

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-141
Revised October 10, 2003

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.: (575) 393-9174
Facility Name: EME	Facility Type: Salt Water Gathering System

Surface Owner: State	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter H	Section 20	Township 20S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
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Latitude: 32°33.710N Longitude: 103°15.919W

NATURE OF RELEASE

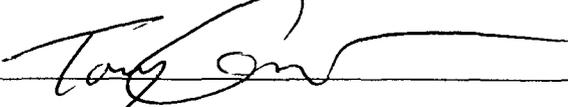
Type of Release: Produced water	Volume of Release: 22bbls	Volume Recovered: 0 bbls
Source of Release: Pipeline	Date and Hour of Occurrence 1/21/06	Date and Hour of Discovery 1/21/06 8:00 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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.* **A ten inch asbestos pipeline broke; broken section replaced with ten inch PVC pipe.**

Describe Area Affected and Cleanup Action Taken.* **Approximately 1980 sq ft was affected. The most highly impacted area, measuring 30ft x 17ft, was excavated to a depth of 7ft bgs, and 120 yds of impacted soil was removed and hauled to Sundance disposal facility. 120 yds of clean topsoil was imported to replace the removed material. The site is naturally re-vegetating.**

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: 12/27/07	Expiration Date: 12/27/07
E-mail Address: tgrieco@riceswd.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 11/19/07 Phone: (575) 393-9174		

* Attach Additional Sheets If Necessary

RP # 1697

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

Form C-1
Revised October 10, 21

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:
Address: 122 West Taylor		Telephone No.: 505-393-9174
Facility Name: EME		Facility Type: Salt Water Gathering System
Surface Owner: State	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
H	20	20S	37E					Lea

Latitude: 32°33.710N Longitude: 103°15.919

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: 22 bbls	Volume Recovered: 0 bbls
Source of Release: Pipeline	Date and Hour of Occurrence: 1/21/06	Date and Hour of Discovery: 1/21/06 8:00am
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.* Ten inch asbestos pipeline broke, replaced with ten inch PVC pipe.

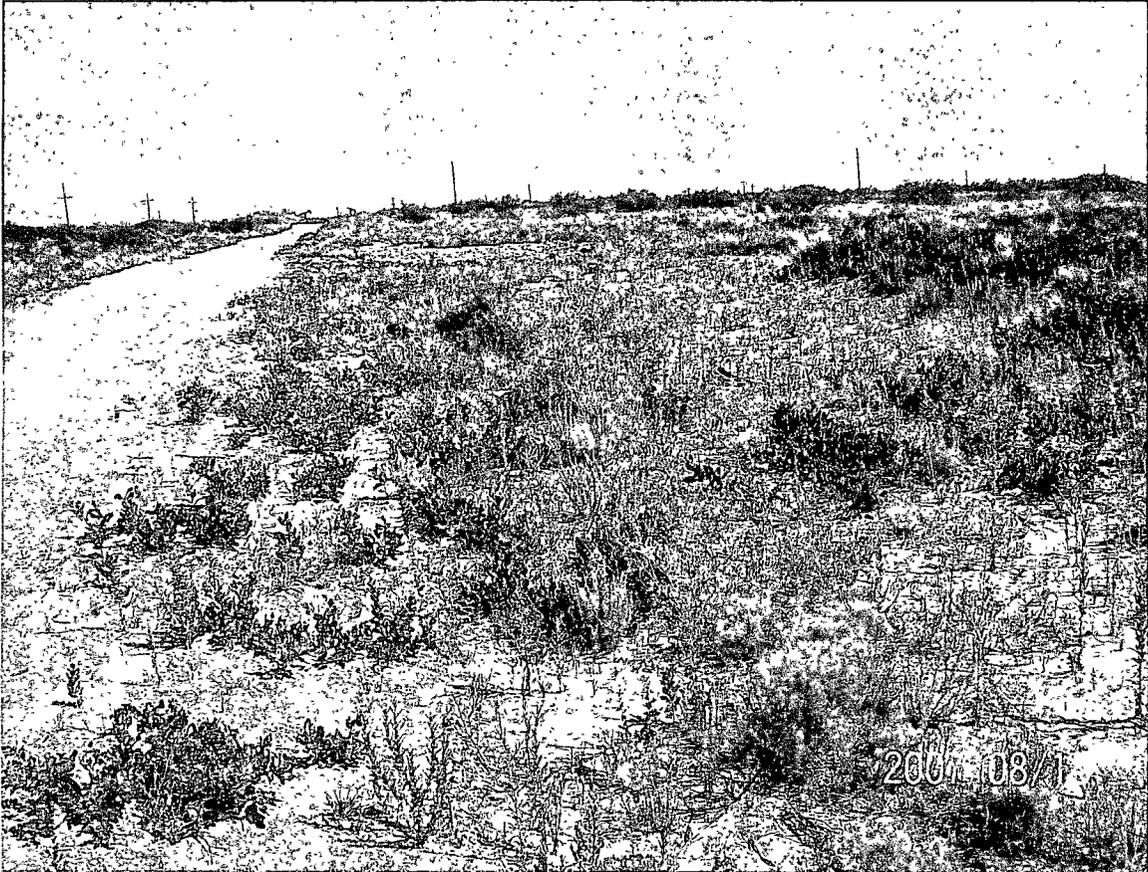
Describe Area Affected and Cleanup Action Taken.* Approximately 1980 sq ft affected. Delineation results and work plan to follow. Groundwater is approximately 24 ft bgs.

