NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

November 6, 2006

Chris Smith csmith@trilogyoperatiog.com
Trilogy Operating, Inc.
PO Box 7606
Midland, TX 79708

Re: Drill Pit Closure Report – Natalie Federal #1
Site Location: UL-K Sec 7– T19S - R39E
Report Received: October 14, 2006

Dear Mr. Smith,

The New Mexico Oil Conservation Division (OCD) reviewed the above referenced closure report. This report was submitted for Trilogy Operating, Inc. (TOI) by your agent, Elke Environmental, Inc. (ECI). Based on information provided, the site requires no further action at this time.

Please be advised that OCD approval does not relieve TOI of responsibility should operations result in pollution of surface water, ground water, or the environment. In addition, OCD approval does not relieve OCI of responsibility for compliance with any federal, state or local laws and/or regulations.
If you have any questions or need assistance please call me at (505) 393-6161, x111 or e-mail larry.Johnson@state.nm.us

Sincerely,

Larry Johnson - Environmental Engineer

CC: Wayne Price - Environmental Bureau Chief
Chris Williams - District I Supervisor
Patricia Caperton- District 1 Environmental Tech

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

Closure Report for Trilogy Operating Natalie Federal #001 Drilling Pit

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

Elke Environmental, Inc.
4817 Andrews Hwy. Pho. 432-366-0043 Mail: P. O. Box 14167
Odessa, Tx. 79762 Fax: 432-366-0884 Odessa, Tx. 79768

