

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

RECEIVED

Form C-141
Revised October 10, 2003

JUN 28 2010 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back side of form

HOBBSOC

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report (IRP-2551)

Name of Company	Rice Operating	Contact	Hack Conder
Address	122 W. Taylor St., Hobbs, NM 88240	Telephone No.	(575) 393-9174
Facility Name	J-6 EOL	Facility Type	Salt Water Gathering System

Surface Owner	STATE/ JAMES T. FOLEY	Mineral Owner		API No.	30-025-12800
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	6	19S	37E					LEA

Latitude: 32°41'21.5" Longitude: 103°17'19.8" (NAD 83)

WTR @ 45'

NATURE OF RELEASE

Type of Release	PRODUCED WATER	Volume of Release	70	Volume Recovered	60
Source of Release	EOL BOX	Date and Hour of Occurrence	6/6/2010	Date and Hour of Discovery	6/6/2010 8:55 AM
Was Immediate Notice Given?	☒ Yes ☐ No ☐ Not Required	If YES, To Whom?	Message left with Larry Johnson, NMOCD		
By Whom?	Hack Conder	Date and Hour	6/7/2010, 2:00 PM		
Was a Watercourse Reached?	☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.			

If a Watercourse was Impacted, Describe Fully.*

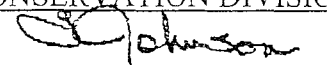
Describe Cause of Problem and Remedial Action Taken.*

A connection in the J-6 EOL box broke causing the box to fill and overflow. A vacuum truck was dispatched immediately to remove and properly dispose of the released water. The connection was permanently repaired.

Describe Area Affected and Cleanup Action Taken.*

12,400 sq ft of pasture/access road was affected. A field titration of the accidental discharge water yielded a concentration of 1,700 mg/L. Laboratory analysis of that sample yielded a chloride concentration of 827 mg/L. On 6/10/2010, soil samples were collected from seven points to a depth of 1.5 feet or greater. All soil samples were field tested for chlorides and all concentrations were below 300 mg/kg. The 1.5 foot sample from each sampling point was sent to a commercial laboratory for analysis of chloride which confirmed low concentrations. Due to the low concentrations of chloride in the soil, a second water sample was collected from the pipeline running through this junction box. A field titration yielded a chloride concentration of 200 mg/L and laboratory analysis confirmed the chloride concentration as 168 mg/L. Vegetation at this site is recovering at a normal rate.

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.

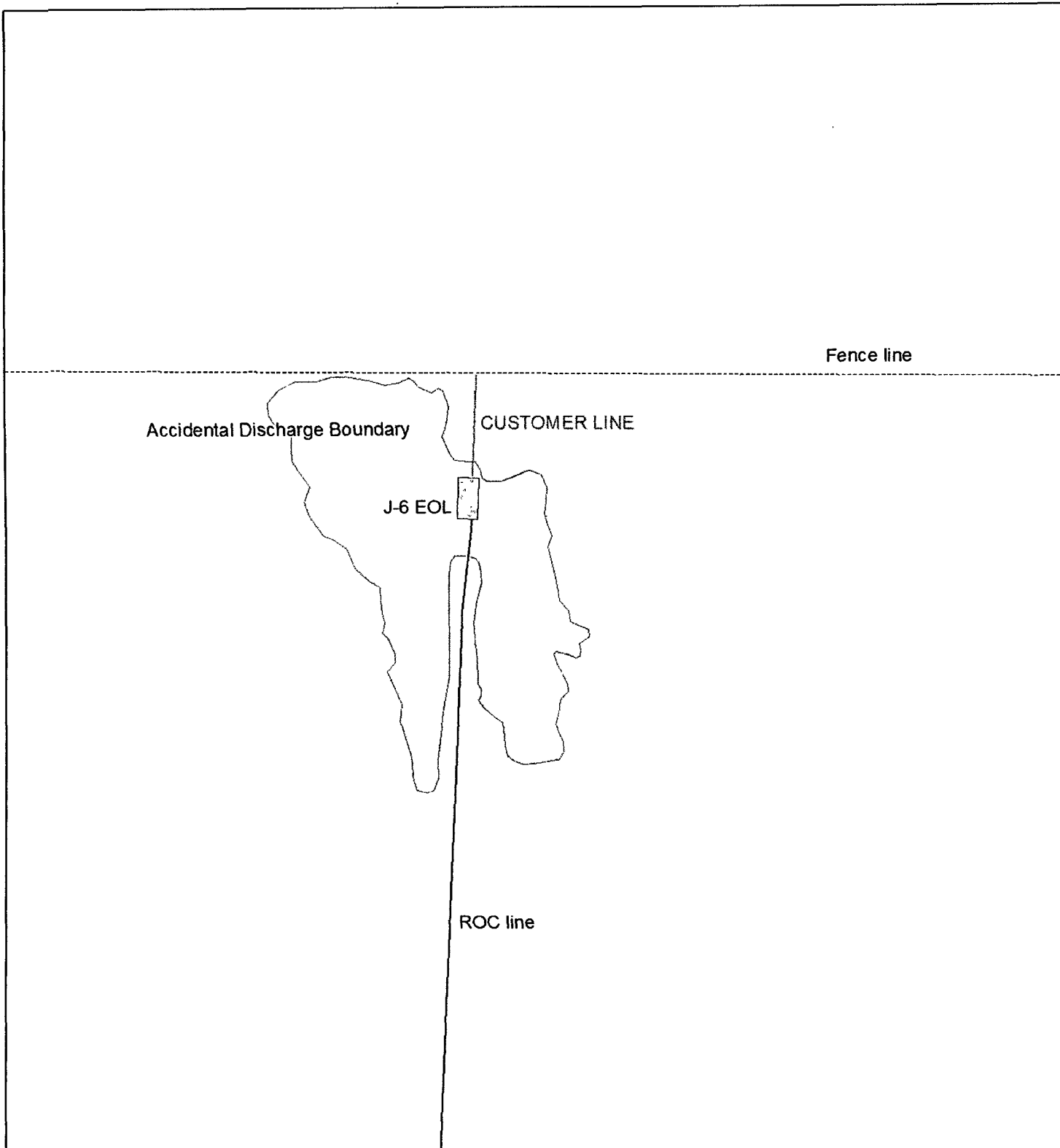
Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Hack Conder	Approved by District Supervisor 	
Title: Environmental Manager	ENVIRONMENTAL ENGINEER	
E-mail Address: hconder@riceswd.com	Approval Date: 6.29.10	Expiration Date: 
Date: 6/25/2010	Phone: (575) 393-9174	Conditions of Approval
		Attached ☐ IRP# 2551

* Attach Additional Sheets If Necessary

PLWJ 1018032516

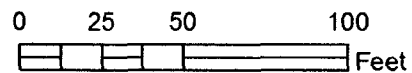
- FINAL -

(WIT NOT IN ADMIN



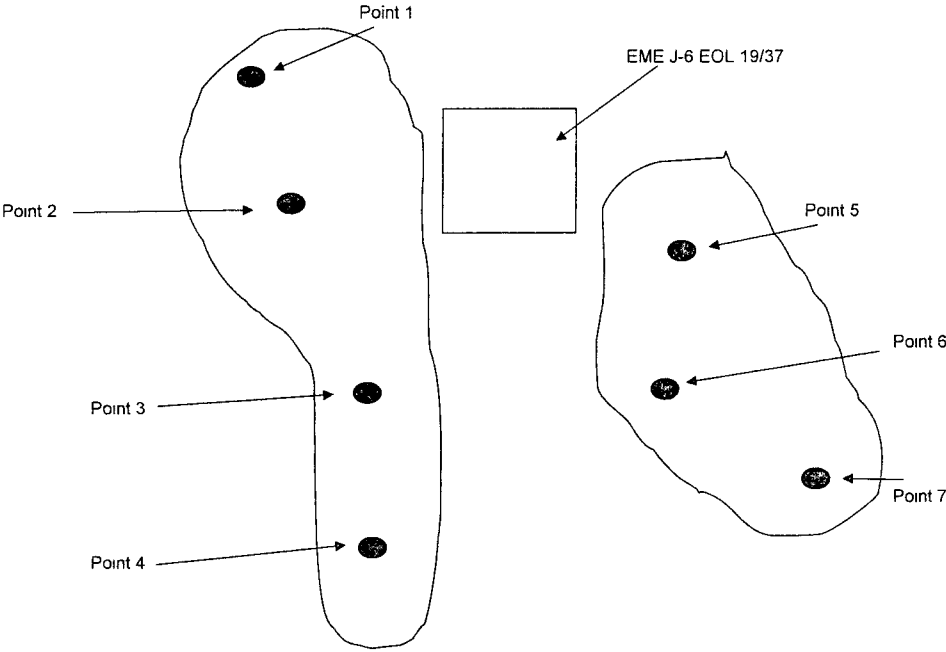
**EME J-6 EOL
(1RP-2051)**
Accidental Discharge
**Legals: UL/J SEC 6
T-19-S R-37-E**

