

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

January 11, 2007

OK - CW

Mr. Chris Williams
New Mexico Oil Conservation Division
1625 N. French Dr.
Hobbs, New Mexico 88240

SUBJECT: Closure Report for Apache Corporation – Grizzell #13 Reserve Pit
API # 30-025-37323 U/L O Sec. 8 T 22S R37E Lea County, NM

Dear Mr. Williams,

Enclosed is a copy of the initial form C-144 closure plan along with a drawing of the site indicating reserve and burial pit locations and field sample information. Also included are confirming laboratory samples and photos indicating varying stages of the pit closure.

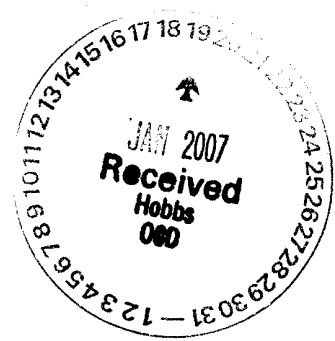
The revised closure method is the result of a conversation between you and Robert Spangler with Elke on December 14, 2006.

As indicated by field and laboratory sample results, 2 of the 5 test points show a decline below 250 ppm in chloride content while points #2, #3 and #5 were showing sharp declines well above groundwater. As agreed, the reserve pit berm was used to backfill to 4 ft. bgs, covered with a 20 mil impervious liner, then backfilled with clean soil and domed to prevent pooling as described in the initial C-144 closure plan. The reserve pit contents were mixed and placed in burial pit as indicated by the drawing. The burial pit was capped with a 20 mil impervious liner.

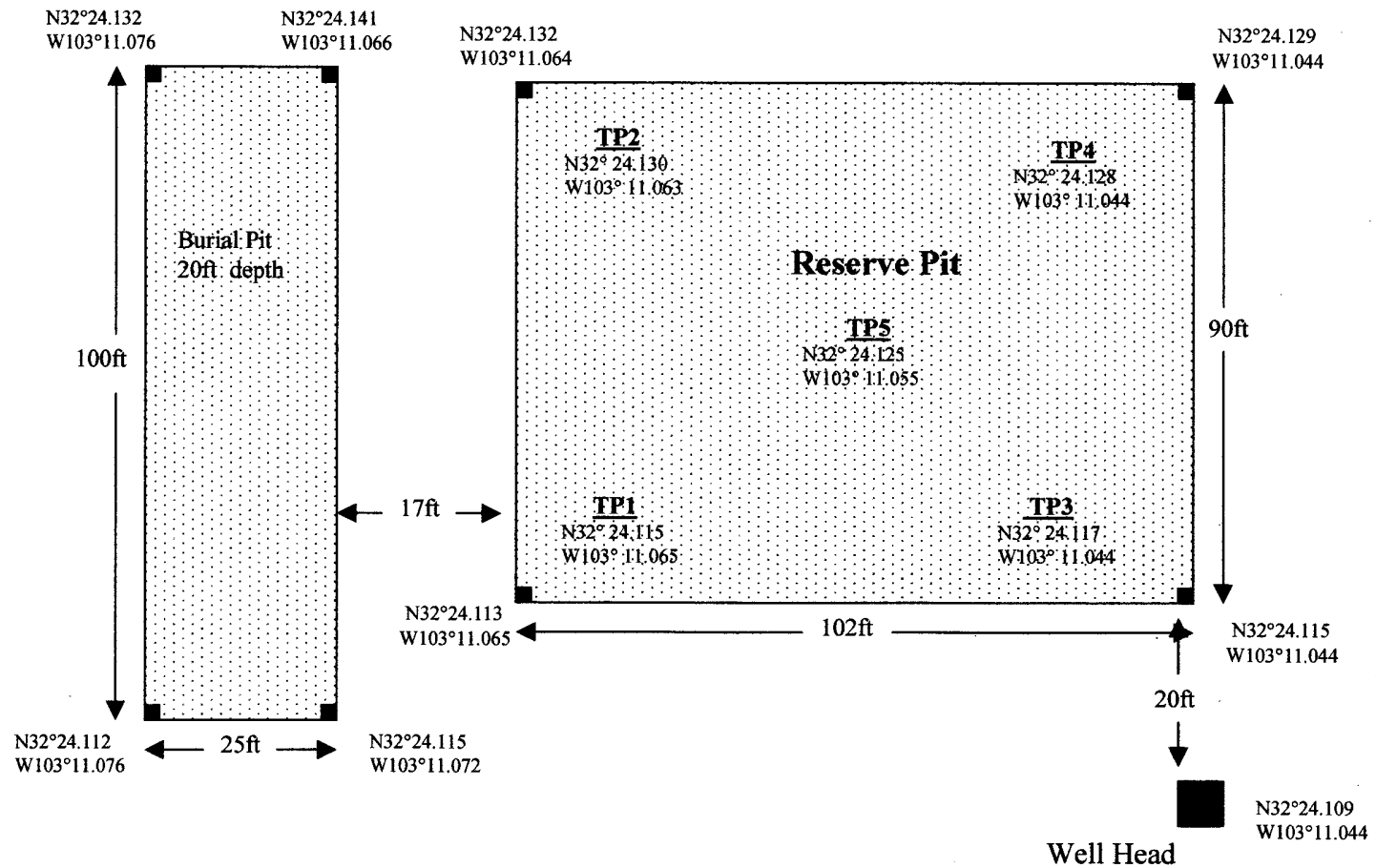
Any questions or concerns may be addressed to Robert Spangler at 432-638-4220 or Logan Anderson at 432-664-1269.

