

Elke Environmental, Inc.

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

February 8, 2007

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

Re: Drilling Pit Closure of B C Operating – Ike Federal #1

Mr. Larry Johnson,

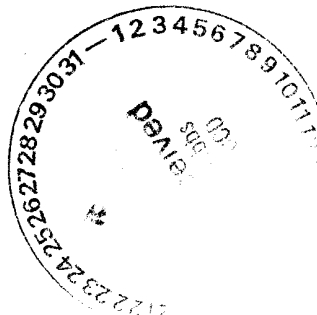
Elke Environmental was contracted by B C Operating to complete the closure of the Ike Federal #1 drilling pit. As per the C-144 filed and signed by Larry Johnson on 1-3-07 a burial pit was constructed and lined with 12 mil liner. The drilling mud was mixed with clean soil and stiffened then placed in the burial pit. 5 bottom points were analyzed and 250ppm chlorides was achieved on all points except TP3 & TP4. Groundwater is 290' in this area, so TP3 & TP4 were delineated showing declines below 1,000ppm chlorides. Lab samples were taken for confirmation. As per the conversation between Larry Johnson and Robert Spangler on 2-1-07, the contamination under the liner was left in place and capped with a 20 mil impervious liner at 3' below ground surface to prevent any further migration of the chlorides. The burial pit was also capped with a 20 mil impervious liner. The drilling pit and burial pit were then backfilled with clean native soil and doomed to prevent pooling. If you have any questions about the enclosed report please contact me at the office.

