

District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W Grand Avenue, Artesia, NM 88210  
 District III  
 1000 Rio Brazos Road, Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy Minerals and Natural Resources  
 Oil Conservation Division  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

Form C-14  
 Revised October 10, 200

Submit 2 Copies to appropriate  
 District Office in accordance  
 with Rule 116 on back  
 side of form

**Release Notification and Corrective Action**

**OPERATOR**  Initial Report  Final Report

Name of Company: Rice Operating Company	Contact: Bryan Clay
Address: 122 W. Taylor Hobbs, New Mexico	Telephone No.: 505-393-9174
Facility Name: EME <u>Marathon McGrail (02/98)</u>	Facility Type: SWD Gathering Line

Surface Owner: State of New Mexico	Mineral Owner	Lease No.
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**LOCATION OF RELEASE**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	27	19S	36E					Lea

Latitude: Longitude:

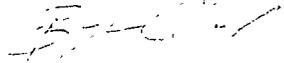
**NATURE OF RELEASE**

Type of Release: Produced Water and Oil	Volume of Release: 78 bbls	Volume Recovered: 20 bbls
Source of Release: Pipeline	Date and Hour of Occurrence: 2-15-98 @ 11:35 a.m.	Date and Hour of Discovery: 2-15-98 @ 11:35 a.m.
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Sylvia Dickey	
By Whom? Ron Anderson	Date and Hour: 2-16-98 @ 10:00a.m.	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.* N/A		

Describe Cause of Problem and Remedial Action Taken.\*  
 A 2 1/2-inch pvc fitting broke inside the junction box. The fitting was replaced as a permanent repair.

Describe Area Affected and Cleanup Action Taken.\*  
 The affected area was approximately 39,058 square feet in the pasture. ROC scraped and hauled off 6-inches of the contaminated area disposal facility. Fertilizer and gypsum was introduced to this area by rotor tiller.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Bryan Clay	Approved by District Supervisor: 	
Title: Environmental Technician	Approval Date: 2/17/07	Expiration Date: 7/17/07
E-mail Address: bcriceswd@leaco.net	Conditions of Approval:	Attached <input type="checkbox"/>
Date: December 20, 2004 Phone: 505-393-9174		

\* Attach Additional Sheets if Necessary

*RP# 1487*

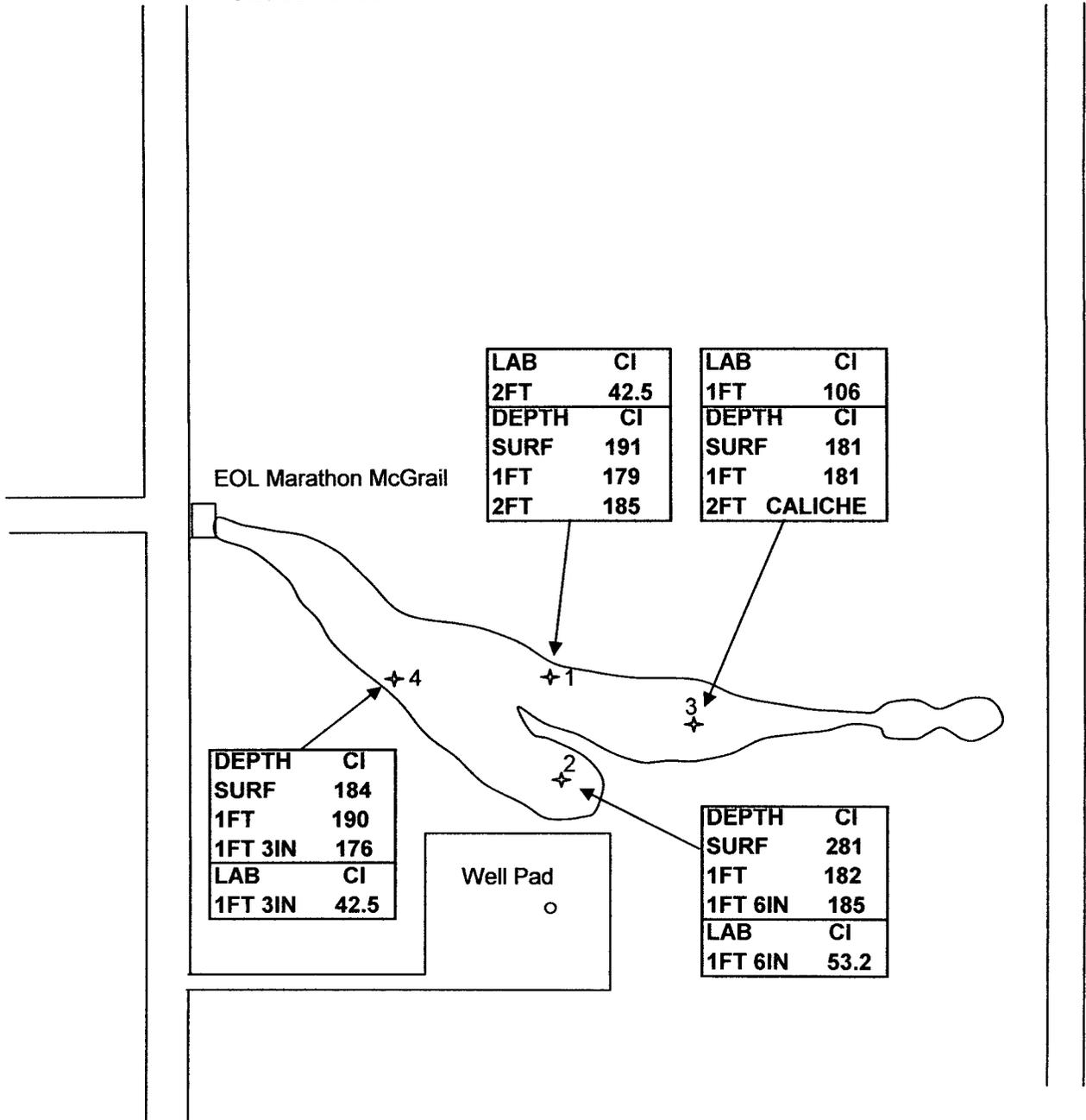
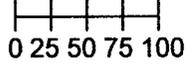


