

The ELKHORN Bugle

Winter 2006



Wyoming Business Reports has listed ELkhorn Construction as “Largest Privately Owned Company in the State of Wyoming”



The Wyoming Business Report Listed Elkhorn Construction, Inc. the Largest Construction Company in the State of Wyoming, ranked by number of employees. We were also listed as the Largest Privately held Company in the State, ranked by number of employees. Elkhorn Construction, Inc. was also ranked number eight in the largest private-sector employers, ranked by number of employees in region.



As a 100% employee owned Company, we're extremely excited and proud of being listed number one, not only in one category but two categories and scoring in the top ten in a third one. All of our beliefs, hard work, sweat and tears have gotten us recognized as a leader in the construction industry in Wyoming.



From our modest beginnings back in 1984 through our 1995 transformation to a 100% employee owned company, to the recent growth through several business acquisitions, additional office locations, many team and talent additions, and changes, our core driving force has been: To create a customer focused ownership culture that will result in the greatest value for all of our many stakeholders; our clients, business-partners, employee owners, and the communities where we live and work.



Elkhorn Holdings, Inc. has grown ten times in the past ten years. We just experienced our best year ever in 2005. This growth was accomplished through the efforts of our dedicated and hard working employee owners. As an employee owned company, we at Elkhorn join employees and owners as one constituency that blends values and objectives that guide us toward achieving a common goal. We want to continue to be the industry's "provider of choice". This can only be accomplished by providing superior performance and making smart business decisions.

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Elkhorn has positioned itself to continue to grow and strive to capture its share of the construction market. As we fine-tune our strategy to meet the needs of our customers and this constantly changing market place, we will need to further our evolution. These opportunities will make Elkhorn not only more responsive to our customer needs, but also a vehicle of economic and personal growth for our employee owners.

The Wyoming Business Report is a monthly periodical newspaper that keeps its subscribers informed on the pulse of business in the great State of Wyoming. They have been compiling and presenting the book of lists for five years now with this year being the largest yet. The book of lists includes lists on virtually every industry in Wyoming, from agribusiness, banking, real estate, energy, etc. The Wyoming Business Report has a sister publication, the Northern Colorado Business Report.

As employee owners, we need to remain focused on the task at hand each day. By maintaining a positive focus on safety, our clients, business partners, and as always, our fellow employee owners, we can continue to be listed number one. We've worked hard as a family to reach the level we are at today, and should be proud of the accomplishments we have achieved. Just as professional sports start over each year, we also must step back out of the spotlight, cinch up our tool belts, and then continue striving to be the industry's "provider of choice" today, tomorrow, and for years to come.

"THEM BONES"

by Mitch Midcap

Executive Vice President of Elkhorn Holdings, Inc. and President of Elkhorn Construction, Inc.

What a year 2005 has proven to be. Elkhorn Construction, Inc. has again grown and stretched to what some might think as being to the absolute limit without bursting at the seams. Many of our employees put in thousands and others hundreds of long-hard hours in 2005 and they are to be commended for their tremendous effort towards another respectful year. I use respectful, instead of successful, because our safety record is not what it should be, and it certainly fell short of our stated goal of an incident free work place. Yes, we had a great year financially. But our safety overall was only "ok" or "respectful", it was not successful. We had too many incidents. Yes, we ended up with a good safety record, but it needs improvement. We simply must have all of our employees plan and execute their assigned tasks safely. Safety must come first in our daily activities, at work, and at home. Until we reach a zero incident rate, we will not be "successful". I recognize that many of our employees worked the entire year without a safety incident. Thank you very much for your outstanding safety attitude and please keep up the good safe work.