Sincerely,



Logan Anderson

CLOSURE APPROVED
AS PER ATTACHED
C-144
3-9-07



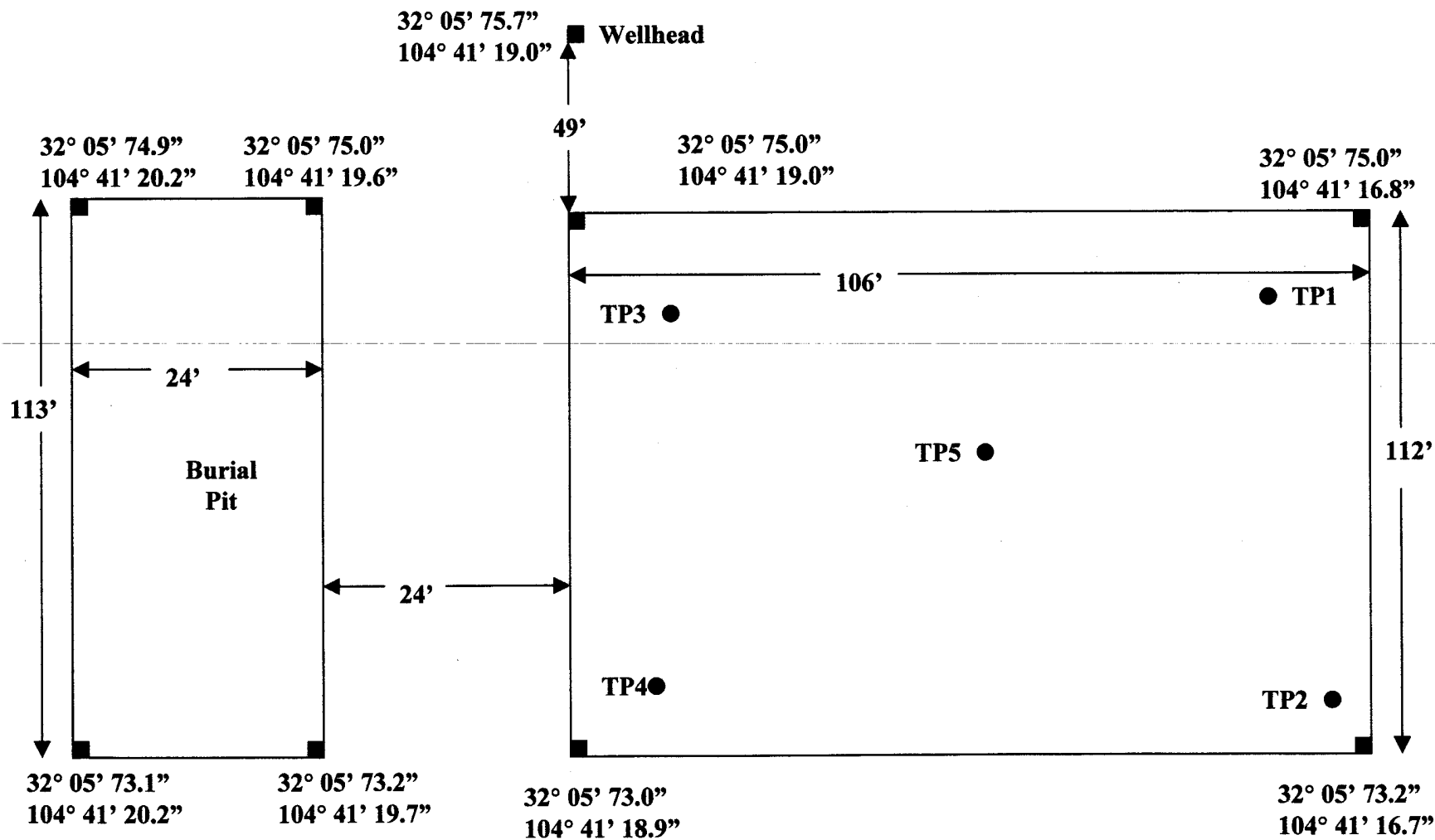
B C Operating

Ike Federal #1

UL 'M' Sec. 28 T25S R32E

Lea County

Plat Map



Elke Environmental, Inc.

P.O. Box 14167 Odessa, TX 79768

Field Analytical Report Form**Client** B C Operating**Analyst** Robert Spangler**Site** Ike Federal #1

Sample ID	Date	Depth	TPH / PPM	CI / PPM	PID / PPM	GPS
TP1	2-1-07	6'		144	2.1	32° 05' 74.6" N 103° 41' 17.1" W
TP2	2-1-07	6'		1,841		32° 05' 73.5" N 103° 41' 17.0" W
TP2	2-1-07	8'		152	3.9	32° 05' 73.5" N 103° 41' 17.0" W
TP3	2-1-07	6'		16,684		32° 05' 74.4" N 103° 41' 19.0" W
TP3	2-1-07	8'		19,228		32° 05' 74.4" N 103° 41' 19.0" W
TP3	2-1-07	12'		13,453		32° 05' 74.4" N 103° 41' 19.0" W
TP3	2-1-07	16'		14,300		32° 05' 74.4" N 103° 41' 19.0" W
TP3	2-1-07	22'		11,431		32° 05' 74.4" N 103° 41' 19.0" W
TP3	2-1-07	26'		434	3.3	32° 05' 74.4" N 103° 41' 19.0" W
TP4	2-1-07	6'		12,316		32° 05' 73.2" N 103° 41' 18.3" W
TP4	2-1-07	8'		8,614		32° 05' 73.2" N 103° 41' 18.3" W
TP4	2-1-07	14'		5,881		32° 05' 73.2" N 103° 41' 18.3" W
TP4	2-1-07	18'		5,451		32° 05' 73.2" N 103° 41' 18.3" W
TP4	2-1-07	24'		607		32° 05' 73.2" N 103° 41' 18.3" W
TP4	2-1-07	26'		415	9.5	32° 05' 73.2" N 103° 41' 18.3" W
TP5	2-1-07	6'		91	7.1	32° 05' 73.8" N 103° 41' 17.7" W
Background	2-1-07	Surface		118		

