

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

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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	Contact	Tony Grieco
Address	122 W. Taylor St., Hobbs, NM 88240	Telephone No.	(505) 393-9174
Facility Name	BD I-31 (09/02)	Facility Type	Salt Water Gathering System
Surface Owner:	D. K. Boyd	Mineral Owner	
		Lease No.	

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	31	22S	38E					Lea

Latitude 32° 20.847N Longitude 103° 05.552W

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: 7 bbls	Volume Recovered:
Source of Release: PVC Pipeline	Date and Hour of Occurrence: 9/26/02 4:30 PM	Date and Hour of Discovery: 9/26/02 4:30 PM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
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.*		
Describe Cause of Problem and Remedial Action Taken.* Due to Tex New Mex pipeline construction, ROC's PVC line was cracked. A vacuum truck was called in to pick up standing fluid.		
Describe Area Affected and Cleanup Action Taken.* 1,100 square feet of pasture was affected... The surface has naturally restored. No disturbance is necessary.		

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: 	OIL CONSERVATION DIVISION	
Printed Name: Tony Grieco	Approved by District Supervisor: 	
Title: Environmental Tech	Approval Date: 7/17/07	Expiration Date: 10/17/07
E-mail Address: tgrieco@riceswd.com	Conditions of Approval: Augu borehole #3 look for a pattern in decaying chloride concentration.	Attached <input type="checkbox"/>
Date: 7/12/07	Phone: (505) 393-9174	

* Attach Additional Sheets If Necessary

RP# 1488

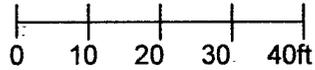
BD I-31 LEAK SITE

UL/I SEC 31 T-22-S R-38-E

GW 100+ft



APPROXIMATE SCALE



✦ AUGER POINT
CI PPM

TO JCT G-31

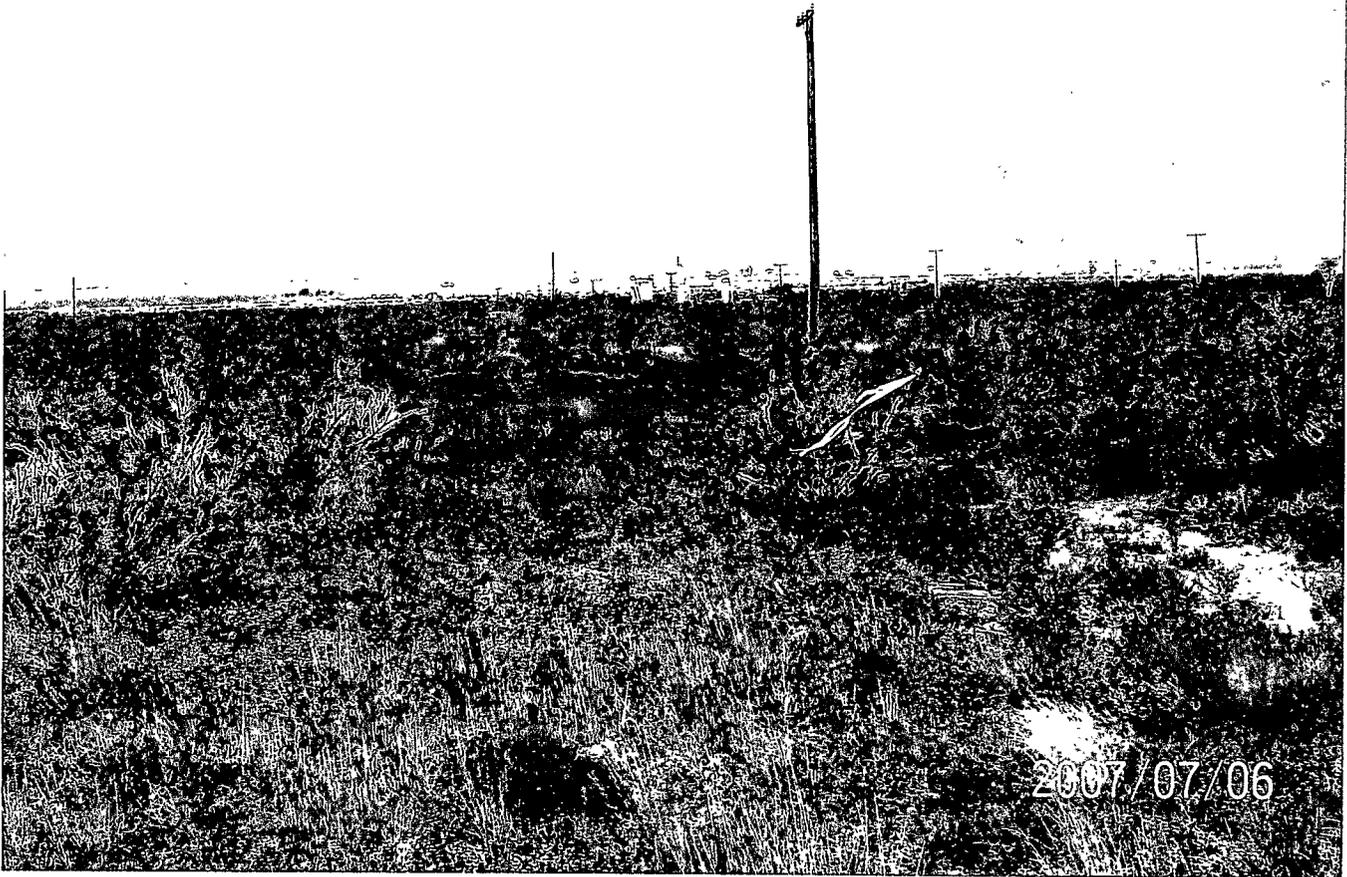