# EME MARATHON McGRAIL LEAK

UL/H SEC 27 T-19-S R-36-E

GW 67ft

APPROX. SCALE

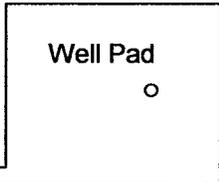


EOL Marathon McGrail

LAB	CI
2FT	42.5
DEPTH	CI
SURF	191
1FT	179
2FT	185

LAB	CI
1FT	106
DEPTH	CI
SURF	181
1FT	181
2FT	CALICHE

DEPTH	CI
SURF	184
1FT	190
1FT 3IN	176
LAB	CI
1FT 3IN	42.5

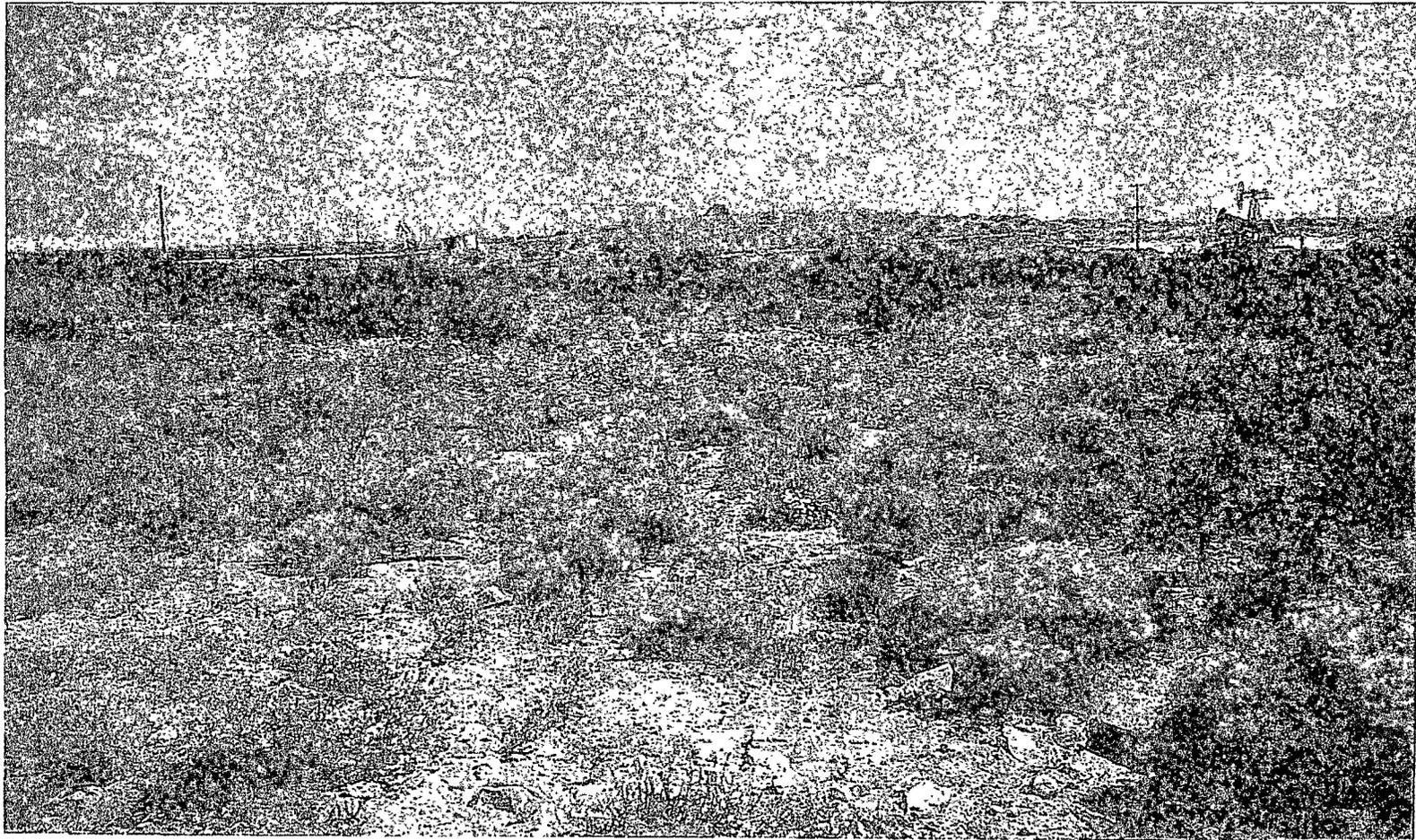


Well Pad

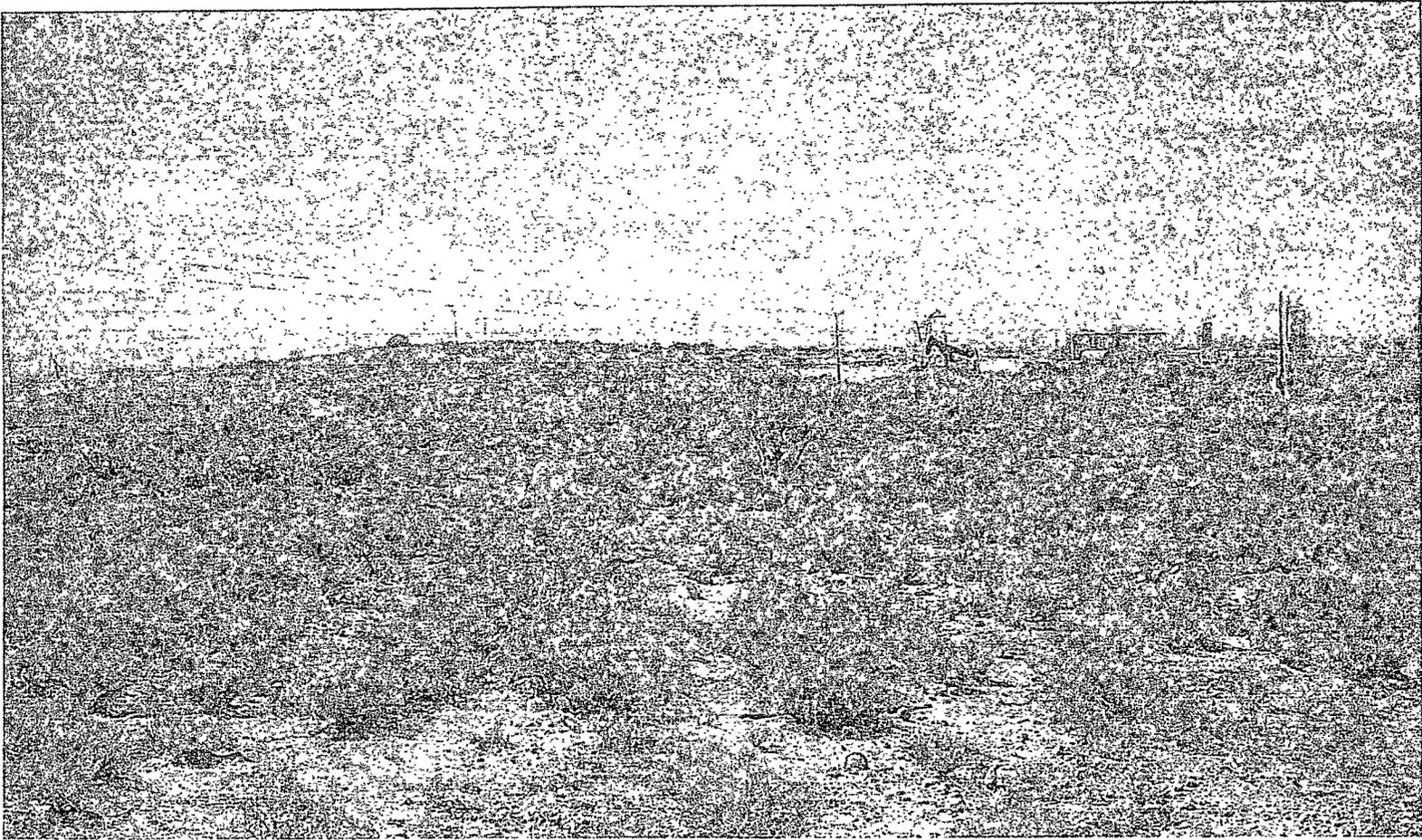
DEPTH	CI
SURF	281
1FT	182
1FT 6IN	185
LAB	CI
1FT 6IN	53.2