B C Operating – Ike Federal #1



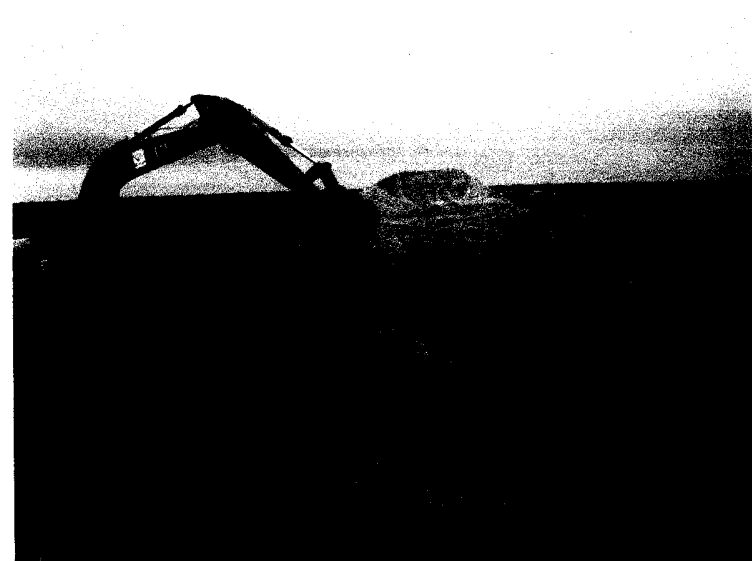
Right side of drilling pit before closure.



Left side of drilling pit before closure.



Excavation of burial pit for drilling mud.



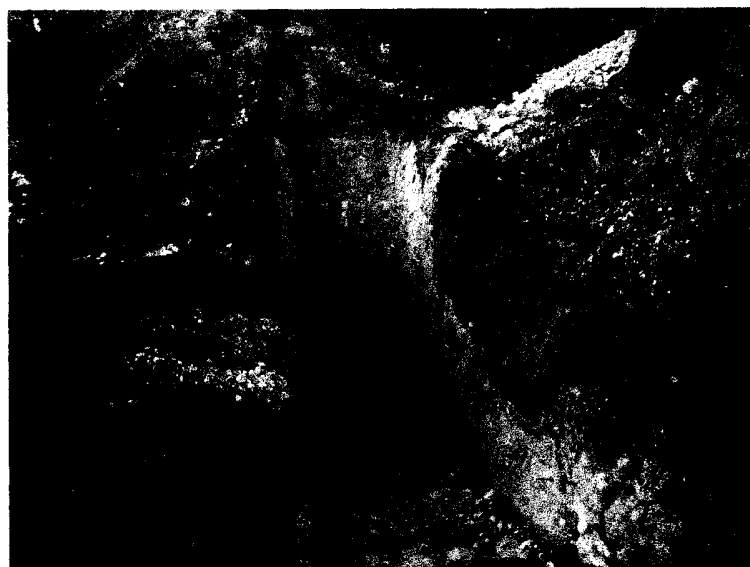
Trackhoe placing stiffened mud in burial pit.



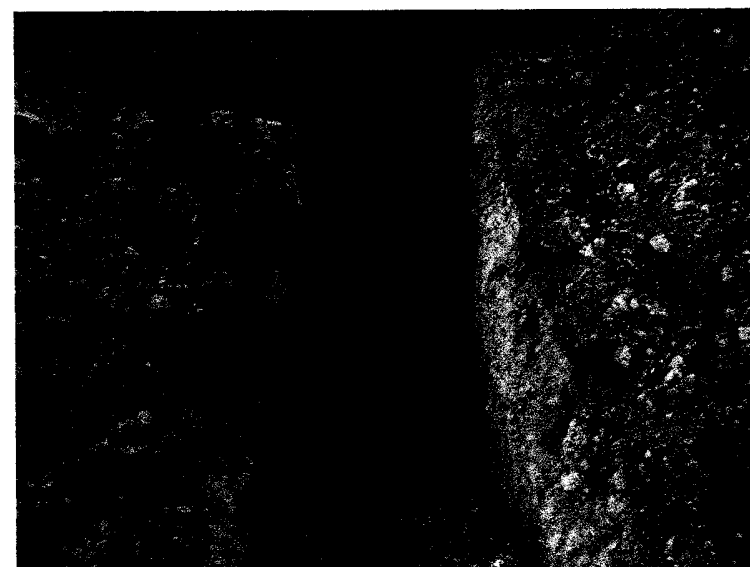
Drilling pit after mud and liner have been removed.



Delineation trench of test point 4.