FIGURE 1



Drawing date: 6/17/10
Revision date: 6/18/10
Drafted by: T. GRIECO & L. WEINHEIMER

EME J-6 EOL Accidental Discharge 19/37 sketch and sample points



	Point 1		Point 2		Point 3		Point 4		Point 5		Point 6		Point 7	
Depth	Chloride	PID	Chloride	PID	Chloride	PID	Chloride	PID	Chloride	PID	Chloride	PID	Chloride	PID
Surface	178	n/a	176	n/a	227	n/a	89	n/a	140	1 2	113	1 6	233	1
6"	145	3	173	1.1	197	1.4	197	8.2	256	13 1	290	25 2	87	5 9
1'	118	19.4	112	18	141	33 3	87	22 8	89	109 4	88	70 3	194	12
1.5'	117/16	16	138/32	2 5	116/64	3	141/80	10 4	58/32	21 4	116/80	63 4	58/32	24 9
2'	178	8 4	177	70.7	227	3 1	89	0 8						
3'			140	24 1										
4'			86/32	2.5										

Accidental Water Discharge
Water from the line

Chloride 1700/820
Chloride 200/168

Case # IRP-2051



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

Receiving Date: 06/11/10
Reporting Date: 06/14/10
Project Owner: NOT GIVEN
Project Name: EME J-8 EOL AD 19/37
(ACCIDENTAL DISCHARGE)
Project Location: NOT GIVEN

Analysis Date: 06/14/10
Sampling Date: 06/05/10
Sample Type: WATER
Sample Condition: COOL & INTACT
Sample Received By: JH
Analyzed By: HM

[illegible]

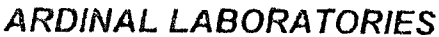
METHOD. Standard Methods	4500-CIB
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Chapman
Chemist

06/17/10
Date

H25536 Rice

On March 10, 1977, Lathrop and Daminger, Cardinal's public relations assistant, advised Bishop O'Connor that he would be invited to the annual Mass in honor of St. Joseph. He declined, stating that he had no time and that the celebration itself was deemed unworthy because of the rioting and destruction in Cardinal's city (St. Louis) after the assassination of Martin Luther King. Cardinal's public relations director, including Bishop O'Connor, discussed the invitation with the bishop, and he decided to decline the invitation. Bishop O'Connor stated that he declined the invitation because he was not in a position to accept the invitation. Bishop O'Connor stated that he declined the invitation because he was not in a position to accept the invitation. Bishop O'Connor stated that he declined the invitation because he was not in a position to accept the invitation.



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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 services. 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, or substantial damage to equipment existing but not related to the performance of services rendered by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

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



ANALYTICAL RESULTS FOR
RICE OPERATING COMPANY
ATTN: BRUCE BAKER
112 WEST TAYLOR
HOBBS, NM 88240
FAX TO: (575) 397-1471

Project Location: NOT GIVEN

Analyzed By: AB

Note: Analysis performed on a 1:4 w/v aqueous extract.
Not accredited for Chlode

Date 06/15/00

“LIFE-TO-DEATH Liability and Damages. Cardinal’s total and client’s sole and exclusive remedy in any claim made, whether based in contract or tort, shall be limited to the amount paid by Client for analysis. All damages, including but not limited to and any other such damages 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 payment for consequential damages, including, without limitation, business interruptions, loss of time, loss of profits, or other losses claimed by Client, its subsidiaries or successors, or any of its affiliates in the performance of its services hereunder by Cardinal, regardless of whether such claim is brought against any of the above system components or software. E-MAILS, TEXTS, VOICEMAILS, AND OTHER INFORMATION ARE NOT BEING TRANSMITTED OR RECEIVED BY OR FOR ANY OF THE ABOVE SYSTEM COMPONENTS OR SOFTWARE. E-MAILS, TEXTS, VOICEMAILS, AND OTHER INFORMATION ARE NOT BEING TRANSMITTED OR RECEIVED BY OR FOR ANY OF THE ABOVE SYSTEM COMPONENTS OR SOFTWARE.”