ROC 2" PVC LINE

AUGER PT 1 CI	
SURFACE	59
1 FT	90
1.5 FT	CALICHE
LAB RESULTS CI	
1 FT	< 16

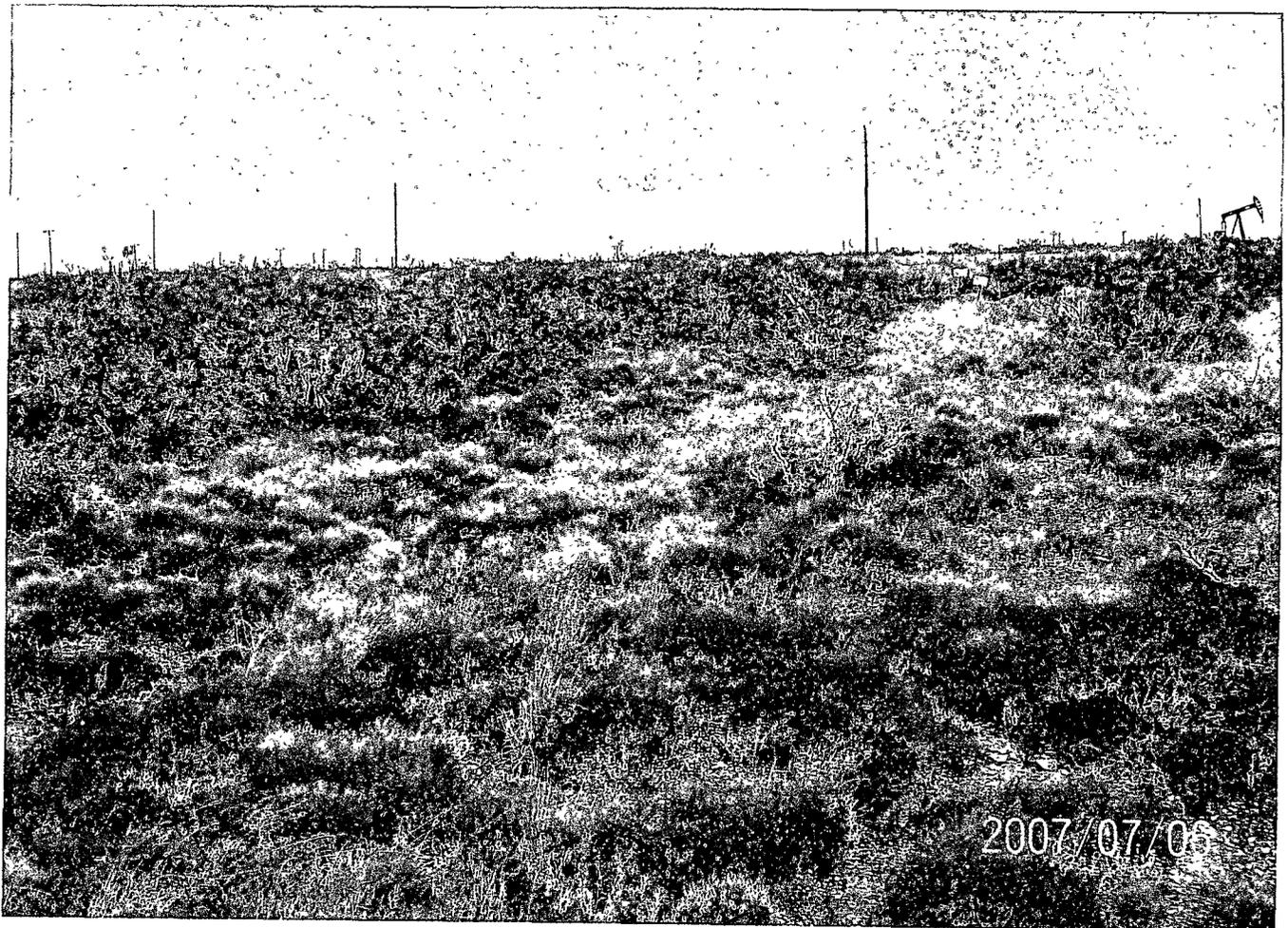
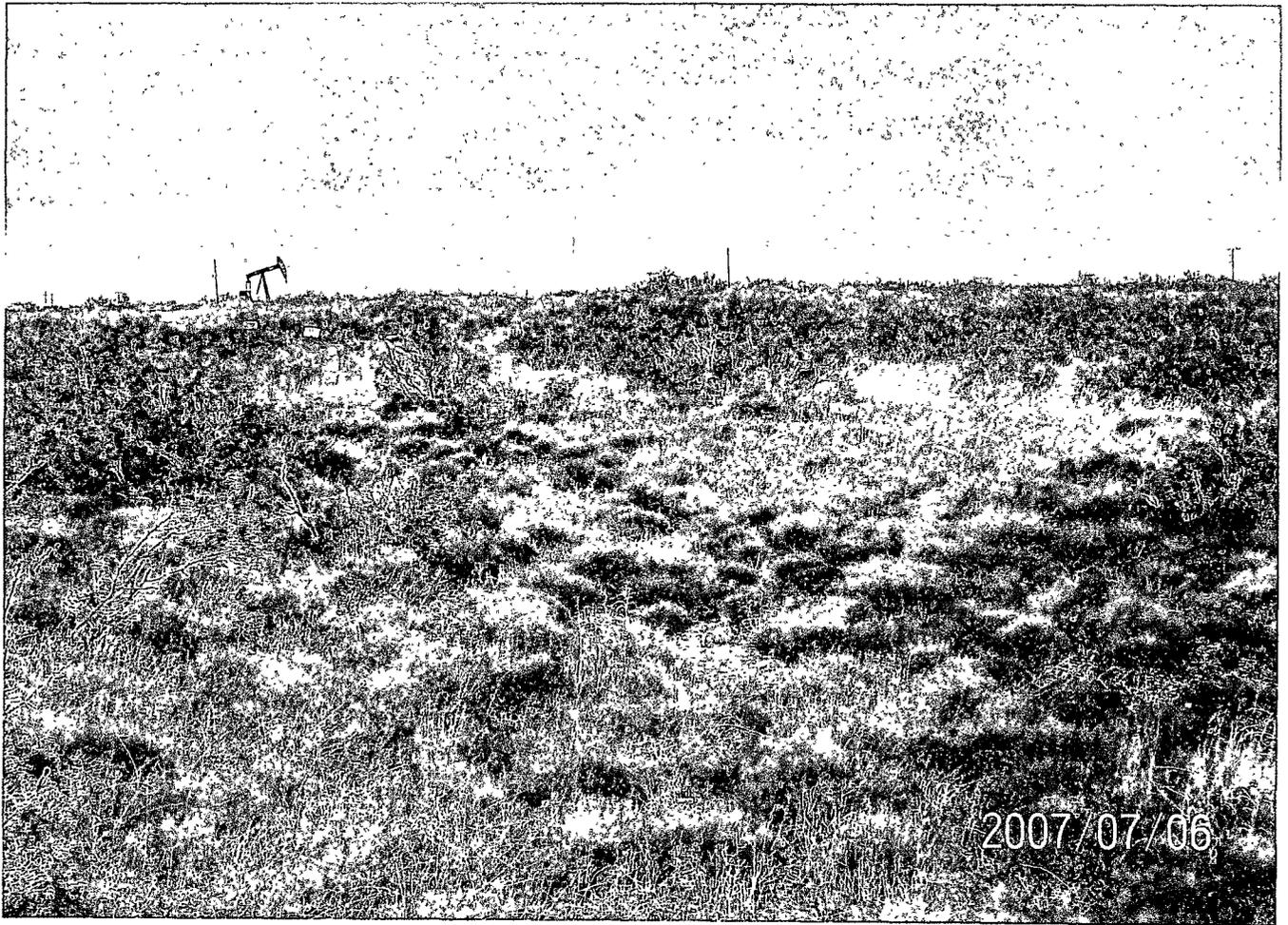
AUGER PT 3 CI	
SURFACE	59
1 FT	713
1.5 FT	CALICHE
LAB RESULTS CI	
1 FT	1024