Sincerely,

Hamp Kerby
Hamp Kerby – Elke Environmental, Inc.



Apache Corp. - Grizzell #3 Reserve Pit
Diagram and Sample Points 12-13-06



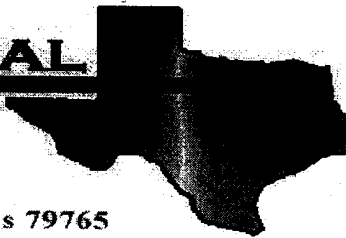
**Apache - Grizzell #13
Reserve Pit Field Sample Chart**

| Sample ID | Sample Date | Depth | Cl ppm | GPS |
|-----------|-------------|-------|--------|------------------|
| TP1 | 12/11/2006 | 4 ft | 297 | See Attached Map |
| | 12/11/2006 | 6 ft | 153 | |
| TP2 | 12/11/2006 | 4 ft | 3707 | See Attached Map |
| | 12/11/2006 | 6 ft | 261 | |
| | 12/11/2006 | 8 ft | 148 | |
| TP3 | 12/11/2006 | 4 ft | 1565 | See Attached Map |
| | 12/11/2006 | 6 ft | 261 | |
| | 12/11/2006 | 8 ft | 434 | |
| | 12/11/2006 | 10 ft | 145 | |
| | 12/11/2006 | 12 ft | 120 | |
| TP4 | 12/11/2006 | 4 ft | 607 | See Attached Map |
| | 12/11/2006 | 6 ft | 178 | |
| TP5 | 12/11/2006 | 4 ft | 730 | See Attached Map |
| | 12/11/2006 | 6 ft | 839 | |
| | 12/11/2006 | 8 ft | 815 | |
| | 12/11/2006 | 10 ft | 1019 | |
| | 12/11/2006 | 12 ft | 384 | |
| | 12/11/2006 | 14 ft | 120 | |

**Apache - Grizzell #13
Reserve Pit Lab Sample Chart**

[illegible]

E NVIRONMENTAL 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: Apache
Project Number: Grizzell #13
Location: None Given

Lab Order Number: 6L12002

Report Date: 12/20/06

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

Project: Apache
Project Number: Grizzell #13
Project Manager: Robert Spangler

Fax: (432) 366-0884

ANALYTICAL REPORT FOR SAMPLES

| Sample ID | Laboratory ID | Matrix | Date Sampled | Date Received |
|-----------|---------------|--------|----------------|------------------|
| TP1@ 2' | 6L12002-01 | Soil | 12/11/06 08:50 | 12-12-2006 08:15 |
| TP2@ 4' | 6L12002-02 | Soil | 12/11/06 09:30 | 12-12-2006 08:15 |
| TP3@ 8' | 6L12002-03 | Soil | 12/11/06 09:50 | 12-12-2006 08:15 |
| TP4@ 2' | 6L12002-04 | Soil | 12/11/06 10:20 | 12-12-2006 08:15 |
| TP5@ 12' | 6L12002-05 | Soil | 12/11/06 11:30 | 12-12-2006 08:15 |

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Project: Apache
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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@ 2' (6L12002-01) Soil | | | | | | | | | |
| Benzene | ND | 0.0250 | mg/kg dry | 25 | EL61903 | 12/19/06 | 12/19/06 | 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 | | 112 % | 80-120 | | " | " | " | " | |
| Surrogate: 4-Bromofluorobenzene | | 99.0 % | 80-120 | | " | " | " | " | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EL61216 | 12/12/06 | 12/12/06 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 93.4 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 85.2 % | 70-130 | | " | " | " | " | |
| TP2@ 4' (6L12002-02) Soil | | | | | | | | | |
| Benzene | ND | 0.0250 | mg/kg dry | 25 | EL61903 | 12/19/06 | 12/19/06 | 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 | | 120 % | 80-120 | | " | " | " | " | |
| Surrogate: 4-Bromofluorobenzene | | 83.2 % | 80-120 | | " | " | " | " | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EL61216 | 12/12/06 | 12/13/06 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 88.4 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 77.8 % | 70-130 | | " | " | " | " | |