CARDINAL LABORATORIES

(505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325) 673-7020

PLEASE NOTE: Habitual and Damages. Cardinal's Habitual and clients exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the services. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruption, loss of use, or loss of profits incurred by client, its subsidiaries or affiliates or any other party arising out of or related to, the performance of services hereunder by Cardinal, regardless of whether such claims are based upon any of the above stated reasons or otherwise.

Relinquished By:	Date:	Received By:	Phone Result:	☐ Yes ☐ No	Add'l Phone #:
<i>Gerardo Martinez</i>	Time:		Fax Result:	☐ Yes ☐ No	Add'l Fax #:
Relinquished By:	Date:	Received By:	REMARKS:		
	<i>6/11/10</i>	<i>Edi Benson</i>	<i>E-Mail Results To:</i>		
	Time:		<i>R Jones @ Riccardi.com</i>		
	<i>6:15</i>		<i>Baker " " "</i>		
Delivered By: (Circle One)		Sample Condition	<i>R Egan " " "</i>		
☒ Sample ☐ UPS ☐ Bus ☐ Other:		Cool ☒ Intact ☐			
		☐ Yes ☒ No ☐ Yes ☐ No			
		CHECKED BY:			
		(Initials)			
		<i>CFH</i>			

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#76



ANALYTICAL RESULTS FOR
RICE OPERATING COMPANY
ATTN: BRUCE BAKER
112 WEST TAYLOR
HOEBBS, NM 88240
FAX TO: (505) 397-1471

Receiving Date: 06/11/10
Reporting Date: 06/14/10
Project Owner: NOT GIVEN
Project Name: EME J-8 EOL 19/37
Project Location: NOT GIVEN

Analysis Date: 06/14/10
Sampling Date: 06/10/10
Sample Type: WATER
Sample Condition: COOL & INTACT
Sample Received By: JH
Analyzed By: HM

LAB NO.	SAMPLE ID	CIT (mg/L)
H20091-1	WATER FROM THE LINE	168
Quality Control		500
True Value QC		500
% Recovery		100
Relative Percent Difference		< 0.1

METHOD: Standard Methods	4500-CFB
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Chemist

Date: 06/17/0

MEGGER RICE

11. (b)(3)(B), (b)(3)(C), Liability and Damages. Cardinal's insurer has issued a summary denial on any claim arising out of the alleged incident in 2017, which occurred in the present past by Plaintiff himself. All claims, including those for negligence and any other cause whatsoever, shall be deemed waived unless made in writing and received by Cardinal on or before 30 days after conclusion of the applicable statute of limitations period for the claim to which it pertains. In consideration thereof, Plaintiff, without admission, judgment, stipulation, loss of any benefit, or any other consideration by Plaintiff, or any defendant, and in consideration thereof, and in full satisfaction of this non-admission of this non-admission by Cardinal, defendant, and other to the claim as stated, shall give up the above-stated rights of discovery, including the right to examine documents and to depose any and all persons involved in the above-stated incident, and all other claims, and all other claims.

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: <u>Rice Operating Company</u>		BILL TO		ANALYSIS REQUEST																					
Project Manager: <u>Bruce Baker</u>		P.O. #:																							
Address: <u>122 W. Taylor</u>		Company:																							
City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u>		Attn:																							
Phone #: <u>575-593-9111</u> Fax #: <u>575-597-1471</u>		Address:																							
Project #:		City:																							
Project Name: <u>EME 5-6 EOL 19/77</u>		State: Zip:																							
Project Location:		Phone #:																							
Sampler Name: <u>Gerardo Murtinez</u>		Fax #:																							
FOR LAB USE ONLY		MATRIX		PRESERV		SAMPLING																			
Lab I.D.		Sample I.D.		GROUNDWATER		WASTEWATER		SOIL		OIL		SLUDGE		OTHER		ACID/ALK		ICE/COOL		OTHER		DATE		TIME	
<u>H2009-1</u>		<u>water from the line</u>		<u>61</u>		<u>1</u>																<u>6-10-10</u>		<u>3:14</u>	

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 analysis. It shall not include those for negligence and any other cause whatsoever arising or caused in whole or in part by Cardinal within 30 days after completion of the analysis. 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 or affiliates. Successors, including but not limited to the performance of services furnished by Cardinal, regardless of whether such claim is based upon any of the above stated results or otherwise.

