INSIGHT GEOLOGIC, INC.

April 25, 2008

Ostrom's Farms
8323 Steilacoom Road SE
Lacey, Washington 98512
Attn: Chris Street

Report
Petroleum-contaminated Soil Remediation
Ostrom's Mushroom Farm
Lacey, Washington
Project No. 335-001-03

INTRODUCTION

Insight Geologic, Inc. is pleased to provide our report of subsurface investigation activities for the Ostrom's Farms mushroom growing and composting facility located at 8323 Steilacoom Road SE in Lacey, Washington. The property comprises approximately 34 acres northeast of the intersection between Marvin Road and Steilacoom Road in Lacey. The property is shown relative to surrounding physical features on the Vicinity Map, Figure 1.

Water is supplied by a water supply well and through an intertie with the City of Lacey. Sanitary wastes are disposed of through on-site septic tanks and drainfields. Stormwater is either recycled and used for compost production or is used to spray irrigate landscaped areas. Growing room wash down water is generally disposed of directly into the ground.

The subject site is generally flat with a gentle slope to the north. Elevations range from approximately 230 feet above mean sea level (MSL) in the southern portion to about 212 MSL at the northern property line. The majority of the property has been cleared of trees for the development of the growing facility buildings, drive areas and compost production. Surrounding land use consists of single family residential housing to the north and east. Nisqually Middle School is located to the west of the facility, across Marvin Road.

Insight Geologic performed a Phase I Environmental Site Assessment (ESA) of the Ostrom's Farms Mushroom Facility in March 2007. The results of our Phase I ESA indicated several areas of potential environmental concern. The facility has had a series of underground storage tanks (USTs) located on the property. Some USTs have been removed, others have been abandoned in place, and at least one is still active for standby boiler fuel. The facility has had at least one diesel fuel spill related to the existing aboveground storage tank. Stored batteries in the shop area could potentially contaminate local ground water from metals, such as leached lead, via the stormwater system. Stained soil was observed directly outside of the bulk lubricating oil storage area at the time of our

site reconnaissance. The facility has historic and active infiltration areas for wash water and stormwater. These areas have the potential for receiving water containing pesticides including DDT. In the early 1990s, treated soil from previous environmental remediation projects was used in landscape berms in several areas of the property.

At the request of Ostrom's Farms, Insight Geologic conducted subsurface sampling and analysis of soil and ground water in the areas identified during the Phase I ESA. Work on the site was completed on June 14 and 20, 2007. We collected and analyzed soil and ground water samples from 11 probe rig borings and 12 hand auger borings in the areas of potential environmental concern. The result of this round of sampling identified two impacted areas. The aboveground fueling station had a limited shallow impact by diesel. The bulk lubricating oil storage area, located behind the shop, had a shallow impact by heavy oil.

Further investigation of the fueling station was conducted on September 14, 2007. Six boring were advanced to a depth of about 8 feet around sample site B-6 of the initial investigation. Field observation of the soil samples indicated a limited extent of contamination. This was further confirmed by samples analyzed by an off-site laboratory.

Subsequently, Insight Geologic, Inc. was contracted to assist in the removal of contaminated soil from the fueling area and the bulk lubricating oil storage area.

SCOPE OF SERVICES

The purpose of our services was to assist in the removal of impacted soil in the areas of the identified environmental concerns on the property. We conducted the following tasks for this phase of the project:

1. Prepare a Health and Safety Plan for Insight Geologic's representatives while on-site.
2. Conduct utility location at the site to assess the presence of potential subsurface obstructions.
3. Observe the removal of impacted soil by means of an excavator from the two identified locations. Collect representative soil samples from the bottom and the sidewalls of the excavation areas.
4. Provide for the chemical analysis of select soil samples for the presence of diesel- and oil-range hydrocarbons using Ecology Method NWTPH-Dx (extended).
5. Evaluate the laboratory results with respect to current Ecology Model Toxics Control Act (MTCA) Method A cleanup levels.