Someone recently quoted to me a statement that came from "Bits & Pieces". This statement contains some truth that we need to consider. That statement is as follows: "There are four bones in every organization. The wish-bones: Wishing somebody would do something about the problem. The jaw-bones: Doing all the talking but very little else. The knuckle-bones: Those who knock everything. The back-bones: Those who carry the brunt of the load and do most of the work." We can apply "Them Bones" throughout the Elkhorn Holdings organization in many different ways, different groups, on different projects, within projects, etc. This is a situation in which I would like to see some broken-bones. Broken wish-bones, jaw-bones, and knuckle-bones. With your help and intervention with your co-workers, these broken bones will mend into back-bones. Back-bones, which will lead the way to an incident free workplace and a successful year. Which bone are you? Are you making a difference in safety? Are you making a difference in productivity? Are you making a difference in the quality of our work? We can have the best year ever financially in 2006, but if our safety does not improve, the financial success will not matter towards the ultimate success of our company. Let me challenge you to be a back-bone and lead the charge in safety. Set the tone and lead by example for your co-workers by putting their and your safety first. Lets have a successfully safe 2006.

EQUIPMENT NOTES

Vehicle and Equipment Winter Awareness

Even though we would all like to see spring, winter still has its cold dead finger pointed at us. With that said here are a few suggestions to prepare you and your company vehicle / equipment for the long winter ahead.

Check all tires (including spare) for proper wear, inflation, cuts, and tread depth. We recommend (as well as most tire vendors) that tires be replaced between 3/32 and 5/32; most service centers can check tread depth for you. All equipment tires need to be inspected and replaced accordingly as well.

Anti-freeze should be checked to ensure proper engine protection below -20 degrees; the same is said for equipment. If additional coolant is needed be sure to add only the specific type the vehicle manufacturer recommends. If your vehicle or equipment is equipped with an engine block heater it should be used as the temperature drops, this will result in less strain on the engine when trying to start cold.

Inspect your windshields for chips, cracks and pitting. If you have one of these deficiencies and you have been putting off getting it fixed, it would be wise to make the necessary repairs before the cold sets in. As we know, a chip will usually turn in to a crack once the defroster has been ran in cold weather. Once the windshield inspection is complete take a good look at the wiper blades, and replace if necessary. Winter wiper blades are also available and worth the few extra dollars.

Perform a simple system check on the vehicle heating system, make sure all functions are working in each position, vents are free of debris and the heater is blowing hot air. This may sound silly, but in the summer months we rarely use the heater and there is a chance that something has come loose, or a vent has been plugged off.

If you are working in an area where tire chains may be needed, it would be wise to acquire them now versus later. Once you realize you need chains, every one else has done the same and it may be difficult to find them, also if they need to be ordered this may take a week or more.

When greasing equipment in the winter months it is a good idea to switch to a lighter body grease. Thicker grease is great for the warmer months but lighter grease will be easier to push through the grease zerks in the colder months to ensure all moving parts are being properly lubricated.

In all diesel burning vehicles and equipment it is recommended that a blended fuel be used as well as an anti-gel mixed. This same rule applies for all auxiliary fuel tanks as well. However, this will not guarantee that your unit will not gel but will certainly help as a preventative maintenance.

The vehicle braking has to be checked and repairs made as needed. If a grinding sound is made or if the brake pedal feels spongy, there most likely is a problem that needs to be corrected. The same applies for all equipment and trailers. Get it checked before it is to late, when you really need your braking system to perform.

All lights and lighting systems should be checked. This can be performed with the help of another person and only takes a few minutes. With winter around the corner, the days will be shorter and the nights even longer therefore your vehicle, equipment, and trailer lights will be used more often.

Everything that I mentioned should be applied at work but can also be used at home as well. Our employees and safety go hand in hand, we want everyone to go home with the same working parts that you showed up with, please take a few minutes out of your day and follow this check list on your vehicles and equipment.

Paul Lesarge
Equipment Manager

CUP OF COFFEE?

Sometimes a cup of coffee is more than a cup of coffee (even on a Monday morning).

A group of alumni, highly established in their careers, got together to visit their old university lecturer. Conversation soon turned into complaints about stress in work and life.

Offering his guests coffee, the lecturer went to the kitchen and returned with a large pot of coffee and an assortment of cups: porcelain, plastic, glass, some plain looking and some expensive and exquisite, telling them to help themselves to hot coffee.

When all the students had a cup of coffee in hand, the lecturer said: "If you noticed, all the nice looking, expensive cups were taken up, leaving behind the plain and cheap ones. While it is but normal for you to want only the best for yourselves, that is the source of your problems and stress. What all of you really wanted was coffee, not the cup, but you consciously went for the better cups and are eyeing each other's cups."