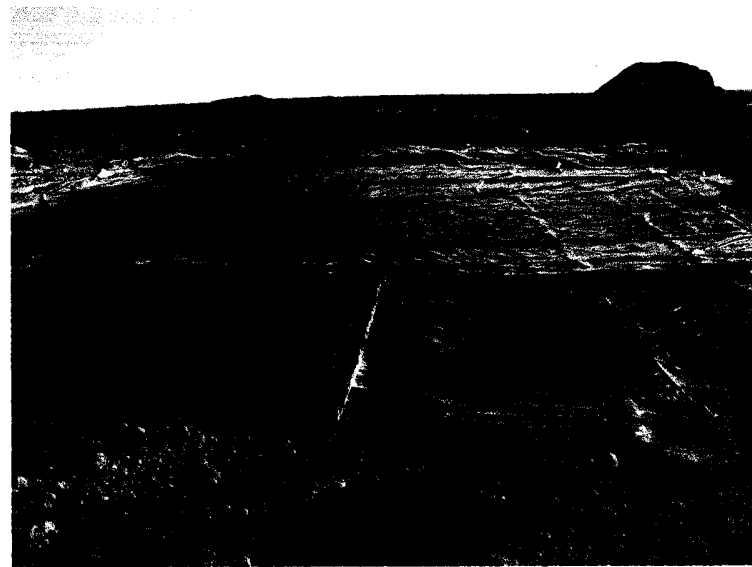
Delineation trench of test point 5.



Delineation trench of test point 2.



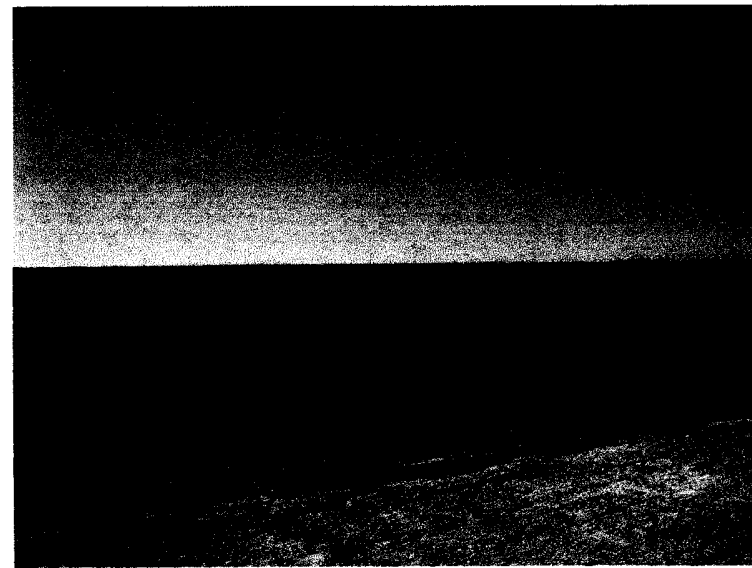
Drilling pit after delineation.



Drilling pit after 20 mil impervious liner for risk assessment.

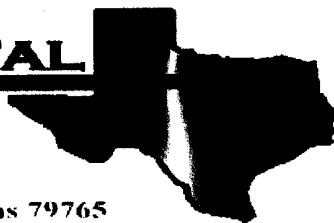


Drilling pit and burial pit after backfill.



Drilling pit and burial pit after backfill.

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: BC Operating

Project Number: Ike Federal #1

Location: None Given

Lab Order Number: 7B13018

Report Date: 02/20/07

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

Project: BC Operating
Project Number: Ike Federal #1
Project Manager: Robert Spangler

Fax: (432) 366-0884

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
TP1@ 6'	7B13018-01	Soil	02/01/07 07:30	02-13-2007 15:30
TP2@ 8'	7B13018-02	Soil	02/01/07 08:15	02-13-2007 15:30
TP3@ 26'	7B13018-03	Soil	02/01/07 13:10	02-13-2007 15:30
TP4@ 26'	7B13018-04	Soil	02/01/07 16:30	02-13-2007 15:30
TP5@ 6'	7B13018-05	Soil	02/01/07 17:00	02-13-2007 15:30

