

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

RECEIVED
MAR 17 2009
HOBSOCD

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 SWD Pipeline	Facility Type Salt Water Gathering System

Surface Owner City of Lovington	Mineral Owner	Lease No.
--	---------------	-----------

LOCATION OF RELEASE

NEARBY WELL
LOVINGTON SA 063 API # 30.025.31026.00.00

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	36	16S	36E					Lea

Latitude **32°52'21.046"** Longitude **103°19'49.925"**

NATURE OF RELEASE

Type of Release : Produced Water	Volume of Release 12 bbls	Volume Recovered UNKNOWN¹
Source of Release : Pipeline	Date and Hour of Occurrence 13:00 3/9/09	Date and Hour of Discovery Same
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.*

WATER @ 80'

Describe Cause of Problem and Remedial Action Taken.* **D&D Construction, in the course of constructing a pipeline for Navajo Refinery which crossed the affected ROC line, employed a grid roller machine. The weight of this machine broke the ROC line when it crossed it. A vacuum truck was immediately dispatched to remove and properly dispose fluid, and the line was patched as a permanent repair.**

Describe Area Affected and Cleanup Action Taken.* **2898 sq ft of pipeline ROW was impacted. The source area was excavated on 3/9 to below the wet area caused by the accidental discharge. The entire area was scraped on 3/16 to 8in-1ft BGS, to a layer of solid caliche. Field sampling has demonstrated that salt water impact was confined to loose material above this layer only. Impacted soil will be hauled to A New Mexico approved disposal facility, and removed soil will be replaced with uncontaminated soil.**

¹The vacuum truck responding to the spill was used to drain the pipeline for repair as well as remove standing fluid. No separate measurement of fluid recovered from the ground was made.

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: Printed Name: Tony Grieco Title: Environmental Tech E-mail Address: tgrieco@riceswd.com Date: 3/16/09 Phone: (575) 393-9174	OIL CONSERVATION DIVISION Approved by District Supervisor: Approval Date: 03/18/09 Expiration Date: 05/18/09 Conditions of Approval: FINAL C-141 DUE Attached <input type="checkbox"/> IRP-09-3-2133
---	--

* Attach Additional Sheets If Necessary

A G R L 0909231154