July 27, 2006

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

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

Dear Mr. Johnson,

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

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

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

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

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

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

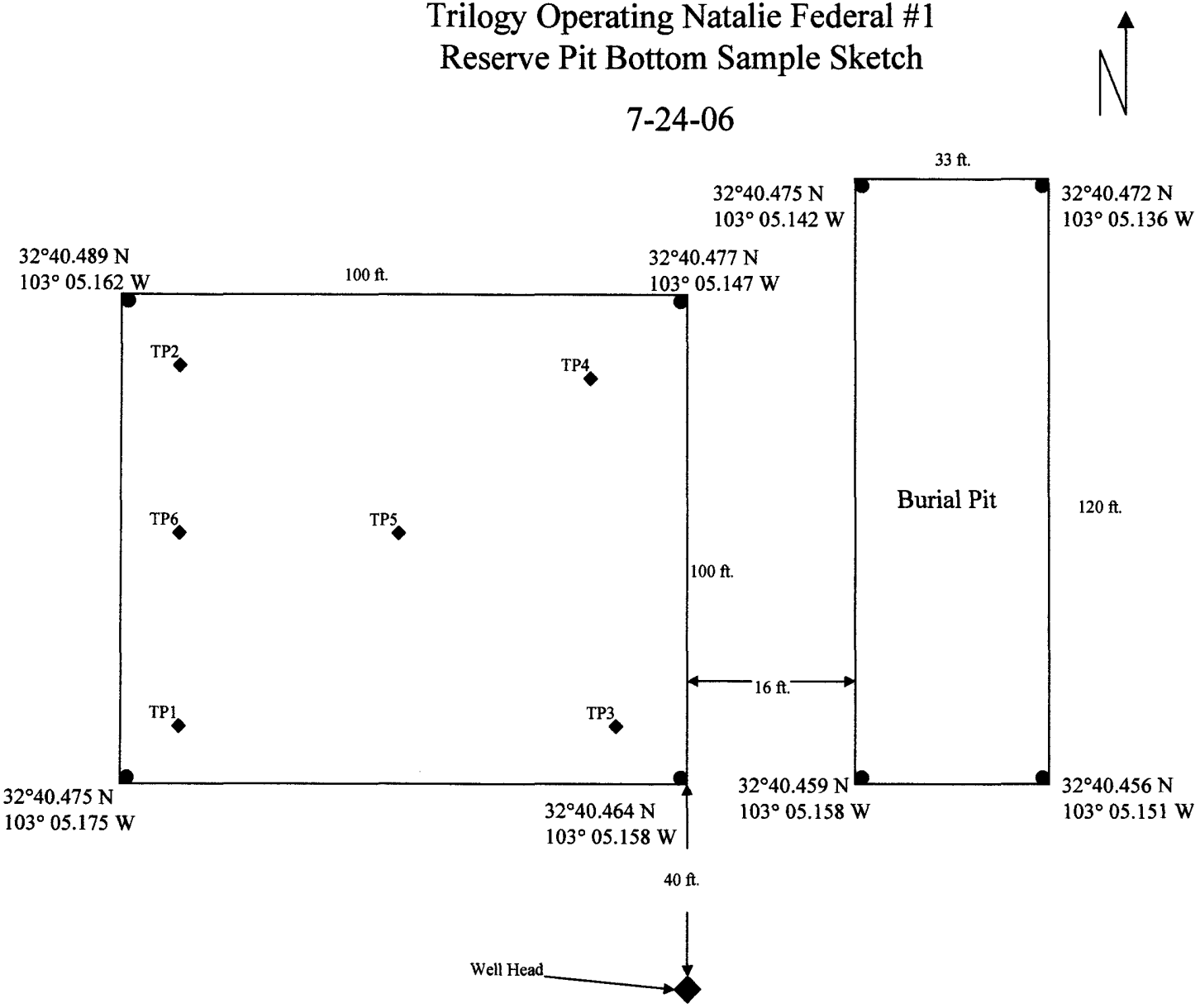
Sincerely,

C. H. Kerby

C. H. Kerby - Elke Environmental, Inc.

Trilogy Operating Natalie Federal #1
Reserve Pit Bottom Sample Sketch

7-24-06



Trilogy Natalie Federal #001 Sample Table

For Closure Report Dated 8-08-06

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

ENVIRONMENTAL LAB OF

12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Robert Spangler

Elke Environmental

P.O. Box 14167

Odessa, TX 79768

Project: Trilogy

Project Number: None Given

Location: Natalie Fed. #1

Lab Order Number: 6H17001

Report Date: 08/21/06

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

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

Fax: (432) 366-0884

ANALYTICAL REPORT FOR SAMPLES

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

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

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

Fax: (432) 366-0884

Organics by GC

Environmental Lab of Texas

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

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

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

Fax: (432) 366-0884

Organics by GC

Environmental Lab of Texas

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

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

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

Fax: (432) 366-0884

General Chemistry Parameters by EPA / Standard Methods

Environmental Lab of Texas

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

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

Project: Trilogy
Project Number: None Given
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 EH61706 - Solvent Extraction (GC)										
Blank (EH61706-BLK1)				Prepared & Analyzed: 08/17/06						
Carbon Ranges C6-C12	ND	10.0	mg/kg wet							
Carbon Ranges C12-C28	ND	10.0	"							
Carbon Ranges C28-C35	ND	10.0	"							
Total Hydrocarbons	ND	10.0	"							
Surrogate: 1-Chlorooctane	*50.2*		*mg/kg*	*50.0*		*100*	*70-130*			
Surrogate: 1-Chlorooctadecane	*47.3*		*"*	*50.0*		*94.6*	*70-130*			
LCS (EH61706-BS1)				Prepared & Analyzed: 08/17/06						
Carbon Ranges C6-C12	481	10.0	mg/kg wet	500		96.2	75-125			
Carbon Ranges C12-C28	418	10.0	"	500		83.6	75-125			
Carbon Ranges C28-C35	ND	10.0	"	0.00			75-125			
Total Hydrocarbons	899	10.0	"	1000		89.9	75-125			
Surrogate: 1-Chlorooctane	*57.1*		*mg/kg*	*50.0*		*114*	*70-130*			
Surrogate: 1-Chlorooctadecane	*49.0*		*"*	*50.0*		*98.0*	*70-130*			
Calibration Check (EH61706-CCV1)				Prepared & Analyzed: 08/17/06						
Carbon Ranges C6-C12	281		mg/kg	250		112	80-120			
Carbon Ranges C12-C28	292		"	250		117	80-120			
Total Hydrocarbons	573		"	500		115	80-120			
Surrogate: 1-Chlorooctane	*61.5*		*"*	*50.0*		*123*	*70-130*			
Surrogate: 1-Chlorooctadecane	*57.0*		*"*	*50.0*		*114*	*70-130*			
Matrix Spike (EH61706-MS1)	**Source: 6H17002-03**			Prepared & Analyzed: 08/17/06						
Carbon Ranges C6-C12	558	10.0	mg/kg dry	572	ND	97.6	75-125			
Carbon Ranges C12-C28	476	10.0	"	572	ND	83.2	75-125			
Carbon Ranges C28-C35	ND	10.0	"	0.00	ND		75-125			
Total Hydrocarbons	1030	10.0	"	1140	ND	90.4	75-125			
Surrogate: 1-Chlorooctane	*56.5*		*mg/kg*	*50.0*		*113*	*70-130*			
Surrogate: 1-Chlorooctadecane	*49.5*		*"*	*50.0*		*99.0*	*70-130*			