Environmental Lab of Texas

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

Project: Apache
Project Number: Grizzell #13
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@ 8' (6L12002-03) Soil | | | | | | | | | |
| Benzene | ND | 0.0250 | mg/kg dry | 25 | EL61903 | 12/19/06 | 12/19/06 | 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 | | 106 % | 80-120 | | " | " | " | " | |
| Surrogate: 4-Bromofluorobenzene | | 95.2 % | 80-120 | | " | " | " | " | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EL61216 | 12/12/06 | 12/13/06 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 100 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 87.8 % | 70-130 | | " | " | " | " | |
| TP4@ 2' (6L12002-04) Soil | | | | | | | | | |
| Benzene | ND | 0.0250 | mg/kg dry | 25 | EL61903 | 12/19/06 | 12/19/06 | 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 | | 105 % | 80-120 | | " | " | " | " | |
| Surrogate: 4-Bromofluorobenzene | | 105 % | 80-120 | | " | " | " | " | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EL61216 | 12/12/06 | 12/13/06 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 99.0 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 85.8 % | 70-130 | | " | " | " | " | |

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

Project: Apache
Project Number: Grizzell #13
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@ 12' (6L12002-05) Soil | | | | | | | | | |
| Benzene | ND | 0.0250 | mg/kg dry | 25 | EL61903 | 12/19/06 | 12/19/06 | 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 | | 94.5 % | 80-120 | | " | " | " | " | |
| Carbon Ranges C6-C12 | ND | 10.0 | mg/kg dry | 1 | EL61216 | 12/12/06 | 12/13/06 | EPA 8015M | |
| Carbon Ranges C12-C28 | ND | 10.0 | " | " | " | " | " | " | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | " | " | " | " | " | |
| Total Hydrocarbons | ND | 10.0 | " | " | " | " | " | " | |
| Surrogate: 1-Chlorooctane | | 89.4 % | 70-130 | | " | " | " | " | |
| Surrogate: 1-Chlorooctadecane | | 77.2 % | 70-130 | | " | " | " | " | |

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Project: Apache
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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@ 2' (6L12002-01) Soil | | | | | | | | | |
| Chloride | ND | 20.0 | mg/kg Wet | 2 | EL61302 | 12/12/06 | 12/13/06 | SW 846 9253 | |
| % Moisture | 8.8 | 0.1 | % | 1 | EL61303 | 12/12/06 | 12/13/06 | % calculation | |
| TP2@ 4' (6L12002-02) Soil | | | | | | | | | |
| Chloride | ND | 20.0 | mg/kg Wet | 2 | EL61302 | 12/12/06 | 12/13/06 | SW 846 9253 | |
| % Moisture | 7.2 | 0.1 | % | 1 | EL61303 | 12/12/06 | 12/13/06 | % calculation | |
| TP3@ 8' (6L12002-03) Soil | | | | | | | | | |
| Chloride | 340 | 20.0 | mg/kg Wet | 2 | EL61302 | 12/12/06 | 12/13/06 | SW 846 9253 | |
| % Moisture | 11.4 | 0.1 | % | 1 | EL61303 | 12/12/06 | 12/13/06 | % calculation | |
| TP4@ 2' (6L12002-04) Soil | | | | | | | | | |
| Chloride | ND | 20.0 | mg/kg Wet | 2 | EL61302 | 12/12/06 | 12/13/06 | SW 846 9253 | |
| % Moisture | 3.6 | 0.1 | % | 1 | EL61303 | 12/12/06 | 12/13/06 | % calculation | |
| TP5@ 12' (6L12002-05) Soil | | | | | | | | | |
| Chloride | 42.5 | 20.0 | mg/kg Wet | 2 | EL61302 | 12/12/06 | 12/13/06 | SW 846 9253 | |
| % Moisture | 10.1 | 0.1 | % | 1 | EL61303 | 12/12/06 | 12/13/06 | % calculation | |

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P.O. Box 14167
Odessa TX, 79768

Project: Apache
Project Number: Grizzell #13
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 EL61216 - Solvent Extraction (GC)

Blank (EL61216-BLK1)

Prepared & Analyzed: 12/12/06

| | | | | | | | | | | |
|-------------------------------|------|------|-----------|------|--|------|--------|--|--|--|
| 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 | 49.1 | | mg/kg | 50.0 | | 98.2 | 70-130 | | | |
| Surrogate: 1-Chlorooctadecane | 47.5 | | " | 50.0 | | 95.0 | 70-130 | | | |

