1R-426-310

REPORTS

DATE:
3-22-12

1R426-310 RECEIVED CCD 2012 MAY - 1 P 1: 50

BD Jct. G-36 2011

CLOSURE

RICE Operating Company

122 West Taylor • Hobbs, New Mexico 88240 Phone: (575) 393-9174 • Fax: (575) 397-1471

May 1, 2012

Mr. Edward Hansen New Mexico Energy, Minerals, & Natural Resources Oil Conservation Division, Environmental Bureau 1220 S. St. Francis Drive Santa Fe, New Mexico 87505

RE: Termination Request

BD Jct. G-36: UL/G, Sec. 36, T22S, R37E

RICE Operating Company - Blinebry-Drinkard SWD System

Mr. Hansen:

Rice Operating Company (ROC) is the service provider (agent) for the BD Saltwater Disposal (SWD) System and has no ownership of any portion of the pipeline, well, or facility. The System is owned by a consortium of oil producers, System Parties, who provide all operating capital on a percentage ownership/usage basis.

Background

In 2011, ROC initiated work on the former G-36 junction box. The site is located in UL/G, Sec. 36, T22S, R37E. NM OSE records indicate that groundwater would likely be encountered at a depth of approximately 41 +/- feet. The site was delineated using a backhoe to collect soil samples at regular intervals, creating a 7x3x6-ft deep excavation. Each sample was field titrated for chlorides and field screened using a PID for hydrocarbons, resulting in low concentrations of each. The 6-ft sample was sent to a commercial laboratory for analysis of chloride and TPH, resulting in a chloride concentration of <16 mg/kg, and concentrations of gasoline range organics (GRO) and diesel range organics (DRO) below detectable limits. The excavated soil was returned to the excavation and contoured to the surrounding area. On 10/20/2011, the site was seeded with a blend of native vegetation and is expected to return to a productive capacity at a normal rate. The junction box final report, photo documentation, laboratory analysis, PID screenings, chloride graph and revegetation form are attached.

Recommendations

Site investigation demonstrates that residual chloride and hydrocarbons in the vadose zone will not with reasonable probability contaminate groundwater in excess of NMOCD standards. This site meets the requirements of the NMOCD-approved Revised Junction

Box Upgrade Work Plan (July 16, 2003). As such, ROC request termination of the regulatory file, or similar closure status.

Please contact me at (575)393-9174 if you have any questions or wish to discuss this site. Thank you for your time and consideration.

