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Justis
REPORTS

DATE:

3-31-08

RICE *Operating Company*

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CERTIFIED MAIL

RETURN RECEIPT NO. 7007 0220 0001 1736 0763

March 31, 2008

Mr. Wayne Price
New Mexico Energy, Minerals, & Natural Resources
Oil Conservation Division, Environmental Bureau
1220 S. St. Francis Drive
Santa Fe, New Mexico 87504

RE: JUNCTION BOX UPGRADE REPORT for 2007
JUSTIS SWD SYSTEM
Lea County, New Mexico

RECEIVED
2008 APR 2 PM 3 31

Mr. Price:

Rice Operating Company (ROC) takes this opportunity to submit the Junction Box Upgrade results for the year 2007. Enclosed is a list of the completed junction boxes and their respective closure/disclosure dates. These boxes are located in the Justis Salt Water Disposal (SWD) System near Jal, New Mexico.

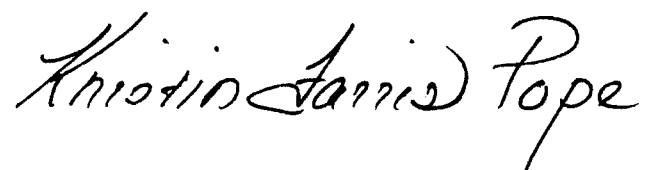
ROC completed 3 junction box sites in 2007. Junction box upgrades in 2008 will be conducted in conjunction with scheduled pipeline replacements.

Enclosed are the 2007 results (6 sites) from the PID/BTEX study described in the NMOCD-approved Revised Junction Box Upgrade Work Plan (July 16, 2003). This comparison study is ongoing and data will continue to be collected in 2008. From the data collected thus far, no definitive conclusions can be drawn from the composite methods analyzed.

ROC is the service provider (agent) for the Justis 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 Partners, who provide all operating capital on a percentage ownership/usage basis. Replacement/closure projects of this magnitude require System Partner AFE approval and work begins as funds are received.

Thank you for your consideration of this Junction Box Upgrade Report for 2007.

RICE OPERATING COMPANY

A handwritten signature in black ink that reads "Kristin Farris Pope". The signature is written in a cursive, flowing style.

Kristin Farris Pope
Project Scientist

enclosures as stated

cc: SC, MB, file, Mr. Chris Williams
 NMOCD, District I Office
 1625 N. French Drive
 Hobbs, NM 88240

2007 BTEX Study

Revised Junction Box Upgrade Plan (2003)

System: BD
Site: jct. G-3-1

Date: 6/7/2007
Sampler: Noel Carmona

Laboratory: Cardinal
Laboratories

Location	Component	PID reading (ppm)	FIELD COMPOSITE (mg/kg)			
			Benzene	Toluene	Ethyl Benzene	Total Xylenes
bottom composite at 16 ft BGS	1	150	<0.005	0.005	0.023	0.204
	2	212				
	3	484				
	4	200				
	5	183				
			LAB COMPOSITE (mg/kg)			
			<0.005	<0.005	<0.005	0.016

Field PID tests <100 ppm are considered final for BTEX. If PID is >100 ppm, the components of the BTEX composite sample will be collected individually and will be composited under laboratory conditions to prevent excessive volatilization. A 15-box, 30-sample study will be made to compare field-compositing with lab-compositing BTEX samples. Composite components are collected in a skewed 'W' pattern.

Revised Junction Box Upgrade Work Plan (July 16, 2003)

2007 BTEX Study

Revised Junction Box Upgrade Plan (2003)

System: Vacuum
Site: F-33 boot

Date: 10/2/2007
Sampler: Roy Rascon

Laboratory: Cardinal
Laboratories

Location	Component	PID reading (ppm)	FIELD COMPOSITE (mg/kg)			
			Benzene	Toluene	Ethyl Benzene	Total Xylenes
bottom composite at 12 ft BGS	5 sample points	355	0.012	0.103	0.096	0.527
			LAB COMPOSITE (mg/kg)			
			0.025	0.189	0.076	0.589
excavation dimesions 30 x 30 x 12 ft						
4-wall composite	20 sample points	235	FIELD COMPOSITE (mg/kg)			
			<0.025	0.128	0.624	1.85
			LAB COMPOSITE (mg/kg)			
			<0.025	0.075	0.922	2.83

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Revised Junction Box Upgrade Work Plan (July 16, 2003)

2007 BTEX Study

Revised Junction Box Upgrade Plan (2003)

System: BD
Site: N-32 vent

Date: 10/11/2007
Sampler: L. Bruce Baker

Laboratory: Cardinal
Laboratories

Location	Component	PID reading (ppm)	FIELD COMPOSITE (mg/kg)			
			Benzene	Toluene	Ethyl Benzene	Total Xylenes
4-WALL COMPOSITE from 30 x 30 x 12 ft	NORTH wall	106	<0.001	<0.001	0.011	0.010
	SOUTH wall					
	EAST wall					
	WEST wall					
			LAB COMPOSITE (mg/kg)			
			<0.001	<0.001	<0.001	<0.003

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Revised Junction Box Upgrade Work Plan (July 16, 2003)

2007 BTEX Study

Revised Junction Box Upgrade Plan (2003)

System: Vacuum
Site: C-33 boot

Date: 9/13/2007
Sampler: Roy Rascon

Laboratory: Cardinal
Laboratories

Location	Component	PID reading (ppm)	FIELD COMPOSITE (mg/kg)			
			Benzene	Toluene	Ethyl Benzene	Total Xylenes
bottom composite at 12 ft BGS	5 sample points	353	0.007	0.022	0.040	0.337
<i>excavation dimensions</i> <i>30 x 30 x 12 ft</i>			LAB COMPOSITE (mg/kg)			
			0.005	0.017	0.043	0.280

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Revised Junction Box Upgrade Work Plan (July 16, 2003)

2007 BTEX Study

Revised Junction Box Upgrade Plan (2003)

System: BD Date: 2/8/2007 Laboratory: Cardinal
 Site: F-23 vent (2 boxes) Sampler: Noel Carmona Laboratories

Location	Component	PID reading (ppm)	FIELD COMPOSITE (mg/kg)			
			Benzene	Toluene	Ethyl Benzene	Total Xylenes
bottom composite at 12 ft BGS	5 sample points	122	<0.005	<0.005	0.024	0.036
<i>excavation dimensions</i> <i>25 x 25 x 12 ft</i>			LAB COMPOSITE (mg/kg)			
			<0.005	0.027	0.326	0.546

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Revised Junction Box Upgrade Work Plan (July 16, 2003)

2007 BTEX Study

Revised Junction Box Upgrade Plan (2003)

System: EME
Site: jct. B-7

Date: 9/12/2007
Sampler: L. Bruce Baker

Laboratory: Cardinal
Laboratories

Location	Component	PID reading (ppm)	FIELD COMPOSITE (mg/kg)			
			Benzene	Toluene	Ethyl Benzene	Total Xylenes
bottom composite at 12 ft BGS	5 sample points	1444	<0.002	<0.002	<0.002	<0.006
excavation dimensions 30 x 30 x 12 ft			LAB COMPOSITE (mg/kg)			
			<0.002	<0.002	<0.002	0.017

Field PID tests <100 ppm are considered final for BTEX. If PID is >100 ppm, the components of the BTEX composite sample will be collected individually and will be composited under laboratory conditions to prevent excessive volatilization. A 15-box, 30-sample study will be made to compare field-compositing with lab-compositing BTEX samples. Composite components are collected in a skewed 'W' pattern.

Revised Junction Box Upgrade Work Plan (July 16, 2003)

Justis → 1R423

RICE Operating Company Justis SWD System Junction Box Upgrade Project 2007 Completed Boxes								
		Legal Description						
	Junction Box Name	Unit	Sec	T	R	Completion Date	OCD Assessment Score	Report Status
1	Pogo Lillie EOL	E	32	24S	37E	3/19/2007	10	Closure
2	Jct J-24 Vent	J	24	25S	37E	5/9/2006	10	Disclosure
3	C-11 Vent	C	11	25S	37E	4/15/2007	20	Closure

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