LCS (EL61216-BS1)

Prepared & Analyzed: 12/12/06

| | | | | | | | | | | |
|-------------------------------|------|------|-----------|------|--|------|--------|--|--|--|
| Carbon Ranges C6-C12 | 571 | 10.0 | mg/kg wet | 500 | | 114 | 75-125 | | | |
| Carbon Ranges C12-C28 | 539 | 10.0 | " | 500 | | 108 | 75-125 | | | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | 0.00 | | | 75-125 | | | |
| Total Hydrocarbons | 1110 | 10.0 | " | 1000 | | 111 | 75-125 | | | |
| Surrogate: 1-Chlorooctane | 75.6 | | mg/kg | 100 | | 75.6 | 70-130 | | | |
| Surrogate: 1-Chlorooctadecane | 70.5 | | " | 100 | | 70.5 | 70-130 | | | |

Calibration Check (EL61216-CCV1)

Prepared: 12/12/06 Analyzed: 12/13/06

| | | | | | | | | | | |
|-------------------------------|------|--|-------|------|--|------|--------|--|--|--|
| Carbon Ranges C6-C12 | 227 | | mg/kg | 250 | | 90.8 | 80-120 | | | |
| Carbon Ranges C12-C28 | 239 | | " | 250 | | 95.6 | 80-120 | | | |
| Total Hydrocarbons | 467 | | " | 500 | | 93.4 | 80-120 | | | |
| Surrogate: 1-Chlorooctane | 55.4 | | " | 50.0 | | 111 | 70-130 | | | |
| Surrogate: 1-Chlorooctadecane | 48.8 | | " | 50.0 | | 97.6 | 70-130 | | | |

Matrix Spike (EL61216-MS1)

Source: 6L12002-01

Prepared: 12/12/06 Analyzed: 12/13/06

| | | | | | | | | | | |
|-------------------------------|------|------|-----------|------|----|------|--------|--|--|--|
| Carbon Ranges C6-C12 | 472 | 10.0 | mg/kg dry | 548 | ND | 86.1 | 75-125 | | | |
| Carbon Ranges C12-C28 | 430 | 10.0 | " | 548 | ND | 78.5 | 75-125 | | | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | 0.00 | ND | | 75-125 | | | |
| Total Hydrocarbons | 902 | 10.0 | " | 1100 | ND | 82.0 | 75-125 | | | |
| Surrogate: 1-Chlorooctane | 49.0 | | mg/kg | 50.0 | | 98.0 | 70-130 | | | |
| Surrogate: 1-Chlorooctadecane | 40.1 | | " | 50.0 | | 80.2 | 70-130 | | | |

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Odessa TX, 79768

Project: Apache
Project Number: Grizzell #13
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 EL61216 - Solvent Extraction (GC)

| Matrix Spike Dup (EL61216-MSD1) | | Source: 6L12002-01 | | Prepared: 12/12/06 | | Analyzed: 12/13/06 | | | | |
|---------------------------------|------|--------------------|-----------|--------------------|----|--------------------|--------|-------|----|--|
| Carbon Ranges C6-C12 | 473 | 10.0 | mg/kg dry | 548 | ND | 86.3 | 75-125 | 0.232 | 20 | |
| Carbon Ranges C12-C28 | 432 | 10.0 | " | 548 | ND | 78.8 | 75-125 | 0.381 | 20 | |
| Carbon Ranges C28-C35 | ND | 10.0 | " | 0.00 | ND | | 75-125 | | 20 | |
| Total Hydrocarbons | 905 | 10.0 | " | 1100 | ND | 82.3 | 75-125 | 0.365 | 20 | |
| Surrogate: 1-Chlorooctane | 48.5 | | mg/kg | 50.0 | | 97.0 | 70-130 | | | |
| Surrogate: 1-Chlorooctadecane | 40.0 | | " | 50.0 | | 80.0 | 70-130 | | | |