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Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
TP1@ 6' (7B13018-01) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EB71408	02/14/07	02/16/07	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		104 %	70-130		"	"	"	"	
Surrogate: 1-Chlorooctadecane		110 %	70-130		"	"	"	"	
TP2@ 8' (7B13018-02) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EB71408	02/14/07	02/17/07	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		113 %	70-130		"	"	"	"	
Surrogate: 1-Chlorooctadecane		117 %	70-130		"	"	"	"	
TP3@ 26' (7B13018-03) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EB71408	02/14/07	02/16/07	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		104 %	70-130		"	"	"	"	
Surrogate: 1-Chlorooctadecane		111 %	70-130		"	"	"	"	
TP4@ 26' (7B13018-04) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EB71408	02/14/07	02/16/07	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		107 %	70-130		"	"	"	"	
Surrogate: 1-Chlorooctadecane		117 %	70-130		"	"	"	"	

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The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

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

Project: BC Operating
Project Number: Ike Federal #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@ 6' (7B13018-05) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EB71409	02/15/07	02/17/07	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbons	ND	10.0	"	"	"	"	"	"	
Surrogate: 1-Chlorooctane		107 %		70-130	"	"	"	"	
Surrogate: 1-Chlorooctadecane		114 %		70-130	"	"	"	"	

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Elke Environmental
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Project: BC Operating
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General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
TP1@ 6' (7B13018-01) Soil									
Chloride	77.0	10.0	mg/kg	20	EB71909	02/19/07	02/20/07	EPA 300.0	
% Moisture	4.7	0.1	%	1	EB71501	02/14/07	02/15/07	% calculation	
TP2@ 8' (7B13018-02) Soil									
Chloride	16.0	5.00	mg/kg	10	EB71909	02/19/07	02/20/07	EPA 300.0	
% Moisture	4.9	0.1	%	1	EB71501	02/14/07	02/15/07	% calculation	
TP3@ 26' (7B13018-03) Soil									
Chloride	174	10.0	mg/kg	20	EB71909	02/19/07	02/20/07	EPA 300.0	
% Moisture	10.0	0.1	%	1	EB71501	02/14/07	02/15/07	% calculation	
TP4@ 26' (7B13018-04) Soil									
Chloride	303	10.0	mg/kg	20	EB71909	02/19/07	02/20/07	EPA 300.0	
% Moisture	8.5	0.1	%	1	EB71501	02/14/07	02/15/07	% calculation	
TP5@ 6' (7B13018-05) Soil									
Chloride	11.3	5.00	mg/kg	10	EB71909	02/19/07	02/20/07	EPA 300.0	
% Moisture	11.6	0.1	%	1	EB71501	02/14/07	02/15/07	% calculation	

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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 EB71408 - Solvent Extraction (GC)										
Blank (EB71408-BLK1)										
					Prepared: 02/14/07 Analyzed: 02/16/07					
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	42.4		mg/kg	50.0		84.8	70-130			
Surrogate: 1-Chlorooctadecane	45.9		"	50.0		91.8	70-130			
LCS (EB71408-BS1)										
					Prepared: 02/14/07 Analyzed: 02/16/07					
Carbon Ranges C6-C12	542	10.0	mg/kg wet	500		108	75-125			
Carbon Ranges C12-C28	513	10.0	"	500		103	75-125			
Carbon Ranges C28-C35	ND	10.0	"	0.00			75-125			
Total Hydrocarbons	1060	10.0	"	1000		106	75-125			
Surrogate: 1-Chlorooctane	51.8		mg/kg	50.0		104	70-130			
Surrogate: 1-Chlorooctadecane	57.5		"	50.0		115	70-130			
Calibration Check (EB71408-CCV1)										
					Prepared: 02/14/07 Analyzed: 02/17/07					
Carbon Ranges C6-C12	221		mg/kg	250		88.4	80-120			
Carbon Ranges C12-C28	268		"	250		107	80-120			
Total Hydrocarbons	488		"	500		97.6	80-120			
Surrogate: 1-Chlorooctane	54.9		"	50.0		110	70-130			
Surrogate: 1-Chlorooctadecane	49.1		"	50.0		98.2	70-130			
Matrix Spike (EB71408-MS1)										
			Source: 7B13011-03		Prepared: 02/14/07 Analyzed: 02/16/07					
Carbon Ranges C6-C12	619	10.0	mg/kg dry	551	46.6	104	75-125			
Carbon Ranges C12-C28	723	10.0	"	551	263	83.5	75-125			
Carbon Ranges C28-C35	23.0	10.0	"	0.00	36.1		75-125			
Total Hydrocarbons	1360	10.0	"	1100	346	92.2	75-125			
Surrogate: 1-Chlorooctane	50.4		mg/kg	50.0		101	70-130			
Surrogate: 1-Chlorooctadecane	50.0		"	50.0		100	70-130			