Em L  
⊗ McGrail E.O.L.  
Looking SE.  
8-26-98

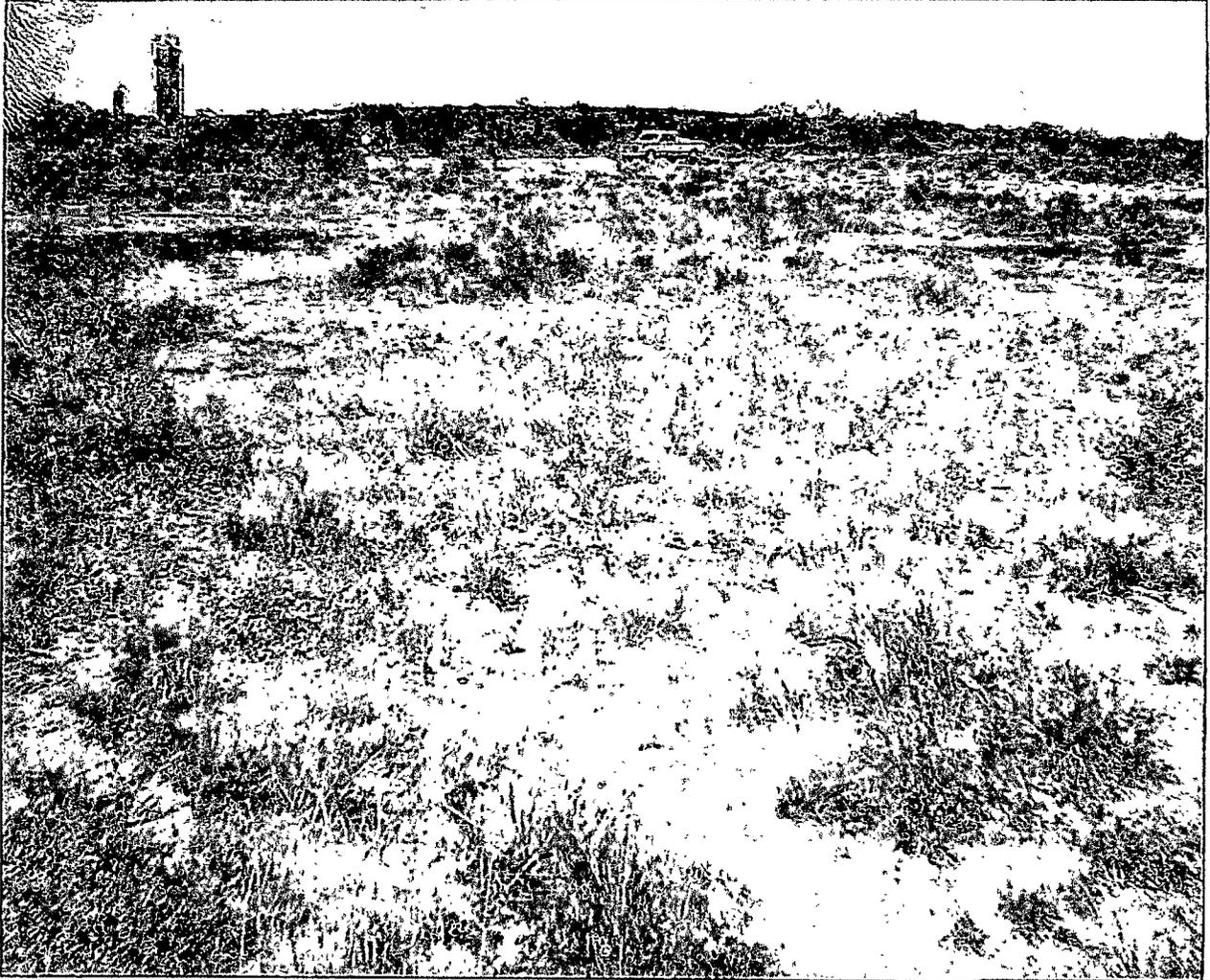


EME MARATHON MC GRAIL LEAK EAST TO WEST *of / to*  
9/14/05



7/17/06





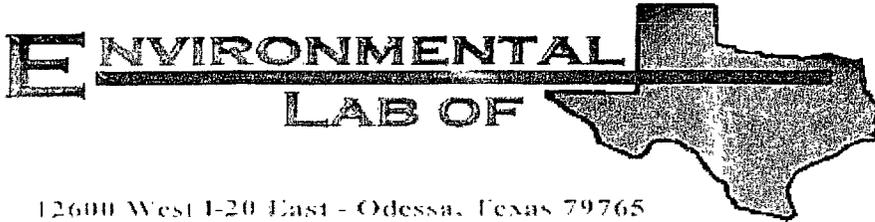
EME Looking West from Low  
Spot to McGrail E.O.L  
8/26/98



MARATHON MC GRAIL EME EOL EAST TO WEST

9/14/05





12600 West I-20 East - Odessa, Texas 79765

## Analytical Report

**Prepared for:**

Roy Rascon  
Rice Operating Co.  
122 W. Taylor  
Hobbs, NM 88240

Project: EME

Project Number: None Given

Location: Marathon McGrail *OLD Leak site*

Lab Order Number: 4L10002

Report Date: 12/16/04

Rice Operating Co  
122 W Taylor  
Hobbs NM, 88240

Project EME  
Project Number None Given  
Project Manager Roy Rascon

Fax (505) 397-1471

**Reported:**  
12/16/04 09 24

**ANALYTICAL REPORT FOR SAMPLES**

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
SP-1 @ 2 ft	4L10002-01	Soil	12/08/04 14 30	12/10/04 07 50
SP-2 @ 1 ft 6 in	4L10002-02	Soil	12/08/04 14 45	12/10/04 07 50
SP-3 @ 1 ft	4L10002-03	Soil	12/08/04 15-00	12/10/04 07 50
SP-4 @ 1 ft 3 in	4L10002-04	Soil	12/08/04 15 15	12/10/04 07 50

