



15 February 2006

Ms. Tamara Zeier, P.E.
Project Manager
Project Navigator, Ltd.
One Pointe Drive, Suite 320
Brea, California, 92821

Subject: Geophysical Investigation
Lagoon 5, Ascon Landfill
Huntington Beach, California

Dear Ms. Zeier:

BACKGROUND

This letter summarizes the recent geophysical investigation completed in Lagoon 5 at the Ascon Landfill. The investigation was conducted at your request in order to evaluate the possible presence and location of 2 former oil exploration wells at the site. Historical site information (aerial photographs) and recent interviews of Chevron Corporation representatives indicate that two former oil exploration wells might be present within the footprint of Lagoon 5 at the Ascon Landfill in Huntington Beach, California. These sources further indicate that the wells are most likely in the southern portion of Lagoon 5. As the wells were abandoned before Lagoon 5 was created, the historical information indicates that the wells most likely terminate at approximate elevation 5 ft above mean sea level (m.s.l.). The present elevation of drilling mud in Lagoon 5 ranges between 12.25 and 14 ft above m.s.l. The target Emergency Action design elevation within Lagoon 5 footprint is 12 ft above m.s.l.

GEOPHYSICAL INVESTIGATION

Geophysical investigation was conducted on 31 September 2005 by GeoVision Inc. of Corona California. The GeoVision Inc. geophysicist was accompanied by GeoSyntec representative. While performing the geophysical investigation, the work area was monitored for H₂S and Volatile Organic Compounds (VOCs).



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The entire footprint of Lagoon 5 was investigated using the "Magnetic Method." Details on the "Magnetic Method" and the GeoVision letter report documenting the investigation are attached. The results of the geophysical site investigation indicate existence of magnetic anomalies consistent with steel casing in the southern portion of Lagoon 5, approximately 10 to 15 ft southeast of the abandoned well location inferred based upon historical information. The magnetic anomalies may represent the abandoned oil wells described above. The coordinates of the anomalies are:

5000, N-2184420.99319, E-6037706.32489
5001, N-2184416.03241, E-6037755.78111

CLOSURE

This report was prepared in accordance with general standards of engineering practice. GeoSyntec is not responsible for the use of the data or conclusions presented in this report for any purposes other than the specific purposes expressed herein.

If you have any questions regarding this report or require additional information, please do not hesitate to contact either of the undersigned.

Sincerely,



Neven Matasovic, Ph.D., P.E., G.E.
Associate



Tarik Hadj-Hamou, Ph.D., P.E.
Associate



APPENDIX A

GEOPHYSICAL MEASUREMENTS



October 6, 2005

Project Number 5569

Mr. Neven Matasovic
GeoSyntec Consultants
2100 Main Street, Ste 150
Huntington Beach, California

Subject: Geophysical Investigation at Ascon Landfill, Huntington Beach,
California

Dear Mr. Matasovic:

A geophysical survey was conducted on September 31, 2005 at Lagoon #5 of the Ascon Landfill in Huntington Beach, California. The purpose of the geophysical survey was to screen the accessible portions of the site for potential abandoned oil wells. Geophysical methods applied to this investigation consisted of the magnetic technique.

Historical documents indicate that two wells were operated in this general vicinity. Based on the survey data in these documents, the approximate locations of these wells had been staked prior to the geophysical investigation.

METHODOLOGY

Magnetic equipment consisted of a Geometrics G858 cesium-vapor magnetometer. Measurements of the earth's total magnetic field intensity were made with the G858 at 0.1-second intervals as the instrument was run in search mode. The instrument was walked in an approximate 150 – by – 200 –ft area searching for an oil well response. Surface metallic object that interfered with magnetic readings included fences, construction equipment, and reinforced concrete walls.

Details on this geophysical method can be found in the attached technical note titled "Magnetic Method."

RESULTS

No evidence of steel casing was detected in the northern portions of Lagoon #5. Measurements did not significantly deviate from normal, background magnetic readings.

There are two large total magnetic field anomalies approximately 10-15 ft southeast of the staked approximations of the well locations. These anomalies both display very broad, high-amplitude magnetic field anomalies, characteristic of a large steel well casing. These anomalies are roughly oriented east-west of one another. The peak total magnetic field response for the western anomaly was greater than 71,000 nT, indicating that the source of this anomaly is likely quite shallow. The eastern anomaly displays a lower anomaly of approximately 51,000 nT, which based on the broad nature of the response is still characteristic of an oil well or similar feature. However, this oil well may have had its casing cut at a greater depth, or may have a smaller diameter casing.

If you have any questions concerning this investigation, please call me at 951-549-1234.

Sincerely,
GEO*Vision* Geophysical Services

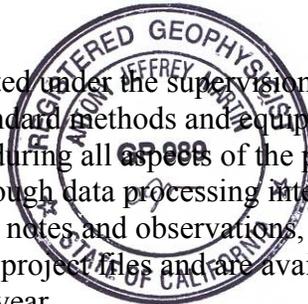
JB Shawver

Submitted by:
JB Shawver
Project Geophysicist

Antony J Martin

Reviewed and Approved by:
Antony J. Martin, R. GP. 989
Technical Director

- * This geophysical investigation was conducted under the supervision of a California Registered Geophysicist using industry standard methods and equipment. A high degree of professionalism was maintained during all aspects of the project from the field investigation and data acquisition, through data processing, interpretation and reporting. All original field data files, field notes and observations, and other pertinent information are maintained in the project files and are available for the client to review for a period of at least one year.