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Project: BC Operating
Project Number: Ike Federal #1
Project Manager: Robert Spangler

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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
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Batch EB71408 - Solvent Extraction (GC)

Matrix Spike Dup (EB71408-MSD1)		Source: 7B13011-03		Prepared: 02/14/07		Analyzed: 02/17/07				
Carbon Ranges C6-C12	648	10.0	mg/kg dry	551	46.6	109	75-125	4.69	20	
Carbon Ranges C12-C28	845	10.0	"	551	263	106	75-125	23.7	20	R
Carbon Ranges C28-C35	33.2	10.0	"	0.00	36.1		75-125		20	
Total Hydrocarbons	1530	10.0	"	1100	346	108	75-125	15.8	20	
Surrogate: 1-Chlorooctane	61.3		mg/kg	50.0		123	70-130			
Surrogate: 1-Chlorooctadecane	59.9		"	50.0		120	70-130			

Batch EB71409 - Solvent Extraction (GC)

Blank (EB71409-BLK1)				Prepared: 02/14/07		Analyzed: 02/17/07				
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	47.8		mg/kg	50.0		95.6	70-130			
Surrogate: 1-Chlorooctadecane	49.9		"	50.0		99.8	70-130			

LCS (EB71409-BS1)				Prepared: 02/14/07		Analyzed: 02/17/07				
Carbon Ranges C6-C12	593	10.0	mg/kg wet	500		119	75-125			
Carbon Ranges C12-C28	470	10.0	"	500		94.0	75-125			
Carbon Ranges C28-C35	ND	10.0	"	0.00			75-125			
Total Hydrocarbons	1060	10.0	"	1000		106	75-125			
Surrogate: 1-Chlorooctane	50.5		mg/kg	50.0		101	70-130			
Surrogate: 1-Chlorooctadecane	52.4		"	50.0		105	70-130			

Calibration Check (EB71409-CCV1)				Prepared: 02/14/07		Analyzed: 02/18/07				
Carbon Ranges C6-C12	240		mg/kg	250		96.0	80-120			
Carbon Ranges C12-C28	249		"	250		99.6	80-120			
Total Hydrocarbons	489		"	500		97.8	80-120			
Surrogate: 1-Chlorooctane	55.9		"	50.0		112	70-130			
Surrogate: 1-Chlorooctadecane	49.9		"	50.0		99.8	70-130			

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Project: BC Operating
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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 EB71409 - Solvent Extraction (GC)

Matrix Spike (EB71409-MS1)		Source: 7B13014-01		Prepared: 02/14/07		Analyzed: 02/17/07				
Carbon Ranges C6-C12	591	10.0	mg/kg dry	545	ND	108	75-125			
Carbon Ranges C12-C28	452	10.0	"	545	ND	82.9	75-125			
Carbon Ranges C28-C35	ND	10.0	"	0.00	ND		75-125			
Total Hydrocarbons	1040	10.0	"	1090	ND	95.4	75-125			
Surrogate: 1-Chlorooctane	49.2		mg/kg	50.0		98.4	70-130			
Surrogate: 1-Chlorooctadecane	47.0		"	50.0		94.0	70-130			
Matrix Spike Dup (EB71409-MSD1)		Source: 7B13014-01		Prepared: 02/14/07		Analyzed: 02/17/07				
Carbon Ranges C6-C12	594	10.0	mg/kg dry	545	ND	109	75-125	0.922	20	
Carbon Ranges C12-C28	455	10.0	"	545	ND	83.5	75-125	0.721	20	
Carbon Ranges C28-C35	ND	10.0	"	0.00	ND		75-125		20	
Total Hydrocarbons	1050	10.0	"	1090	ND	96.3	75-125	0.939	20	
Surrogate: 1-Chlorooctane	53.3		mg/kg	50.0		107	70-130			
Surrogate: 1-Chlorooctadecane	52.1		"	50.0		104	70-130			