"Now, if Life is coffee, then the jobs, money and position in society are the cups. They are just tools to hold and contain Life, but the quality of Life doesn't change." "Sometimes, by concentrating only on the cup, we fail to enjoy the coffee in it."

So, don't let the cups drive you...enjoy the coffee instead.

THE CHAIRMAN'S COLUMN

By Sean Sullivan, Chairman, President and CEO, Elkhorn Holdings, Inc.

This column will be split into several parts:

First, the introduction to the 2006 business plan contained some of what follows.

In the 2005 Business Plan introduction, I discussed how we had to “step back” in 2004 to gain traction. Those efforts, coupled with an overheated market place for our services, produced record results in revenues and employment in 2005. Some of the more notable happenings:

- The addition of Eagle Pipeline to the Family of Companies was beneficial financially, culturally, geographically and educationally for all involved. From Wendel and Carolyn Smith throughout the ranks, this was a beneficial acquisition for all of our employee owners.
- The transaction for assets that led to the formation of HOAD Industrial Services, gave new opportunities to key employees and delivered some talented individuals as well.
- We saw modest improvement in lagging indicators (incidence rates and Experience Modification Rates) for safety performance due to significant improvement in leading indicators (belief system, training and behavior based Plus Process).
- The addition of the position of Chief Financial Officer, Steve Bailey who was to fill that role; the addition of others such as John Forni, Jack Kimmel, Gil Love, and Leon O'Bryan; the new assignments taken on by Jon Bailey, Scott Chisum, Cole Deister, Matt Goodrich, Lisa McLean, Rene Morales, Mark Ogg, and Amber Savage; the return of Wayne Kunz and a continuous level of total employment above 1,000 for five + months were all positive developments on the employment front. (P.S. - during the week ending 2/22/06 we reached our to date peak of 1,204 employees).
- We published the Bugle to favorable feedback from employees and customers and committed to doing so on a regular basis.
- As discussed in the cover story, we were named both the largest privately held company and the largest construction company in the state of Wyoming in the Wyoming Book of Lists.
- We experienced unprecedented growth in employment and revenues such that we have efficiently grown ten times in our ten years of employee ownership.
- We were able to settle most of our legal/collection problems.
- We developed a new customer and commercial framework that provide a favorable platform for doing business in this industry in these market conditions, and it was successfully employed; however, we learned it is critical for all involved to both understand and monitor the process.
- We successfully completed many projects for both existing and new customers.
- We reorganized some responsibilities successfully.
- We saw growth in visibility and impact in both the 401K and the employee ownership culture.

I am optimistic that the future will continue to burn brightly for Elkhorn, but we must remain alert to ensure that:

- We become accident/incident free.
- We do not mistake a bull market for brains.
- We remain one company committed to building value for all of our employee owners.
- We tighten our project controls and execution while remaining flexible enough to staff projects, build ownership and satisfy the varying needs of our customers.

As I said last year, adding value is a journey; Elkhorn's compass is our shared values. Our values are intact. We know the direction and the destination. Our challenge is to align all of the forces within Elkhorn to focus on the target so we can continue to maximize our velocity during 2006. We must sharpen our focus and mutual commitment.

Secondly, Barry Blanchard, recently provided some statistics in our weekly Tuesday morning conference call that that are shocking, sobering, and clearly demand that we hold safety as a core value and do everything possible to become accident/incident free.

In 2004, a total of 5,703 fatal work injuries were recorded in the United States. The construction industry ranks 4th for the rate of fatal injuries per 100,000 workers – there were 1,224 construction related deaths in 2004 in the United States. But, this is the most of any industry sector. Unbelievably, with all of the effort the industry puts into safety, this is an increase of 8 % over 2003. Put another way, there were an average of 3 deaths in construction each day of 2005. We must all do all we can to stop this.

Third, Charlie Moorcraft recently visited Evanston courtesy of BP and gave a live presentation of *Remembering Charlie*. If you have ever seen this video or heard his presentation in person, it is not one you will forget. If you haven't seen it, you should. Randy Erickson, our Safety Director, can provide it. Charlie was burned seriously over 50% of his body and underwent over 30 surgeries during 5 years of recovery/rehabilitation at a direct cost of close to \$2,000,000. The true financial cost is probably at least 5 times that amount.

Charlie so vividly describes the constant, horrific pain, depression, addiction, and desire to die that followed his accident, that some in the audience had to leave.

What makes Charlie's story so compelling is that he takes personal responsibility for what happened. He took the shortcuts that caused the accident and doesn't blame anyone else.

He will live with what happened and the results for the rest of his life and concludes by saying as bad as all of the physical pain was, it was nothing compared to the pain he endured as a result of the lost time and relationship with family and friends.

I echo his sentiment in being sure to tell those close to you how you feel about them every day.

Finally, we had a crew take personal responsibility the other day and had a great safety save. They did everything right. The job involved helping a customer excavate an underground line to investigate some damage a smart pig had identified. They called One-Call, did a proper BJSA, and removed the overburden. Thankfully, they then started using shovels to hand excavate as should be done. This process allowed them to unearth a high voltage power cable that was not identified by One-Call or on any drawings. Without this procedure having been followed, the backhoe could have hit and damaged this line, which in turn could have resulted in injury, and property damage. This crew consisted of Jesse Staggs, Duke Jaramillo, Leonardo Zamora and Justin Troudt (whose shovel found the cable).

Thanks to this crew and to all of you who do just this kind of thing everyday without any special acknowledgement. We appreciate your efforts.



Questions with the Tolar Team

Who's our Business Partner on the Tolar Project and where is the facility at?

Our client is MEG Texas Gas Services, L.P., Momentum Energy Group LLC (MEG) and the project is located at 4205 Hill City Highway, Tolar, TX 76476.

Key leaders for both teams?

Doug Johnson, Project Superintendant for Elkhorn and Richard Holmes, Facility Construction Coordinator for MEG.



Highlights of the Scorecard process and benefits to ECI and the Client?

The scorecard itself is an excellent tool for us and our client in terms of helping to monitor and track our overall performance in many different areas. The score card gives us clearly defined goals to meet, as well as outlining certain guidelines for us to follow. It disciplines us by allowing us to see in which particular areas we fall short and that require improvement, and rewards us when we meet each of its specified goals! For instance, during Phase-I, we logged over 63,000 man hours and recorded 4 first aid cases. However, so far during phase-II, we have logged over 76,000 man hours and have not had any first aid cases. Our scorecard is set up on a 0-100% scale, with a 100% being an excellent score and allowing us to receive a profit bonus during each of our evaluation periods.

If you consider April 4th to be the start of our project, then April 4th – August 28th could be considered our Phase-I evaluation period for which we scored a 92 out of 100. Our documentation and scheduling is a huge part of our Scorecard, and therefore is a huge part of Elkhorn scoring well during our periodic evaluations. We scored 100% in all of these areas during our first evaluation.



Milestones reached during construction?

The first cryogenic plant (Cryo#1) was demo'd in Sonora, TX and moved to Tolar, TX and to be revamped and reinstated. Other various pieces of equipment and piping were demo'd in Sonora, TX as well as Goldsby, OK for relocation to the Tolar, TX site. Cryo #1 and (2)-3516 Series Compressors went online the first week of August, 2005.

During one of our biggest pushes, we set and assembled 16 major pieces of equipment, for an estimated total weight of 643,450 lbs. in 4 days.

Richard Holmes is X-raying all plant piping. To date, he has shot 480 welds and we have only had 1 repair!

Some quantities to consider for our overall project since start in April 2005:

Carbon Steel Weld Inches: more than 58,200" **Concrete Installed:** more than 1330 cubic yards, **Pipe Handled:** over 16,500 Inft



Crew mentions and thanks you want to offer?

We have an excellent mix of work crews here. As we have progressed, our crews have created a synergy that have allowed us to jump way ahead of schedule in many areas and to stay ahead of schedule.

We have a very competent electrical crew, now headed by Raul Rojo (Larry Little and Terry Stull also played a large role in the early stages of our electrical work), which has almost been constantly ahead of schedule, and at times, many days ahead of even our piping crews.

A terrific Civil crew, headed by Ruban Soto, who have yet to miss a mark on a single anchor bolt set out here on any of our equipment foundations.

Our piping and mechanical crews consist of many well-seasoned veterans to their crafts, as well as young and eager helpers and apprentices who are willing to not only work hard and work safely, but to learn their craft and feel proud of the tasks they are accomplishing. Tim Kuplic, Johnny Smith, Todd Johnson, and Edgar Porras have played a major role in directing our mechanical crews.

Dynamic has an experienced crew as well, heading up all of our painting and insulating needs. Jose Viesca is currently overseeing their operations. Fransisco Marquez also had a large amount of guidance over their work for a while as well.

Thanks to Larry Little and his crew for their efforts on demo'ing these facilities, as well as Edgar Porras and his crew.

Richard Holmes has been a great asset to both MEG and Elkhorn in assisting to expedite materials, equipment, and construction information.

FOUR CORNERS AREA NEWS

The work in the Four Corners Area is never dull and always varied.

Back in October we received a desperate call from a representative of a company who is involved in the Animas La Plata Project. Apparently the 72" inlet pipe had been mis-fabricated by the supplier, and they were in dire need of welders to correct the problem. A crew was dispatched to Durango and produced (2) each 72" welds in 4 days. The guys enjoyed the change of pace from everyday ho hum small-bore jobs.

We've all heard and talked about digging a big hole and filling it up with money; ie concrete. Well, that's exactly what Doug Dutton and his guys did, on direction of the client of course. The hole was 38' x 26' x 15' deep and was filled with lean concrete, then a cap poured over the top for the compressor foundation. That's a lot of mud!!! Doug and his guys primarily take care of all of our Hanover work and have really developed a reputation for safety, quality, and timely completion.

Another of our more interesting projects was to completely enclose the cooler at the BP Bayfield Compression Facility. The intent of the project was to turn the existing cooler into a very large swamp cooler. Pretty simple really, except when the materials arrived for the enclosure, in boxes - minus piece marks, vendor drawings, bill of material, or installation manual. It presented quite a challenge for Joe Powell and the guys. Of course all of these guys have put together Christmas toys, etc. by throwing away the instructions, so guess what? They got the thing assembled without instructions OR directions. Needless to say, we had (1) one bolt left.

Oscar Cepeda and his crew continue to keep Conoco Phillips happy with their efficiency. These guys work so far out in the oil field that sometimes we wonder if Elkhorn has opened an International Division. What do you think Sean?

How many units of chock fast red grout has anyone ever used on a single job? Well Randy Watts and crew used 180 units to cap existing LNG tank piers. The concrete piers were beginning to deteriorate, so we chipped back to expose the aggregate, formed around the piers and, by shovel and wheel barrow, filled the void with grout. These guys were all seeing red by the time they got finished with this one.

SPECIAL RECOGNITION

BP awarded a Certificate of Recognition to Daniel Sylvester for his exceptional leadership of having the courage to stop the job when Daniel observed an un-safe act taking place. Let's all of us take a moment to stop and think about just how difficult it must have been to speak out and use this example to strengthen our resolve to have an accident and injury free work environment.

TEAM SPORTS

The Bloomfield Bobcats young American football league team went 9-2 on the season for a second place finish at this years state tournament. The Bobcats, in their third consecutive state tournament appearance beat Grants 18-7 to advance to the championship game. The Bobcats lost 18-16 to Rio Rancho for the state title. The players are Tyler Dominguez, Rocky Mackey, Westen Kimball, Daymon Luna, Jerome Martinez, Seth Booker, Matt Simmons, Angelo Jacques, Joseph McConnel, Anthony Marquez, Eric Miller, Luis Munoz, Amos Brown, Bryce Whitehead, Clay Payne, John White, Tucker Truby, and Aaron Murphy. The Coaches and fathers are Luis Munoz, Dal Payne, Roy Dugger, and Chris Mackey, our own fellow employee owner.

Great Job Bobcats

NEW EMPLOYEE SPOTLIGHT

Laine Menconi – Payroll

Laine moved back to Evanston from Missoula Montana to be back with her family (not because of our weather). Laine has two children and eight grandchildren. She loves to camp, hunt, fish and travel, she also raises paint horses (APHA). Laine brings with her to our payroll department over thirty years of experience in accounting.



Chris Wolf - Estimating

Joined the Elkhorn family as a Project Estimator at the beginning of November, 2005. Chris comes to us from Perkins, OK where he resided for over 30 yrs. He earned his Bachelor's Degree in Business Administration from Oklahoma State University in 1997. He has worked in various capacities in the Industrial Construction industry for 2 yrs and spent 5 yrs in a Sales role for the 12 Volt industry prior to joining our Estimating Department. Chris and his wife, Angie, have two children, son-Michael (11) & daughter-Carson (7). Angie and kids are anxious to join him in Evanston, but currently remain in Perkins finalizing the sale of their home so they can make the move sometime in April after closing. The Wolf family played an active role in the Perkins community coaching and mentoring children in youth football, baseball, and cheerleading and hope to continue those activities in Evanston.

Ben Atkinson- Estimating Department

Ben was born in Ogden UT, and has lived in Evanston nearly all of his life, with the exception of the time he spent attending Utah State University in Logan. He's a graduate of Evanston High School. His work experience prior to coming to Elkhorn includes, 1 year field experience in commercial construction, 1 year of field experience in the oil and gas industry, and 1 year of experience in the computer and networking industry. He even spent a winter working as a certified snowboarding instructor at Park City Mountain Resort. Ben is very excited and he feels very fortunate to be working for Elkhorn. Ben believes the best thing he brings to this company is his adaptability and knack for learning new skills. Ben's favorite quote is, "Every passing moment is another chance to turn it all around"



Matt Fitzen- Estimating Department

Matt is an Evanston, WY Native and Graduate of Evanston High School. After Graduation from High School Matt attended University of Utah studying a major in Business Management and a minor in Finance. Matt returned to Evanston from Salt Lake City, UT to attend the University of Wyoming. "I appreciate all the opportunity that Elkhorn has offered me." Matt also added " This is a great company to work for and I look forward to the future with Elkhorn."

AN INVITATION

We would like to hear from you! If you have a question or thought that would benefit the company, please write us. We would also like to hear about the many good things going on such as births, graduations and the like. We always have new employee owners from district offices because of the ease of photos and subject matter. We would love to have the field send in employee owner spotlights also. You can simply give the details to your Service District Receptionist or to your supervisor or contact Wally Jones.



Bird Canyon Compressor Station Addition

Elkhorn Construction, Inc. in conjunction with Veco USA, Inc completed installation of three Hanover supplied Cat/Ariel 3612 compressor packages at the Bird Canyon Compressor Station in the Jonah Field of Wyoming for Teppco. In addition to the three compressors, Elkhorn also installed generators, slug catchers, inlet separators, compressor building, and modified piping headers throughout the facility to tie in the new compressors.

The project was started in June with compressors started in late October. Gilbert Eaves was Elkhorn's on site construction manager, Garry Claflin was on the site Project Engineer, and Bill Jones was the Instrumentation and Electrical Superintendent. Key Foreman were Dewey Archer on electrical, John Partain and Alfredo Hernandez on mechanical, Richard Etsitty and Felipe Anguiano on civil. Elkhorn provided civil, mechanical, electrical, painting, insulation, and building erection services on this project. Veco USA Inc. provided engineering, material procurement, and on site construction management for this project.



This project had a very difficult schedule in a geographical area that had many logistical issues. The Jonah field had many projects going on this past summer and competition for materials, equipment, lodging, and manpower was at an all time high. At the same time this project was going on, Elkhorn also had 200 people working on another project 40 miles away. This project peaked at around 104 people and even with the logistical issues was completed on time. Due to customer requirements, the compressors were started as early as possible in October with remaining items completed in a running facility

WYOMING PROJECT NEWS

PacifiCorp, Jim Bridger Power Plant - Point of Rocks, WY

Steve Garris is currently supervising 10 employees working maintenance projects for the Power Plant. We will be hiring employees for the 2006 Outage in the first week of March. Current planning meetings, lead to the possibility of increasing our manpower by 50-60 employees during the outage that will begin at the end of April. We are also doing a remodel project and some electrical work on a separate contract at the facility. The team is doing a great job of keeping our client needs taken care of. Thanks to all of the employee owners working at the facility for the 14 years of dedication and service they have given Elkhorn Construction and our client PacifiCorp.