SUMMARY OF ACTIVITIES

Ostrom's Farms undertook remedial action at the Ostrom's Mushroom Farm on February 25, 2008. Cairone Enterprises was contracted to excavate the impacted soil, while Insight Geologic conducted project oversight and sample collection. Representative soil samples were collected from each excavation area where the soil appeared most impacted. Confirmation samples were also taken from the bottom and sidewalls of the excavations. All soil samples were placed into laboratory supplied jars which were sealed, labeled and placed into an ice chest for storage pending analysis.

Soil from the excavation areas were described by the field geologist in general accordance with the Unified Soil Classification System. Logs of the soils encountered are contained in Attachment A.

The materials encountered appeared to be glacial outwash and ablation till deposited during the waning stages of the Vashon Stade of the Fraser glaciation, which ended between 10,000 and 15,000 years ago.

CHEMICAL ANALYSIS

Soil samples were analyzed by Libby Environmental for the presence of diesel- and oil-range hydrocarbons using Ecology Method NWTPH-Dx (extended).

Analyses results did not indicate the presence of diesel- or oil-range hydrocarbons at or above MTCA Method A cleanup levels in the confirmation soil samples collected from the base and sidewalls of the remedial excavation areas (see Table 1). A copy of the laboratory reports are contained in Attachment B.

CONCLUSIONS

Twenty yards of soil were removed from the locations of the fueling area and the bulk lubricating oil storage area on February 25, 2008. Soil samples collected from the limits of the remedial excavations, following the removal of impacted soils, did not contain detectable concentrations of petroleum hydrocarbons. The limited extent of petroleum hydrocarbons in the soil at each site would not appear to pose a threat to ground water at the site.

LIMITATIONS

We have prepared this report for use by Ostrom's Farm and their agents regarding the removal of petroleum-contaminated soil encountered at the Ostrom's Mushroom Farm facility located in Lacey, Washington. This report may be made available to regulatory agencies.

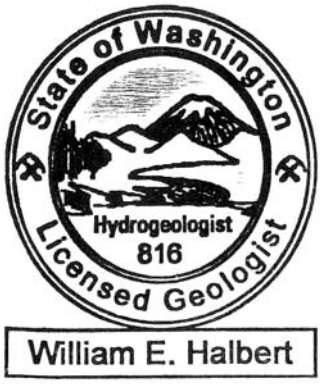
Within the limitations of scope, schedule and budget, our services have been executed in accordance with generally accepted environmental science practices in this area at the time this report was prepared. No warranty or other conditions, express or implied, should be understood.

Please refer to Attachment C titled "Report Limitations and Guidelines for Use" for additional information pertaining to use of this report.

We trust this report meets your current requirements. Please contact us if you have questions regarding information presented in this report, or if you require additional information. We appreciate the opportunity to be of service to you on this project.