Relinquished By: <u>Gerardo Murtinez</u>		Date: <u>6/10/10</u>		Received By: <u>Jodi Benson</u>		Phone Result: ☐ Yes ☐ No		Add'l Phone #:	
Relinquished By: <u>Jodi Benson</u>		Date: <u>6/10/10</u>		Received By: <u>Jodi Benson</u>		Fax Result: ☐ Yes ☐ No		Add'l Fax #:	
Delivered By: (Circle One) <u>Sample</u> - UPS - Bus - Other:		Sample Condition Cool ☐ Ambient ☐ Yes ☐ No ☐		CHECKED BY: <u>JH</u>		REMARKS: <u>E-Mail Results To: K Jones @ Rice-Sund.com</u> <u>Baker " " " "</u> <u>R Evans " " " "</u>			

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#26

EME J-6 EOL

Unit J, Section 6, T19S, R37E



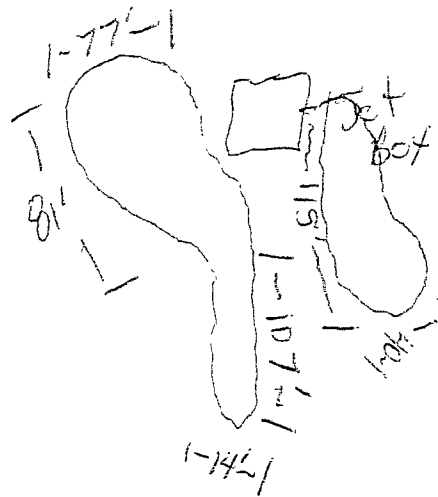
Photo of sample points facing east 6/17/10



Photo of sample points facing north 6/17/10

N

ENE Jet J-6 204 1987



1496'
6237'
4600

12,333

District I
1625 N French Dr, Hobbs, NM 88240
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Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
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JUN 08 2010

HOBBS

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	Hack Conder
Address	122 W. Taylor St., Hobbs, NM 88240	Telephone No.	(575) 393-9174
Facility Name	J-6 EOL	Facility Type	Salt Water Gathering System

Surface Owner	STATE/ JAMES T. FOLEY	Mineral Owner		Lease No.	30-025-12800
				API Number	30-025-12800

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
J	6	19S	37E					LEA

Latitude: 32°41'21.5" Longitude 103°17'19.8" (NAD 83)

WTR 45'

NATURE OF RELEASE

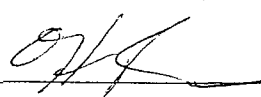
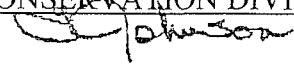
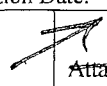
Type of Release : PRODUCED WATER	Volume of Release	70	Volume Recovered	60
Source of Release : EOL BOX	Date and Hour of Occurrence	6/6/2010	Date and Hour of Discovery	6/6/2010 8:55 AM
Was Immediate Notice Given? ☒ Yes ☐ No ☐ Not Required	If YES, To Whom? Message left with Larry Johnson, NMOCD			
By Whom? Hack Conder	Date and Hour 6/7/2010, 2:00 PM			
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.			

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
A connection in the J-6 EOL box broke causing the box to fill and overflow. A vacuum truck was dispatched immediately to remove and properly dispose of the released water. The connection was permanently repaired.

Describe Area Affected and Cleanup Action Taken.*
12,400 sq ft of pasture/access road was affected. One-call submitted 6/7/2010 to begin scrapping.

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: Hack Conder	Approved by District Supervisor 	
Title: Environmental Manager	Approval Date: 6.8.10	Expiration Date: 8.9.10
E-mail Address: hconder@riceswd.com	Conditions of Approval:  Attached ☐ IRP#	
Date: 6/7/2010	Phone: (575) 393-9174	Submit Final C-141 w/ Docs By 10.6.2010

* Attach Additional Sheets If Necessary