Sincerely,

RICE Operating Company

Hack Conder

Environmental Manager

enclosures

RICE OPERATING COMPANY JUNCTION BOX FINAL REPORT

| | | | | | | | · · · · · · · · · · · · · · · · · · · | | | |
|---------|---|----------------|---------------|---------------|-----------------|---------------|---------------------------------------|------------------|-----------------|----------------|
| | | JUNCTION | UNIT | SECTION | TOWNSHIP | RANGE | COUNT | | | |
| | Blinebry-Drinkard (BD) | Jct. G-36 | G | 36 | 228 | 37E | Lea | Length - 4 | Eliminated | Depth - 3 |
| | LAND TYPE: | BLM | STATE | ,FEE L | ANDOWNER | DK Boyd | Oil and G | as Co_OTHER | | |
| | Depth to Grou | ndwater | 41 | _feet | NMOCI | D SITE ASS | ESSME | NT RANKING S | SCORE: | 20 |
| | Date Started | 10/1 | 1/2011 | _ Date Co | ompleted | 10/20/2011 | 00 | D Witness | No | |
| | Soil Excavated | 4.7 | cubic ya | ards Ex | cavation Le | ength 7 | w | idth 3 | _ Depth | 6 feet |
| | Soil Disposed | None | cubic ya | ards O | ffsite Facility | <u> </u> | ı/a | Location | n/ | a |
| FINA | LAND TYPE: BLM STATE FEE LANDOWNER DK Boyd Oil and Gas Co OTHER Depth to Groundwater 41 feet NMOCD SITE ASSESSMENT RANKING SCORE: 20 Date Started 10/11/2011 Date Completed 10/20/2011 OCD Witness No Soil Excavated 4.7 cubic yards Excavation Length 7 Width 3 Depth 6 feet Soil Disposed None cubic yards Offsite Facility n/a Location n/a NAL ANALYTICAL RESULTS: Sample Date 10/11/2011 Sample Depth 6: TPH and Chloride laboratory test results completed by using an approved lab and testing procedures pursuant to NMOCD guidelines. Sample PID (field) GRO DRO Chloride Location ppm mg/s mg/s mg/s mg/s mg/s mg/s mg/s mg/ | | 6' | | | | | | | |
| | | IPH and (| Chloride lab | • | - | • | | • | testing | |
| | Sample | PID (f | ield) G | RO | DRO | Chloride | | CHLOF | RIDE FIELD | TESTS |
| | Location | | · 1 | g/kg | mg/kg | mg/kg | | | | - , |
| SO | URCE 6' GRAE | 3 28. | 9 < | 10.0 | <10.0 | <16 | — | background | · | 84 |
| | | | | 1 | | J | ┰╴╽ | | 2' | 91 |
| | | | | | | | | | | |
| Ganar | al Description | of Romad | ial Action: | This junct | ion was alimir | nated | | | | |
| | • | | | | | | | | | |
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| | | | | | | | | | | rcial |
| | | | | | | | | | | |
| excava | ited soil to groun | d surface ar | nd contoured | to the surro | unding area. | On 10/20/20 | 11, the si | te was seeded w | vith a blend of | native |
| vegeta | tion and is expe | cted to return | n to a produc | tive capacity | at a normal r | ate. | | | | |
| | | | | | | | | | | |
| | | | er | closures: p | hotos, lab re | esults, PID (| field) scr | eenings, chloric | de graph, rev | egetation form |
| I HER | EBY CERTIFY | THAT THE | | | /E IS TRUE | AND COMF | | | | |
| SITE SU | JPERVISOR | Robert Eg | ans SIG | GNATURE | Rakor | F Jun | Can | | | |
| R | EPORT | | | | | . A | | J | | |
| ASS | Binebry-Drinkard Jot. G-36 G 36 228 37E Lea Leaguin-4 Woth - 4 Depth - 3 | | | | | | | | | |
| | | | | | / | | | | | |
| PROJE | CT LEADER | Zach Con | der Si | GNATURE | 5/0 | 2 | | DATE | 3-0 | 2-12 |
| | | | | | / | | | | | |

BD Jct. G-36

Unit G, Section 36, T22S, R37E



Collecting sample, facing north





Backfilling site, facing north

10.11.11



Spreading seed, facing north

10.20.11

Site complete, facing north

10.20.11



December 09, 2011

Bruce Baker

Rice Operating Company

112 W. Taylor

Hobbs, NM 88240

RE: BD JCT, G-36 22.38

Enclosed are the results of analyses for samples received by the laboratory on 10/11/11 16:33.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021

Benzene, Toluene, Ethyl Benzene, and Total Xylenes

Method SW-846 8260

Benzene, Toluene, Ethyl Benzene, and Total Xylenes

Method TX 1005

Total Petroleum Hydorcarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

Cardinal Laboratories is accreditated through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2

Haloacetic Acids (HAA-5)

Method EPA 524.2

Total Trihalomethanes (TTHM)

Method EPA 524.4

Regulated VOCs (V2, V3)

Accreditation applies to public drinking water matrices.

Celeg D. Keene

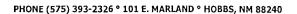
This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager

COPY





Analytical Results For:

Rice Operating Company Bruce Baker 112 W. Taylor Hobbs NM, 88240

Fax To:

(575) 397-1471

Received:

10/11/2011

Sampling Date:

10/11/2011

Reported:

12/09/2011

Sampling Type:

Soil

Project Name:

BD JCT. G-36 22.38

Sampling Condition:

Cool & Intact

Project Number:

NONE GIVEN

Sample Received By:

Jodi Henson

Project Location:

NOT GIVEN

Sample ID: SOURCE @ 6' (H102192-01)

| Chloride, SM4500Cl-B | mg | /kg | Analyze | d By: AP | | | | | |
|-------------------------------|--------|-----------------|------------|--------------|-----|------------|---------------|------|-----------|
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| Chloride | <16.0 | 16.0 | 10/13/2011 | ND | 416 | 104 | 400 | 3.77 | |
| TPH 8015M | mg | /kg | Analyze | d By: AB | | _ | | | |
| Analyte | Result | Reporting Limit | Analyzed | Method Blank | BS | % Recovery | True Value QC | RPD | Qualifier |
| GRO C6-C10 | <10.0 | 10.0 | 10/14/2011 | ND | 176 | 88.1 | 200 | 3.47 | |
| DRO >C10-C28 | <10.0 | 10.0 | 10/14/2011 | ND | 163 | 81.7 | 200 | 4.71 | |
| Surrogate: 1-Chlorooctane | 118 | % 55.5-15 | 4 | | | | | | |
| Surrogate: 1-Chlorooctadecane | 118 | % 57.6-15 | 8 | | | | | | |

COPY

Cardinal Laboratories

*=Accredited Analyte

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Celeg D. Keine



Notes and Definitions

ND Analyte NOT DETECTED at or above the reporting limit

RPD Relative Percent Difference

** Samples not received at proper temperature of 6°C or below.

Insufficient time to reach temperature.