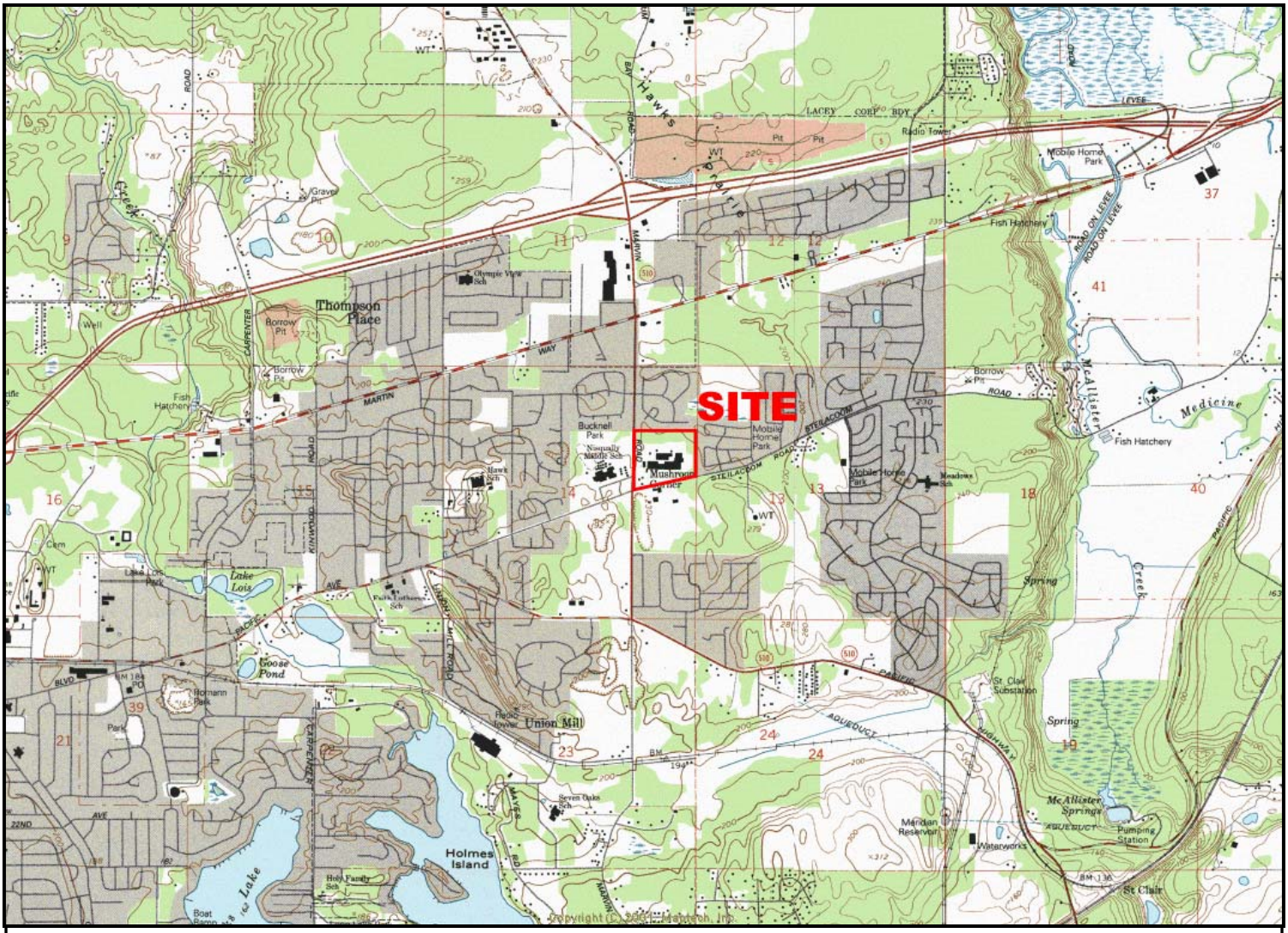
Respectfully Submitted,
INSIGHT GEOLOGIC, INC.

William E. Halbert, L.E.G., L.HG.
Principal Hydrogeologist



Attachments

FIGURES



Source: Maptech CD, Lacey, Washington 7.5 minute quadrangle, 1955, photorevised 1994