Rice Operating Co  
 122 W Taylor  
 Hobbs NM, 88240

Project EME  
 Project Number None Given  
 Project Manager Roy Rascon

Fax (505) 397-1471

Reported:  
 12/16/04 09:24

**Organics by GC**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>SP-1 @ 2 ft. (4L10002-01) Soil</b>									
Gasoline Range Organics C6-C12	J [8.41]	10.0	mg/kg dry	1	EL41006	12/10/04	12/10/04	EPA 8015M	J
Diesel Range Organics >C12-C35	15.6	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	15.6	10.0	"	"	"	"	"	"	
Surrogate 1-Chlorooctane		107 %	70-130		"	"	"	"	
Surrogate 1-Chlorooctadecane		114 %	70-130		"	"	"	"	
<b>SP-2 @ 1 ft. 6 in. (4L10002-02) Soil</b>									
Gasoline Range Organics C6-C12	ND	10.0	mg/kg dry	1	EL41006	12/10/04	12/13/04	EPA 8015M	
Diesel Range Organics >C12-C35	12.5	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	12.5	10.0	"	"	"	"	"	"	
Surrogate 1-Chlorooctane		91.0 %	70-130		"	"	"	"	
Surrogate 1-Chlorooctadecane		92.0 %	70-130		"	"	"	"	
<b>SP-3 @ 1 ft. (4L10002-03) Soil</b>									
Gasoline Range Organics C6-C12	ND	10.0	mg/kg dry	1	EL41006	12/10/04	12/10/04	EPA 8015M	
Diesel Range Organics >C12-C35	210	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	210	10.0	"	"	"	"	"	"	
Surrogate 1-Chlorooctane		100 %	70-130		"	"	"	"	
Surrogate 1-Chlorooctadecane		107 %	70-130		"	"	"	"	
<b>SP-4 @ 1 ft. 3 in. (4L10002-04) Soil</b>									
Gasoline Range Organics C6-C12	ND	10.0	mg/kg dry	1	EL41006	12/10/04	12/10/04	EPA 8015M	
Diesel Range Organics >C12-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	ND	10.0	"	"	"	"	"	"	
Surrogate 1-Chlorooctane		94.8 %	70-130		"	"	"	"	
Surrogate 1-Chlorooctadecane		92.4 %	70-130		"	"	"	"	

Rice Operating Co  
 122 W Taylor  
 Hobbs NM, 88240

Project EME  
 Project Number None Given  
 Project Manager Roy Rascon

Fax (505) 397-1471

**Reported:**  
 12/16/04 09 24

**General Chemistry Parameters by EPA / Standard Methods  
 Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
<b>SP-1 @ 2 ft. (4L10002-01) Soil</b>									
Chloride	42.5	20.0	mg/kg Wet	2	EL41403	12/10/04	12/14/04	SW 846 9253	
% Moisture	13.7		%	1	EL41309	12/10/04	12/10/04	% calculation	
<b>SP-2 @ 1 ft. 6 in. (4L10002-02) Soil</b>									
Chloride	53.2	20.0	mg/kg Wet	2	EL41403	12/10/04	12/14/04	SW 846 9253	
% Moisture	10.7		%	1	EL41309	12/10/04	12/10/04	% calculation	
<b>SP-3 @ 1 ft. (4L10002-03) Soil</b>									
Chloride	106	20.0	mg/kg Wet	2	EL41403	12/10/04	12/14/04	SW 846 9253	