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: <i>Jennifer A Johnson</i>	OIL CONSERVATION DIVISION	
Printed Name: Jennifer Johnson	Approved by District Supervisor: <i>Chris Williams</i>	
Title: Environmental and Field Technician	Approval Date: <i>12/27/07</i>	Expiration Date: <i>12/27/07</i>
E-mail Address: <i>jjriceswd@valornet.com</i>	Conditions of Approval:	
Date: 1/23/06	Phone: 505-393-9174	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary

EME H-20 LEAK SITE



FACING NORTH FROM THE SOUTH EDGE OF THE SPILL. SOURCE WAS APPROXIMATELY AT THE BARE AREA IN THE CENTER BACKGROUND.

EME H-20 LEAK SITE



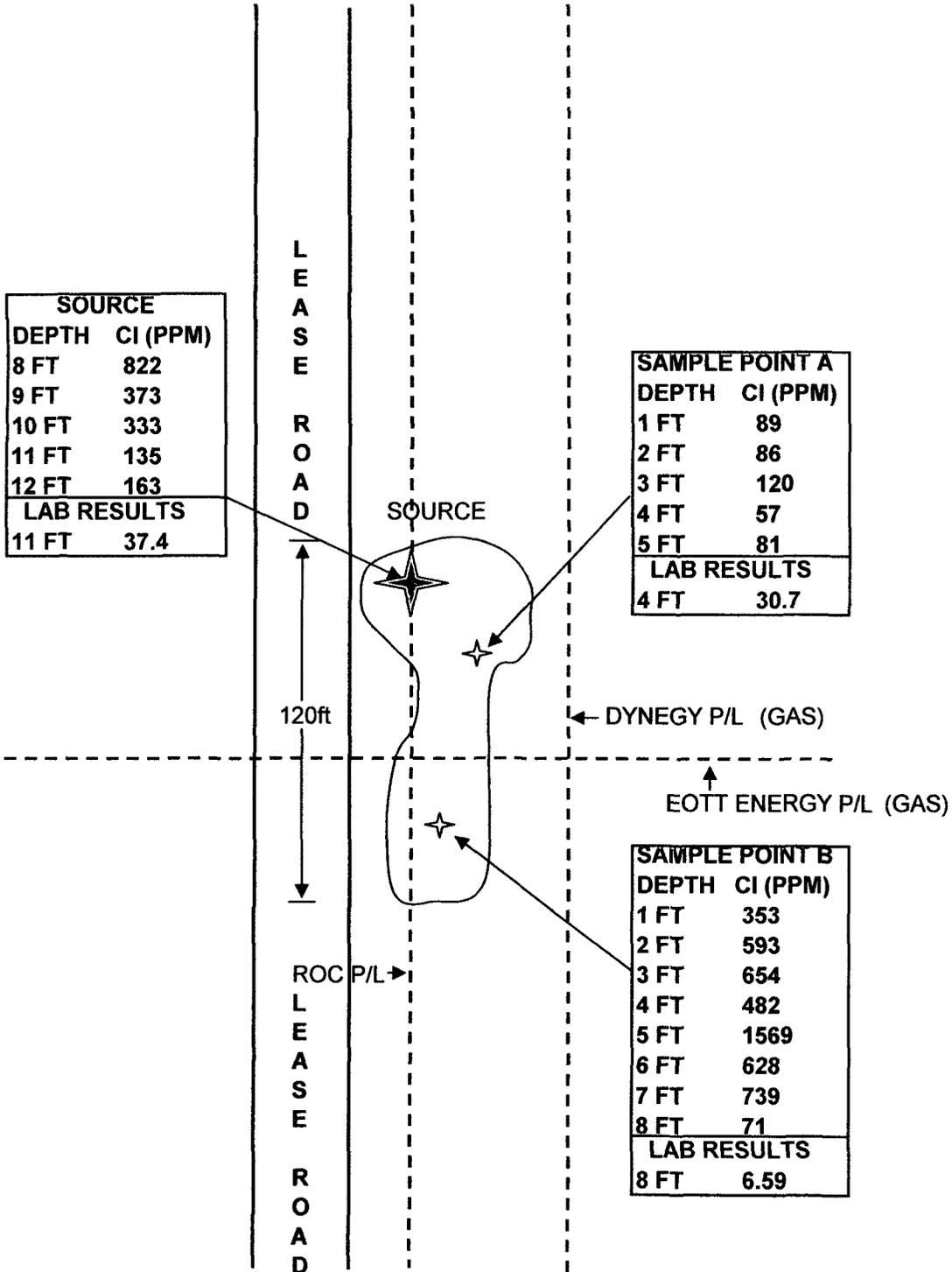
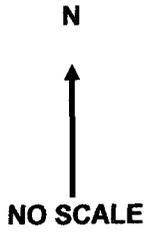
FACING SOUTH FROM APPROXIMATE SOURCE AT NORTH EDGE OF SPILL.

EME H-20 ACCIDENTAL DISCHARGE SITE

UL H SEC 20 T-20-S R-37-E

GW: 23ft

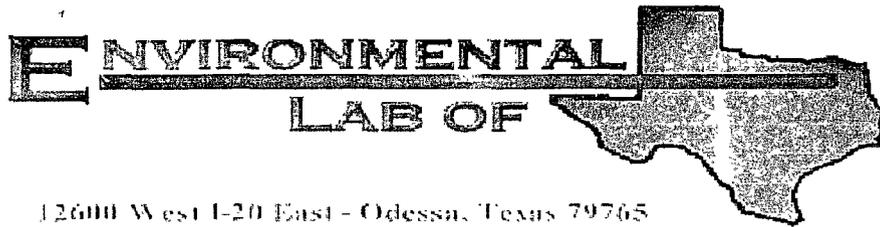
LANDOWNER: State



SOURCE	
DEPTH	CI (PPM)
8 FT	822
9 FT	373
10 FT	333
11 FT	135
12 FT	163
LAB RESULTS	
11 FT	37.4

SAMPLE POINT A	
DEPTH	CI (PPM)
1 FT	89
2 FT	86
3 FT	120
4 FT	57
5 FT	81
LAB RESULTS	
4 FT	30.7

SAMPLE POINT B	
DEPTH	CI (PPM)
1 FT	353
2 FT	593
3 FT	654
4 FT	482
5 FT	1569
6 FT	628
7 FT	739
8 FT	71
LAB RESULTS	
8 FT	6.59



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Kristin Farris-Pope

Rice Operating Co.

122 W. Taylor

Hobbs, NM 88240

Project: EME H-20 Leak

Project Number: None Given

Location: None Given

Lab Order Number: 6C28001

Report Date: 03/30/06

Rice Operating Co.
122 W Taylor
Hobbs NM, 88240

Project: EME H-20 Leak
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
03/30/06 13:19

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
B@ 8' bgs	6C28001-01	Soil	03/24/06 14:09	03/28/06 08:00
Source@ 11' bgs	6C28001-02	Soil	03/24/06 11:05	03/28/06 08:00
A@ 4' bgs	6C28001-03	Soil	03/24/06 12:53	03/28/06 08:00

Rice Operating Co
122 W. Taylor
Hobbs NM, 88240

Project: EME H-20 Leak
Project Number None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported.
03/30/06 13:19

Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
B@ 8' bgs (6C28001-01) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EC62820	03/28/06	03/29/06	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	ND	10.0	"	"	"	"	"	"	
<i>Surrogate. 1-Chlorooctane</i>		105 %	70-130		"	"	"	"	
<i>Surrogate 1-Chlorooctadecane</i>		107 %	70-130		"	"	"	"	
Source@ 11' bgs (6C28001-02) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EC62820	03/28/06	03/29/06	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	ND	10.0	"	"	"	"	"	"	
<i>Surrogate 1-Chlorooctane</i>		102 %	70-130		"	"	"	"	
<i>Surrogate 1-Chlorooctadecane</i>		105 %	70-130		"	"	"	"	
A@ 4' bgs (6C28001-03) Soil									
Carbon Ranges C6-C12	ND	10.0	mg/kg dry	1	EC62820	03/28/06	03/29/06	EPA 8015M	
Carbon Ranges C12-C28	ND	10.0	"	"	"	"	"	"	
Carbon Ranges C28-C35	ND	10.0	"	"	"	"	"	"	
Total Hydrocarbon C6-C35	ND	10.0	"	"	"	"	"	"	
<i>Surrogate. 1-Chlorooctane</i>		108 %	70-130		"	"	"	"	
<i>Surrogate 1-Chlorooctadecane</i>		109 %	70-130		"	"	"	"	

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

Project: EME H-20 Leak
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax (505) 397-1471

Reported:
03/30/06 13:19

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

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
B@ 8' bgs (6C28001-01) Soil									
Chloride	6.59	5.00	mg/kg	10	EC62816	03/28/06	03/28/06	EPA 300.0	
% Moisture	4.0	0.1	%	1	EC62905	03/28/06	03/29/06	% calculation	
Source@ 11' bgs (6C28001-02) Soil									
Chloride	37.4	5.00	mg/kg	10	EC62816	03/28/06	03/28/06	EPA 300.0	
% Moisture	3.9	0.1	%	1	EC62905	03/28/06	03/29/06	% calculation	
A@ 4' bgs (6C28001-03) Soil									
Chloride	30.7	5.00	mg/kg	10	EC62816	03/28/06	03/28/06	EPA 300.0	
% Moisture	13.6	0.1	%	1	EC62905	03/28/06	03/29/06	% calculation	

Rice Operating Co
122 W. Taylor
Hobbs NM, 88240

Project: EME H-20 Leak
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
03/30/06 13:19

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EC62820 - Solvent Extraction (GC)										
Blank (EC62820-BLK1)										
Prepared: 03/28/06 Analyzed: 03/29/06										
Carbon Ranges C6-C12	ND	100	mg/kg wet							
Carbon Ranges C12-C28	ND	100	"							
Carbon Ranges C28-C35	ND	100	"							
Total Hydrocarbon C6-C35	ND	100	"							
Surrogate: 1-Chlorooctane	46.1		mg/kg	50.0		92.2	70-130			
Surrogate: 1-Chlorooctadecane	47.7		"	50.0		95.4	70-130			
LCS (EC62820-BS1)										
Prepared: 03/28/06 Analyzed: 03/29/06										
Carbon Ranges C6-C12	599	100	mg/kg wet	500		120	75-125			
Carbon Ranges C12-C28	591	100	"	500		118	75-125			
Total Hydrocarbon C6-C35	1190	100	"	1000		119	75-125			
Surrogate: 1-Chlorooctane	64.5		mg/kg	50.0		129	70-130			
Surrogate: 1-Chlorooctadecane	63.3		"	50.0		127	70-130			
Calibration Check (EC62820-CCV1)										
Prepared: 03/28/06 Analyzed: 03/29/06										
Carbon Ranges C6-C12	236		mg/kg	250		94.4	80-120			
Carbon Ranges C12-C28	298		"	250		119	80-120			
Total Hydrocarbon C6-C35	534		"	500		107	80-120			
Surrogate: 1-Chlorooctane	54.3		"	50.0		109	70-130			
Surrogate: 1-Chlorooctadecane	53.6		"	50.0		107	70-130			
Matrix Spike (EC62820-MS1)										
Source: 6C27008-04										
Prepared: 03/28/06 Analyzed: 03/29/06										
Carbon Ranges C6-C12	589	100	mg/kg dry	594	ND	99.2	75-125			
Carbon Ranges C12-C28	569	100	"	594	ND	95.8	75-125			
Total Hydrocarbon C6-C35	1160	100	"	1190	ND	97.5	75-125			
Surrogate: 1-Chlorooctane	57.7		mg/kg	50.0		115	70-130			
Surrogate: 1-Chlorooctadecane	51.8		"	50.0		104	70-130			

Rice Operating Co.
122 W Taylor
Hobbs NM, 88240

Project: EME H-20 Leak
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
03/30/06 13 19

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch EC62820 - Solvent Extraction (GC)

Matrix Spike Dup (EC62820-MSD1)

Source: 6C27008-04

Prepared: 03/28/06

Analyzed: 03/29/06

Carbon Ranges C6-C12	605	100	mg/kg dry	594	ND	102	75-125	2.68	20	
Carbon Ranges C12-C28	585	100	"	594	ND	98.5	75-125	2.77	20	
Total Hydrocarbon C6-C35	1190	100	"	1190	ND	100	75-125	2.55	20	
Surrogate 1-Chlorooctane	59.0		mg/kg	50.0		118	70-130			
Surrogate 1-Chlorooctadecane	53.1		"	50.0		106	70-130			

Rice Operating Co.
122 W Taylor
Hobbs NM, 88240

Project: EME H-20 Leak
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
03/30/06 13:19

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
Batch EC62816 - Water Extraction										
Blank (EC62816-BLK1)					Prepared & Analyzed: 03/28/06					
Chloride	ND	0.500	mg/kg							
LCS (EC62816-BS1)					Prepared & Analyzed: 03/28/06					
Chloride	9.30		mg/L	10.0		93.0	80-120			
Calibration Check (EC62816-CCV1)					Prepared & Analyzed: 03/28/06					
Chloride	9.15		mg/L	10.0		91.5	80-120			
Duplicate (EC62816-DUP1)					Source: 6C28001-01		Prepared & Analyzed: 03/28/06			
Chloride	6.43	5.00	mg/kg		6.59			2.46	20	
Batch EC62905 - General Preparation (Prep)										
Blank (EC62905-BLK1)					Prepared: 03/28/06 Analyzed: 03/29/06					
% Solids	100		%							
Duplicate (EC62905-DUP1)					Source: 6C27008-01		Prepared: 03/28/06 Analyzed: 03/29/06			
% Solids	93.2		%		93.4			0.214	20	
Duplicate (EC62905-DUP2)					Source: 6C28002-03		Prepared: 03/28/06 Analyzed: 03/29/06			
% Solids	97.5		%		97.5			0.00	20	
Duplicate (EC62905-DUP3)					Source: 6C28010-03		Prepared: 03/28/06 Analyzed: 03/29/06			
% Solids	88.3		%		88.2			0.113	20	

Rice Operating Co.
122 W Taylor
Hobbs NM, 88240

Project: EME H-20 Leak
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax (505) 397-1471
Reported.
03/30/06 13:19

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference
LCS Laboratory Control Spike
MS Matrix Spike
Dup Duplicate

Report Approved By:

Raland K Tuttle

Date:

3/30/2006

Raland K Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director
LaTasha Cornish, Chemist
Sandra Sanchez, Lab Tech

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

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

Client Live Op.
 Date/Time 3/28/06 8:00
 Order # 6028009
 Initials MR

Sample Receipt Checklist

	Yes	No	Z	C
Temperature of container/cooler?			2	0
Shipping container/cooler in good condition?	<input checked="" type="checkbox"/>	No		
Custody Seals intact on shipping container/cooler?	<input checked="" type="checkbox"/>	No	Not present	
Custody Seals intact on sample bottles?	<input checked="" type="checkbox"/>	No	Not present	
Chain of custody present?	<input checked="" type="checkbox"/>	No		
Sample Instructions complete on Chain of Custody?	<input checked="" type="checkbox"/>	No		
Chain of Custody signed when relinquished and received?	<input checked="" type="checkbox"/>	No		
Chain of custody agrees with sample label(s)	<input checked="" type="checkbox"/>	No		
Container labels legible and intact?	<input checked="" type="checkbox"/>	No		
Sample Matrix and properties same as on chain of custody?	<input checked="" type="checkbox"/>	No		
Samples in proper container/bottle?	<input checked="" type="checkbox"/>	No		
Samples properly preserved?	<input checked="" type="checkbox"/>	No		
Sample bottles intact?	<input checked="" type="checkbox"/>	No		
Preservations documented on Chain of Custody?	<input checked="" type="checkbox"/>	No		
Containers documented on Chain of Custody?	<input checked="" type="checkbox"/>	No		
Sufficient sample amount for indicated test?	<input checked="" type="checkbox"/>	No		
All samples received within sufficient hold time?	<input checked="" type="checkbox"/>	No		
VOC samples have zero headspace?	<input checked="" type="checkbox"/>	No	Not Applicable	

Other observations:

Variance Documentation:

Contact Person: _____ Date/Time: _____ Contacted by: _____
 Regarding _____

Corrective Action Taken:

