

Acton • Mickelson • Environmental, Inc.



December 2006/January 2007 Newsletter

From the President

Many exciting initiatives were implemented during 2006 that have enhanced our ability to serve our clients. We have completed and populated the AME LPIS data base, enhanced our visualization and information technology capabilities. A new website was created that provides visitors a superior vision of what services AME professionals can provide. At year end we began implementation of a more robust scheduling and manpower planning tool that is anticipated to be merged with our time and expense tracking programs in 2007. We have made significant strides toward implementing the "Environmental Logistics" we visualized in March 2006 and we will continue to integrate field and laboratory data near real-time so that we can provide the rapid evaluation and recommendations required to effectively manage our clients' sites. We have scheduled a company wide planning and training meeting for February 22, 2007. During that meeting we will set our sights on identifying enhancements to our current processes. An agenda for the meeting will be circulated before February 1, 2007. Waste Handling (Michael Redfern), Use of Data Visualization in Project Management (Meng Ling), Consulting 101 (Eric Chase) are already on the agenda. Please send me your additional ideas for consideration as agenda items.

Attached is a revised organization chart. Michael Acton will assume general management duties of the El Dorado Hills office. Eric Chase will serve as supervising geologist and Jim Twiford as supervising engineer of the El Dorado Hills office. I will provide executive oversight to regional offices and focus on new office development and marketing. Please call me or come by to discuss these changes.

From the Corporate Health & Safety Officer

As you will read in the following "Safety Matters" section, we are continuing to advance our knowledge

of LPS and use of the associated tools. A hearty "job well done" to all of you, including Mike R. for completing the population of the LPIS database.

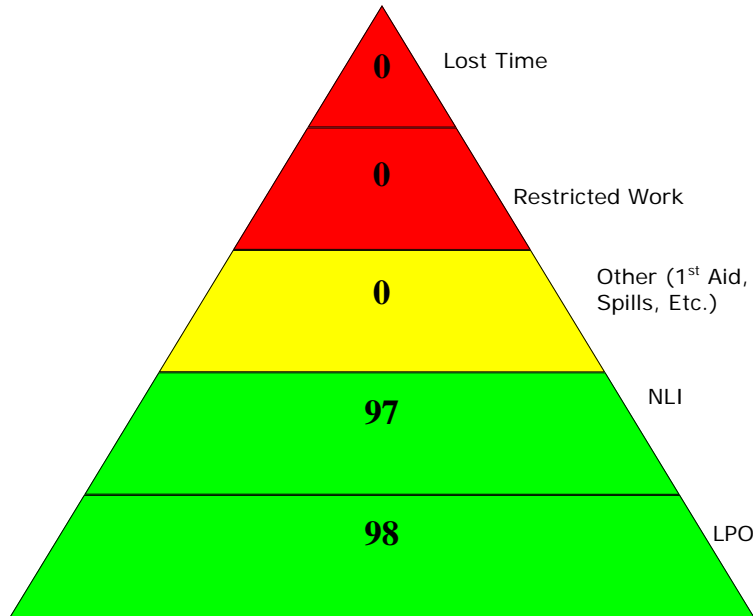
Along these lines, we have two upcoming events of notoriety. The first is the January 30 XOM Safety Forum in Woodland Hills, CA to be attended by Eric, Mike R., Dan, Brian, and yours truly in addition to other XOM consultants and contractors. Following the Safety Forum, each of the firms will engage in a one-on-one session with the XOM Global Remediation Management Team to discuss their safety program. Eric, Mike R., and I will be making a presentation to the XOM Team and participate in an associated discussion. Our one-on-one session is anticipated to encompass approximately 45 minutes.

The second event marks the visit of Dr. Jim Bennett (creator of LPS) to our EDH office on February 23. The purpose of his visit is to provide guidance to our approach of implementing LPS. Dr. Bennett will be reviewing examples of our LPS tool usage in advance of the meeting and should be in a position to provide informative comments. He will be here for the entire day and I envision a wealth of spirited and instructive dialog that should assist in the maturing of our LPS program. All personnel from the other AME offices will travel to EDH to participate in this interactive session. Additionally, we have extended invitations to several managers from XOM to attend the meeting. It promises to be a day of interesting and informative repartee regarding a topic integral to all aspects of our business. I look forward to seeing everyone there!