AUGER PT 2 CI	
SURFACE	59
1 FT	119
1.5 FT	CALICHE
LAB RESULTS CI	
1 FT	64

TO JCT L-32-2









PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 RICE OPERATING CO.
 ATTN: HACK CONDER
 122 W. TAYLOR
 HOBBS, NM 88240
 FAX TO: (505) 397-1471

Receiving Date: 07/10/07
 Reporting Date: 07/11/07
 Project Number: NOT GIVEN
 Project Name: BD I-31 LEAK
 Project Location: NOT GIVEN

Sampling Date: 07/06/07
 Sample Type: SOIL
 Sample Condition: COOL & INTACT
 Sample Received By: HM
 Analyzed By: BC/HM

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	Cl* (mg/Kg)
	ANALYSIS DATE	07/10/07	07/10/07	07/10/07
H12868-1	AUGER POINT 1 1 FT.	<10.0	<10.0	<16
H12868-2	AUGER POINT 2 1 FT.	<10.0	<10.0	64
H12868-3	AUGER POINT 3 1 FT.	<10.0	<10.0	1024
	Quality Control	766	783	490
	True Value QC	800	800	500
	% Recovery	97.8	95.7	98.0
	Relative Percent Difference	1.1	5.8	1.0

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl*: Std. Methods 4500-ClB
 *Analyses performed on 1:4 w:v aqueous extracts.

Burger J. Salazar
 Chemist

7/11/07
 Date

H12868 RICE

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240

(325) 673-7001 Fax (325) 673-7020 (505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page ____ of ____

Company Name: RICE OPERATING				BILL TO				ANALYSIS REQUEST							
Project Manager: HACK CONDEIC				P.O. #:				<div style="writing-mode: vertical-rl; transform: rotate(180deg);"> CI- TPH 8015 M </div>							
Address: 122 W. TAYLOR				Company:											
City: HOBBS		State: NM		Zip: 88240		Attn:									
Phone #: 505-393-9174		Fax #: 505-397-1471		Address:											
Project #:		Project Owner:		City:											
Project Name: BD I-31 LEAK				State:								Zip:			
Project Location:				Phone #:											
Sampler Name: TONY GRIECO				Fax #:											
FOR LAB USE ONLY															
Lab I.D.	Sample I.D.	(C)RAB OR (C)OMP.	# CONTAINERS	MATRIX								PRESERV.			SAMPLING
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	DATE	TIME	
H128681	AUGER POINT 1 LET	G	1			✓				✓		7/6/07	10:00 AM	✓	✓
-2	AUGER POINT 2 LET	G	1			✓				✓		7/6/07	10:30 AM	✓	✓
-3	AUGER POINT 3 LET	G	1			✓				✓		7/6/07	11:00 AM	✓	✓

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analysis. Moreover, handling those for negligence and any other cases whatsoever shall be deemed waived unless made known and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruption, loss of use, or loss of profits, incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services rendered by Cardinal, regardless of whether such claim is based upon any of the above stated causes or otherwise.

Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

Sampler Relinquished:	Date: 7/6/07	Received By:	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No
	Time: 9:25		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No
Relinquished By:	Date: 07/10/07	Received By: (Lab Staff)	REMARKS:
	Time: 9:25		email results to hconder@riceswd.com tgrieco@riceswd.com jpurvis@riceswd.com
Delivered By: (Circle One)	Sampler - UPS - Bns - Other:	Sample Condition Temp. °C	Checked By: (initials)
		Intact? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

† Cardinal cannot accept verbal changes. Please fax written changes to (325) 673-7020.