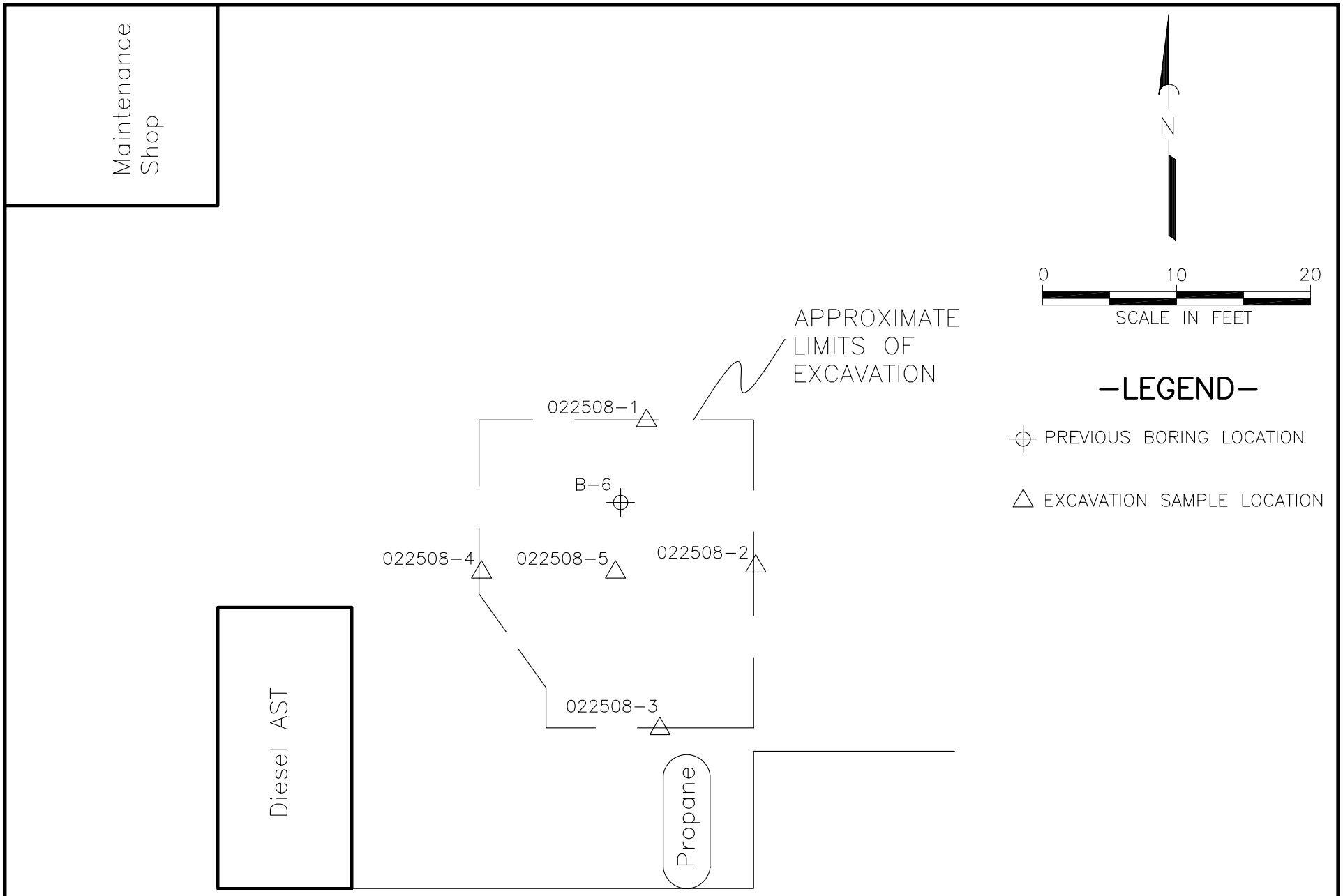
NORTH

Approximate Scale 1 inch = 4,000 feet

INSIGHT GEOLOGIC, INC.

VICINITY MAP

FIGURE 1



Notes: 1. The locations of all features shown are approximate.

2. This figure is for informational purposes only. It is intended to assist in the identification of features discussed in a related document. Data were compiled from sources as listed in this figure. The data sources do not guarantee these data are accurate or complete. There may have been updates to the data since the publication of this figure. This figure is a copy of a master document. The master hard copy is stored by Insight Geologic, INC. and will serve as the official document of record.

INSIGHT GEOLOGIC, INC.

FUEL SPILL EXCAVATION

FIGURE 2

TABLES

TABLE 1

Summary of Laboratory Analysis - SOIL

Ostrom's Farms

Lacey, Washington

Sample Number	Date Sampled	Depth (feet)	Diesel-range Hydrocarbons	Oil-range Hydrocarbons
022508-1	2/25/2008	2.50	<25	NA
022508-2	2/25/2008	2.50	<25	NA
022508-3	2/25/2008	2.50	<25	NA
022508-4	2/25/2008	2.50	<25	NA
022508-5	2/25/2008	3.50	<25	NA
022508-6	2/25/2008	0.50	<25	4880*
MTCA Method A Cleanup Level			2,000	2,000

Notes:

Laboratory Analyses by Libby Environmental Laboratory, Olympia, Washington

All values presented in milligrams per kilogram (mg/kg)

Diesel- and Oil-range hydrocarbons analyzed using Ecology Method NWTPH-Dx/Dx Extended

" < " Indicates the analyte was not detected at the listed detection limit

NA - Indicates the sample was not analyzed for this parameter.

Shaded values indicate exceedence of the MTCA Method A cleanup level.

" < " Indicates the analyte was not detected at the listed detection limit

* Oil stained soil confirmation sample

ATTACHMENT A
LABORATORY REPORTS

ATTACHMENT A
CHEMICAL ANALYTICAL PROGRAM

ANALYTICAL METHODS

Chain-of-custody procedures were followed during the transfer of field samples to the analytical laboratory. The samples were held in cold storage pending extraction and/or analysis. The analytical results, analytical methods reference and laboratory quality assurance/quality control (QA/QC) records are included in this Attachment. The analytical results are also summarized in the text of this report.

ANALYTICAL DATA REVIEW

The laboratory maintains an internal quality assurance program as documented in its laboratory quality assurance manual. The laboratory uses a combination of blanks, surrogate recoveries, duplicates, matrix spike recoveries, matrix spike duplicate recoveries, blank spike recoveries, and blank spike duplicate recoveries to evaluate the validity of the analytical results. The laboratory also uses data quality goals for individual chemicals or groups of chemicals based on the long-term performance of the test methods. The data quality goals were included in the laboratory reports. The laboratory compared each group of samples with the existing data quality goals and noted any exceptions in the laboratory report.

ANALYTICAL DATA REVIEW SUMMARY

Based on our data quality review, it is our opinion that the analytical data are of acceptable quality for their intended use.

LIBBY ENVIRONMENTAL CHEMISTRY LABORATORY

OSTROMS FUEL SPILL PROJECT
Lacey, Washington
Insight Geologic, Inc.

Libby Project No.L080225-2

Analyses of Diesel (NWTPH-Dx) in Soil

Sample Number	Date Analyzed	Surrogate Recovery (%)	Diesel (mg/kg)
Method Blank	2/25/2008	93	nd
022508-1	2/25/2008	100	nd
022508-2	2/25/2008	75	nd
022508-3	2/25/2008	103	nd
022508-4	2/25/2008	77	nd
022508-5	2/25/2008	96	nd
022508-5 Dup	2/25/2008	72	nd
Practical Quantitation Limit			25

"nd" Indicates not detected at the listed detection limits.
"int" Indicates that interference prevents determination.

ACCEPTABLE RECOVERY LIMITS FOR SURROGATE (2-F Biphenyl): 65% TO 135%

ANALYSES PERFORMED BY: Sherry Chilcutt

LIBBY ENVIRONMENTAL CHEMISTRY LABORATORY

OSTROMS FUEL SPILL PROJECT
Lacey, Washington
Insight Geologic, Inc.

Libby Project No.L080225-2

Analyses of Oil (NWTPH-Dx/Dx Extended) in Soil

Sample Number	Date Analyzed	Surrogate Recovery (%)	Oil (mg/kg)
Method Blank	2/25/2008	93	nd
022508-6	2/25/2008	89	4880
Practical Quantitation Limit			40

"nd" Indicates not detected at the listed detection limits.
"int" Indicates that interference prevents determination.

