

Krieg Construction Inc.
70 West Sleeper Road
Oak Harbor Wa. 98277
(South End Office, Phone/ Fax 360 331-4106)

RE: Clean-up, @ Shore Ave.

Dear Donna,

June 09, 2006

On Thursday June 08, 2006, Krieg Construction Inc. started cleanup work at 8:30am on Shore Ave as per phone conversation on Tuesday June 06, 2006 with you and Carl Anderson.

We pressure washed the effected area several times using "simple green" and lots of scrubbing. We collected all of the water and soap that was used as we washed the street, we filled three 50 gallon drums, and have them labeled and in NBBBI storage waiting to be treated. Scott Stata of NBBBI will be handling this for us, and he will have a receipt for us when they are picked up for treatment.

After we washed the street, we excavated the shoulder along the spill area, 30-36 inches wide, and 12 inches deep. It appears that the oil was only in the top one inch or less in a few areas, and did not get below the edge of the paved surface.

We took several photos as we cleaned the effected area, and also as we excavated the shoulder. All of the excavated soil was loaded in to a 10 yard dump truck as we excavated the shoulder, and is at our 70 west Sleeper Rd. pit location and will be kept in a dry secure location until Edge Analytical (11525 Knutson Rd. Burlington) completes testing of the excavated material to determine any suspect contamination.

We are presently pulling samples directly from the excavated material and transporting them to Edge Analytical's lab at their Burlington location.

The one yard of gravel that was hauled away from the spill site on Friday May 26, 2006, was added to the load, and will be hauled to Rinker in Everett if the material test results are above the threshold. Those results will be forwarded to you ASAP.

Sincerely

Mitch Morley

Mitch Morley / superintendent
Krieg Construction Inc.
Mob # 360 914-0205