Batch EL61903 - EPA 5030C (GC)

| Blank (EL61903-BLK1) | | Prepared & Analyzed: 12/19/06 | | | | | | | | |
|-----------------------------------|------|-------------------------------|-----------|------|--|-----|--------|--|--|--|
| 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 | 41.4 | | ug/kg | 40.0 | | 104 | 80-120 | | | |
| Surrogate: 4-Bromofluorobenzene | 41.6 | | " | 40.0 | | 104 | 80-120 | | | |

| BS (EL61903-BS1) | | Prepared & Analyzed: 12/19/06 | | | | | | | | |
|-----------------------------------|------|-------------------------------|-----------|------|--|------|--------|--|--|--|
| Benzene | 1.41 | 0.0250 | mg/kg wet | 1.25 | | 113 | 80-120 | | | |
| Toluene | 1.37 | 0.0250 | " | 1.25 | | 110 | 80-120 | | | |
| Ethylbenzene | 1.31 | 0.0250 | " | 1.25 | | 105 | 80-120 | | | |
| Xylene (p/m) | 2.50 | 0.0250 | " | 2.50 | | 100 | 80-120 | | | |
| Xylene (o) | 1.18 | 0.0250 | " | 1.25 | | 94.4 | 80-120 | | | |
| Surrogate: a,a,a-Trifluorotoluene | 47.8 | | ug/kg | 40.0 | | 120 | 80-120 | | | |
| Surrogate: 4-Bromofluorobenzene | 40.8 | | " | 40.0 | | 102 | 80-120 | | | |

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P.O. Box 14167
Odessa TX, 79768

Project: Apache
Project Number: Grizzell #13
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 EL61903 - EPA 5030C (GC)

Calibration Check (EL61903-CCV1)

Prepared: 12/19/06 Analyzed: 12/20/06

| | | | | | | | | | | |
|-----------------------------------|------|--|-------|------|--|------|--------|--|--|--|
| Benzene | 47.0 | | ug/kg | 50.0 | | 94.0 | 80-120 | | | |
| Toluene | 47.2 | | " | 50.0 | | 94.4 | 80-120 | | | |
| Ethylbenzene | 48.8 | | " | 50.0 | | 97.6 | 80-120 | | | |
| Xylene (p/m) | 89.3 | | " | 100 | | 89.3 | 80-120 | | | |
| Xylene (o) | 44.6 | | " | 50.0 | | 89.2 | 80-120 | | | |
| Surrogate: a,a,a-Trifluorotoluene | 37.7 | | " | 40.0 | | 94.2 | 80-120 | | | |
| Surrogate: 4-Bromofluorobenzene | 34.7 | | " | 40.0 | | 86.8 | 80-120 | | | |

Matrix Spike (EL61903-MS1)

Source: 6L11012-05

Prepared: 12/19/06 Analyzed: 12/20/06

| | | | | | | | | | | |
|-----------------------------------|------|--------|-----------|------|--------|------|--------|--|--|--|
| Benzene | 1.54 | 0.0250 | mg/kg dry | 1.49 | 0.0114 | 103 | 80-120 | | | |
| Toluene | 1.55 | 0.0250 | " | 1.49 | 0.0253 | 102 | 80-120 | | | |
| Ethylbenzene | 1.60 | 0.0250 | " | 1.49 | 0.0198 | 106 | 80-120 | | | |
| Xylene (p/m) | 3.00 | 0.0250 | " | 2.97 | 0.0570 | 99.1 | 80-120 | | | |
| Xylene (o) | 1.44 | 0.0250 | " | 1.49 | 0.0172 | 95.5 | 80-120 | | | |
| Surrogate: a,a,a-Trifluorotoluene | 41.2 | | ug/kg | 40.0 | | 103 | 80-120 | | | |
| Surrogate: 4-Bromofluorobenzene | 42.8 | | " | 40.0 | | 107 | 80-120 | | | |

Matrix Spike Dup (EL61903-MSD1)

Source: 6L11012-05

Prepared: 12/19/06 Analyzed: 12/20/06

| | | | | | | | | | | |
|-----------------------------------|------|--------|-----------|------|--------|------|--------|------|----|--|
| Benzene | 1.45 | 0.0250 | mg/kg dry | 1.49 | 0.0114 | 96.6 | 80-120 | 6.41 | 20 | |
| Toluene | 1.44 | 0.0250 | " | 1.49 | 0.0253 | 94.9 | 80-120 | 7.21 | 20 | |
| Ethylbenzene | 1.45 | 0.0250 | " | 1.49 | 0.0198 | 96.0 | 80-120 | 9.90 | 20 | |
| Xylene (p/m) | 2.78 | 0.0250 | " | 2.97 | 0.0570 | 91.7 | 80-120 | 7.76 | 20 | |
| Xylene (o) | 1.33 | 0.0250 | " | 1.49 | 0.0172 | 88.1 | 80-120 | 8.06 | 20 | |
| Surrogate: a,a,a-Trifluorotoluene | 42.0 | | ug/kg | 40.0 | | 105 | 80-120 | | | |
| Surrogate: 4-Bromofluorobenzene | 41.0 | | " | 40.0 | | 102 | 80-120 | | | |

Environmental Lab of Texas

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

Project: Apache
Project Number: Grizzell #13
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 EL61302 - Water Extraction