ACCEPTABLE RECOVERY LIMITS FOR SURROGATE (2-F Biphenyl): 65% TO 135%

ANALYSES PERFORMED BY: Sherry Chilcutt

LIBBY ENVIRONMENTAL CHEMISTRY LABORATORY

OSTROMS FUEL SPILL PROJECT
Lacey, Washington
Insight Geologic, Inc.

Libby Project No.L080226-4

Analyses of Oil (NWTPH-Dx/Dx Extended) in Soil

Sample Number	Date Analyzed	Surrogate Recovery (%)	Oil (mg/kg)
Method Blank	2/26/2008	88	nd
A	2/26/2008	92	nd
B	2/26/2008	102	nd
B Dup	2/26/2008	68	nd
Practical Quantitation Limit			40

"nd" Indicates not detected at the listed detection limits.
"int" Indicates that interference prevents determination.

ACCEPTABLE RECOVERY LIMITS FOR SURROGATE (2-F Biphenyl): 65% TO 135%

ANALYSES PERFORMED BY: Sherry Chilcutt

ATTACHMENT B

LIMITATIONS AND GUIDELINES FOR USE

ATTACHMENT B
REPORT LIMITATIONS AND GUIDELINES FOR USE[1]

This attachment provides information to help you manage your risks with respect to the use of this report.

ENVIRONMENTAL SERVICES ARE PERFORMED FOR SPECIFIC PURPOSES, PERSONS AND PROJECTS

This report has been prepared for the exclusive use of Ostrom's Farms and their authorized agents. This report may be made available to regulatory agencies for review. This report is not intended for use by others, and the information contained herein is not applicable to other sites.

Insight Geologic, Inc. structures our services to meet the specific needs of our clients. For example, an environmental site assessment study conducted for a property owner may not fulfill the needs of a prospective purchaser of the same property. Because each environmental study is unique, each environmental report is unique, prepared solely for the specific client and project site. No one except Ostrom's Farms should rely on this environmental report without first conferring with Insight Geologic, Inc. This report should not be applied for any purpose or project except the one originally contemplated.

THIS ENVIRONMENTAL REPORT IS BASED ON A UNIQUE SET OF PROJECT-SPECIFIC FACTORS

This report has been prepared for the Ostrom's Mushroom Facility located at 8323 Steilacoom Road SE in Lacey, Washington. Insight Geologic, Inc. considered a number of unique, project-specific factors when establishing the scope of services for this project and report. Unless Insight Geologic, Inc. specifically indicates otherwise, do not rely on this report if it was:

- not prepared for you,
- not prepared for your project,
- not prepared for the specific site explored, or
- completed before important project changes were made.

If important changes are made after the date of this report, Insight Geologic, INC. should be given the opportunity to review our interpretations and recommendations and provide written modifications or confirmation, as appropriate.

RELIANCE CONDITIONS FOR THIRD PARTIES

Our report was prepared for the exclusive use of our Client. No other party may rely on the product of our services unless we agree in advance to such reliance in writing. This is to provide our firm with reasonable protection against open-ended liability claims by third parties with whom there would otherwise be no contractual limits to their actions. Within the limitations of scope, schedule and budget, our services have been executed in accordance with our Agreement with the Client and generally accepted environmental practices in this area at the time this report was prepared.

[1] Developed based on material provided by ASFE, Professional Firms Practicing in the Geosciences; www.asfe.org.

ENVIRONMENTAL REGULATIONS ARE ALWAYS EVOLVING

Some substances may be present in the site vicinity in quantities or under conditions that may have led, or may lead, to contamination of the subject site, but are not included in current local, state or federal regulatory definitions of hazardous substances or do not otherwise present current potential liability. Insight Geologic, Inc. cannot be responsible if the standards for appropriate inquiry, or regulatory definitions of hazardous substance, change or if more stringent environmental standards are developed in the future.