A final "cautionary" note: It appears that the Arctic cold front is affecting all of us. Jeff H. and Jeff J. have both commented to me this week about below normal temperatures, ice, or snow similar to what we are experiencing here in EDH. Let's be especially careful in our movement (foot and vehicular). Trooper and I have noticed quite a bit of ice on the road and sidewalks making for dicey walking and driving. Do that SPSA, and watch your speed!

Safety Matters

**2006 YTD (through December)
AME Total ExxonMobil Hours Worked YTD (2006): 13,783**



November and December Health & Safety Summary

AME performed 1,070 hours of field work in November and December and for another two months: "NO ONE GOT HURT." In 1,070 field hours AME produced 18 LPOs and 6 NLIs. This resulted in a ratio of one LPO report for every 59 field hours worked. This reflects a continued effort to work safely and drive the LPS program.

Once again the root cause distribution of LPOs was similar for November compared to October. As usual, there are more factors that fall in the personal

category. For the first time there was an incident with a causal factor #8. Unfortunately this incident resulted in a loss. The incident occurred when an unknown object flew out of a truck and struck the AME vehicle traveling behind the truck. This impact resulted in minor body damage to the AME vehicle.

Vehicle Policy

Reminder: It is ExxonMobil policy that vehicles are to be shut off when left unattended. Doing so will prevent an accident due to the vehicle rolling away. Further, a vehicle's exhaust may contaminate any air samples that are being taken in the area.

Trends Analysis

Production of Near Loss Incident Reports and Loss Prevention Observations is as follows:

Month	NLI's Produced*	LPO's Produced*	Field Hours Worked*	Field Hours per LPO*
November	5	10	623	62.3
December	2	8	447	55.8

*Major Projects plus Retail combined

The following table presents the distribution of root causes identified in LPOs.

LPO Root Causes Identified	November	December
1. Lack of Skill or Knowledge	0	0
2. Takes More Time or Effort	7	6
3. Short-cutting tolerated	0	0
4. Procedure Not Followed/No Incident	5	2
5. Lack of or Inadequate Procedure	2	1
6. Inadequate Communication	0	0
7. Inadequate Tools/Equipment	0	0
8. External Factors	0	0

The following table presents the root cause distribution for NLIs.

NLI Root Causes Identified	November	December
1. Lack of Skill or Knowledge	1	0
2. Takes More Time or Effort	4	2
3. Short-cutting tolerated	0	0
4. Procedure Not Followed/No Incident	0	0
5. Lack of or Inadequate Procedure	1	1
6. Inadequate Communication	0	0
7. Inadequate Tools/Equipment	0	0
8. External Factors	1	0

Hotel Safety

Submitted by John Matthey: Always remember to promptly engage the additional locks on your hotel room door. On a recent trip when I opened the assigned room door I was surprised to find that it was already occupied by a guest (who had not engaged the additional locks). Everyone makes mistakes, even the hotel desk clerk.

Safety Meetings for 2007

The safety meetings for 2007 have been scheduled. Please add the following dates to your calendar:

January 26, 2007
 February 16, 2007
 March 16, 2007
 April 20, 2007
 May 18, 2007
 June 15, 2007
 July 20, 2007
 August 17, 2007
 September 21, 2007
 October 19, 2007
 November 16, 2007
 December 14, 2007



Health Insurance Open Enrollment Packets

Open enrollment packets will be distributed shortly. AME has selected Health Net/Kaiser options rather than CalChoice for our renewal.

Handling Wellhead Water

During the winter months it is sometimes necessary to remove rain water that collects in the wellheads. This water needs to be removed to gain access to the well for monitoring and sampling operations but can pose a

slip, trip, and fall hazard or environmental hazard if not handled properly.

Proper management of this water consists of bailing or pumping the water out of the wellhead and putting the water in a container for proper disposal.

Impending Delivery

Jennifer Guthmiller will be going out on maternity leave beginning January 22nd. In her absence, Connie Tatom will be handling most of Jennifer's day to day duties. She will be inputting the accounts receivable

invoices and distributing them for approval. Please return your red folders to her upon approval, or let her know if something is incorrect and needs to be changed. She is also handling the inputting of timesheets and expense reports into the billing system and will be doing the drafts and final versions of the bills. Continue to turn your timesheets into Barbara and Mike. Connie will handle the DHL shipping. She will also be responsible for ordering office supplies, so please direct your requests to her. Connie's e-mail address is ctatom@ameinc.net and her direct line is (916) 939-7552.