% Moisture	9.9		%	1	EL41309	12/10/04	12/10/04	% calculation	
<b>SP-4 @ 1 ft. 3 in. (4L10002-04) Soil</b>									
Chloride	42.5	20.0	mg/kg Wet	2	EL41403	12/10/04	12/14/04	SW 846 9253	
% Moisture	12.4		%	1	EL41309	12/10/04	12/10/04	% calculation	

Rice Operating Co  
122 W Taylor  
Hobbs NM, 88240

Project EME  
Project Number None Given  
Project Manager Roy Rascon

Fax (505) 397-1471

Reported:  
12/16/04 09 24

**Organics by GC - Quality Control**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC %REC	%REC Limits	RPD RPD	RPD Limit	Notes
<b>Batch EL41006 - Solvent Extraction (GC)</b>										
<b>Blank (EL41006-BLK1)</b> Prepared & Analyzed 12/10/04										
Gasoline Range Organics C6-C12	ND	100	mg/kg wet							
Diesel Range Organics >C12-C35	ND	100	"							
Total Hydrocarbon C6-C35	ND	100	"							
Surrogate 1-Chlorooctane	42.5		mg/kg	50.0		85.0	70-130			
Surrogate 1-Chlorooctadecane	46.0		"	50.0		92.0	70-130			
<b>Blank (EL41006-BLK2)</b> Prepared 12/10/04 Analyzed 12/11/04										
Gasoline Range Organics C6-C12	ND	100	mg/kg wet							
Diesel Range Organics >C12-C35	ND	100	"							
Total Hydrocarbon C6-C35	ND	100	"							
Surrogate 1-Chlorooctane	46.3		mg/kg	50.0		92.6	70-130			
Surrogate 1-Chlorooctadecane	49.1		"	50.0		98.2	70-130			
<b>LCS (EL41006-BS1)</b> Prepared & Analyzed 12/10/04										
Gasoline Range Organics C6-C12	469	100	mg/kg wet	500		93.8	75-125			
Diesel Range Organics >C12-C35	481	100	"	500		96.2	75-125			
Total Hydrocarbon C6-C35	950	100	"	1000		95.0	75-125			
Surrogate 1-Chlorooctane	55.9		mg/kg	50.0		112	70-130			
Surrogate 1-Chlorooctadecane	51.5		"	50.0		103	70-130			
<b>LCS (EL41006-BS2)</b> Prepared 12/10/04 Analyzed 12/11/04										
Gasoline Range Organics C6-C12	453	100	mg/kg wet	500		90.6	75-125			
Diesel Range Organics >C12-C35	480	100	"	500		96.0	75-125			
Total Hydrocarbon C6-C35	933	100	"	1000		93.3	75-125			
Surrogate 1-Chlorooctane	54.2		mg/kg	50.0		108	70-130			
Surrogate 1-Chlorooctadecane	50.6		"	50.0		101	70-130			
<b>Calibration Check (EL41006-CCV1)</b> Prepared & Analyzed 12/10/04										
Gasoline Range Organics C6-C12	479		mg/kg	500		95.8	80-120			
Diesel Range Organics >C12-C35	502		"	500		100	80-120			
Total Hydrocarbon C6-C35	981		"	1000		98.1	80-120			
Surrogate 1-Chlorooctane	57.5		"	50.0		115	70-130			
Surrogate 1-Chlorooctadecane	52.1		"	50.0		104	70-130			