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

Project: Trilogy
Project Number: None Given
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 EH61706 - Solvent Extraction (GC)										
Matrix Spike Dup (EH61706-MSD1)	**Source: 6H17002-03**			Prepared & Analyzed: 08/17/06						
Carbon Ranges C6-C12	558	10.0	mg/kg dry	572	ND	97.6	75-125	0.00	20	
Carbon Ranges C12-C28	470	10.0	"	572	ND	82.2	75-125	1.27	20	
Carbon Ranges C28-C35	ND	10.0	"	0.00	ND		75-125		20	
Total Hydrocarbons	1030	10.0	"	1140	ND	90.4	75-125	0.00	20	
Surrogate: 1-Chlorooctane	*56.6*		*mg/kg*	*50.0*		*113*	*70-130*			
Surrogate: 1-Chlorooctadecane	*47.8*		*"*	*50.0*		*95.6*	*70-130*			
Batch EH61717 - EPA 5030C (GC)										
Blank (EH61717-BLK1)				Prepared: 08/17/06 Analyzed: 08/18/06						
Benzene	ND	0.0250	mg/kg wet							
Toluene	ND	0.0250	"							
Ethylbenzene	ND	0.0250	"							
Xylene (p/m)	ND	0.0250	"							
Xylene (o)	ND	0.0250	"							
Surrogate: a,a,a-Trifluorotoluene	*35.5*		*ug/kg*	*40.0*		*88.8*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*33.1*		*"*	*40.0*		*82.8*	*80-120*			
LCS (EH61717-BS1)				Prepared & Analyzed: 08/17/06						
Benzene	1.12	0.0250	mg/kg wet	1.25		89.6	80-120			
Toluene	1.28	0.0250	"	1.25		102	80-120			
Ethylbenzene	1.30	0.0250	"	1.25		104	80-120			
Xylene (p/m)	2.92	0.0250	"	2.50		117	80-120			
Xylene (o)	1.42	0.0250	"	1.25		114	80-120			
Surrogate: a,a,a-Trifluorotoluene	*38.7*		*ug/kg*	*40.0*		*96.8*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*42.3*		*"*	*40.0*		*106*	*80-120*			

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

Project: Trilogy
Project Number: None Given
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 EH61717 - EPA 5030C (GC)										
Calibration Check (EH61717-CCV1)				Prepared & Analyzed: 08/17/06						
Benzene	53.6		ug/kg	50.0		107	80-120			
Toluene	54.5		"	50.0		109	80-120			
Ethylbenzene	53.6		"	50.0		107	80-120			
Xylene (p/m)	107		"	100		107	80-120			
Xylene (o)	53.0		"	50.0		106	80-120			
Surrogate: a,a,a-Trifluorotoluene	*41.5*		"	*40.0*		*104*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*41.4*		"	*40.0*		*104*	*80-120*			
Matrix Spike (EH61717-MS1)	**Source: 6H17002-05**			Prepared & Analyzed: 08/17/06						
Benzene	1.25	0.0250	mg/kg dry	1.40	ND	89.3	80-120			
Toluene	1.41	0.0250	"	1.40	ND	101	80-120			
Ethylbenzene	1.29	0.0250	"	1.40	ND	92.1	80-120			
Xylene (p/m)	2.97	0.0250	"	2.81	ND	106	80-120			
Xylene (o)	1.40	0.0250	"	1.40	ND	100	80-120			
Surrogate: a,a,a-Trifluorotoluene	*41.3*		*ug/kg*	*40.0*		*103*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*46.0*		"	*40.0*		*115*	*80-120*			
Matrix Spike Dup (EH61717-MSD1)	**Source: 6H17002-05**			Prepared & Analyzed: 08/17/06						
Benzene	1.42	0.0250	mg/kg dry	1.40	ND	101	80-120	12.3	20	
Toluene	1.60	0.0250	"	1.40	ND	114	80-120	12.1	20	
Ethylbenzene	1.50	0.0250	"	1.40	ND	107	80-120	15.0	20	
Xylene (p/m)	3.36	0.0250	"	2.81	ND	120	80-120	12.4	20	
Xylene (o)	1.62	0.0250	"	1.40	ND	116	80-120	14.8	20	
Surrogate: a,a,a-Trifluorotoluene	*41.2*		*ug/kg*	*40.0*		*103*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*44.4*		"	*40.0*		*111*	*80-120*			

