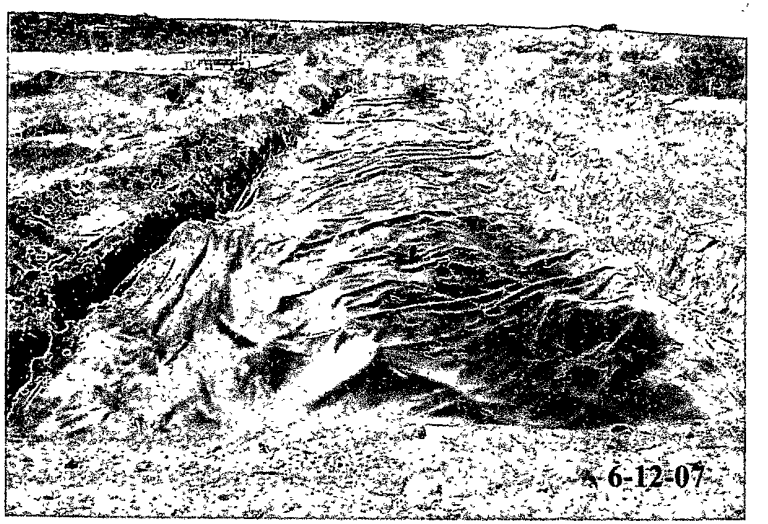
Drilling pit before closure.



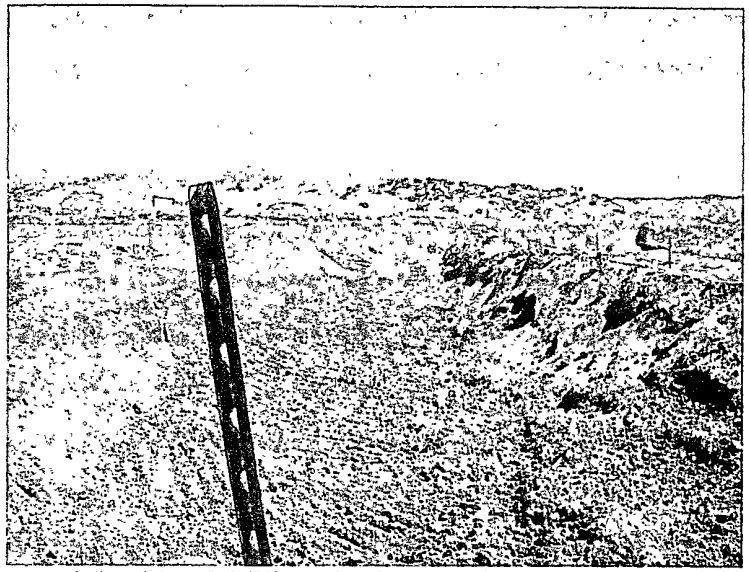
Burial pit after lining with a 12 mil impervious liner.



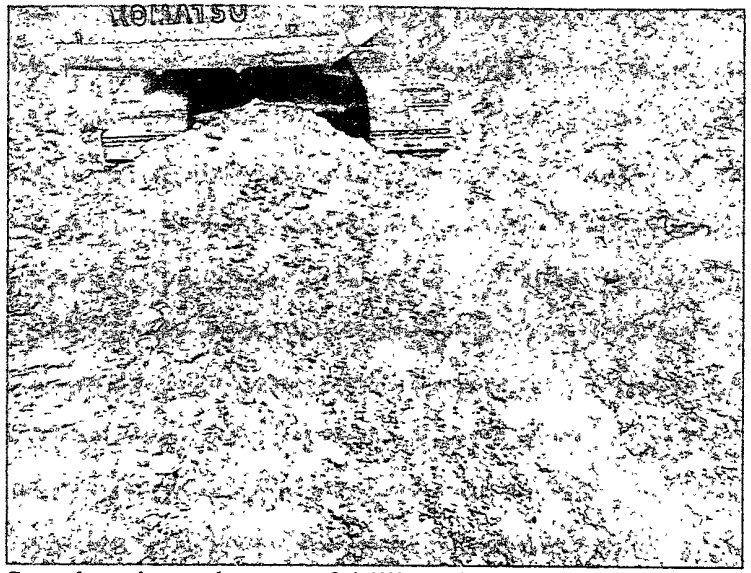
Burial pit full of mud before rainwater is removed.