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Project: BC Operating
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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 EB71501 - General Preparation (Prep)										
Blank (EB71501-BLK1)				Prepared: 02/14/07 Analyzed: 02/15/07						
% Solids	100		%							
Duplicate (EB71501-DUP1)				Source: 7B13014-01 Prepared: 02/14/07 Analyzed: 02/15/07						
% Solids	92.6		%		91.8			0.868	20	
Duplicate (EB71501-DUP2)				Source: 7B13014-21 Prepared: 02/14/07 Analyzed: 02/15/07						
% Solids	88.9		%		89.0			0.112	20	
Duplicate (EB71501-DUP3)				Source: 7B14001-05 Prepared: 02/14/07 Analyzed: 02/15/07						
% Solids	81.3		%		83.3			2.43	20	
Batch EB71909 - General Preparation (WetChem)										
Blank (EB71909-BLK1)				Prepared: 02/19/07 Analyzed: 02/20/07						
Chloride	ND	0.500	mg/kg							
LCS (EB71909-BS1)				Prepared: 02/19/07 Analyzed: 02/20/07						
Chloride	10.7	0.500	mg/kg	10.0		107	80-120			
Calibration Check (EB71909-CCV1)				Prepared & Analyzed: 02/20/07						
Chloride	9.61		mg/kg	10.0		96.1	80-120			
Duplicate (EB71909-DUP1)				Source: 7B13017-03 Prepared & Analyzed: 02/20/07						
Chloride	90.3	5.00	mg/kg		91.2			0.992	20	
Matrix Spike (EB71909-MS1)				Source: 7B13017-03 Prepared: 02/19/07 Analyzed: 02/20/07						
Chloride	197	5.00	mg/kg	100	91.2	106	80-120			

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Odessa TX, 79768

Project: BC Operating
Project Number: Ike Federal #1
Project Manager: Robert Spangler

Fax: (432) 366-0884

Notes and Definitions

R The RPD exceeded the method control limit. The individual analyte QA/QC recoveries, however, were within acceptance limits.

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: 2/20/2007

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

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

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

Environmental Lab of Texas

A Xenco Laboratories Company

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of 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

Company Name: Elke Environmental, Inc.

Company Address: 4817 Andrews Hwy

City/State/Zip: Odessa, TX 79762

Telephone No: 432-366-0043

Sampler Signature: *Robert Spangler*

Fax No: 432-366-0884

e-mail: elkeenv@yahoo.com

Project Name: BC operating

Project #: IKE Federal #2

Project Loc: _____

PO #: _____

Report Format: ☒ Standard ☐ TRRP ☐ NPDES

(lab use only)

ORDER #: 7B1348

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	No. of Containers	Preservation & # of Containers										Matrix										TOTAL	RUSH TAT (Per Schedule) 24, 48, 72																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
							Ice	HNO ₃	HCl	H ₂ SO ₄	NaOH	Na ₂ S ₂ O ₈	None	Other (Specify)	DW-Drinking Water SL-Storage GW = Groundwater SS-Solids NP-Non-Petroleum Specify Other	TPH 418, 1005, 1006	Calcium (Ca, Mg, Na, K)	Antimony (Sb, As, Se, Sn)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Mn	Volatiles	SemiVolatiles	BTX 902/196/330 or BTX 9280	RCI	NORM.																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
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Special Instructions:

Please Email Results to Elkeen@yahoo.com

Relinquished by: _____ Date: _____ Time: _____ Received by: _____ Date: _____ Time: _____

Relinquished by: _____ Date: _____ Time: _____ Received by: _____ Date: _____ Time: _____

Relinquished by: *Robert Spangler* Date: 2/13/07 Time: 3:30 Received by: *Chris Oley* Date: 2/13/07 Time: 3:30

