

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 Conoco Philips NewMex 'D' EOL	Facility Type Salt Water Gathering System

Surface Owner D.K. Boyd	Mineral Owner	Lease No.
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LOCATION OF RELEASE

API # **30-025-20793-00-00**

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	36	22S	37E					LEA

Latitude **32° 20.956N**

Longitude **103° 06.667W**

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release 20 bbls	Volume Recovered 19 bbls
Source of Release: Junction Box	Date and Hour of Occurrence 6/11/07	Date and Hour of Discovery 6/11/07 16:50
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 steel pipe rotted out and broke. Flow was shut off to break. Line will be capped as a permanent repair.

IRP-1935

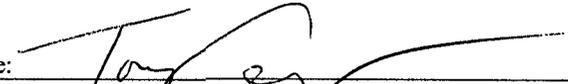
Describe Area Affected and Cleanup Action Taken.*: **A vacuum truck was dispatched immediately to remove and properly dispose of the spilled water. 24 yds of impacted soil (approximately 8 inches) were immediately scraped from the entire area of the spill, which was approximately 1,211sq. ft, and disposed of at Sundance disposal facility in Eunice, NM.**

From 6/18 to 6/26/07 delineation trenches were excavated at the source and at 5' intervals in all directions from the source; farthest excavations in each direction were 5'N, 20'S, 15'W and 5'E. Samples were also taken with a hand auger at the western edge of the spill area.

Once the data from these trenches was evaluated, a 35ft x 30ft area was excavated to a depth of twelve feet, although the dirt immediately under the 4" steel line was left in place to support the line. 336 yds of impacted soil were hauled to Sundance, making a total of 360 yds of soil removed from this location. The excavation was backfilled from 6/27-7/09/07 with 180yds of clean caliche from 6-12ft bgs, 36 yds of red clay from 5-6ft bgs and 156 yds of clean topsoil from the surface to 5ft bgs. A total of 372 yds of clean material were hauled in to the site. The site was seeded on 7/10/07.

On 8/10/07, two investigative bores were drilled near the source of the leak.

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: 6/13/07	Expiration Date: 8/6/08
E-mail Address: tgrieco@riceswd.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: July 29, 2008	Phone: (575) 393-9174	

* Attach Additional Sheets If Necessary

f GRL 0823929656

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Release Notification and Corrective Action

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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	Conoco Philips NewMex 'D' EOL	Facility Type	Salt Water Gathering System

Surface Owner	D.K. Boyd	Mineral Owner		Lease No.	
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API # 30-025-20783-06-00

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
H	36	22S	37E					LEA

Latitude 32° 20.956N

Longitude 103° 06.667W

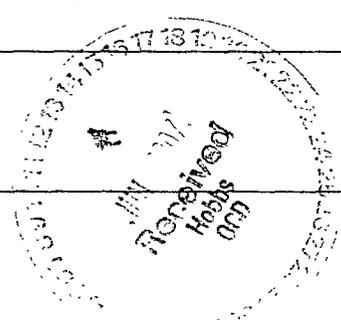
NATURE OF RELEASE

Type of Release:	Produced Water	Volume of Release	20 bbls	Volume Recovered	19 bbls
Source of Release:	Junction Box	Date and Hour of Occurrence	6/11/07	Date and Hour of Discovery	6/11/07 16:50
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 steel pipe rotted out and broke. Flow was shut off to break. Line will be capped as a permanent repair.



Describe Area Affected and Cleanup Action Taken.*

A vacuum truck was dispatched immediately to remove and properly dispose of the spilled water. 24 yds of impacted soil were immediately scraped from the entire area of the spill, which was approximately 1,211sq. ft. Additional delineation is ongoing. Final C-141 will include junction box closure.

IRP-1935

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: 6/13/07	Expiration Date: 8/6/08
E-mail Address: tgrieco@riceswd.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: June 13, 2007	Phone: (505) 393-9174	

Attach Additional Sheets If Necessary

BD Conoco Phillips New Mex. 'D' EOL

Unit 'H', Sec. 36, T22S, R37E

This site is in a draw area that is known to locals and ranches to have a lack of groundwater. Just East of the site is the geologic feature known as "Rattlesnake Ridge" which is characterized by groundwater greater than 200 ft deep or none at all.

A USGS database search yielded a well located in unit 'G' of Section 36, T22S, R37E, about 1300 ft due West of the subject site. A field check of this site revealed that the USGS is apparently mislabeled because the nearest well is about 3300 ft West of the subject site. This well has a windmill that is sealed with a packer and doesn't appear to have operated for some time.

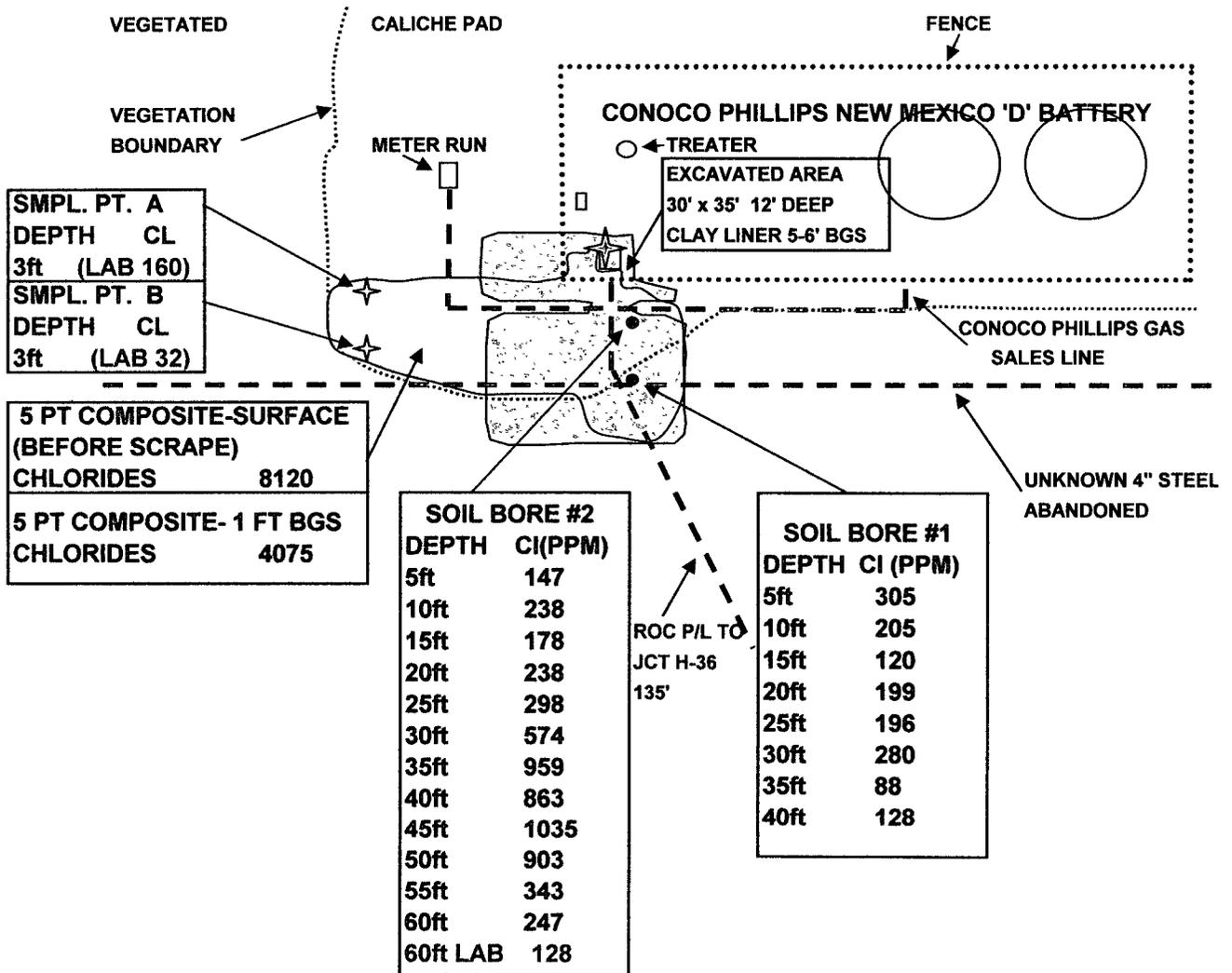
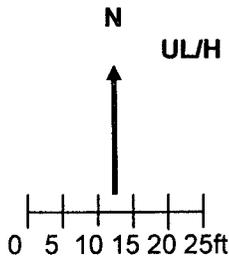
ROC reasonably concludes that no groundwater is located below this site.

Kristin Pope

6/13/2007

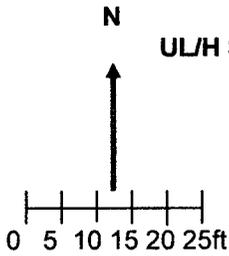
BD NEW MEXICO 'D' EOL LEAK

UL/H SEC 36 T-22-S R-37-E LANDOWNER: D.K. BOYD O & G GW: NONE



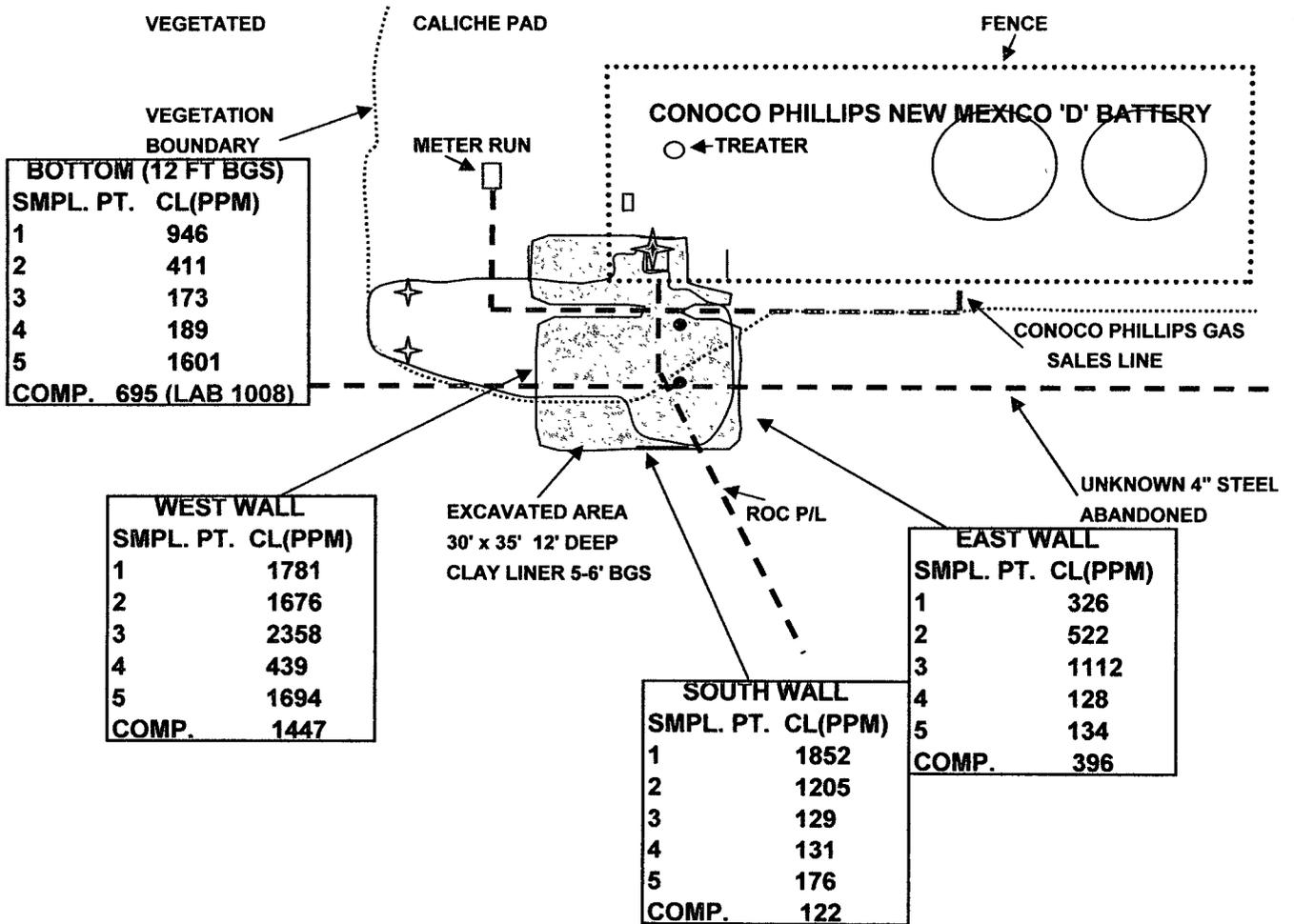
BD NEW MEXICO 'D' EOL LEAK

UL/H SEC 36 T-22-S R-37-E LANDOWNER: D.K. BOYD O & G GW: NONE



NOTE: SAMPLE ORDER IS

2	5
1	4
3	



BOTTOM (12 FT BGS)	
SMPL. PT.	CL(PPM)
1	946
2	411
3	173
4	189
5	1601
COMP.	695 (LAB 1008)

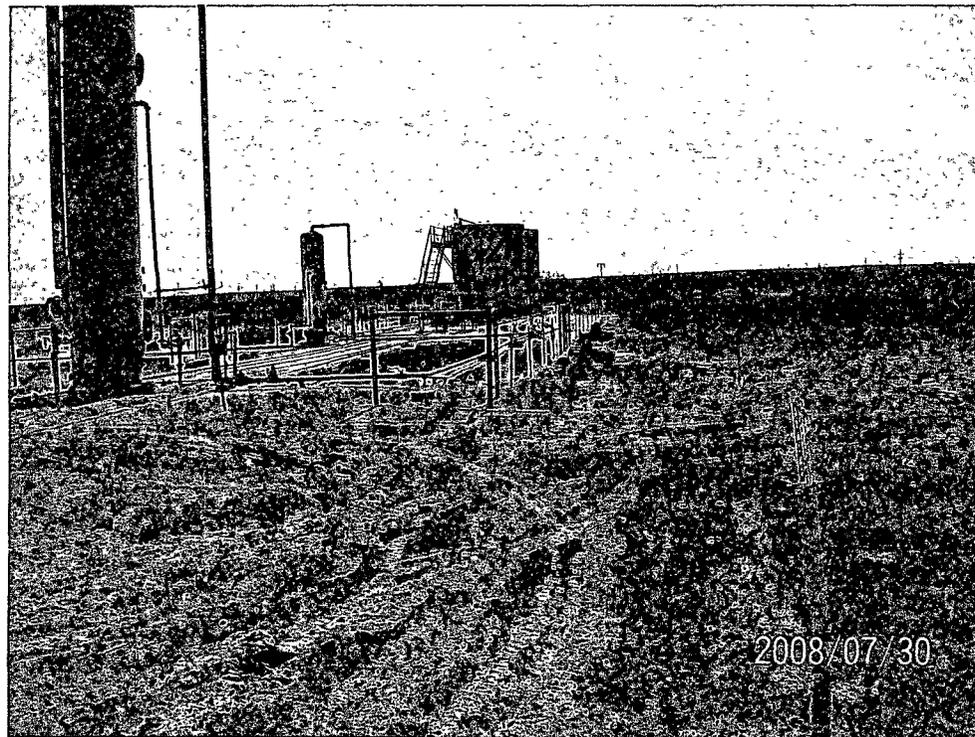
WEST WALL	
SMPL. PT.	CL(PPM)
1	1781
2	1676
3	2358
4	439
5	1694
COMP.	1447

SOUTH WALL	
SMPL. PT.	CL(PPM)
1	1852
2	1205
3	129
4	131
5	176
COMP.	122

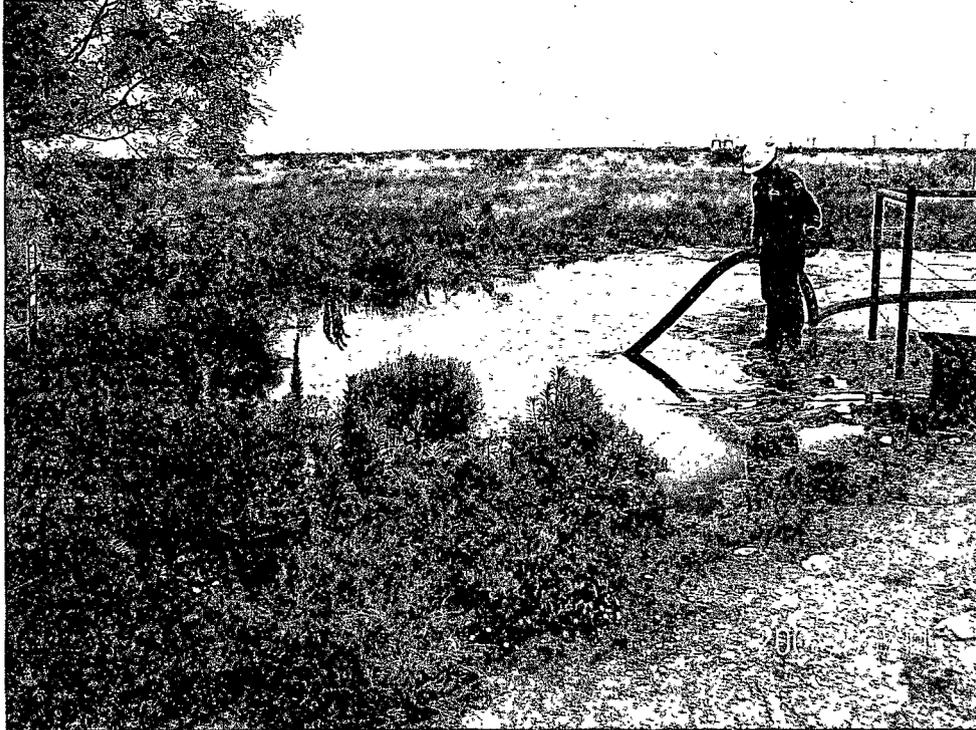
EAST WALL	
SMPL. PT.	CL(PPM)
1	326
2	522
3	1112
4	128
5	134
COMP.	396



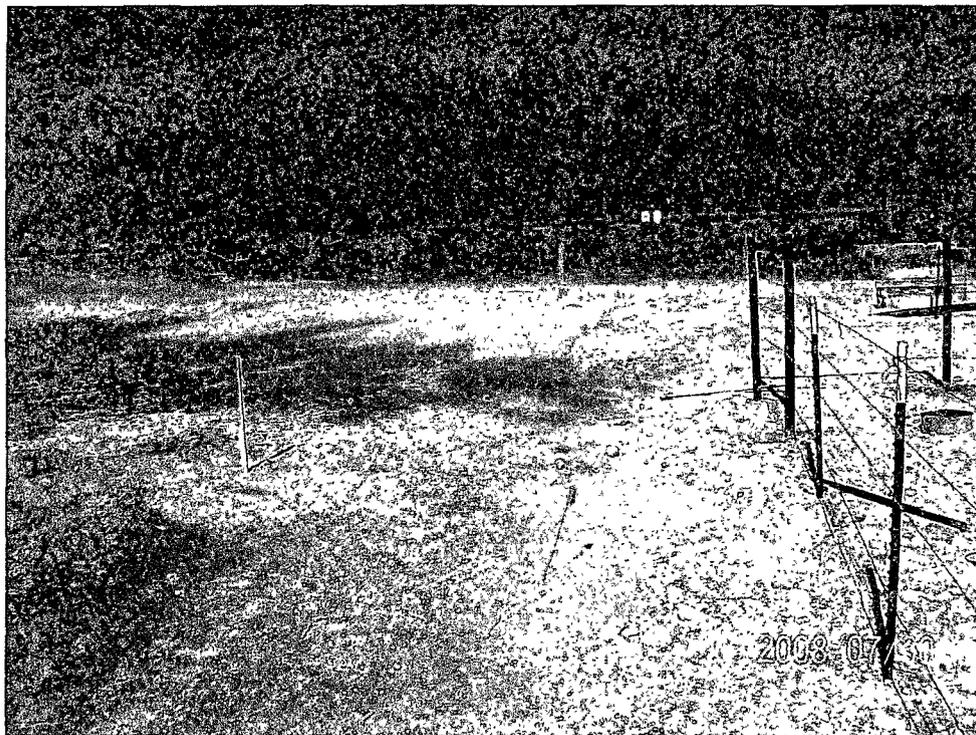
LOOKING EAST FROM WEST END OF LEAK



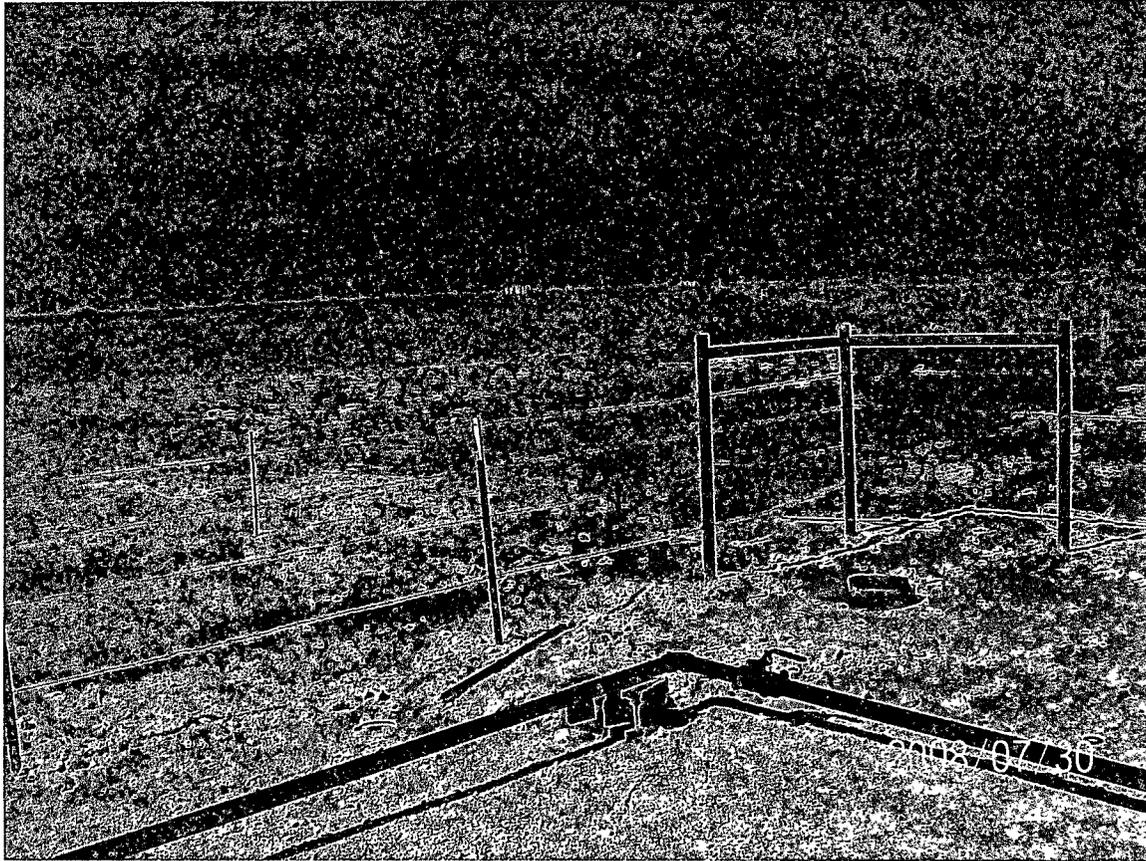
SAME VIEW AFTER REMEDIATION. NOTE NON-ROC PIPELINE MARKER,
THIS PIPELINE WAS PLACED SOMETIME AFTER REMEDIATION WAS
COMPLETED.



LOOKING WEST FROM EAST END OF LEAK. THE SOURCE IS THE BOX
VISIBLE TO THE RIGHT.



SAME VIEW, AFTER REMEDIATION. THE NEW NON-ROC P/L ROW GOES OFF
TO THE WEST.



VII FROM SOURCE SOUTHWEST DOWN NEW, NON-ROC ROW. THE METAL PLATE AT CENTER RIGHT IS THE LOCATION OF THE OLD EOL BOX, WHICH WAS THE SOURCE OF THE LEAK.



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

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

RECEIVED

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

JUL 02 2007

RICE OPERATING
 HOBBS NM

Receiving Date: 06/27/07
 Reporting Date: 06/28/07
 Project Number: NOT GIVEN
 Project Name: BD CONOCO PHILLIPS NM "D" EOL LEAK
 Project Location: NOT GIVEN

Sampling Date: 06/25/07
 Sample Type: SOIL
 Sample Condition: COOL & INTACT
 Sample Received By: LB
 Analyzed By: LB/HM

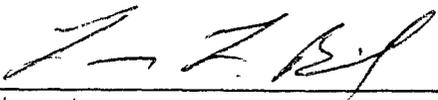
		GRO	DRO	
		(C ₆ -C ₁₂)	(>C ₁₂ -C ₂₈)	Cl*
LAB NUMBER	SAMPLE ID	(mg/Kg)	(mg/Kg)	(mg/Kg)

ANALYSIS DATE	06/27/07	06/27/07	06/27/07
H12821-1 SP A @3' BGS	<50.0 **	<50.0	160
H12821-2 SP B @3' BGS	<50.0	<50.0	32
Quality Control	856	778	490
True Value QC	1000	1000	500
% Recovery	85.6	77.8	98
Relative Percent Difference	3.9	11.6	1.0

** Matrix interference required sample dilution which increased the reporting limit.

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl* Std Methods 4500-Cl*B

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


 Chemist

6/28/07
 Date

H12821A 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 an analyte. 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 interruption, loss of use, or loss of profit, 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.



PHONE (325) 673-7001 • 2111 E
PHONE (505) 393-2326 • 101 E

Dale
COE
RFF

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

Receiving Date. 06/27/07
Reporting Date. 06/28/07
Project Number. NOT GIVEN
Project Name. BD CONOCO PHILLIPS NM "D" EOL JCT BOX
Project Location. NOT GIVEN
Sampling Date. 06/25/07-06/27/07
Sample Type. SOIL
Sample Condition. COOL & INTACT
Sample Received By. LB
Analyzed By. LB/AB

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₂) (mg/Kg)	DRO (>C ₁₂ -C ₂₈) (mg/Kg)	CI* (mg/Kg)
	ANALYSIS DATE	06/27/07	06/27/07	06/27/07
H12822-1	Blended Backfill 12 PT Comp	<25.0	<25.0	1775
H12822-2	5 Pt Bttm Comp. @12' BGS 30' X 35'	<25.0	<25.0	1008
		<50.0 **	<50.0	1392
H12822-3	3 Wall Comp			
	Quality Control	856	778	500
	True Value QC	1000	1000	500
	% Recovery	85.6	77.8	98
	Relative Percent Difference	3.9	11.6	1.0

** Matrix interference required sample dilution which increased the reporting limit.

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

L. F. B.

Chemist

6/28/07

Date

H12822A RICE

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy, for any claim arising out of or related to this report shall be limited to the amount paid by client for analysis. 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 interruption, loss of use, 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.