

EME SWD #8

C-144s

East & West

BGTs

Closure

Reports

Hansen, Edward J., EMNRD

From: Hansen, Edward J., EMNRD
Sent: Wednesday, November 21, 2012 2:54 PM
To: Hack Conder (hconder@riceswd.com)
Cc: Leking, Geoffrey R, EMNRD; Katie Jones <kjones@riceswd.com> (kjones@riceswd.com)
Subject: EME G-8 East BGT and EME G-8 West BGT closures
Attachments: EME G-8 West BGT C-144 clousure report.pdf; EME G-8 East BGT C-144 clousure report.pdf

Dear Mr. Conder,

The New Mexico Oil Conservation Division (OCD) has received the confirmation samples results for both BGTs (East and West) at the above-referenced site, in accordance with 19.15.17.13.E(4) NMAC with a completed form C-141. The OCD has reviewed the results and has determined no further investigation is required. Please proceed with the closure plan of November 2, 2011, as soon as possible.

Once the closure activities are completed, you must submit (within 60 days) a closure report for each BGT (East and West) in accordance with 19.15.17.13.K. NMAC (please use the respective form C-144s attached – also, include the API # for the SWD well at the sites).

If you have any further questions regarding this matter, please contact me at 505-476-3489.

Edward J. Hansen
Hydrologist
Environmental Bureau

Hansen, Edward J., EMNRD

From: Hansen, Edward J., EMNRD
Sent: Thursday, October 25, 2012 3:42 PM
To: Hack Conder (hconder@riceswd.com)
Cc: Leking, Geoffrey R, EMNRD; Katie Jones <kjones@riceswd.com> (kjones@riceswd.com)
Subject: EME G-8 East BGT and EME G-8 West BGT closures
Attachments: EME G-8 East BGT C-144.pdf; EME G-8 West BGT C-144.pdf; C-14120110808.doc

Dear Mr. Conder,

Please find attached the form C-144s for the EME G-8 East and West BGTs.

Once the confirmation samples results have been obtain by you for both BGTs, please submit a copy of the results to OCD Santa Fe Office (c/o Edward J. Hansen) in accordance with 19.15.17.13.E(4) NMAC {i.e., with a completed form C-141 (also attached) – please note on the form C-141 that you are submitting analytical result for “**BGT Closure**” at the top of the form – also, it is not necessary to submit a copy of the form to the appropriate OCD District Office if submitted to OCD Santa Fe Office}.

Then when the OCD has determined that additional delineation is not required, you must submit a closure report for each BGT in accordance with 19.15.17.13.K. NMAC (please use the respective form C-144s attached – also include API # for the SWD well at the sites). Be sure to include the proof of notice in accordance with 19.15.17.13.J(1) NMAC and written approval from the surface owner for an alternative to re-vegetation of the sites in accordance with 19.15.17.13.G(2) NMAC.

If you have any further questions regarding this matter, please contact me at 505-476-3489.

Edward J. Hansen
Hydrologist
Environmental Bureau

RECEIVED OGD

2013 JAN 10 P 1:42

RICE *Operating Company*

112 West Taylor • Hobbs, New Mexico 88240

Phone: (575) 393-9174 • Fax: (575) 397-1471

CERTIFIED MAIL

RETURN RECEIPT NO. 7007 2560 0000 4569 8739

January 4, 2013

Mr. Edward Hansen
New Mexico Energy, Minerals, & Natural Resources
Oil Conservation Division, Environmental Bureau
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

RE: Below Grade Tank (BGT) - Closure
EME G-8 East BGT (API 30-025-06017):
Unit G, Sec. 8, T20S, R37E
RICE Operating Company – Eunice Monument Eumont (EME) SWD System

Mr. Hansen:

Rice Operating Company (ROC) is the service provider (agent) for the EME Saltwater Disposal (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 Parties, who provide all operating capital on a percentage ownership/usage basis.

Based on the November 2nd, 2011, Finalization of Below Grade Tank Closure Plan, the east and west below grade tanks were removed from the site and were properly disposed of on September 27th, 2012. On October 25th, 2012, a composite sample was collected from the area beneath the former east tank. Laboratory analysis of the East 5 Pt. Comp resulted in a chloride concentration of 144 mg/kg, a GRO concentration of <10.0 mg/kg, a DRO concentration of 164 mg/kg, and BTEX concentrations below detectable limits. Based on the DRO concentration, the area located beneath the former below grade tank was scraped approximately 6 inches. The scraped soil was properly disposed of at the NMOCD approved facility Sundance (Permit # NM-01-0003). On November 13th, 2012, a second composite sample was collected from the east area, and laboratory analysis of that sample resulted in a chloride concentration of 96 mg/kg, a GRO concentration of <10.0 mg/kg, a DRO concentration of 21.2 mg/kg, and BTEX concentrations below detectable limits.

On October 25th, 2012, the landowner was notified of ROC's intent to conduct on-site closure activities at this site. The landowner also gave approval for the site to be backfilled with caliche and not seeded.

The landowner notification, landowner approval to not seed the backfilled site, and lab results were submitted to the NMOCD on October 30th, 2012. NMOCD granted approval to proceed with the closure plan of November 2nd, 2011.

To further protect groundwater, a 76x67-ft, 20-mil reinforced liner was installed at approximately 5 ft below ground surface (bgs). The liner was then padded with 6 inches of imported top soil. Laboratory analysis of the imported topsoil resulted in a chloride concentration below detectable limit and a PID (field) reading of 0.0. The remaining excavation was backfilled with imported caliche and base coarse. Lab analysis of these resulted in a chloride concentration of below detectable limits and a PID (field) reading of 2.1 ppm for the caliche and concentration of 80 mg/kg chloride and a PID (field) reading of 0.0 ppm for the base coarse. Laboratory analyses, PID sheets, and photo documentation is attached.

ROC acknowledges they have met the requirements of 19.15.17 NMAC, and respectfully request termination or similar closure status for the east and west below grade tank formerly located at this site. If you require any additional information or have any questions or comments, please contact me at (575)393-9174. Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'H. Conder', with a long horizontal flourish extending to the right.

Hack Conder
Environmental Manager
RICE Operating Company

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
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
July 21, 2008

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

- Type of action: ☐ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
☐ Modification to an existing permit
☐ Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Rice Operating Company OGRID #: _____
Address: 122 West Taylor, Hobbs NM 88240
Facility or well name: EMEG-S EAST TANK
API Number: none 30-025-06017 OCD Permit Number: none
U/L or Qtr/Qtr G Section 8 Township 20S Range 37E County: Lea
Center of Proposed Design: Latitude 32° 35' 383" Longitude 103° 16' 337" NAD: ☒ 1927 ☐ 1983
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2.
☐ Pit: Subsection F or G of 19.15.17.11 NMAC
Temporary: ☐ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

3.
☐ Closed-loop System: Subsection H of 19.15.17.11 NMAC
Type of Operation: ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other _____
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____

4.
☒ Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume: two 500 bbl tanks Type of fluid: Produced Water
Tank Construction material: Fiberglass
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other Buried 4 feet below grade
Liner type: Thickness: none mil ☐ HDPE ☐ PVC ☐ Other _____

5.
☐ Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

6. **Fencing:** Subsection D of 19.15.17.11 NMAC (*Applies to permanent pits, temporary pits, and below-grade tanks*)

☐ Chain link, six feet in height, two strands of barbed wire at top (*Required if located within 1000 feet of a permanent residence, school, hospital, institution or church*).

☒ Four foot height, four strands of barbed wire evenly spaced between one and four feet

☐ Alternate. Please specify _____

7. **Netting:** Subsection E of 19.15.17.11 NMAC (*Applies to permanent pits and permanent open top tanks*)

☐ Screen ☐ Netting ☐ Other _____

☐ Monthly inspections (If netting or screening is not physically feasible)

8. **Signs:** Subsection C of 19.15.17.11 NMAC

☒ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers

☐ Signed in compliance with 19.15.3.103 NMAC

9. **Administrative Approvals and Exceptions:**

Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.

Please check a box if one or more of the following is requested, if not leave blank:

☒ Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.

☐ Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

10. **Siting Criteria (regarding permitting):** 19.15.17.10 NMAC

Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.

Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.

- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

☐ Yes ☐ No

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

- Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (*Applies to temporary, emergency, or cavitation pits and below-grade tanks*)

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

☐ NA

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (*Applies to permanent pits*)

- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image

☐ Yes ☐ No

☐ NA

Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.

- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

- Written confirmation or verification from the municipality; Written approval obtained from the municipality

☐ Yes ☐ No

Within 500 feet of a wetland.

- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site

☐ Yes ☐ No

Within the area overlying a subsurface mine.

- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division

☐ Yes ☐ No

Within an unstable area.

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map

☐ Yes ☐ No

Within a 100-year floodplain.

- FEMA map

☐ Yes ☐ No

11.

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC*Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☒ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

12.

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC*Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

☐ Previously Approved Design (attach copy of design) API Number: _____

☐ Previously Approved Operating and Maintenance Plan API Number: _____ (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

13.

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC*Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Climatological Factors Assessment
☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Quality Control/Quality Assurance Construction and Installation Plan
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Nuisance or Hazardous Odors, including H₂S, Prevention Plan
☐ Emergency Response Plan
☐ Oil Field Waste Stream Characterization
☐ Monitoring and Inspection Plan
☐ Erosion Control Plan
☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

14.

Proposed Closure: 19.15.17.13 NMAC*Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.*

Type: ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☒ Below-grade Tank ☐ Closed-loop System
☐ Alternative

Proposed Closure Method: ☒ Waste Excavation and Removal
☐ Waste Removal (Closed-loop systems only)
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
☐ In-place Burial ☐ On-site Trench Burial
☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.

Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

- ☒ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☒ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☒ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
☒ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☒ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16. **Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:** (19.15.17.13.D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name: Sundance Services Disposal Facility Permit Number: NM-01-0003

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☒ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

☒ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC

☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

17. **Siting Criteria (regarding on-site closure methods only):** 19.15.17.10 NMAC
Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> No

18. **On-Site Closure Plan Checklist:** (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC

☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC

☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC

☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC

☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC

☐ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC

☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)

☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC

☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

10 Operator Application Certification:
 I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): Hack Conder Title: Environmental Manager

Signature: [Signature] Date: 12.12.08

e-mail address: hconder@priceswd.com Telephone: 575-393-3174

11 OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: [Signature] Approval Date: 01/13/09

Title: Hydrologist OCD Permit Number: _____

12 Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC
Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☐ Closure Completion Date: _____

13 Closure Method:

☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed loop systems only)

☐ If different from approved plan, please explain _____

14 Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:
Instructions: Please locate the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?
☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted area which will not be used for future service and operations

☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

15 Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

☒ Proof of Closure Notice (surface owner and division)
☐ Proof of Deed Notice (required for on-site closure)
☐ Plot Plan (for on-site closures and temporary pits)
☒ Confirmation Sampling Analytical Results (if applicable)
☐ Waste Material Sampling Analytical Results (required for on-site closure)
☒ Disposal Facility Name and Permit Number
☒ Soil Backfilling and Cover Installation
☒ Re-vegetation Application Rates and Seeding Technique
☒ Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude _____ Longitude _____ NAD: ☐ 1927 ☐ 1983

16 Operator Closure Certification:
 I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): [Signature] Title: Environmental Manager

Signature: Hack Conder Date: 1-4-13

e-mail address: hconder@priceswd.com Telephone: 575-631-6432

RICE *Operating Company*

122 West Taylor • Hobbs, New Mexico 88240

Phone: (575) 393-9174 • Fax: (575) 397-1471

CERTIFIED MAIL

RETURN RECEIPT NO. 7007 2560 0000 4569 9392

October 25, 2012

Mr. Jimmie Cooper
PO Box 55
Monument, New Mexico 88265

RE: EME G-8 BGT (API # 30-025-06017): UL/G, Sec. 8, T20S, R37E
RICE Operating Company – EME SWD System

Mr. Cooper:

Rice Operating Company (ROC) is the service provider (agent) for the EME Saltwater Disposal (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 Parties, who provide all operating capital on a percentage ownership/usage basis.

In accordance of Subsection F of 19.15.17.13 NMAC, ROC provides this notification that on-site closure activities of the former below grade tanks located at EME G-8 will be conducted from October through December 2012. The former below grade tanks were removed from the site in September 2012. Soil samples collected from beneath the former tanks will be analyzed for 'clean closure' criteria. As a preventative measure, a 20-mil reinforced liner, measuring approximately 54 x 72 ft. will be installed at approximately 5 ft below ground surface (bgs). A liner installed below the subsurface will prevent the migration of any residual constituents and of any constituents contributed in the future. The liner will be padded with blow sand and the site will be backfilled with caliche to the ground surface. The site is located on an active caliche lease pad, so revegetation is not required. Attached is the Finalization of Below Grade Tank Closure Plan submitted to NMOCD on November 2, 2011.

Thank you for your time and please contact me at (575)393-9174 if you have any questions.

Sincerely,
RICE Operating Company



Hack Conder
Environmental Manager

RICE *Operating Company*

112 West Taylor • Hobbs, New Mexico 88240

Phone: (575) 393-9174 • Fax: (575) 397-1471

Sent via E-mail and U.S. Certified Mail with Return Receipt No.
7008 1140 0001 3070 5979

November 2nd, 2011

Mr. Edward Hansen

New Mexico Energy, Minerals, & Natural Resources
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**RE: Finalization of Below Grade Tank Closure Plan
Rice Operating Company –EME SWD System
EME G-8 BGT (SWD) – East and West Tanks
UL-G, Sec 8, T20S, R37E**

Mr. Hansen:

This letter is presented to update and finalize the OCD approved “C-144 Modifications to the Closure Plans” of November 10th, 2009, for two below-grade tanks at the Rice Operating Company (ROC) EME G-8 BGT (SWD) facility (attached as an appendix to this letter).

The EME G-8 BGT facility is located approximately 3 miles south of Monument, New Mexico (Figure 1). Since the submittal of the C-144 Modifications in 2009, ROC has conducted additional soil sampling beneath the east tank to supplement information previously provided (Figure 2). In brief, residual soil chloride levels beneath the tanks were low (< 225 mg/kg) as were residual petroleum hydrocarbons (DRO and GRO less than 10 mg/kg beneath the west tank and less than 250 mg/kg beneath the east tank). Residual soil chlorides were slightly elevated (336 mg/kg) and residual hydrocarbons were low (DRO < 160 mg/kg, GRO < 10 mg/kg) in the soil material that was excavated from around the tanks. These results are consistent with the tank integrity test and soil sampling and analyses presented in the 2009 C-144 Modifications and indicate that this facility has not impacted soils or threatened groundwater quality.

EME G-8 BGT

ROC therefore proposes the following work items to affect and finalize the Closure Plan for this facility:

1. A temporary facility will be installed adjacent to and used in place of the existing below-grade tanks while the latter are removed from service and the site is prepared for a new salt water disposal terminal facility.
2. The existing (east and west) below-grade tanks will be removed and properly disposed at an off-site location. Due care will be given to empty the tanks of their contents before this is done and to secure the lines so that no fluid leakage will occur.
3. Composite soil samples will be taken from the bottom of the excavation following the removal of the existing below-grade tanks and analyzed for chlorides. If residual soil chloride levels test below 250 mg/kg, a synthetic liner will be properly seated in the bottom of the excavation at approximately 5 feet below ground surface (bgs), Figure 2. The synthetic liner will be padded with approximately 6 inches of blow sand beneath and above and will cover an area of approximately 48x70 ft. The excavation will then be backfilled with clean soil (testing less than 250 mg/kg for chlorides) and compacted to the natural ground surface. A synthetic liner installed beneath a site will inhibit the downward migration of water through the subsurface, slowing movement of chloride toward groundwater.
4. Upon completion of the liner installation and backfilling, a new salt water disposal terminal facility will be constructed in the same location as the former below grade tank facility (above the liner and compacted soil material). The new facility will have two fiberglass receiving tanks and one fiberglass overflow tank with the necessary plumbing and fittings. The tanks will be installed within a lined secondary containment. The gathering system pipeline will be connected to the new facility and placed into operation prior to removal of the BGT on site.
5. A report with photographic chronology will be provided to OCD, which summarizes the course and completion of this work.


We submit that the remediation (if warranted) of soils found to exceed 250 mg/kg chlorides and the placement of a synthetic liner will serve to protect groundwater quality. Further, the replacement of below-grade tanks with above-ground tanks will facilitate early detection of any future leaks or spillage that may occur so that timely and effective response may be made.

ROC is the service provider (agent) for the EME 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 Parties, who provide all operating capital on a percentage ownership/usage basis. Environmental projects of this magnitude require System Party AFE approval, and work begins as funds are received. In general, project funding is not forthcoming until NMOCD approves the work plan. Therefore, your timely review of this submission would be greatly appreciated.

EME G-8 BGT

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Conder", with a long horizontal flourish extending to the right.

Hack Conder
Environmental Manager

Copy: Pete Galusky (Texerra)
 Katie Jones (ROC)
 File

Attachments: NMOCD Approval (e-mail letter) of November 16, 2009,
 C-144 Modifications to the Closure Plans November 10, 2009.

EME G-8 BGT

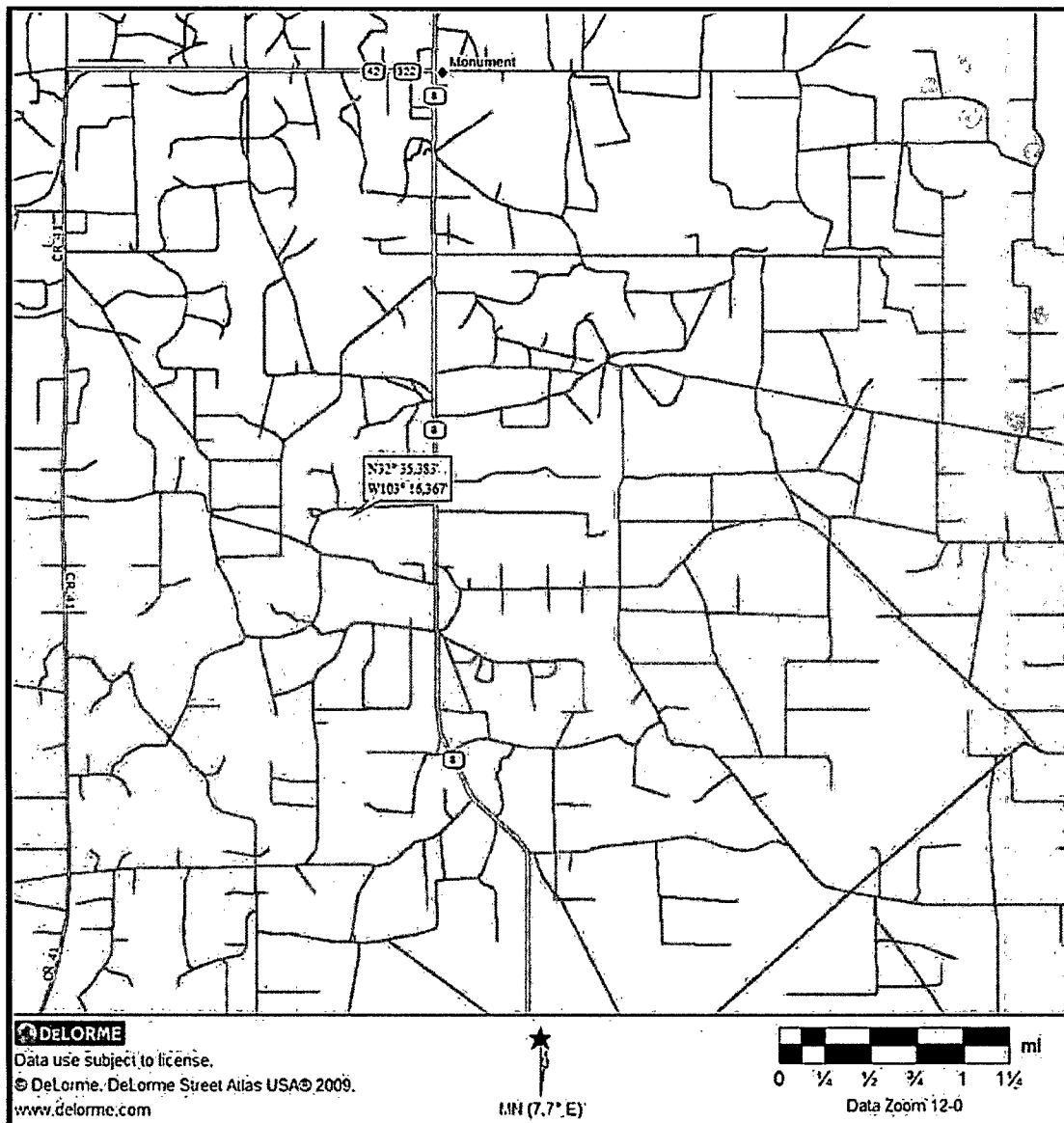


Figure 1 – EME G-8 BGT location.

EME G-8 BGT

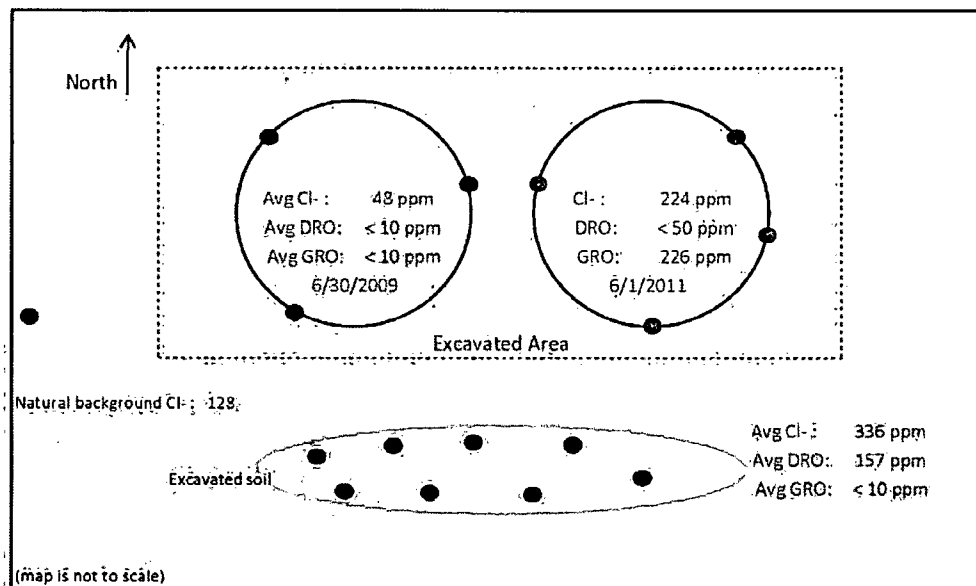


Figure 2 – Approximate soil sampling locations and laboratory results.

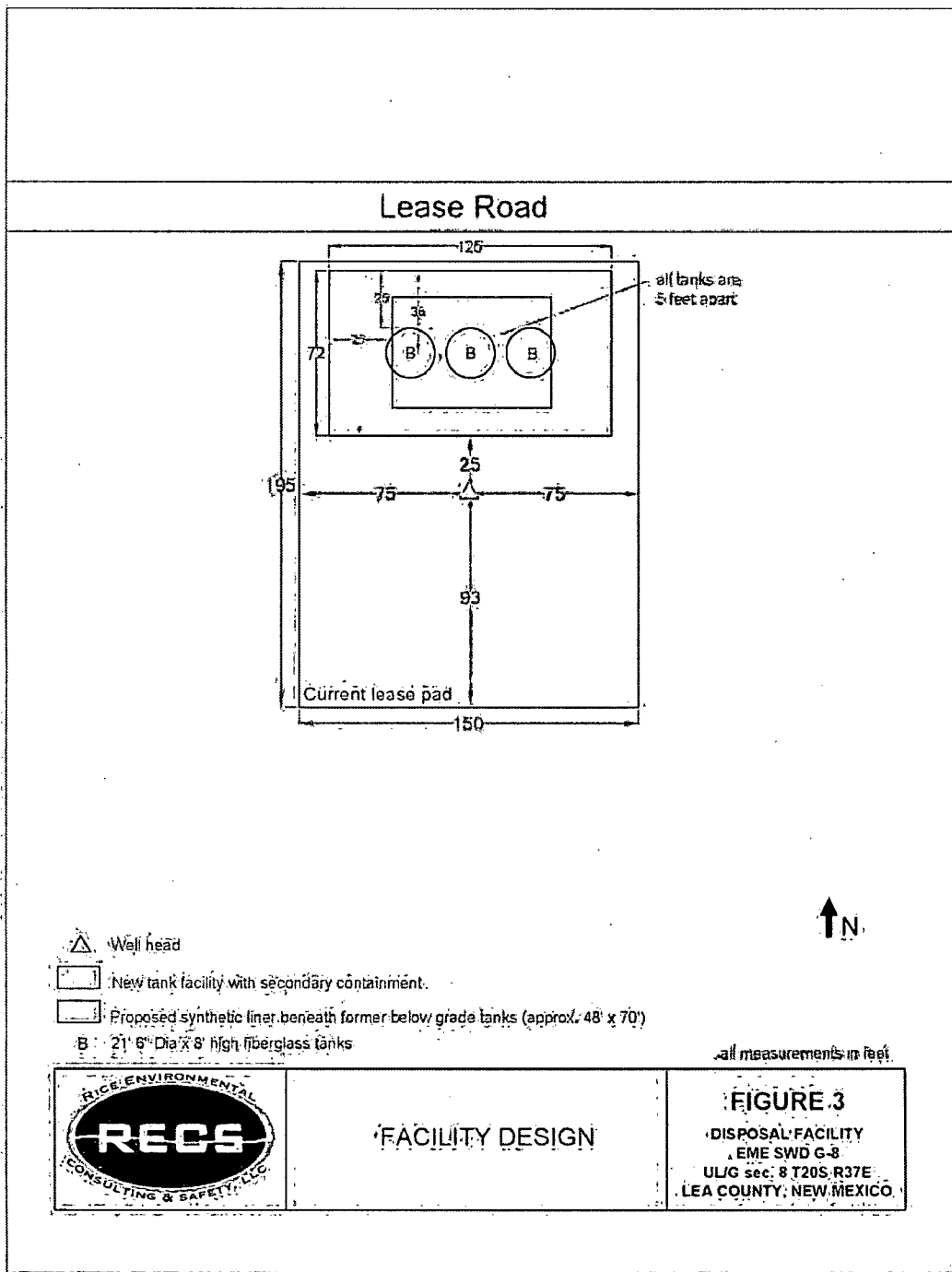


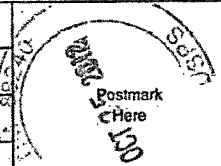
Figure 3 – Schematic diagram of proposed liner.

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Sent To *Mr. Jimmie Cooper*
 Street, Apt. No., or PO Box No. *PO Box 55*
 City, State, ZIP+4® *Monument, NM 88265*

PS Form 3800, August 2008

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:

Mr. Jimmie Cooper
PO Box 55
Monument, NM
88265

2. Article Number

(Transfer from service label)

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A. Signature *[Signature]* ☐ Agent ☐ Addressee

B. Received by (Printed Name)

Danny Scott

C. Date of Delivery

10/26/12

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

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- ☐ Registered ☒ Return Receipt for Merchandise
- ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7007 2560 0000 4569 9392

PS Form 3811, February 2004

Domestic Return Receipt

EME 6-8 Landmark
Notification

PS 3811-02-M-1540

October 26, 2012

Hack Conder
Rice Operating Company
112 W. Taylor
Hobbs, NM 88240

RE: EME G-8 BGT

Enclosed are the results of analyses for samples received by the laboratory on 10/25/12 15:30.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/ga/lab_accred_certif.html.

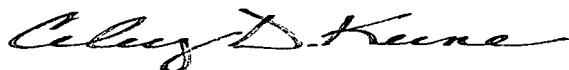
Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene
Lab Director/Quality Manager

Analytical Results For:

 Rice Operating Company
 Hack Conder
 112 W. Taylor
 Hobbs NM, 88240
 Fax To: (575) 397-1471

 Received: 10/25/2012
 Reported: 10/26/2012
 Project Name: EME G-8 BGT
 Project Number: NONE GIVEN
 Project Location: NOT GIVEN

 Sampling Date: 10/25/2012
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: WEST 5 PT. COMP (H202607-01)

BTEX 8021B			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	10/25/2012	ND	1.76	87.9	2.00	0.815	
Toluene*	<0.050	0.050	10/25/2012	ND	1.92	95.9	2.00	1.02	
Ethylbenzene*	<0.050	0.050	10/25/2012	ND	1.89	94.4	2.00	0.726	
Total Xylenes*	<0.150	0.150	10/25/2012	ND	5.72	95.3	6.00	0.867	
Total BTEX	<0.300	0.300	10/25/2012	ND					

Surrogate: 4-Bromofluorobenzene (PID) 104 % 89.4-126

Chloride, SM4500Cl-B			mg/kg		Analyzed By: HM				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	10/25/2012	ND	416	104	400	3.77	

TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	10/25/2012	ND	195	97.7	200	2.56	
DRO >C10-C28	89.5	10.0	10/25/2012	ND	216	108	200	9.52	

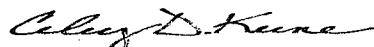
Surrogate: 1-Chlorooctane 91.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 116 % 63.6-154

Cardinal Laboratories

* = Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 Rice Operating Company
 Hack Conder
 112 W. Taylor
 Hobbs NM, 88240
 Fax To: (575) 397-1471

 Received: 10/25/2012
 Reported: 10/26/2012
 Project Name: EME G-8 BGT
 Project Number: NONE GIVEN
 Project Location: NOT GIVEN

 Sampling Date: 10/25/2012
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: EAST 5 PT. COMP (H202607-02)

BTEX 8021B			mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	10/26/2012	ND	1.76	87.9	2.00	0.815		
Toluene*	<0.050	0.050	10/26/2012	ND	1.92	95.9	2.00	1.02		
Ethylbenzene*	<0.050	0.050	10/26/2012	ND	1.89	94.4	2.00	0.726		
Total Xylenes*	<0.150	0.150	10/26/2012	ND	5.72	95.3	6.00	0.867		
Total BTEX	<0.300	0.300	10/26/2012	ND						

Surrogate: 4-Bromofluorobenzene (PID) 104 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	144	16.0	10/25/2012	ND	416	104	400	3.77	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	10/25/2012	ND	195	97.7	200	2.56	
DRO >C10-C28	164	10.0	10/25/2012	ND	216	108	200	9.52	

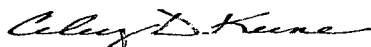
Surrogate: 1-Chlorooctane 86.8 % 65.2-140

Surrogate: 1-Chlorooctadecane 99.9 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

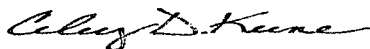
Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

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Celey D. Keene, Lab Director/Quality Manager

CARDINAL Laboratories

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(575) 393-2326, FAX (575) 393-2476

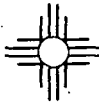
Company Name: <u>Rice</u>				BILL TO												ANALYSIS REQUEST											
Project Manager: <u>Mark Hunter</u>				P.O. #:																							
Address:				Company:																							
City:		State:		Zip:		Attn:																					
Phone #:		Fax #:		Address:																							
Project #:		Project Owner:		City:																							
Project Name:				State:				Zip:																			
Project Location: <u>Elmer G. B. Bgt</u>				Phone #:																							
Sampler Name: <u>Ronnie</u>				Fax #:																							
FOR LAB USE ONLY																											
Lab I.D.	Sample I.D.	ICIRAB OR (COMP.	# CONTAINERS	MATRIX:		PRESERV.		SAMPLING																			
				GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER													ACID/BASE	ICE / COOL	OTHER	DATE	TIME	
<u>1202601</u>	<u>1. West Side Concrete</u>	<u>1</u>	<u>1</u>			<u>4</u>																			<u>10/25/92</u>	<u>2:30</u>	
	<u>2. East Side Concrete</u>	<u>1</u>	<u>1</u>			<u>4</u>																			<u>10/25/92</u>	<u>2:35</u>	

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Relinquished By: <u>[Signature]</u>	Date: <u>10/25/92</u>	Received By: <u>[Signature]</u>	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
Relinquished By: <u>[Signature]</u>	Date: <u>10/25/92</u>	Received By: <u>[Signature]</u>	Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Delivered By: (Circle One)	Sample Condition:	CHECKED BY: <u>[Signature]</u>	REMARKS:	
Sampler: UPS Bus Other:	Cool Intact	(Initials)	Examined Samples taken & brought to lab	
	<input type="checkbox"/> Yes <input type="checkbox"/> No		H. Hunter	
	<input type="checkbox"/> Yes <input type="checkbox"/> No		R. Hunter	
	<input type="checkbox"/> Yes <input type="checkbox"/> No		L. Hunter	
	<input type="checkbox"/> Yes <input type="checkbox"/> No		RUSH!!	

† Cardinal cannot accept verbal changes. Please fax written changes to (575) 393-2326

Permit # NM-01-0003



SUNDANCE SERVICES, Inc.

P.O. Box 1737 Eunice, New Mexico 88231
(575) 394-2511

TICKET No. 225570

LEASE OPERATOR/SHIPPER/COMPANY: RICE

LEASE NAME: ENE G-8 BBT

TRANSPORTER COMPANY: TCT

TIME 10:00 AM/PM

DATE: 11/5/12 VEHICLE NO: 984

GENERATOR COMPANY MAN'S NAME: ZACK CONIXR

CHARGE TO: RICE

RIG NAME AND NUMBER

TYPE OF MATERIAL

- | | | |
|---|---|-----------------------------------|
| <input type="checkbox"/> Production Water | <input type="checkbox"/> Drilling Fluids | <input type="checkbox"/> Rinsate |
| <input type="checkbox"/> Tank Bottoms | <input checked="" type="checkbox"/> Contaminated Soil | <input type="checkbox"/> Jet Out |
| <input type="checkbox"/> Solids | <input type="checkbox"/> BS&W Content: | <input type="checkbox"/> Call Out |

Description: O/D

RRC or API #

C-133#

VOLUME OF MATERIAL ☐ BBLs. : ☐ YARD 12 : ☐

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HERewith IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001 et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER:

(SIGNATURE)

FACILITY REPRESENTATIVE:

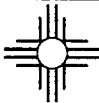
(SIGNATURE)

White - Sundance

Canary - Sundance Acct #1

Pink - Transporter

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SUNDANCE SERVICES, Inc.

P.O. Box 1737 Eunice, New Mexico 88231
(575) 394-2511

TICKET No. **225582**

LEASE OPERATOR/SHIPPER/COMPANY: **RICE**

LEASE NAME: **EME G-B BGT**

TRANSPORTER COMPANY: **TCT**

TIME **11:42 AM/PM**

DATE: **11/5/12** VEHICLE NO: **904**

GENERATOR COMPANY
MAN'S NAME: **ZACK CONDR**

CHARGE TO: **RICE**

RIG NAME
AND NUMBER

TYPE OF MATERIAL

- | | | |
|---|---|-----------------------------------|
| <input type="checkbox"/> Production Water | <input type="checkbox"/> Drilling Fluids | <input type="checkbox"/> Rinsate |
| <input type="checkbox"/> Tank Bottoms | <input checked="" type="checkbox"/> Contaminated Soil | <input type="checkbox"/> Jet Out |
| <input type="checkbox"/> Solids | <input type="checkbox"/> BS&W Content: | <input type="checkbox"/> Call Out |

Description: **o/p**

RRC or API #

C-133#

VOLUME OF MATERIAL ☐ BBLs. ☐ YARD **12**

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DRIVER:

(SIGNATURE)

FACILITY REPRESENTATIVE:

(SIGNATURE)

White - Sundance

Canary - Sundance Acct #1

Pink - Transporter

Re-order from: TOTALLY SHARP ADVERTISING • 432-586-5401 • www.PromoSupermarket.com



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

November 13, 2012

HACK CONDER

RICE ENVIRONMENTAL CONSULTING & SAFETY LLC

112 W. TAYLOR

HOBBS, NM 88240

RE: EME G-8 BGT

Enclosed are the results of analyses for samples received by the laboratory on 11/13/12 12:13.

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Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive style with a large, stylized 'C' and 'K'.

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

 RICE ENVIRONMENTAL CONSULTING & SAFETY
 HACK CONDER
 112 W. TAYLOR
 HOBBS NM, 88240
 Fax To: (575) 397-1471

 Received: 11/13/2012
 Reported: 11/13/2012
 Project Name: EME G-8 BGT
 Project Number: NONE GIVEN
 Project Location: NONE GIVEN

 Sampling Date: 11/13/2012
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: EAST SIDE 5 PT COMP (H202751-01)

BTEX 8021B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	11/13/2012	ND	1.76	88.0	2.00	7.74	
Toluene*	<0.050	0.050	11/13/2012	ND	2.07	103	2.00	7.46	
Ethylbenzene*	<0.050	0.050	11/13/2012	ND	2.12	106	2.00	7.45	
Total Xylenes*	<0.150	0.150	11/13/2012	ND	6.40	107	6.00	7.47	
Total BTEX	<0.300	0.300	11/13/2012	ND					

Surrogate: 4-Bromofluorobenzene (PIE) 119 % 89.4-126

Chloride, SM4500Cl-B		mg/kg		Analyzed By: AP					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	11/13/2012	ND	432	108	400	3.77	

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	11/13/2012	ND	197	98.7	200	2.81	
DRO >C10-C28	21.2	10.0	11/13/2012	ND	205	102	200	5.59	

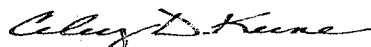
Surrogate: 1-Chlorooctane 85.6 % 65.2-140

Surrogate: 1-Chlorooctadecane 98.9 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

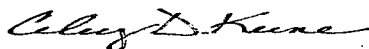
Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

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*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

[illegible]



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

December 04, 2012

Hack Conder
Rice Operating Company
112 W. Taylor
Hobbs, NM 88240

RE: EME G-8 BGT

Enclosed are the results of analyses for samples received by the laboratory on 12/03/12 16:15.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene
Lab Director/Quality Manager

Analytical Results For:

Rice Operating Company
Hack Conder
112 W. Taylor
Hobbs NM, 88240
Fax To: (575) 397-1471

Received: 12/03/2012
Reported: 12/04/2012
Project Name: EME G-8 BGT
Project Number: NONE GIVEN
Project Location: NOT GIVEN

Sampling Date: 11/30/2012
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: CALICHE (H202906-01)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	12/04/2012	ND	416	104	400	0.00	

Sample ID: TOPSOIL (H202906-02)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	12/04/2012	ND	416	104	400	0.00	

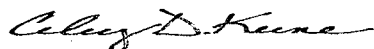
Sample ID: BASE COARSE (H202906-03)

Chloride, SM4500Cl-B		mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	80.0	16.0	12/04/2012	ND	416	104	400	0.00	

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

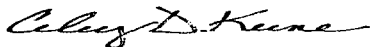
Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

Company Name: <u>RICE Operating</u>		BILL TO		ANALYSIS REQUEST																	
Project Manager:		P.O. #:																			
Address:		Company:																			
City:	State:	Zip:	Attn:																		
Phone #:	Fax #:	Address:																			
Project #:	Project Owner:		City:																		
Project Name:			State:													Zip:					
Project Location: <u>Enbridge B&T</u>		Phone #:																			
Sampler Name:		Fax #:																			
FOR LAB USE ONLY				MATRIX		PRESERV		SAMPLING													
Lab I.D.	Sample I.D.	CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER	ACID/BASE	ICE/COOL	OTHER	DATE	TIME								
1202906																					
1	Caniche											11/30/12	11:20								
2	Topsoil											11/30/12	11:25								
3	Base Course											10/3/12	3:30								
<p>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.</p>																					
Relinquished By: <u>[Signature]</u>		Date: <u>12/3/12</u>		Received By: <u>[Signature]</u>		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No		Add'l Phone #:													
Time: <u>4:15</u>				Time: <u>4:15</u>		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No		Add'l Fax #:													
Relinquished By: <u>[Signature]</u>		Date: <u>12/3/12</u>		Received By: <u>[Signature]</u>		REMARKS: <u>Hard Cander Laura W</u>															
Time: <u>4:15</u>				Time: <u>4:15</u>		Zach Cander Laura Penon															
Delivered By: (Circle One)		Sample Condition		CHECKED BY:		Bruce Baker															
Sampler: <u>UPS</u> <input type="checkbox"/> Bus <input type="checkbox"/> Other <input type="checkbox"/>		Cool: <input type="checkbox"/> Intact <input checked="" type="checkbox"/>		(Initials)																	
		Yes <input type="checkbox"/> No <input type="checkbox"/>																			

* Cardinal cannot accept verbal changes. Please fax written changes to (575) 393-2326

RICE ENVIRONMENTAL CONSULTING & SAFETY

122 West Taylor Hobbs, NM 88240
PHONE: (505) 393-9174 FAX: (505) 397-1471
PID METER CALIBRATION & FIELD REPORT FORM

CK.		MODEL: PGM 7300	SERIAL NO: 590-000508
MODEL		MODEL: PGM 7300	SERIAL NO: 590-000504
NO.	X	MODEL: PGM 7320	SERIAL NO: 592-903318
		MODEL: PGM _____	SERIAL NO: _____

GAS COMPOSITION: ISOBUTYLENE 100PPM / AIR: BALANCE

LOT NO : Hal-248-100-1	EXPIRATION DATE: 7/1/2015
METER READING ACCURACY: 100	

ACCURACY : +/- 2%

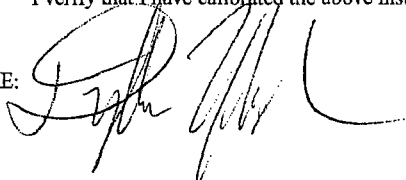
COMPANY
RICE OPERATING

SITE	UNIT	SECTION	TOWN SHIP	RANGE
EME G-8 BGT	G	8	T-20-S	R-37-E

SAMPLE ID	PID	SAMPLE ID	PID
TOPSOIL	0		
CALICHE	2.1		

I verify that I have calibrated the above instrument in accordance to the manufacture operation manual.