Rice Operating Co  
122 W Taylor  
Hobbs NM, 88240

Project EME  
Project Number None Given  
Project Manager Roy Rascon

Fax (505) 397-1471

Reported:  
12/16/04 09:24

**Organics by GC - Quality Control**  
**Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC %REC	RPD RPD	RPD Limit	Notes
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**Batch EL41006 - Solvent Extraction (GC)**

**Calibration Check (EL41006-CCV2)**

Prepared 12/10/04 Analyzed 12/11/04

Gasoline Range Organics C6-C12	489		mg/kg	500		97.8		80-120	
Diesel Range Organics >C12-C35	540		"	500		108		80-120	
Total Hydrocarbon C6-C35	1030		"	1000		103		80-120	
Surrogate 1-Chlorooctane	58.5		"	50.0		117		70-130	
Surrogate 1-Chlorooctadecane	56.4		"	50.0		113		70-130	

**Matrix Spike (EL41006-MS1)**

Source: 4L10005-03

Prepared 12/10/04 Analyzed 12/11/04

Gasoline Range Organics C6-C12	528	10.0	mg/kg dry	522	ND	101		75-125	
Diesel Range Organics >C12-C35	589	10.0	"	522	25.6	108		75-125	
Total Hydrocarbon C6-C35	1120	10.0	"	1040	25.6	105		75-125	
Surrogate 1-Chlorooctane	55.4		mg/kg	50.0		111		70-130	
Surrogate 1-Chlorooctadecane	48.7		"	50.0		97.4		70-130	

**Matrix Spike (EL41006-MS2)**

Source: 4L10011-02

Prepared 12/10/04 Analyzed 12/11/04

Gasoline Range Organics C6-C12	638	10.0	mg/kg dry	598	ND	107		75-125	
Diesel Range Organics >C12-C35	645	10.0	"	598	ND	108		75-125	
Total Hydrocarbon C6-C35	1280	10.0	"	1200	ND	107		75-125	
Surrogate 1-Chlorooctane	59.8		mg/kg	50.0		120		70-130	
Surrogate 1-Chlorooctadecane	57.3		"	50.0		115		70-130	

**Matrix Spike Dup (EL41006-MSD1)**

Source: 4L10005-03

Prepared 12/10/04 Analyzed 12/11/04

Gasoline Range Organics C6-C12	537	10.0	mg/kg dry	522	ND	103		75-125	1.69	20
Diesel Range Organics >C12-C35	582	10.0	"	522	25.6	107		75-125	1.20	20
Total Hydrocarbon C6-C35	1120	10.0	"	1040	25.6	105		75-125	0.00	20
Surrogate 1-Chlorooctane	55.7		mg/kg	50.0		111		70-130		
Surrogate 1-Chlorooctadecane	48.7		"	50.0		97.4		70-130		

**Matrix Spike Dup (EL41006-MSD2)**

Source: 4L10011-02

Prepared 12/10/04 Analyzed 12/11/04

Gasoline Range Organics C6-C12	655	10.0	mg/kg dry	598	ND	110		75-125	2.63	20
Diesel Range Organics >C12-C35	649	10.0	"	598	ND	109		75-125	0.618	20
Total Hydrocarbon C6-C35	1300	10.0	"	1200	ND	108		75-125	1.55	20
Surrogate 1-Chlorooctane	60.2		mg/kg	50.0		120		70-130		
Surrogate 1-Chlorooctadecane	57.3		"	50.0		115		70-130		

Environmental Lab of Texas

The results in this report apply to the samples analyzed in accordance with the samples received in the laboratory. This analytical report must be reproduced in its entirety, with written approval of Environmental Lab of Texas.