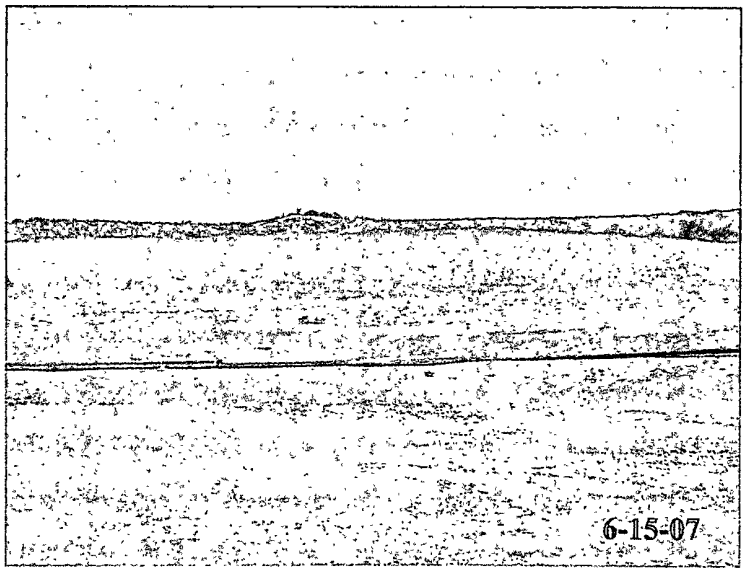

Burial pit after 20 mil impervious cap.



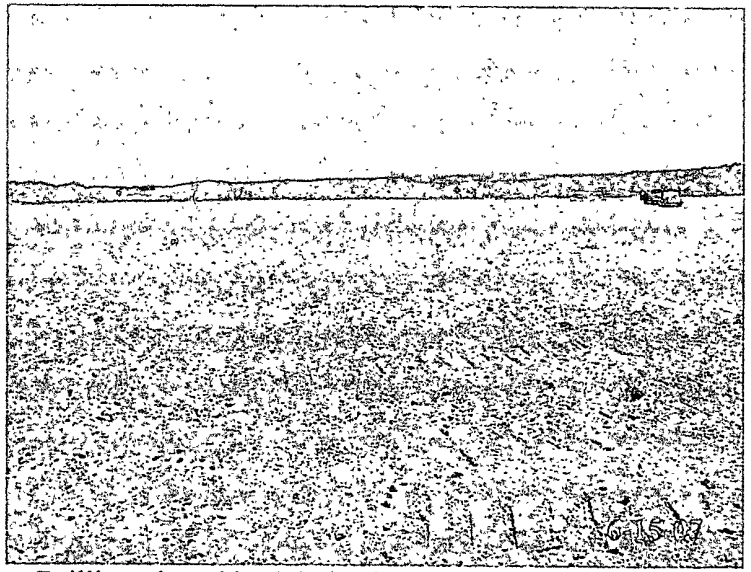
Right side of drilling pit after mud is removed.



Sample point on bottom of drilling pit after mud is removed.




Drilling pit and burial pit after backfill and contouring.




Drilling pit and burial pit after backfill and contouring.

ENVIRONMENTAL LAB OF

12600 West I-20 East - Odessa, Texas 79765

A Xenco Laboratories Company

# Analytical Report

**Prepared for:**

Robert Spangler

Elke Environmental

P.O. Box 14167

Odessa, TX 79768

Project: OGX Resources

Project Number: Second Chance Fed # 1

Location: None Given

Lab Order Number: 7F13006

Report Date: 06/15/07

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

Project: OGX Resources
Project Number: Second Chance Fed # 1
Project Manager: Robert Spangler

Fax: (432) 366-0884

## ANALYTICAL REPORT FOR SAMPLES

| Sample ID | Laboratory ID | Matrix | Date Sampled | Date Received |
|---|---|---|---|---|
| TP1 @ 4' | 7F13006-01 | Soil | 06/11/07 12:30 | 06-13-2007 10:25 |
| TP2 @ 4' | 7F13006-02 | Soil | 06/11/07 13:00 | 06-13-2007 10:25 |
| TP3 @ 4' | 7F13006-03 | Soil | 06/11/07 13:45 | 06-13-2007 10:25 |
| TP4 @ 4' | 7F13006-04 | Soil | 06/11/07 14:15 | 06-13-2007 10:25 |
| TP5 @ 4' | 7F13006-05 | Soil | 06/11/07 14:45 | 06-13-2007 10:25 |

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## Organics by GC

## Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|---|---|---|---|---|---|---|---|---|---|
| **TP1 @ 4' (7F13006-01) Soil** | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EF71305 | 06/13/07 | 06/14/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| *Surrogate: 1-Chlorooctane* | | *92.8 %* | *70-130* | | " | " | " | " | |
| *Surrogate: 1-Chlorooctadecane* | | *100 %* | *70-130* | | " | " | " | " | |
| **TP2 @ 4' (7F13006-02) Soil** | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EF71305 | 06/13/07 | 06/15/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| *Surrogate: 1-Chlorooctane* | | *95.0 %* | *70-130* | | " | " | " | " | |
| *Surrogate: 1-Chlorooctadecane* | | *110 %* | *70-130* | | " | " | " | " | |
| **TP3 @ 4' (7F13006-03) Soil** | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EF71305 | 06/13/07 | 06/14/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| *Surrogate: 1-Chlorooctane* | | *72.2 %* | *70-130* | | " | " | " | " | |
| *Surrogate: 1-Chlorooctadecane* | | *79.4 %* | *70-130* | | " | " | " | " | |
| **TP4 @ 4' (7F13006-04) Soil** | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EF71305 | 06/13/07 | 06/14/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| *Surrogate: 1-Chlorooctane* | | *87.4 %* | *70-130* | | " | " | " | " | |
| *Surrogate: 1-Chlorooctadecane* | | *95.6 %* | *70-130* | | " | " | " | " | |

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

Project: OGX Resources
Project Number: Second Chance Fed # 1
Project Manager: Robert Spangler

Fax: (432) 366-0884

## Organics by GC

## Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|---|---|---|---|---|---|---|---|---|---|
| **TP5 @ 4' (7F13006-05) Soil** | | | | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EF71305 | 06/13/07 | 06/14/07 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| *Surrogate: 1-Chlorooctane* | | *89.6 %* | *70-130* | | " | " | " | " | |
| *Surrogate: 1-Chlorooctadecane* | | *97.6 %* | *70-130* | | " | " | " | " | |







12600 West I-20 East - Odessa, Texas 79705 - (432) 563-1800 - Fax (432) 563-1713

| | | |
|---|---|---|
| Elke Environmental | Project: OGX Resources | Fax: (432) 366-0884 |
| P.O. Box 14167 | Project Number: Second Chance Fed # 1 | |
| Odessa TX, 79768 | Project Manager: Robert Spangler | |

## General Chemistry Parameters by EPA / Standard Methods

## Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Dilution | Batch | Prepared | Analyzed | Method | Notes |
|---|---|---|---|---|---|---|---|---|---|
| **TP1 @ 4' (7F13006-01) Soil** | | | | | | | | | |
| **Chloride** | **137** | 25.0 | mg/kg | 50 | EF71501 | 06/15/07 | 06/15/07 | EPA 300.0 | |
| **% Moisture** | **6.8** | 0.1 | % | 1 | EF71409 | 06/13/07 | 06/13/07 | % calculation | |
| **TP2 @ 4' (7F13006-02) Soil** | | | | | | | | | |
| **Chloride** | **162** | 10.0 | mg/kg | 20 | EF71501 | 06/15/07 | 06/15/07 | EPA 300.0 | |
| **% Moisture** | **1.7** | 0.1 | % | 1 | EF71409 | 06/13/07 | 06/13/07 | % calculation | |
| **TP3 @ 4' (7F13006-03) Soil** | | | | | | | | | |
| **Chloride** | **632** | 10.0 | mg/kg | 20 | EF71501 | 06/15/07 | 06/15/07 | EPA 300.0 | |
| **% Moisture** | **4.8** | 0.1 | % | 1 | EF71409 | 06/13/07 | 06/13/07 | % calculation | |
| **TP4 @ 4' (7F13006-04) Soil** | | | | | | | | | |
| **Chloride** | **252** | 10.0 | mg/kg | 20 | EF71501 | 06/15/07 | 06/15/07 | EPA 300.0 | |
| **% Moisture** | **1.9** | 0.1 | % | 1 | EF71409 | 06/13/07 | 06/13/07 | % calculation | |
| **TP5 @ 4' (7F13006-05) Soil** | | | | | | | | | |
| **Chloride** | **592** | 25 0 | mg/kg | 50 | EF71501 | 06/15/07 | 06/15/07 | EPA 300.0 | |
| **% Moisture** | **7.5** | 0.1 | % | 1 | EF71409 | 06/13/07 | 06/13/07 | % calculation | |

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

Project: OGX Resources
Project Number: Second Chance Fed # 1
Project Manager: Robert Spangler

Fax: (432) 366-0884

## Organics by GC - Quality Control

## Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Spike Level | Source Result | %REC | %REC Limits | RPD | RPD Limit | Notes |
|---|---|---|---|---|---|---|---|---|---|---|
| **Batch EF71305 - Solvent Extraction (GC)** | | | | | | | | | | |
| **Blank (EF71305-BLK1)** | | | | Prepared: 06/13/07 Analyzed: 06/14/07 | | | | | | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg wet | | | | | | | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | | | | | | | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | | | | | | | |
| Total Hydrocarbons | ND | 10.0 | " | | | | | | | |
| *Surrogate: 1-Chlorooctane* | *39.1* | | *mg/kg* | *50.0* | | *78.2* | *70-130* | | | |
| *Surrogate: 1-Chlorooctadecane* | *41.4* | | " | *50.0* | | *82.8* | *70-130* | | | |
| **LCS (EF71305-BS1)** | | | | Prepared: 06/13/07 Analyzed: 06/14/07 | | | | | | |
| Carbon Ranges C6-C12 | 492 | 10.0 | mg/kg wet | 500 | | 98.4 | 75-125 | | | |
| Carbon Ranges C12-C28 | 424 | 10.0 | " | 500 | | 84.8 | 75-125 | | | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | 0.00 | | | 75-125 | | | |
| Total Hydrocarbons | 916 | 10.0 | " | 1000 | | 91.6 | 75-125 | | | |
| *Surrogate: 1-Chlorooctane* | *45.0* | | *mg/kg* | *50.0* | | *90.0* | *70-130* | | | |
| *Surrogate: 1-Chlorooctadecane* | *44.4* | | " | *50.0* | | *88.8* | *70-130* | | | |
| **Calibration Check (EF71305-CCV1)** | | | | Prepared: 06/13/07 Analyzed: 06/15/07 | | | | | | |
| Carbon Ranges C6-C12 | 211 | | mg/kg | 250 | | 84.4 | 80-120 | | | |
| Carbon Ranges C12-C28 | 282 | | " | 250 | | 113 | 80-120 | | | |
| Total Hydrocarbons | 492 | | " | 500 | | 98.4 | 80-120 | | | |
| *Surrogate: 1-Chlorooctane* | *44.8* | | " | *50.0* | | *89.6* | *70-130* | | | |
| *Surrogate. 1-Chlorooctadecane* | *47.4* | | " | *50.0* | | *94.8* | *70-130* | | | |
| **Matrix Spike (EF71305-MS1)** | **Source: 7F13006-01** | | | Prepared: 06/13/07 Analyzed: 06/15/07 | | | | | | |
| Carbon Ranges C6-C12 | 526 | 10.0 | mg/kg dry | 536 | ND | 98.1 | 75-125 | | | |
| Carbon Ranges C12-C28 | 480 | 10.0 | " | 536 | ND | 89.6 | 75-125 | | | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | 0.00 | ND | | 75-125 | | | |
| Total Hydrocarbons | 1010 | 10.0 | " | 1070 | ND | 94.4 | 75-125 | | | |
| *Surrogate: 1-Chlorooctane* | *47.9* | | *mg/kg* | *50.0* | | *95.8* | *70-130* | | | |
| *Surrogate: 1-Chlorooctadecane* | *43.8* | | " | *50.0* | | *87.6* | *70-130* | | | |

## Organics by GC - Quality Control

## Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Spike Level | Source Result | %REC | %REC Limits | RPD | RPD Limit | Notes |
|---|---|---|---|---|---|---|---|---|---|---|
| **Batch EF71305 - Solvent Extraction (GC)** | | | | | | | | | | |
| **Matrix Spike Dup (EF71305-MSD1)** | **Source: 7F13006-01** | | | Prepared: 06/13/07 Analyzed: 06/15/07 | | | | | | |
| Carbon Ranges C6-C12 | 515 | 10.0 | mg/kg dry | 536 | ND | 96.1 | 75-125 | 2.06 | 20 | |
| Carbon Ranges C12-C28 | 440 | 10.0 | " | 536 | ND | 82.1 | 75-125 | 8.74 | 20 | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | 0.00 | ND | | 75-125 | | 20 | |
| Total Hydrocarbons | 955 | 10.0 | " | 1070 | ND | 89.3 | 75-125 | 5.55 | 20 | |
| *Surrogate: 1-Chlorooctane* | *46.1* | | *mg/kg* | *50.0* | | *92.2* | *70-130* | | | |
| *Surrogate: 1-Chlorooctadecane* | *41.4* | | *"* | *50.0* | | *82.8* | *70-130* | | | |

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

Project: OGX Resources
Project Number: Second Chance Fed # 1
Project Manager: Robert Spangler