Chloride by SM4500Cl-B does not require samples be received at or below 6°C

Samples reported on an as received basis (wet) unless otherwise noted on report



Cardinal Laboratories

*=Accredited Analyte

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Celeg D. Keene



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240 (575) 393-2326 FAX (575) 393-2476

| Company Name | (5/5) 393-2326 FAX (5/5) 393-24/ | 0 | | | | | | - | | | | | | | | | | | | | | | |
|--|---|-----------------------|-----------|------------------|---------------------|----------------|----------|--|----------|-------------------|-----------------------|-------------|------|--------------|--------------|--|--------------|---------|--------------|--------------|-----|-------------|-----|
| Project Manage | Rice Operating Brace Baker | | | | | | | | BI | LL 10 | | : | | | | ANA | LYSI | SRE | QUE | 51 | | | |
| 1 | Brile Baker | | | | | | P.O. | #: | | | | 1 | | ŀ | | | 1 | - | Į | | | | |
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| Phone #: | Fax #: | | | | | | Add | ress | : | | | | | | | 1 | | | | | | | } |
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| Project Name: | | | | | 7 | - | Stat | e: | | Zip: | | 1 | | } | | | | 1 | } | } | | | |
| Project Location | 1: BD TCT, 6-32-6 | -36 | 3 | J . | 38 | | Pho | ne#: | : | | | | | | | | | İ | | } | | ' | |
| Sampler Name: | Robert Egans | | -1.07-1.1 | | | | Fax | #: | | | | | | | L | | 1 | l | { | [| ł | ' | |
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| Lab I.D. | Sample I.D. | e s | Z 0 | \X | - 1 | l _w | | 200 | | | | | O. | } | | | | | | | | | |
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| H102192 | | (G) (G)RAB OR (C)OMP. | 를 등 | ₹ . | SO H | St | <u> </u> | | | DATE | TIME | | | | ↓ | | | | | | | | |
| <u>-1</u> | Source @ 6' | 161 | 1 | | 4_ | | _ _ | L | 1 | 10-11-11 | | 1 | V | | <u> </u> | <u> </u> | | | | <u> </u> | | | |
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| service. In no event shall Ca | g those for negligence and any other cause whatsoever shall be a relipal be liable for incidental or consequental damages, including | without Un | nitation, | businoss | Interrupt | ions, ta | as of us | e, ar la | ee of bi | ofits incurred by | client, its subsidiar | ries, | le | | | | | | | | | | |
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| Relinquished By | Date: | Rece | ived | By: | _ | | | | | | 1 10 | 514 | diex | 1.01 | | | | J | | | 12 | 4/11 | cly |
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| Sampler - UPS | Bus - Other: | 50 | | | Intac es L lo | Yes No | | th | (IVIII) | ED BY: als) | 6-C10110 | . 1704 | • | | | | | | | | | | |

[†] Cardinal cannot accept verbal changes. Please fax written changes to 505-398/2476

RICE ENVIRONMENTAL CONSULTING & SAFETY

122 West Taylor Hobbs, NM 88240 PHONE: (505) 393-9174 FAX: (505) 397-1471 PID METER CALIBRATION & FIELD REPORT FORM

| CK. | | MODEL: PGM 7300 | SERIAL NO: 590-000508 |
|-------|---|-----------------|-----------------------|
| MODEL | | MODEL: PGM 7300 | SERIAL NO: 590-000504 |
| NO. | | MODEL: PGM 7320 | SERIAL NO: 592-903318 |
| | X | MODEL: PGM 7300 | SERIAL NO: 590-000183 |

GAS COMPOSITION: ISOBUTYLENE 100PPM / AIR: BALANCE

| LOT NO : HAL-248-100-1 | EXPIRATION DATE: 7-1-2012 |
|------------------------|---------------------------------|
| | METER READING ACCURACY: 100 PPM |