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? Y N

UPS DHL FedEx Lone Star

Temperature Upon Receipt: 3.0 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Contact: Elke ENU
 Date/ Time: 2/13/07 15:30
 Lab ID #: 11313016
 Initials: OK

Sample Receipt Checklist

	Yes	No	Client Initials
#1 Temperature of container/ cooler?			3.0 °C
#2 Shipping container in good condition?	<input checked="" type="checkbox"/>	No	
#3 Custody Seals intact on shipping container/ cooler?	<input checked="" type="checkbox"/>	No	
#4 Custody Seals intact on sample bottles/ container?	<input checked="" type="checkbox"/>	No	Not Present
#5 Chain of Custody present?	<input checked="" type="checkbox"/>	No	Not Present
#6 Sample instructions complete of Chain of Custody?	<input checked="" type="checkbox"/>	No	
#7 Chain of Custody signed when relinquished/ received?	<input checked="" type="checkbox"/>	No	
#8 Chain of Custody agrees with sample label(s)?	<input checked="" type="checkbox"/>	No	
#9 Container label(s) legible and intact?	<input checked="" type="checkbox"/>	No	ID written on Cont./ Lid
#10 Sample matrix/ properties agree with Chain of Custody?	<input checked="" type="checkbox"/>	No	Not Applicable
#11 Containers supplied by ELOT?	<input checked="" type="checkbox"/>	No	
#12 Samples in proper container/ bottle?	<input checked="" type="checkbox"/>	No	
#13 Samples properly preserved?	<input checked="" type="checkbox"/>	No	See Below
#14 Sample bottles intact?	<input checked="" type="checkbox"/>	No	See Below
#15 Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/>	No	
#16 Containers documented on Chain of Custody?	<input checked="" type="checkbox"/>	No	
#17 Sufficient sample amount for indicated test(s)?	<input checked="" type="checkbox"/>	No	
#18 All samples received within sufficient hold time?	<input checked="" type="checkbox"/>	No	See Below
#19 Subcontract of sample(s)?	<input checked="" type="checkbox"/>	No	See Below
#20 VOC samples have zero headspace?	<input checked="" type="checkbox"/>	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
1000 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

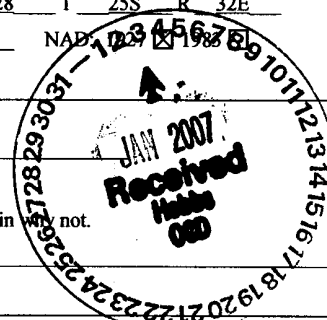
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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 ☒

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: <u>B. C. Operating, Inc.</u> Telephone: <u>(432) 683-2950</u> e-mail address: <u>kwidner@usaonline.net</u>		
Address: <u>P. O. Box 50820 Midland, TX 79710</u>		
Facility or well name: <u>Ike Federal #1</u> API #: <u>30-025-38151</u> U/L or Qtr/Qtr <u>M</u> Sec <u>28</u> T <u>25S</u> R <u>32E</u>		
County: <u>Lea</u> Latitude <u>32°05'750"N</u> Longitude <u>104°41'162"W</u> NAD <u>83</u>		
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>14</u> mil Clay <input type="checkbox"/> Pit Volume <u>24,000</u> bbl	Below-grade tank Volume: <u> </u> bbl Type of fluid: <u> </u> Construction material: <u> </u> Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain <u> </u> not.	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) GW = 290'	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points) XXX	
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) XXX	
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) XXX	
Ranking Score (Total Points)		
		0 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 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: A burial will be excavated lined with a 12 mil impervious liner. The drilling pit contents will be mixed with stockpiled soil to stiffen the mud and placed in the burial pit. The burial pit will then be capped with a 20 mil impervious liner 3' below ground surface and overlapping 3' in all directions. 3' of clean native soil will then be backfilled and doomed to prevent pooling. 5 bottom sample points will be analyzed on the bottom of the drilling pit after all contents are removed. A full closure report will be submitted at the end of the job. NMOCD will be notified 48 hrs before the start of the job.

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: 1-2-07

Printed Name/Title Logan Anderson / Agent Signature [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 L. Johnson - ENVIRO ENGR

Signature [Signature]

Date: 1-3-07