A registered geophysicist's certification of interpreted geophysical conditions comprises a declaration of his/her professional judgment. It does not constitute a warranty or guarantee, expressed or implied, nor does it relieve any other party of its responsibility to abide by contract documents, applicable codes, standards, regulations or ordinances.

Attachments:

Technical Note – Magnetic Method

MAGNETIC METHOD

The magnetic method involves the measurement of the earth's magnetic field intensity. Typically the total magnetic field and/or vertical magnetic gradient is measured. Measurements of the horizontal or vertical component or horizontal gradient of the magnetic field may also be made.

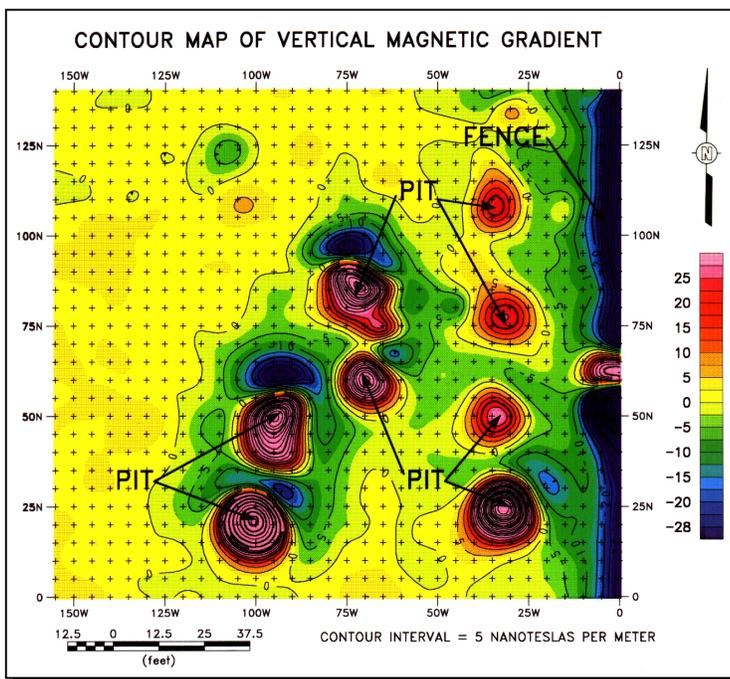
Anomalies in the earth's magnetic field are caused by induced or remanent magnetism. Induced magnetic anomalies are the result of secondary magnetization induced in a ferrous body by the earth's magnetic field. The shape, dimensions, and amplitude of an induced magnetic anomaly is a function of the orientation, geometry, size, depth, and magnetic susceptibility of the body as well as the intensity and inclination of the earth's magnetic field in the survey area. Buried ferrous metallic objects, such as pipes, drums, tanks, and debris generally give rise to dipolar anomalies with a positive response south and a negative response north of the object. The magnetic method is an effective way to search for small metallic objects because magnetic anomalies have spatial dimensions much larger than those of the objects. An oil well typically gives rise to a monopolar anomaly with a very high amplitude, positive peak several feet south of the well and a low amplitude, broad negative response to the north. The magnetic anomaly over a buried oil well often has a diameter of over 50 feet and amplitude of several thousand nanoteslas, depending on depth and casing characteristics. Magnetometers can typically locate an abandoned oil well to depths of over 20 feet providing that background noise levels are not too high and the well casing is not significantly corroded. Magnetometers are not able to detect nonferrous metals such as aluminum and brass.



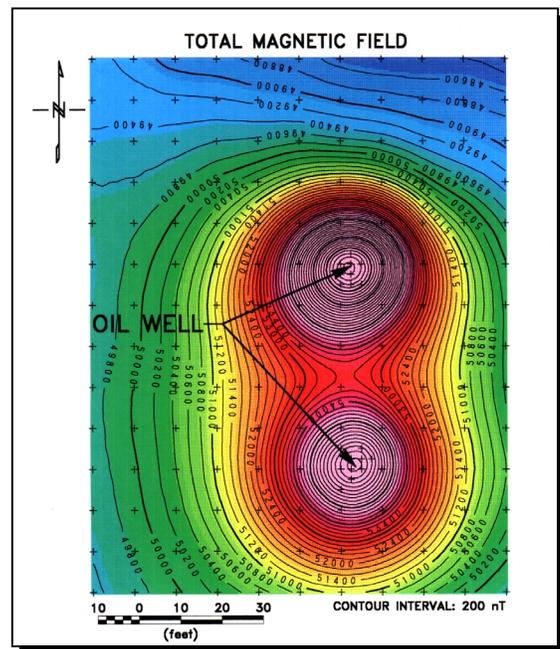
Geometrics G-858 Magnetometer

The magnetic method is typically used to:

- Locate abandoned steel well casings
- Locate buried tanks and pipes
- Locate pits and trenches containing buried metallic debris
- Detect buried unexploded ordnance (UXO)
- Map old waste sites and landfill boundaries
- Clear drilling locations
- Map basement faults and geology
- Investigate archaeological sites



Magnetic Survey to Locate Pits Containing Buried Metallic Containers



Magnetic Survey to Locate Abandoned Oil Wells