ACCURACY: +/- 2%

| C | OMPANY | |
|---|--------|--|
| | Rice | |

| SYSTEM | JUNCTION | UNIT | SECTION | TOWN SHIP | RANGE |
|--------|-----------|------|---------|-----------|-------|
| | | | | | |
| BD | Jct. G-36 | G | 36 | 22S | 37E |

| PID | SAMPLE ID | PID |
|------|------------------------------------|------------------------------------|
| 37.6 | | |
| 27.5 | | , |
| 36 | | |
| 33.9 | | - |
| 30.9 | .=. | |
| 28.9 | | |
| | | |
| | | |
| | | |
| | | - |
| | | |
| | | |
| | 37.6 27.5 36 33.9 30.9 | 37.6 27.5 36 33.9 30.9 |

I verify that I have calibrated the above instrument in accordance to the manufacture operation manual.

SIGNATURE: Teall of The DATE: 10/11/2011

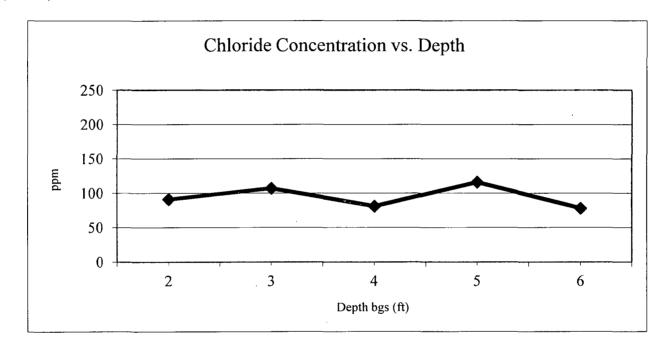
BD Jct. G-36

Unit 'G', Sec. 36, T22S, R37E

Backhoe samples at junction (source)

| Depth bgs (ft) | [Cl] ppm |
|----------------|----------|
| 2 | 91 |
| 3 | 107 |
| 4 | 81 |
| 5 | 116 |
| 6 | 78 |

Groundwater = 41 ft





112 West Taylor Hobbs, NM 88240 Phone: (575) 393-9174 Fax: (575) 393-0293

REVEGETATION FORM

| 1. General in | ntormation | | | | | | |
|-----------------------|-----------------|--------------------------|---------------------|---------------------|---------------------------|-----------------|-------------|
| Site name: | BD Jct. G-36 | 5 | | | | | |
| U/L | Section | Township | Range | County | Latitude | Lon | gitude |
| G | 36 | T22S | R37E | LEA | 32* 20, 49.8 | | 06, 49.8 |
| | | | | | | | |
| Contact Name: | Zach Cond | ler | | | | | |
| Email: | zconder@ric | e-ecs.com | | | | | |
| Site size:16X9 | 144 | square feet | Map detail | of site attached | 1 🗌 | | |
| Additional infor | mation: | | | | | | |
| | | | | | | | |
| 2. Soils | | | | | ce by ripping shall be re | | |
| Salvaged from s | | remediated | Imported | Blend | ed De | epth (in): | |
| Texture: | | scribe soil & subse | | | | | |
| Soil prep method | | Depth(in) | : Disc | Depth (| in): Rollerp | ack 🔲 | |
| Date completed: | : 10 /20 /20 | 11 | | | | | |
| 2 D: | | | | | | | |
| 3. Bioremed | lation | | TToo | . [7] | Oala | | |
| Fertilizer | | | Hay | | Othe | er 🔲 eribe: | |
| Type: | | | | | Desc | cribe: | |
| Lbs/acre: | | | | | | | |
| 4. Seeding | *Attach se | eed has tass to this | form Seed has to | ges shall contain | the site name and S-T-I | R | |
| Custom seed mi | | | Seed mix name: | | | eding date: | 10/ 20/2011 |
| Broadcast | | | | | | | 10/ =0/2011 |
| Method: MANU | JEL SEED SP | READER | | | | | |
| Soil conditions | during seeding | : Dry 🛛 | Damp W | et 🗌 | | | |
| Photos attached | | Observations: | | | | | |
| Number of phot | | | | | | | |
| | | | | | , , | | |
| 5. Certificat belief. | ion I hereby ce | rtify that the informati | on in this form and | attachments is true | and complete to the best | of my knowledge | and |
| Name: | Robert Egans | | Titl | e: Environ | mental Tech | Date: | 10-20-2011 |
| Signature: 5 | Males | Pour | | | | | |
| Signature: | | | | | | | |