Page 5 of 8

Rice Operating Co  
 122 W Taylor  
 Hobbs NM, 88240

Project EME  
 Project Number None Given  
 Project Manager Roy Rascon

Fax (505) 397-1471

Reported:  
 12/16/04 09:24

**General Chemistry Parameters by EPA / Standard Methods - Quality Control  
 Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
<b>Batch EL41309 - General Preparation (Prep)</b>										
<b>Blank (EL41309-BLK1)</b>					Prepared & Analyzed 12/10/04					
% Moisture	0.0		%							
<b>Duplicate (EL41309-DUP1)</b>					Source: 4L09016-01 Prepared & Analyzed 12/10/04					
% Moisture	8.7		%		9.1			4.49	20	
<b>Batch EL41403 - Water Extraction</b>										
<b>Blank (EL41403-BLK1)</b>					Prepared 12/10/04 Analyzed 12/14/04					
Chloride	ND	20.0	mg/kg Wet							
<b>Matrix Spike (EL41403-MS1)</b>					Source: 4L10001-01 Prepared 12/10/04 Analyzed 12/14/04					
Chloride	681	20.0	mg/kg Wet	500	213	93.6	80-120			
<b>Matrix Spike Dup (EL41403-MSD1)</b>					Source: 4L10001-01 Prepared 12/10/04 Analyzed 12/14/04					
Chloride	691	20.0	mg/kg Wet	500	213	95.6	80-120	1.46	20	
<b>Reference (EL41403-SRM1)</b>					Prepared & Analyzed 12/14/04					
Chloride	4940		mg/kg	5000		98.8	80-120			





**Environmental Lab of Texas  
Variance / Corrective Action Report – Sample Log-In**

Client: Rice Operating Co.

Date/Time: 12-10-04 @ 0750

Order #: 4L10002

Initials: JMM

**Sample Receipt Checklist**

Temperature of container/cooler?	<input checked="" type="checkbox"/> Yes	No	3.5 °C	C
Shipping container/cooler in good condition?	<input checked="" type="checkbox"/> Yes	No		
Custody Seals intact on shipping container/cooler?	Yes	No	<del>Not present</del>	
Custody Seals intact on sample bottles?	<input checked="" type="checkbox"/> Yes	No	Not present	
Chain of custody present?	<input checked="" type="checkbox"/> Yes	No		
Sample instructions complete on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Chain of Custody signed when relinquished and received?	<input checked="" type="checkbox"/> Yes	No		
Chain of custody agrees with sample label(s)	<input checked="" type="checkbox"/> Yes	No		
Container labels legible and intact?	<input checked="" type="checkbox"/> Yes	No		
Sample Matrix and properties same as on chain of custody?	<input checked="" type="checkbox"/> Yes	No		
Samples in proper container/bottle?	<input checked="" type="checkbox"/> Yes	No		
Samples properly preserved?	<input checked="" type="checkbox"/> Yes	No		
Sample bottles intact?	<input checked="" type="checkbox"/> Yes	No		
Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Containers documented on Chain of Custody?	<input checked="" type="checkbox"/> Yes	No		
Sufficient sample amount for indicated test?	<input checked="" type="checkbox"/> Yes	No		
All samples received within sufficient hold time?	<input checked="" type="checkbox"/> Yes	No		
VOC samples have zero headspace?	<input checked="" type="checkbox"/> Yes	No	Not Applicable	

Other observations:

missing sample SP-2 @ 16"

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**Variance Documentation:**

Contact Person: - \_\_\_\_\_ Date/Time: \_\_\_\_\_ Contacted by: \_\_\_\_\_  
Regarding: \_\_\_\_\_

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Corrective Action Taken:

called and left message w/ Rice Operating 12/10 @ 11000 concerning missing sample. Bryan will bring sample today.  
Missing sample was received on 12/13/04. dd

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