Toby will be checking Jennifer's e-mail a few times a week to distribute the analytical data to the proper parties. If you need a particular file or e-mail he can get that for you. He will also be printing the data and filing it.

Ellen will be responsible for making the hotel and airline travel arrangements in Jennifer's absence. She will be quite busy with picking up other tasks of Jennifer's, so please give her plenty of time to make these arrangements and be specific with your request. For example, please provide her with the hotel information (phone number and name), the dates you are staying, and the project it is related to.

Zach will be handling the equipment and trucks while Jennifer is out of the office. Please let him know if equipment needs to be sent in for repair. Trucks that need oil changes can be taken to the Jiffy Lube in El Dorado Hills. We have an account with them, but Zach must be called to authorize anything beyond a standard oil change.

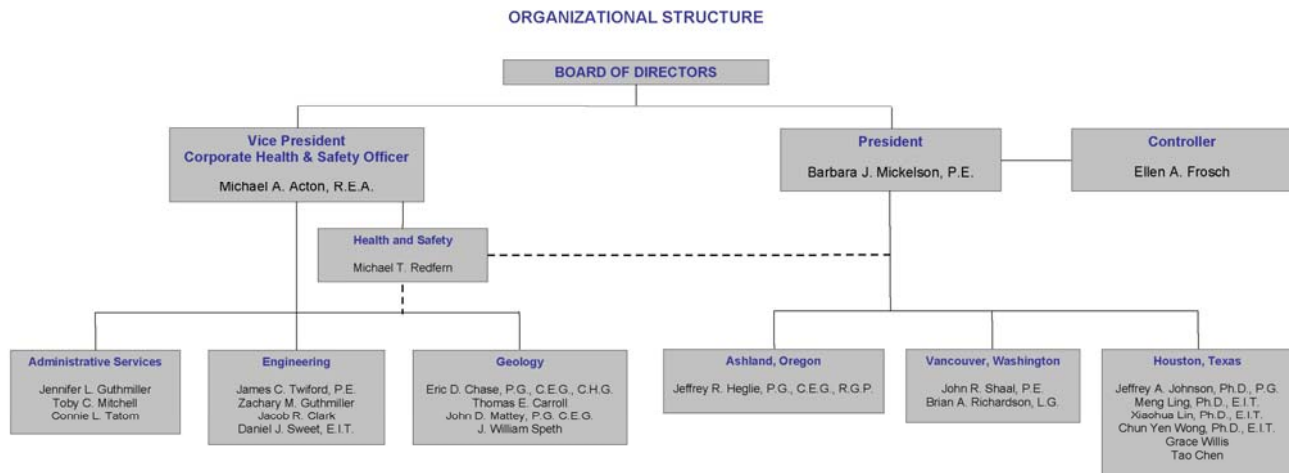
Tao is in charge of the new calendar process, so that piece of information will no longer be coming from Jennifer.

This will be the last newsletter until she returns at the end of April/beginning of May. Mike Redfern will continue to distribute safety statistics and information monthly while Jennifer is away.

Address Update

Please keep your home address and phone number current. The emergency notification form is in your employee manual. Fill this out and turn in to Ellen Frosch. We need to have correct addresses on file to mail W-2 forms in the coming months.

Organizational Structure



Holiday Schedule

HOLIDAY	DATE OBSERVED
New Year's Day	Monday, January 1, 2007
Presidents' Day	Monday, February 19, 2007
Memorial Day	Monday, May 28, 2007
Independence Day	Wednesday, July 4, 2007
Labor Day	Monday, September 3, 2007
Thanksgiving Day	Thursday, November 22, 2007
Day after Thanksgiving	Friday, November 23, 2007
December Holiday	Monday, December 24, 2007
December Holiday	Tuesday, December 25, 2007
Floating Holiday	Employee's Choice

Happy Holidays From Houston



Reminders

Beginning Jan 1 2007, the IRS mileage rate increases to \$0.485 per mile. Please use this rate on your expense reports in 2007.

Update the rate in any budget templates that you use as well.

Humor