Blank (EL61302-BLK1)

Prepared: 12/12/06 Analyzed: 12/13/06

| | | | | | | | | | | |
|----------|----|------|-----------|--|--|--|--|--|--|--|
| Chloride | ND | 20.0 | mg/kg Wet | | | | | | | |
|----------|----|------|-----------|--|--|--|--|--|--|--|

LCS (EL61302-BS1)

Prepared & Analyzed: 12/13/06

| | | | | | | | | | | |
|----------|------|------|-----------|-----|--|------|--------|--|--|--|
| Chloride | 91.5 | 5.00 | mg/kg Wet | 100 | | 91.5 | 80-120 | | | |
|----------|------|------|-----------|-----|--|------|--------|--|--|--|

Matrix Spike (EL61302-MS1)

Source: 6L12009-01

Prepared: 12/12/06 Analyzed: 12/13/06

| | | | | | | | | | | |
|----------|-----|------|-----------|-----|-----|------|--------|--|--|--|
| Chloride | 851 | 20.0 | mg/kg Wet | 500 | 362 | 97.8 | 80-120 | | | |
|----------|-----|------|-----------|-----|-----|------|--------|--|--|--|

Matrix Spike Dup (EL61302-MSD1)

Source: 6L12009-01

Prepared: 12/12/06 Analyzed: 12/13/06

| | | | | | | | | | | |
|----------|-----|------|-----------|-----|-----|------|--------|------|----|--|
| Chloride | 861 | 20.0 | mg/kg Wet | 500 | 362 | 99.8 | 80-120 | 1.17 | 20 | |
|----------|-----|------|-----------|-----|-----|------|--------|------|----|--|

Reference (EL61302-SRM1)

Prepared & Analyzed: 12/13/06

| | | | | | | | | | | |
|----------|------|--|-------|------|--|-----|--------|--|--|--|
| Chloride | 50.0 | | mg/kg | 50.0 | | 100 | 80-120 | | | |
|----------|------|--|-------|------|--|-----|--------|--|--|--|

Batch EL61303 - General Preparation (Prep)

Blank (EL61303-BLK1)

Prepared: 12/12/06 Analyzed: 12/13/06

| | | | | | | | | | | |
|----------|-----|--|---|--|--|--|--|--|--|--|
| % Solids | 100 | | % | | | | | | | |
|----------|-----|--|---|--|--|--|--|--|--|--|

Duplicate (EL61303-DUP1)

Source: 6L12002-01

Prepared: 12/12/06 Analyzed: 12/13/06

| | | | | | | | | | | |
|--------|------|--|---|--|------|--|--|-------|----|--|
| Solids | 91.1 | | % | | 91.2 | | | 0.110 | 20 | |
|--------|------|--|---|--|------|--|--|-------|----|--|

Environmental Lab of Texas

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

Project: Apache
Project Number: Grizzell #13
Project Manager: Robert Spangler

Fax: (432) 366-0884

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:

Raland K Tuttle

Date:

12-20-06

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.

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If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas

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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

Project Name: Apache

Company Name Elke Environmental, Inc.

Project #: Grizzell #13

Company Address: 4817 Andrews Hwy

Project Loc:

City/State/Zip: Odessa, TX 79762

PO #:

Telephone No: 432-366-0043

Fax No: 432-366-0884

Report Format: ☒ Standard ☐ TRRP ☐ NPDES

Sampler Signature:

e-mail: elkeenv@yahoo.com

[illegible]

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client:

Elko Env

Date/ Time:

12/12/00 8:15

Lab ID #:

10L12002

Initials:

CK

Sample Receipt Checklist

| # | Question | Yes | | No | Client Initials |
|-----|--|------------|----|----|-----------------|
| | | Yes | No | | |
| #1 | Temperature of container/ cooler? | | | | |
| #2 | Shipping container in good condition? | | | | |
| #3 | Custody Seals intact on shipping container/ cooler? | <u>Yes</u> | No | | |
| #4 | Custody Seals intact on sample bottles/ container? | <u>Yes</u> | No | | |
| #5 | Chain of Custody present? | <u>Yes</u> | No | | |
| #6 | Sample instructions complete of Chain of Custody? | <u>Yes</u> | No | | |
| #7 | Chain of Custody signed when relinquished/ received? | <u>Yes</u> | No | | |
| #8 | Chain of Custody agrees with sample label(s)? | <u>Yes</u> | No | | |
| #9 | Container label(s) legible and intact? | <u>Yes</u> | No | | |
| #10 | Sample matrix/ properties agree with Chain of Custody? | <u>Yes</u> | No | | |
| #11 | Containers supplied by ELOT? | <u>Yes</u> | No | | |
| #12 | Samples in proper container/ bottle? | <u>Yes</u> | No | | |
| #13 | Samples properly preserved? | <u>Yes</u> | No | | |
| #14 | Sample bottles intact? | <u>Yes</u> | No | | |
| #15 | Preservations documented on Chain of Custody? | <u>Yes</u> | No | | |
| #16 | Containers documented on Chain of Custody? | <u>Yes</u> | No | | |
| #17 | Sufficient sample amount for indicated test(s)? | <u>Yes</u> | No | | |
| #18 | All samples received within sufficient hold time? | <u>Yes</u> | No | | |
| #19 | Subcontract of sample(s)? | <u>Yes</u> | No | | |
| #20 | VOC samples have zero headspace? | <u>Yes</u> | No | | |

