

District II  
 11 W. Grand Avenue, Artesia, NM 88210  
 District III  
 10 Rio Brazos Road, Aztec, NM 87410  
 District IV  
 20 S. St. Francis Dr., Santa Fe, NM 87505

Energy Minerals and Natural Resources  
 Oil Conservation Division  
 1229 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 Company		Contact:	
Address: 122 West Taylor		Telephone No.: 505-393-9174	
Facility Name: BD		Facility Type: Salt Water Gathering System	
Surface Owner: Tom Kennan		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
G	30	21S	37E					Lea

Latitude: 32\*27.194N Longitude: 103\*11.954W

**NATURE OF RELEASE**

Type of Release: Produced Water	Volume of Release: 732 barrels	Volume Recovered: 360 barrels
Source of Release: Pipeline	Date and Hour of Occurrence: N/A	Date and Hour of Discovery: 5/01/06 5:00 pm
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Pat Caperton	
By Whom? Melanie Franks	Date and Hour: 5/02/06 7:05 am left message	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse:	

Was a Watercourse was Impacted. Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\* 6" PVC cracked. Replaced with new PVC.

Describe Area Affected and Cleanup Action Taken.\* A vacuum truck was used to remove standing water and haul it to one of Rice Operating Company's salt water disposal wells. Pasture was affected. Delineation results to follow.

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 Johnson</i>		<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Jennifer Johnson		Approved by District Supervisor: <i>Chris Williams</i>	
Title: Environmental and Field Technician		Approval Date: <i>5/16/06</i>	Expiration Date: <i>3/13/08</i>
Email Address: <i>jjohnson@riceswd.com</i>		Conditions of Approval:	
Date: 5/03/06 Phone: 505-393-9174		Attached <input type="checkbox"/>	

Attach Additional Sheets If Necessary



972

**BD G-30 LEAKS**



**NORTH EXCAVATION (LOOKING NORTH)**



**NORTH EXCAVATION AFTER BACKFILL (LOOKING SOUTH)**

**BDG-30 LEAKS**

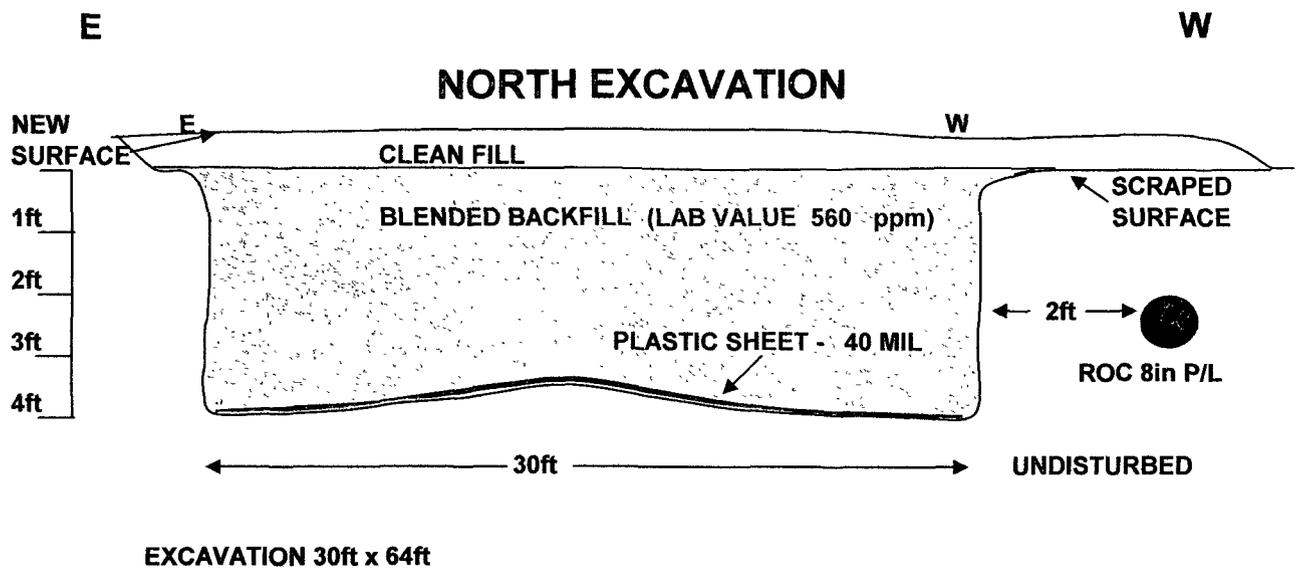
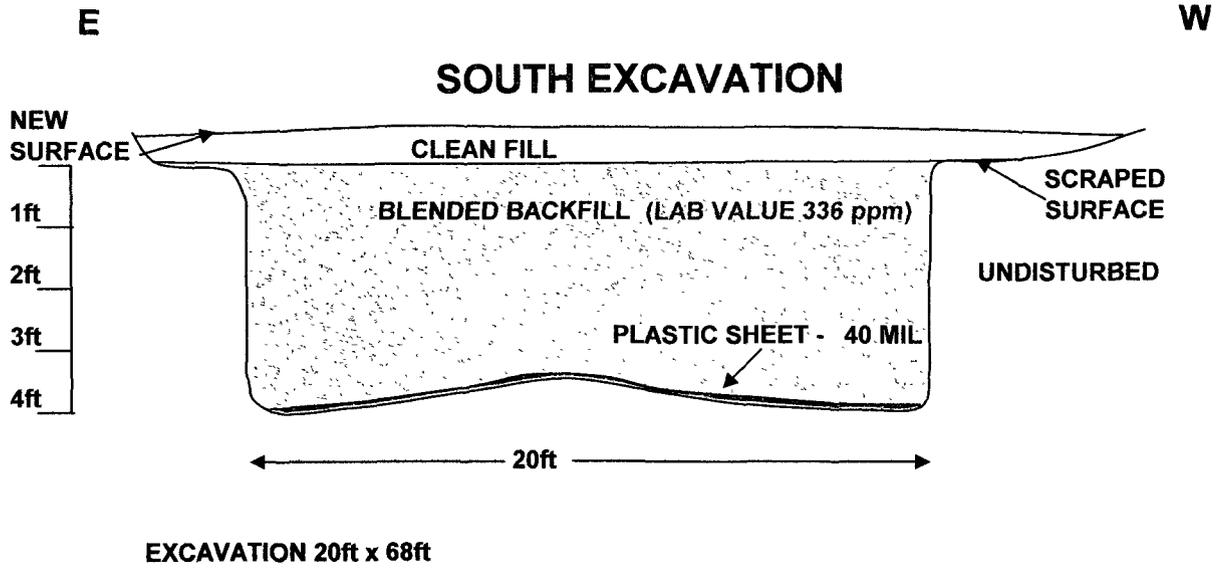


**SOUTH EXCAVATION (LOOKING SOUTH)**



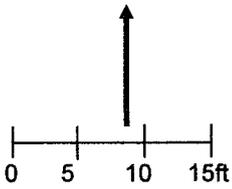
**SOUTH EXCAVATION AFTER BACKFILL (LOOKING SOUTH)**

# BD G-30 LEAKS EXCAVATION PROFILES

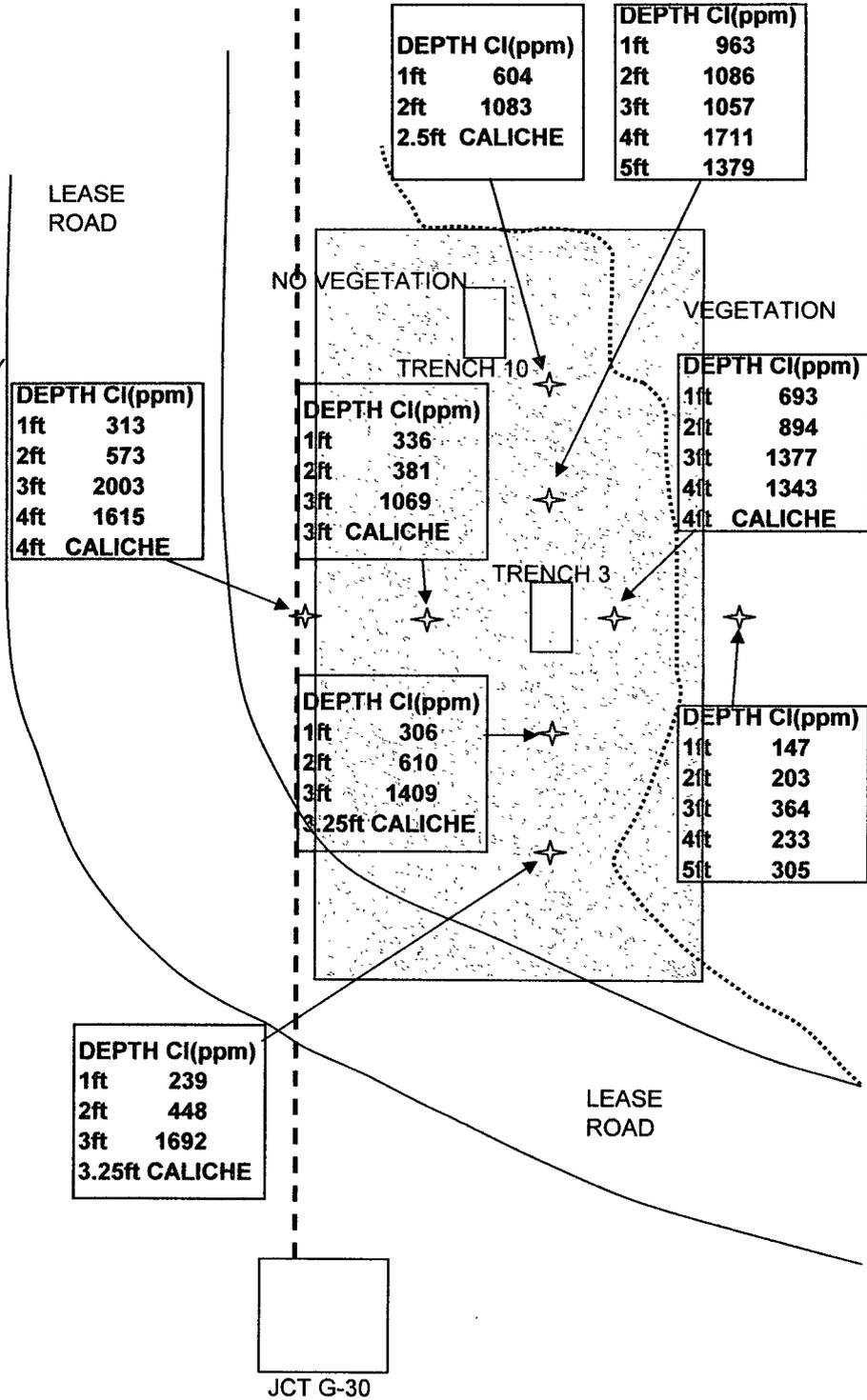


# BD G-30 LEAKS DETAIL MAP-NORTH EXAVATION

N



- AUGER POINT
- SAMPLE TRENCH
- VEGETATION BNDRY
- BURIED P/L



DEPTH Cl(ppm)	
1ft	604
2ft	1083
2.5ft	CALICHE

DEPTH Cl(ppm)	
1ft	963
2ft	1086
3ft	1057
4ft	1711
5ft	1379

DEPTH Cl(ppm)	
1ft	313
2ft	573
3ft	2003
4ft	1615
4ft	CALICHE

DEPTH Cl(ppm)	
1ft	336
2ft	381
3ft	1069
3ft	CALICHE

DEPTH Cl(ppm)	
1ft	693
2ft	894
3ft	1377
4ft	1343
4ft	CALICHE

DEPTH Cl(ppm)	
1ft	306
2ft	610
3ft	1409
3.25ft	CALICHE

DEPTH Cl(ppm)	
1ft	147
2ft	203
3ft	364
4ft	233
5ft	305

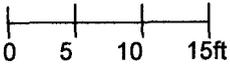
DEPTH Cl(ppm)	
1ft	239
2ft	448
3ft	1692
3.25ft	CALICHE

TRENCH # 3	
DEPTH Cl(ppm)	
1ft	178
2ft	1104
3ft	1384
4ft	1455
5ft	1430
6ft	772
7ft	897
8ft	1200
9ft	517
10ft	588
11ft	510
12ft	1066
13ft	492
13ft	LAB 528

TRENCH # 10	
DEPTH Cl(ppm)	
1ft	299
2ft	1160
3ft	1154
4ft	1187
5ft	1231
6ft	1181
7ft	1073
8ft	957
9ft	589
10ft	564
11ft	517
12ft	457



# N BD G-30 LEAKS DETAIL MAP- SOUTH EXCAVATION



AUGER POINT



SAMPLE TRENCH

VEGETATION LIMIT

TRENCH # 8	
DEPTH	Cl(ppm)
1ft	119
2ft	112
3ft	116
4ft	352
5ft	290
6ft	239
7ft	147
8ft	266

TRENCH # 9	
DEPTH	Cl(ppm)
1ft	121
2ft	343
3ft	1120
4ft	1595
5ft	627
6ft	1147

TRENCH # 6	
DEPTH	Cl(ppm)
1ft	182
2ft	119
3ft	139
4ft	138
5ft	152
6ft	146
7ft	153
8ft	207

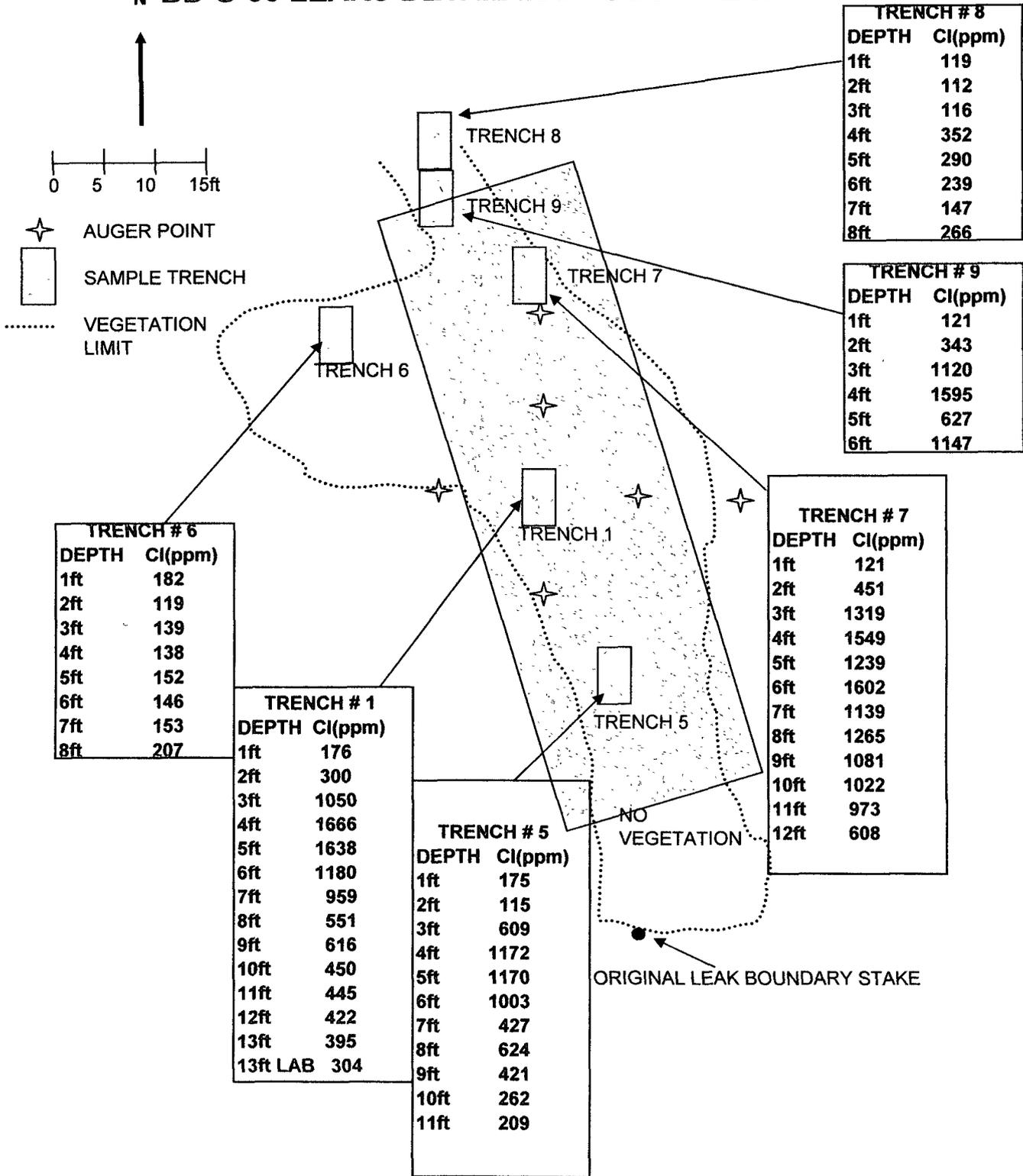
TRENCH # 1	
DEPTH	Cl(ppm)
1ft	176
2ft	300
3ft	1050
4ft	1666
5ft	1638
6ft	1180
7ft	959
8ft	551
9ft	616
10ft	450
11ft	445
12ft	422
13ft	395
13ft LAB	304

TRENCH # 5	
DEPTH	Cl(ppm)
1ft	175
2ft	115
3ft	609
4ft	1172
5ft	1170
6ft	1003
7ft	427
8ft	624
9ft	421
10ft	262
11ft	209

TRENCH # 7	
DEPTH	Cl(ppm)
1ft	121
2ft	451
3ft	1319
4ft	1549
5ft	1239
6ft	1602
7ft	1139
8ft	1265
9ft	1081
10ft	1022
11ft	973
12ft	608

NO VEGETATION

ORIGINAL LEAK BOUNDARY STAKE











# ARDINAL LABORATORIES

PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
RICE OPERATING COMPANY  
ATTN: HACK CONDER  
122 WEST TAYLOR  
HOBBS, NM 88240  
FAX TO: (575) 397-1471

RECEIVED

DEC 31 2007

Receiving Date: 12/21/07  
Reporting Date: 12/26/07  
Project Number: NOT GIVEN  
Project Name: BD G-30 LEAK  
Project Location: NOT GIVEN

Analysis Date: 12/26/07  
Sampling Date: 12/21/07  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: ML  
Analyzed By: KS

LAB NO.	SAMPLE ID	Cl <sup>-</sup> (mg/kg)
H13970-1	VERTICAL #1 13 FT	304
H13970-2	VERTICAL #2 12 FT	32
H13970-3	VERTICAL #3 13 FT	528
H13970-4	VERTICAL #4 12 FT	64
Quality Control		520
True Value QC		500
% Recovery		104
Relative Percent Difference		3.9

METHOD: Standard Methods 4500-ClB

Note: Analyses performed on 1:4 w:v aqueous extracts.

Chemist

12/26/07  
Date

## H13970 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.



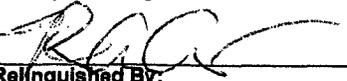
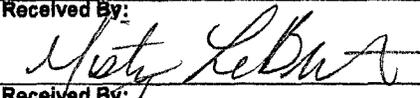
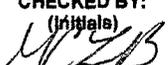
# CARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603  
 (505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: <b>RICE OPERATING</b>		<b>BILL TO</b>				<b>ANALYSIS REQUEST</b>																																			
Project Manager: <b>HACK CONDER</b>		P.O. #:																																							
Address: <b>122 W. TAYLOR</b>		Company:																																							
City: <b>HOBBS</b> State: <b>NM</b> Zip: <b>88240</b>		Attn:																																							
Phone #: <b>393-9174</b> Fax #: <b>397-1471</b>		Address:																																							
Project #: _____ Project Owner:		City:																																							
Project Name: <b>BD 6-30 LEAK</b>		State: _____ Zip: _____																																							
Project Location:		Phone #:																																							
Sampler Name: <b>TONY GRIECO</b>		Fax #:																																							
FOR LAB USE ONLY												<b>CHLORIDE</b>																													
Lab I.D.		Sample I.D.		# GRAB OR (COMP. # CONTAINERS)	MATRIX				PRESERV.		SAMPLING																														
					GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:													ICE / COOL	OTHER:	DATE		TIME													
H139D-1	Vertical #1	13 FT	G	1			✓																	✓		12/21/07		10:00 AM		✓											
-2	Vertical #2	12 FT	G	1			✓																	✓		12/21/07		11:00 AM		✓											
-3	Vertical #3	13 FT	G	1			✓																	✓		12/21/07		12:00 PM		✓											
-4	Vertical #4	12 FT	G	1			✓																	✓		12/21/07		1:00 PM		✓											

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 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 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.

Relinquished By: 		Date: <b>12/21/07</b>	Received By: 	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
		Time: <b>3:30 PM</b>		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:		Date:	Received By:	REMARKS: <b>email results to jpurvis@riceswd.com hconder@riceswd.com tgrieco@riceswd.com</b>	
		Time:			
Delivered By: (Circle One) Sampler - UPS - Bus - Other:			Sample Condition Cool Intact <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No	CHECKED BY: (Initials) 	

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476