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

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

Fax: (432) 366-0884

General Chemistry Parameters by EPA / Standard Methods - Quality Control

Environmental Lab of Texas

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

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

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

Fax: (432) 366-0884

Notes and Definitions

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

Report Approved By: Raland K Tuttle Date: 8/21/2006

Raland K. Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer
Jeanne Mc Murrey, Inorg. Tech Director
LaTasha Cornish, Chemist
Sandra Sanchez, Lab Tech.

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

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: Trilogy
Project #:
Project Loc: Natalie Fed. # 1
PO #:
Report Format: ☑ Standard ☐ TRRP ☐ NPDES

(lab use only) ORDER #: 6H1400

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: 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 or 8260 or BTEX 8260	RCI	N.O.R.M.	RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	TP1 @ 40' BGS		40'	8-7-06	6pm	1	1								S	✓		✓					✓				✓
02	TP2 @ 30' BGS		30'	8-7-06	4:30 PM	1	1								S	✓		✓					✓				✓
03	TP3 @ 14' BGS		14'	8-7-06	9:00 AM	1	1								S	✓		✓					✓				✓
04	TP4 @ 11' BGS		11'	8-7-06	7:45 AM	1	1								S	✓		✓					✓				✓
05	TP5 @ 12' BGS		12'	8-7-06	11:20 AM	1	1								S	✓		✓					✓				✓

Special Instructions:
Please Email Results to Elkeenv@Yahoo.Com

Relinquished by:	Date	Time	Received by:	Date	Time
Robert Spangler	08-17-06				
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by:	Date	Time	Received by ELOT: Jeanne McMurray	Date: 08-17-06	Time: 1105

Laboratory Comments:
Sample Containers intact? N
VOCs Free of Headspace? N
Custody seals on container(s) N
Custody seals on cooler(s) N
Sample Hand Delivered by Sample/Client Rep. ? Y N
by Courier? UPS DHL FedEx Lone Star

Temperature Upon Receipt: 12.0 °C w/labels

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Elke Environmental

Date/ Time: 08-17-06 @ 1105

Lab ID #: 606117001

Initials: JMM

Sample Receipt Checklist

				Client Initials
1 Temperature of container/ cooler?	Yes	No	12.0 °C	RS
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	RS*
14 Sample bottles intact?	Yes	No		
15 Preservations documented on Chain of Custody?	Yes	No	No Ice in cooler	
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 VOC samples have zero headspace?	Yes	No	Not Applicable	

Variance Documentation

Contact: Robert Spangler Date/Time Contacted by: 08-17-06 @ 1105 Contacted by; Date/Time: Jeanne McMu

Regarding: Sample temp 12°C

Corrective Action Taken:

Check all that Apply:

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

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
[redacted] 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

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

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

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

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite X ☐ 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 X ☐ Yes ☐ If yes, show depth below ground surface____ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

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

Groundwater depth is 120 ft. per landowner Gary Schubert. Beginning date: approx. 7-10-06 Completion date:

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

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

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

Approval:

Printed Name/Title Signature Date:

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
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

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

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

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

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite X ☐ 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 X ☐ Yes ☐ If yes, show depth below ground surface____ft. and attach sample results.
(5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments: Drilling Pit Closure Report – See Attached

I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines X ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.**
Date: 8-8-06
Printed Name/Title C. H. Kerby - Elke Environmental, Inc.-Agent Signature

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

Approval:
Printed Name/Title Signature Date: