NEVADA ENVIRONMENTAL RESPONSE TRUST
Le PETOMANE XXVII, INC.,
NOT INDIVIDUALLY BUT SOLELY IN ITS REPRESENTATIVE CAPACITY AS TRUSTEE

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION FOR THE THREE MONTHS ENDED DECEMBER 31, 2011

NEVADA ENVIRONMENTAL RESPONSE TRUST
Le PETOMANE XXVII, INC., NOT INDIVIDUALLY BUT SOLELY IN
ITS REPRESENTATIVE CAPACITY AS TRUSTEE

FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED DECEMBER 31, 2011

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CERTIFIED PUBLIC ACCOUNTANTS

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Accountants' Compilation Report

Le Petomane XXVII, Inc., not individually but solely in its representative capacity as Trustee of the Nevada Environmental Response Trust

We have compiled the accompanying statement of assets and trust equity - cash basis of the Nevada Environmental Response Trust as of December 31, 2011 and the related statement of cash receipts and disbursements for the three months ended December 31, 2011, and the accompanying supplementary schedules – cash basis contained on pages 4 and 5, which are presented only for supplementary analysis purposes. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary schedules are in accordance with the cash basis of accounting.

Le Petomane XXVII, Inc., not individually but solely in its representative capacity as Trustee is responsible for the preparation and fair presentation of the financial statements and supplementary schedules in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary schedules.

Our responsibility is to conduct the compilation in accordance with Statement on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the Trustee in presenting financial information in the form of financial statements and supplementary schedules without undertaking to obtain any assurance that there are no material modifications that should be made to the financial statements and supplementary schedules.

These financial statements are presented in accordance with the requirements of the Nevada Environmental Response Trust Agreement. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Popowcer Katten, Ltd.

February 25, 2012

NEVADA ENVIRONMENTAL RESPONSE TRUST
Le PETOMANE XXVII, INC., NOT INDIVIDUALLY BUT SOLELY IN
ITS REPRESENTATIVE CAPACITY AS TRUSTEE

STATEMENT OF ASSETS AND TRUST EQUITY- CASH BASIS
DECEMBER 31, 2011

(See accountants' compilation report)

ASSETS

Cash and cash equivalents:	
Nevada Environmental Response Trust Administrative Accounts:	
Anchor Account - Northern Trust	$ 23,030.02
Money Market Account - Northern Trust	281,199.23
Nevada Environmental Response Trust Remediation Cost Accounts:	
Anchor Account - Northern Trust	320,941.42
Money Market Account - Northern Trust	(0.05)
Total cash and cash equivalents	625,170.62
Securities (at cost):	
Nevada Environmental Response Trust Administrative Account - U.S. Treasury Bills	6,821,413.80
Nevada Environmental Response Trust Environmental Cost Accounts - U.S. Treasury Bills	66,667,611.57
Total securities (at cost)	73,489,025.37
Total assets	$ 74,114,195.99
Trust Equity	$ 74,114,195.99

NEVADA ENVIRONMENTAL RESPONSE TRUST
Le PETOMANE XXVII, INC., NOT INDIVIDUALLY BUT SOLELY IN
ITS REPRESENTATIVE CAPACITY AS TRUSTEE

ADMINISTRATIVE ACCOUNT AND ENVIRONMENTAL COST ACCOUNT

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2011

(See accountants' compilation report)

Total Cash and Securities at September 30, 2011		$ 74,883,129.03
Receipts:		
Chartis Insurance	$ 2,082,910.55	
Veolia Water - overpayment refunded	285,495.64	
Interest earned - Anchor account	118.17	
Interest earned - Treasury bills	180.58	
Dividends earned - Money Market account	5.73	
		2,368,710.67
Disbursements:		
Bank fees	25.00	
Basic Water Company	9,330.23	
Environ International Corp.	1,692,556.55	
Environmental Protection Agency	30,000.00	
Foley & Lardner LLP	152,619.61	
Investment fees	591.58	
Kaempfer Crowell Renshaw Gronauer & Fiorentino	18,283.11	
LePetomane, Inc.	14,201.83	
LePetomane XXVII, Inc.	74,497.50	
NDEP - BCA	45,275.24	
NV Energy	28,530.84	
Pac Van	1,120.50	
Popowcer Katten, Ltd.	3,710.81	
Property tax - Clark County	121,493.03	
Tronox, LLC	24,173.24	
Veolia Water North America	921,234.64	
		(3,137,643.71)
Total Cash and Securities at December 31, 2011		$ 74,114,195.99

NEVADA ENVIRONMENTAL RESPONSE TRUST
Le PETOMANE XXVII, INC., NOT INDIVIDUALLY BUT SOLELY IN
ITS REPRESENTATIVE CAPACITY AS TRUSTEE

ADMINISTRATIVE ACCOUNT

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2011
(See accountants' compilation report)

Balance at September 30, 2011		$ 7,443,038.58
Receipts:		
Interest earned - Anchor account	$ 13.19	
Interest earned - Treasury bills	174.61	
		187.80
Disbursements:		
Foley & Lardner LLP	95,830.05	
Investment fees	35.00	
Kaempfer Crowell Renshaw Gronauer & Fiorentino	18,283.11	
LePetomane, Inc.	14,201.83	
LePetomane XXVII, Inc.	62,909.00	
Pac Van	1,120.50	
Popowcer Katten, Ltd.	3,710.81	
Property tax - Clark County	121,493.03	
		(317,583.33)
Balance at December 31, 2011		$ 7,125,643.05

Summary of Administrative Cash and Security (at cost) Positions:		
Anchor Account - Northern Trust		$ 23,030.02
Money Market Account - Northern Trust		281,199.23
U.S. Treasury bill due January 12, 2012	2,602,180.98	
U.S. Treasury bill due April 5, 2012	2,599,432.05	
U.S. Treasury bill due November 15, 2012	1,619,800.77	
Total U.S. Treasury Bills		6,821,413.80
		$ 7,125,643.05

NEVADA ENVIRONMENTAL RESPONSE TRUST
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ENVIRONMENTAL COST ACCOUNT

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2011
(See accountants' compilation report)

Balance at September 30, 2011		$ 67,440,090.45
Receipts:		
Chartis Insurance	$ 2,082,910.55	
Veolia Water - overpayment refunded	285,495.64	
Interest earned - Anchor account	104.98	
Interest earned - Treasury bills	5.97	
Dividends earned - Money Market account	5.73	
		2,368,522.87
Disbursements:		
Bank fees	25.00	
Basic Water Company	9,330.23	
Environ International Corp.	1,692,556.55	
Environmental Protection Agency	30,000.00	
Foley & Lardner LLP	56,789.56	
Investment fees	556.58	
LePetomane XXVII, Inc.	11,588.50	
NDEP - BCA	45,275.24	
NV Energy	28,530.84	
Tronox, LLC	24,173.24	
Veolia Water North America	921,234.64	(2,820,060.38)
Balance at December 31, 2011		$ 66,988,552.94

Summary of Environmental Cash and Securities (at cost) Positions:		
Anchor Account - Northern Trust		$ 320,941.42
Money Market Account - Northern Trust		(0.05)
U.S. Treasury bill due January 12, 2012	31,102,921.42	
U.S. Treasury bill due April 5, 2012	31,070,064.18	
U.S. Treasury bill due November 15, 2012	4,494,625.97	
Total U.S. Treasury Bills		66,667,611.57
		$ 66,988,552.94