UNCERTAINTY MAY REMAIN EVEN AFTER THIS PHASE II ESA IS COMPLETED

No ESA can wholly eliminate uncertainty regarding the potential for contamination in connection with a property. Our interpretation of subsurface conditions in this study is based on field observations and chemical analytical data from widely-spaced sampling locations. It is always possible that contamination exists in areas that were not explored, sampled or analyzed.

SUBSURFACE CONDITIONS CAN CHANGE

This environmental report is based on conditions that existed at the time the study was performed. The findings and conclusions of this report may be affected by the passage of time, by manmade events such as construction on or adjacent to the site, by new releases of hazardous substances, or by natural events such as floods, earthquakes, slope instability or ground water fluctuations. Always contact Insight Geologic, Inc. before applying this report to determine if it is still applicable.

SOIL AND GROUND WATER END USE

The cleanup levels referenced in this report are site- and situation-specific. The cleanup levels may not be applicable for other sites or for other on-site uses of the affected media (soil and/or ground water). Note that hazardous substances may be present in some of the site soil and/or ground water at detectable concentrations that are less than the referenced cleanup levels. Insight Geologic, Inc. should be contacted prior to the export of soil or ground water from the subject site or reuse of the affected media on site to evaluate the potential for associated environmental liabilities. We cannot be responsible for potential environmental liability arising out of the transfer of soil and/or ground water from the subject site to another location or its reuse on site in instances that we were not aware of or could not control.

MOST ENVIRONMENTAL FINDINGS ARE PROFESSIONAL OPINIONS

Our interpretations of subsurface conditions are based on field observations and chemical analytical data from widely spaced sampling locations at the site. Site exploration identifies subsurface conditions only at those points where subsurface tests are conducted or samples are taken. Insight Geologic, Inc. reviewed field and laboratory data and then applied our professional judgment to render an opinion about subsurface conditions throughout the site. Actual subsurface conditions may differ – sometimes significantly – from those indicated in this report. Our report, conclusions and interpretations should not be construed as a warranty of the subsurface conditions.

DO NOT REDRAW THE EXPLORATION LOGS

Environmental scientists prepare final boring and testing logs based upon their interpretation of field logs and laboratory data. To prevent errors or omissions, the logs included in an environmental report should never be redrawn for inclusion in other design drawings. Only photographic or electronic reproduction is acceptable, but recognize that separating logs from the report can elevate risk.

READ THESE PROVISIONS CLOSELY

Some clients, design professionals and contractors may not recognize that the geoscience practices (geotechnical engineering, geology and environmental science) are far less exact than other engineering and natural science disciplines. This lack of understanding can create unrealistic expectations that could lead to disappointments, claims and disputes. Insight Geologic, Inc. includes these explanatory "limitations" provisions in our reports to help reduce such risks. Please confer with Insight Geologic, Inc. if you are unclear how these "Report Limitations and Guidelines for Use" apply to your project or site.

GEOTECHNICAL, GEOLOGIC AND GEOENVIRONMENTAL REPORTS SHOULD NOT BE INTERCHANGED

The equipment, techniques and personnel used to perform an environmental study differ significantly from those used to perform a geotechnical or geologic study and vice versa. For that reason, a geotechnical engineering or geologic report does not usually relate any environmental findings, conclusions or recommendations; e.g., about the likelihood of encountering underground storage tanks or regulated contaminants. Similarly, environmental reports are not used to address geotechnical or geologic concerns regarding a specific project.

BIOLOGICAL POLLUTANTS

Insight Geologic, Inc's Scope of Work specifically excludes the investigation, detection, or assessment of the presence of Biological Compounds which are Pollutants in or around any structure. Accordingly, this report includes no interpretations, recommendations, findings, or conclusions for the purpose of detecting, assessing, or abating Biological Pollutants. The term "Biological Pollutants" includes, but is not limited to, molds, fungi, spores, bacteria, and viruses, and/or any of their byproducts.