Fax: (432) 366-0884

## General Chemistry Parameters by EPA / Standard Methods - Quality Control

## Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Spike Level | Source Result | %REC | %REC Limits | RPD | RPD Limit | Notes |
|---|---|---|---|---|---|---|---|---|---|---|
| **Batch EF71409 - General Preparation (Prep)** | | | | | | | | | | |
| **Blank (EF71409-BLK1)** | | | | Prepared & Analyzed: 06/13/07 | | | | | | |
| % Solids | 100 | | % | | | | | | | |
| **Duplicate (EF71409-DUP1)** | | Source: 7F12006-01 | | Prepared & Analyzed: 06/13/07 | | | | | | |
| % Solids | 86.1 | | % | | 85.9 | | | 0.233 | 20 | |
| **Duplicate (EF71409-DUP2)** | | Source: 7F12010-02 | | Prepared & Analyzed: 06/13/07 | | | | | | |
| % Solids | 84.2 | | % | | 84.2 | | | 0.00 | 20 | |
| **Duplicate (EF71409-DUP3)** | | Source: 7F13008-02 | | Prepared & Analyzed: 06/13/07 | | | | | | |
| % Solids | 99.2 | | % | | 99.3 | | | 0.101 | 20 | |
| **Duplicate (EF71409-DUP4)** | | Source: 7F13022-01 | | Prepared & Analyzed: 06/13/07 | | | | | | |
| % Solids | 77.5 | | % | | 81.6 | | | 5.15 | 20 | |
| **Batch EF71501 - General Preparation (WetChem)** | | | | | | | | | | |
| **Blank (EF71501-BLK1)** | | | | Prepared & Analyzed: 06/15/07 | | | | | | |
| Chloride | ND | 0.500 | mg/kg | | | | | | | |
| **LCS (EF71501-BS1)** | | | | Prepared & Analyzed: 06/15/07 | | | | | | |
| Chloride | 9.47 | 0.500 | mg/kg | 10.0 | | 94.7 | 80-120 | | | |
| **Calibration Check (EF71501-CCV1)** | | | | Prepared & Analyzed: 06/15/07 | | | | | | |
| Chloride | 8.61 | | mg/kg | 10.0 | | 86.1 | 80-120 | | | |
| **Duplicate (EF71501-DUP1)** | | Source: 7F13022-08 | | Prepared & Analyzed: 06/15/07 | | | | | | |
| Chloride | 6.01 | 5.00 | mg/kg | | 6.77 | | | 11.9 | 20 | |







12600 West I-20 East - Odessa, Texas 79705 - (432) 563-1800 - Fax (432) 563-1713

| | | |
|---|---|---|
| Elke Environmental | Project: OGX Resources | Fax: (432) 366-0884 |
| P.O. Box 14167 | Project Number: Second Chance Fed # 1 | |
| Odessa TX, 79768 | Project Manager: Robert Spangler | |

## General Chemistry Parameters by EPA / Standard Methods - Quality Control

## Environmental Lab of Texas

| Analyte | Result | Reporting Limit | Units | Spike Level | Source Result | %REC | %REC Limits | RPD | RPD Limit | Notes |
|---|---|---|---|---|---|---|---|---|---|---|
| **Batch EF71501 - General Preparation (WetChem)** | | | | | | | | | | |
| **Duplicate (EF71501-DUP2)** | **Source: 7F13006-02** | | | Prepared & Analyzed: 06/15/07 | | | | | | |
| Chloride | 154 | 10.0 | mg/kg | | 162 | | | 5.06 | 20 | |
| **Matrix Spike (EF71501-MS1)** | **Source: 7F13022-08** | | | Prepared & Analyzed: 06/15/07 | | | | | | |
| Chloride | 102 | 5.00 | mg/kg | 100 | 6.77 | 95.2 | 80-120 | | | |
| **Matrix Spike (EF71501-MS2)** | **Source: 7F13006-02** | | | Prepared & Analyzed: 06/15/07 | | | | | | |
| Chloride | 352 | 10.0 | mg/kg | 200 | 162 | 95.0 | 80-120 | | | |







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| | | |
|---|---|---|
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| P.O. Box 14167 | Project Number: Second Chance Fed # 1 | |
| Odessa TX, 79768 | Project Manager: Robert Spangler | |

**Notes and Definitions**

| | |
|---|---|
| DET | Analyte DETECTED |
| ND | Analyte NOT DETECTED at or above the reporting limit |
| NR | Not Reported |
| dry | Sample results reported on a dry weight basis |
| RPD | Relative Percent Difference |
| LCS | Laboratory Control Spike |
| MS | Matrix Spike |
| Dup | Duplicate |

Report Approved By: _____ Date: 6/15/2007

Brent Barron, Laboratory Director/Corp. Technical Director
Celey D. Keene, Org. Tech Director
Raland K. Tuttle, Laboratory Consultant

James Mathis, QA/QC Officer
Jeanne Mc Murrey, Inorg. Tech Director

# Environmental Lab of Texas

**CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST**

12600 West I-20 East
Odessa, Texas 79765
Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Robert Spangler
Company Name: Elke Environmental, Inc.
Company Address: 4817 Andrews Hwy
City/State/Zip: Odessa, TX 79762
Telephone No: 432-366-0043 Fax No: 432-366-0884
Sampler Signature: Robert Spangler e-mail: elkeenv@yahoo.com

Project Name: OGX Resources
Project #: Second Chance Fed #1
Project Loc:
PO #:
Report Format: ☑ Standard ☐ TRRP ☐ NPDES

(lab use only)
ORDER #: 7F13006

| LAB # (lab use only) | FIELD CODE | Beginning Depth | Ending Depth | Date Sampled | Time Sampled | No. of Containers | Preservation & # of Containers: Ice | HNO3 | HCl | H2SO4 | NaOH | Na2S2O3 | None | Other (Specify) | Matrix: DW=Drinking Water SL=Sludge | GW=Groundwater S=Soil/Solid | NP=Non-Potable Specify Other | Analyze For: TCLP: TPH 418.1 (8015B) | TOTAL: TPH 418.1 (8015B) | 1005 | 1006 | Cations (Ca, Mg, Na, K) | Anions (Cl, SO4, CO3, HCO3) | SAR / ESP / CEC | Metals: As Ag Ba Cd Cr Pb Hg Se | Volatiles | Semivolatiles | BTEX 8021B/5030 or BTEX 8260 | RCI | N.O.R.M. | RUSH TAT (Pre-Schedule) 24, 48, 72 hrs | Standard TAT |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 284180 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 01 | TP1@4' | | 4' | 6-11-07 | 12:30pm | 1 | 1 | | | | | | | | S | | | 1 | | | | 1 | | | | | | | | | | + |
| 02 | TP2@4' | | 4' | 6-11-07 | 1:00pm | 1 | 1 | | | | | | | | S | | | 1 | | | | 1 | | | | | | | | | 1 | + |
| 03 | TP3@4' | | 4' | 6-11-07 | 1:45 pm | 1 | 1 | | | | | | | | S | | | 1 | | | | 1 | | | | | | | | | 1 | + |
| 04 | TP4@4' | | 4' | 6-11-07 | 2:15pm | 1 | 1 | | | | | | | | S | | | 1 | | | | 1 | | | | | | | | | 1 | + |
| 05 | TP5@4' | | 4' | 6-11-07 | 2:45pm | 1 | 1 | | | | | | | | S | | | 1 | | | | 1 | | | | | | | | | 1 | + |

RS RS RS RS RS

Special Instructions: Email Results to Elkeenv@Yahoo.com

| Relinquished by: | Date | Time | Received by: | Date | Time |
|---|---|---|---|---|---|
| Relinquished by: | Date | Time | Received by: | Date | Time |
| Relinquished by: Robert Spangler | Date 6-13-07 | Time 10:25 | Received by ELOT: Andrea Law | Date 6-13-07 | Time 10:25 |

Laboratory Comments:
Sample Containers Intact? Y N
VOCs Free of Headspace? Y N
Custody seals on container(s) Y N
Custody seals on cooler(s) Y N
Sample Hand Delivered Y N
by Sampler/Client Rep. ? Y N
by Courier? UPS DHL FedEx Lone Star
4 oz glass
Temperature Upon Receipt -11.0 °C

# Environmental Lab of Texas

## Variance/ Corrective Action Report- Sample Log-In

Client: Elke Env.

Date/ Time: 6·13·07 10:15

Lab ID #: 7F13006

Initials: CL

### Sample Receipt Checklist

| | | | | | Client Initials |
|---|---|---|---|---|---|
| #1 | Temperature of container/ cooler? | Yes | No | -11.0 °C | |
| #2 | Shipping container in good condition? | Yes | No | | |
| #3 | Custody Seals intact on shipping container/ cooler? | Yes | No | Not Present | |
| #4 | Custody Seals intact on sample bottles/ container? | Yes | No | Not Present | |
| #5 | Chain of Custody present? | Yes | No | | |
| #6 | Sample instructions complete of Chain of Custody? | Yes | No | | |
| #7 | Chain of Custody signed when relinquished/ received? | Yes | No | | |
| #8 | Chain of Custody agrees with sample label(s)? | Yes | No | ID written on Cont./ Lid | |
| #9 | Container label(s) legible and intact? | Yes | No | Not Applicable | |
| #10 | Sample matrix/ properties agree with Chain of Custody? | Yes | No | | |
| #11 | Containers supplied by ELOT? | Yes | No | | |
| #12 | Samples in proper container/ bottle? | Yes | No | See Below | |
| #13 | Samples properly preserved? | Yes | No | See Below | |
| #14 | Sample bottles intact? | Yes | No | | |
| #15 | Preservations documented on Chain of Custody? | Yes | No | | |
| #16 | Containers documented on Chain of Custody? | Yes | No | | |
| #17 | Sufficient sample amount for indicated test(s)? | Yes | No | See Below | |
| #18 | All samples received within sufficient hold time? | Yes | No | See Below | |
| #19 | Subcontract of sample(s)? | Yes | No | Not Applicable | |
| #20 | VOC samples have zero headspace? | Yes | No | Not Applicable | |

### Variance Documentation

Contact: _____ Contacted by: _____ Date/ Time: _____

Regarding: _____

Corrective Action Taken: _____

Check all that Apply:

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
[illegible]0 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-144
June 1, 2004

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

Month - Year
APR 12 2007
OCD - ARTESIA, NM

# Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒
Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: OGX Resources Telephone: 432-685-1287 e-mail address: _____
Address: 400 N. Marienfeld Suite 200 Midland, TX 79702
Facility or well name: Second Chance Federal Com #1 API #: 30-015-33852 U/L or Qtr/Qtr P Sec 29 T 24S R 28E
County: Eddy Latitude 32-10-59.40N Longitude 104-06-12.80W NAD: 1927 ☐ 1983 ☐
Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐

| **Pit** | **Below-grade tank** | |
|---|---|---|
| Type: Drilling ☒ Production ☐ Disposal ☐<br>Workover ☐ Emergency ☐<br>Lined ☒ Unlined ☐<br>Liner type: Synthetic ☒ Thickness 12 mil Clay ☐<br>Pit Volume 11000 bbl | Volume: _____bbl Type of fluid: _____<br>Construction material: _____<br>Double-walled, with leak detection? Yes ☐ If not, explain why not. | |
| Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) | Less than 50 feet<br>50 feet or more, but less than 100 feet<br>100 feet or more | (20 points)<br>(10 points) XXX<br>( 0 points) |
| Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.) | Yes<br>No | (20 points)<br>( 0 points) XXX |
| [illegible]tance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.) | Less than 200 feet<br>200 feet or more, but less than 1000 feet<br>1000 feet or more | (20 points)<br>(10 points)<br>( 0 points) XXX |
| | **Ranking Score (Total Points)** | **10 Points** |

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

Additional Comments: A burial pit will be constructed and lined with a 12mil impervious liner. The drilling pit contents will be mixed dry soil to stiffen the mud and Placed in the burial pit. After all mixed contents are placed in the burial pit, the contents will be covered with a 20 mil impervious liner with a minimum of 3 ft. overlap on all sides and a minimum of 3 ft. below ground level. The burial pit will then be covered with clean native soil and doomed to prevent pooling.
5 bottom sample points will be taken after the pit contents are removed and a final report will be given at the end of the job.
NMOCD Artesia will be notified 48 hrs before work starts.

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

Date: 4-11-07
Printed Name/Title Logan Anderson / Agent Signature _____

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

Approval:
Printed Name/Title _____ Signature Mike Bratcher Date: 4/12/07

Samples are to be obtained from pit area and analysis submitted to NMOCD prior to back-filling