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



Small tear in liner



Burial Pit



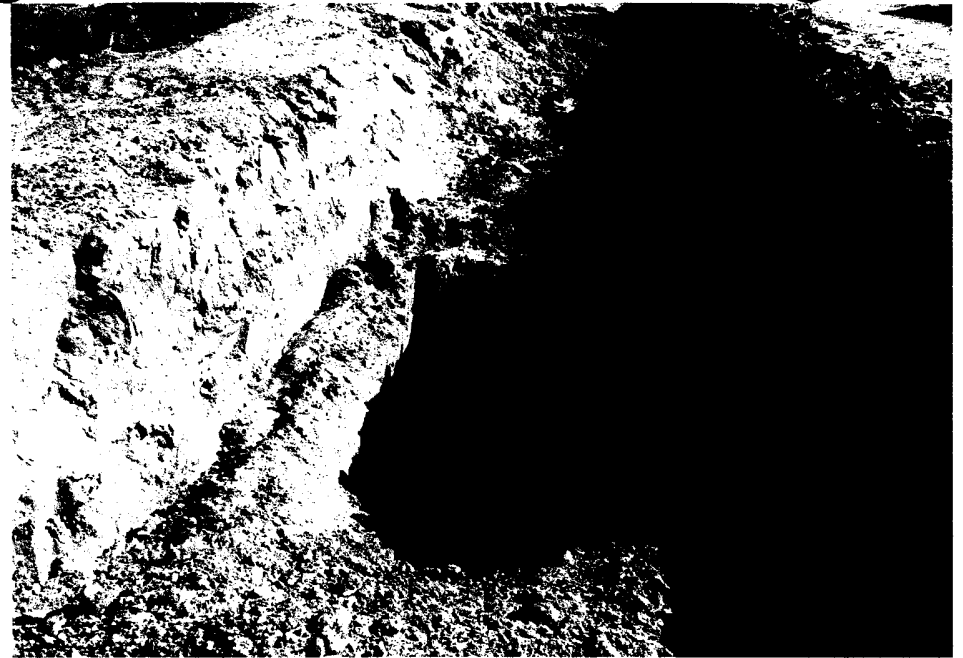
Mud after mixing



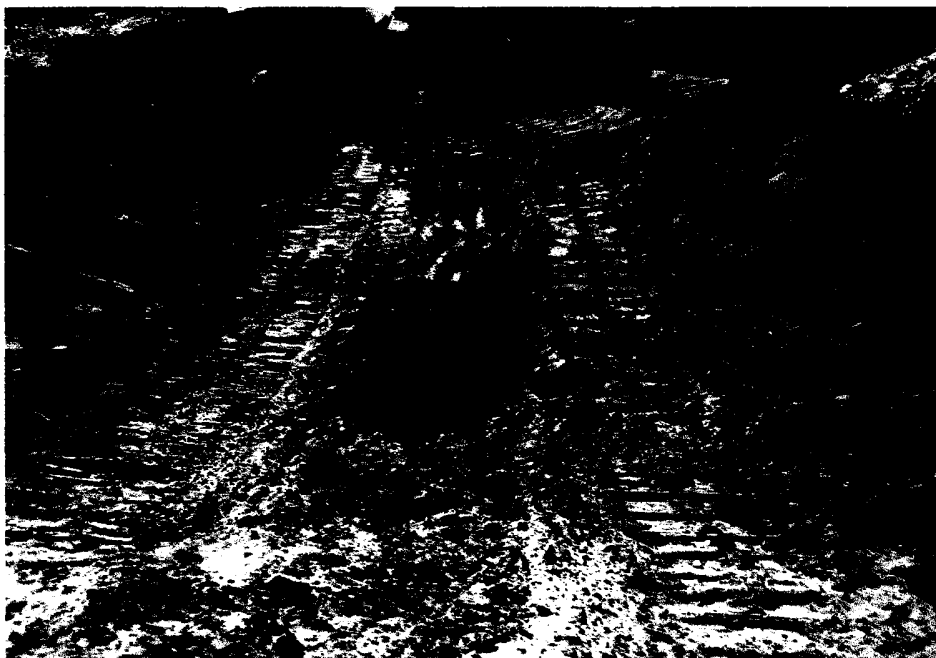
Burial pit after liner



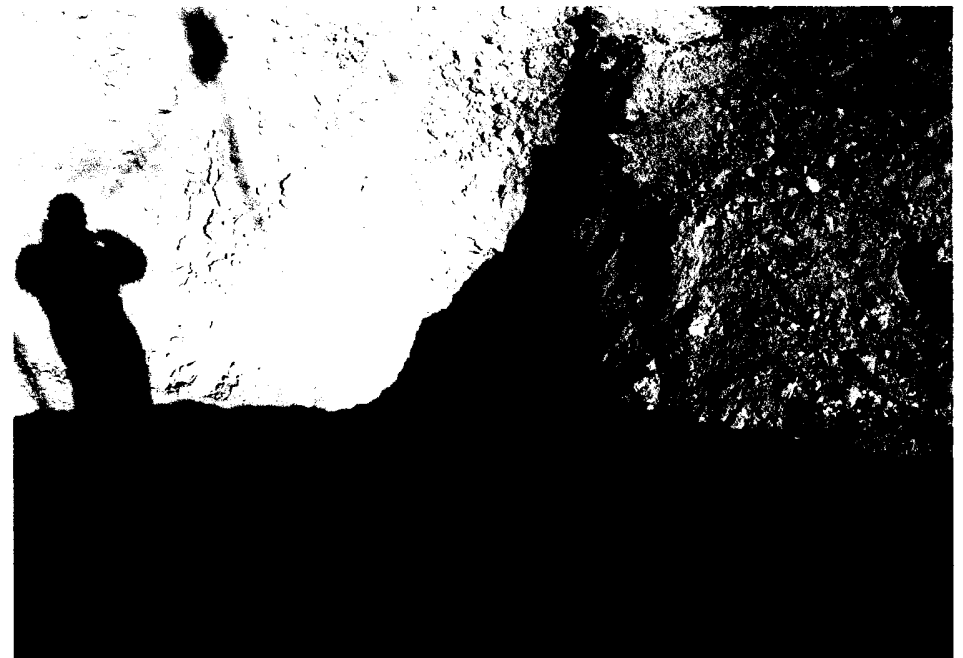
Burial pit after mud



Test hole #1



Test hole #2



Test hole #3



Test hole #4



Test hole #5



Burial pit after cap



Reserve pit after 20 Mil cap

Apache Corp. - Grizzell #3



After backfill

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

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

Form C-144
June 1, 2004

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: Apache Corporation Telephone: 432-527-3311 e-mail address: harold.swain@usa.apachecorp.com

Address: P.O. Box 848 Wink, Tx. 79789

Facility or well name: Grizzell#13 API #: 30-025-37323 U/L or Qtr/Qtr O Sec 8 T 22S R 37E

County: Lea Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐

Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☐ Thickness _____ mil Clay ☐

Pit Volume _____ bbl

Below-grade tank

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.) 71.48 ft.

| | |
|---|---------------|
| Less than 50 feet | (20 points) |
| 50 feet or more, but less than 100 feet | (10 points) X |
| 100 feet or more | (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 | (20 points) |
| No | (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 | (20 points) |
| 200 feet or more, but less than 1000 feet | (10 points) |
| 1000 feet or more | (0 points) X |

Ranking Score (Total Points) 10 points

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 you 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: Drilling Pit Closure Plan: Pit contents will be mixed with clean native soil and stiffened for burial. A burial pit will be constructed adjacent to the reserve pit and lined with a 12 mil impervious liner with a 3 ft. overlap on all sides. The mixture of pit contents and clean native soil will be moved into the burial pit and covered with a 20 mil impervious liner at least 3 ft. below ground surface with a 3 ft. overlap on all sides. The burial pit will then be covered with at least 3 ft. of native soil and domed to prevent pooling. The reserve pit bottom will be sampled in 5 locations and tested for chlorides to OCD Guidelines to assure the pit liner was not breached. The Reserve pit will then be covered with clean native soil and domed to prevent pooling. Water depth is 71.48 ft. bgs per the New Mexico State Engineer's Data Base.

Expected Start Date 11-30-06 Finish Date Unk.

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 11-27-06 elkeenv@yahoo.com 432-366-0043

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

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.

Printed Name/Title GARY W. WINK/STAFF MGR Signature Gary W. Wink Date: 11/28/06