Anadarko Petroleum - Rock Springs, WY

We currently have Jason Wilson and crew erecting the Higgins Dehy Station. Dennis White is taking care of the electrical there. Our employees are doing a good job, Thank you for what you do. Pat Couburn and William Reeves have been doing several projects for Anadarko from the Greasewood water injection project to the piping at the Monel main battery. Pat and crew work maintenance for Butch Johns at the main battery. Thanks for taking care of our clients needs. Kenny McCormick is erecting a compressor station in Rawlins for Ed Griebel. Kenny and crew have done a good job there. We are still awaiting the recycle compressor work for Anadarko that will probably start end of February.

Burlington Resources - Lost Cabin Gas Plant- Lysite, WY

Cecil Van Patten is supervising a four-man crew for Burlington Resources. Performing maintenance duties in the electrical and instrumentation fields. This is Cecil's fourth year at the facility. They continue to take care of the client's maintenance needs, keep up the good work.

TRINIDAD, CO PROJECT NEWS

Mark Bradford has been promised several Pioneer compressor installs with modifications to existing stations and several new ones. Pioneer has had an aggressive drilling program this year and is planning to do 300 more wells in 06.

The year has ended by regaining some of our work with XTO. Andy Cepeda came in to take the lead with XTO in the Raton Basin and has been growing the crew size weekly. They just asked us to bring in 4 more welders. XTO is also planning compressor installations and some relocation as their needs have moved around.

Larry Little came in to do E&I for some El Paso CIG meter stations and see what other work he could come up with. So far the E&I work has been growing slowly with XTO and Pioneer. We did get invited back to the Zybach plant we built last winter in the Texas Panhandle to add a compressor and several other little projects. Terry Stull is leading the Zybach addition.

We had a local Christmas dinner with most of the crew and families, 70 or so, enjoying meeting all the new people. We would like to thank Sean Sullivan and Scott Chisum for joining us for dinner.

DYNAMIC SERVICES GIVES A RETIREMENT GIFT



Todd Kellner, Wally Jones, and Ben Atkinson stopped and visited with Gerald Blackwell during his last month with the Wyoming Department of Air Quality (DAQ).

Mr. Blackwell worked for the Asbestos Division of DAQ for the past 32 years and decided to retire from the department in December of 2005. Mr. Blackwell said he will occupy his time with enjoying the great outdoors, fishing, hunting, and just escaping from the city. Mr. Blackwell and his team has helped Dynamic Services with removal permits, answering questions, and providing suggestions to assist us in protecting our employee-owners and the general public for the past 12 years. Mr. Robert Rodriguez will be taking Gerald's position with the Department. We look forward to working with Robert in the future. Dynamic Services would like to wish Mr. Blackwell a very happy retirement. Don't catch all of the fish! We may get a day off, one day.

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**The Elkhorn Bugle
Elkhorn Holdings, Inc.**

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ProSafe (A Division of Elkhorn Construction, Inc.)

Eagle Pipeline Construction, Inc.
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HOAD Industrial Services (A Division of HOAD, Inc.)

The Elkhorn Bugle is a quarterly publication for our employee owners, retirees, and their families, as well as our friends and customers. Corporate staff edits and coordinates this publication, although it would not be possible without the help of the folks in each of our service districts and subsidiaries.

Your Articles Are Greatly Appreciated!



**THE TRADITION CONTINUES
JUNE 17TH, 2006**



**DYNAMIC SERVICES
GOLF TOURNAMENT**

PURPLE SAGE GOLF COURSE EVANSTON, WY
FOR SIGN UP DETAILS CALL
Wally JONES Todd KELLNER
(307)783-5052 (307)783-5059

Safety Personnel

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