SIGNATURE:



DATE: 11/30/2012

RICE ENVIRONMENTAL CONSULTING & SAFETY

122 West Taylor Hobbs, NM 88240
PHONE: (505) 393-9174 FAX: (505) 397-1471
PID METER CALIBRATION & FIELD REPORT FORM

CK.		MODEL: PGM 7300	SERIAL NO: 590-000508
MODEL		MODEL: PGM 7300	SERIAL NO: 590-000504
NO.	X	MODEL: PGM 7320	SERIAL NO: 592-903318
		MODEL: PGM	SERIAL NO:

GAS COMPOSITION: ISOBUTYLENE 100PPM / AIR: BALANCE

LOT NO : Hal-248-100-1	EXPIRATION DATE: 7/1/2015
METER READING ACCURACY: 100	

ACCURACY : +/- 2%

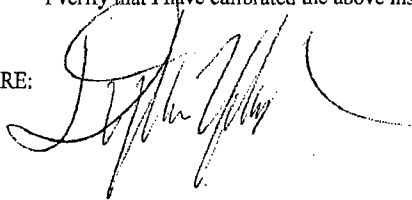
COMPANY
RICE OPERATING

SITE	UNIT	SECTION	TOWN SHIP	RANGE
EME G-8 BGT	G	8	T-20-S	R-37-E

SAMPLE ID	PID	SAMPLE ID	PID
BASE COARSE	0		

I verify that I have calibrated the above instrument in accordance to the manufacture operation manual.

SIGNATURE:



DATE: 12/3/2012

Jimmie T. Cooper
PO Box 55
Monument, NM 88265
October-25, 2012

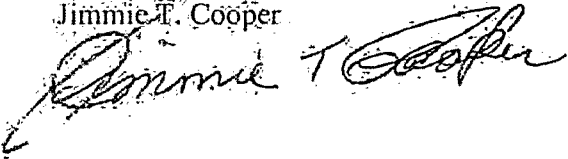
Hack Conder
Environmental Project Manager
Rice Operating Company
120 West Taylor
Hobbs, NM 88240

Dear Mr. Conder:

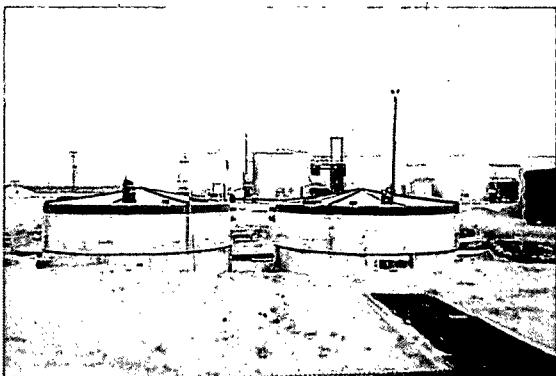
This letter is in regards to work that will be performed at EME G-8 BGT (API 30-025-06017) located at UL/G, Sec. 8, T20S, R37E. The site is located inside of an active facility. Therefore, I am authorizing that it is permissible for the site to be backfilled with clean imported caliche and seeding will not be required.

Sincerely,

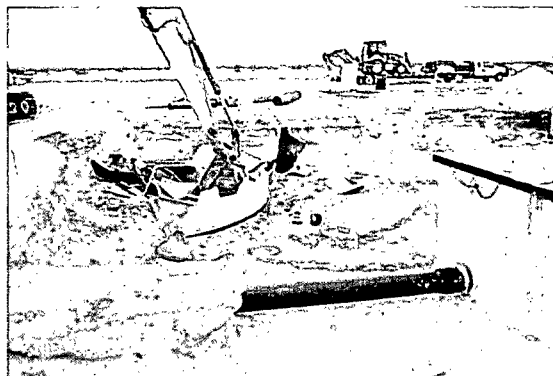
Jimmie T. Cooper

A handwritten signature in cursive script, appearing to read "Jimmie T. Cooper", written over a printed name.

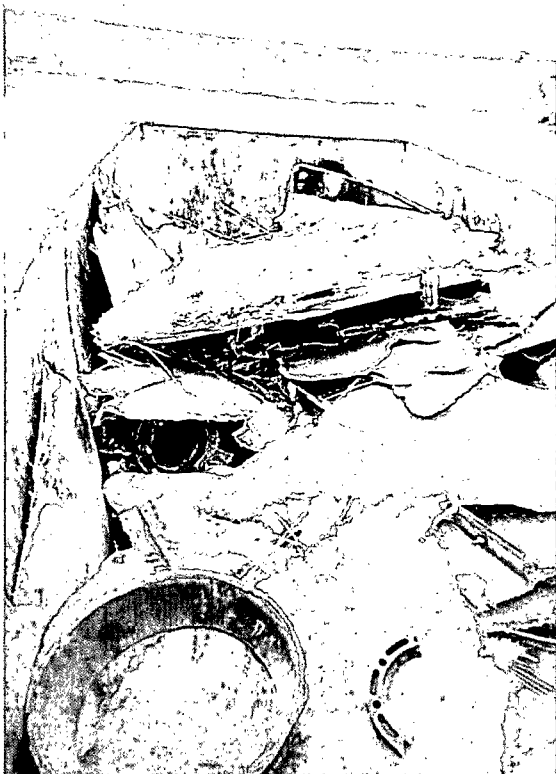
EME G-8 BGT
Unit G, Section 8, T20S, R37E



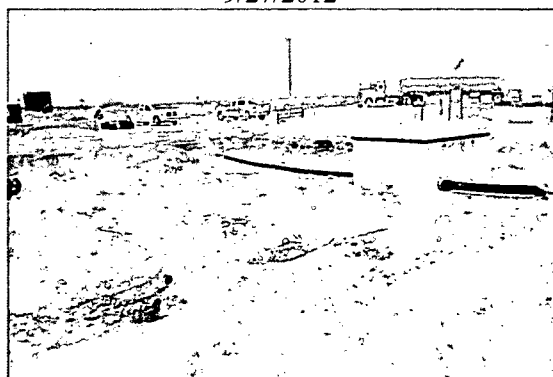
former below grade tanks, facing north
9/27/2012



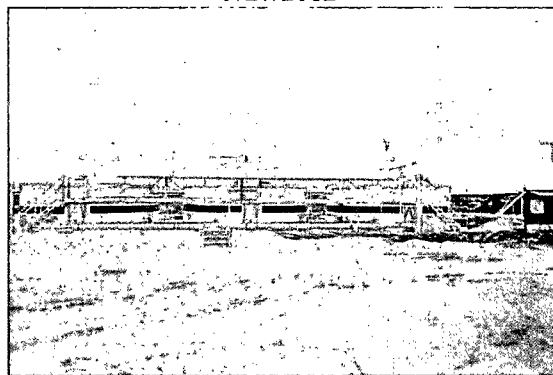
removing the below grade tanks, facing south
9/27/2012



disposing of the below grade tanks
9/27/2012



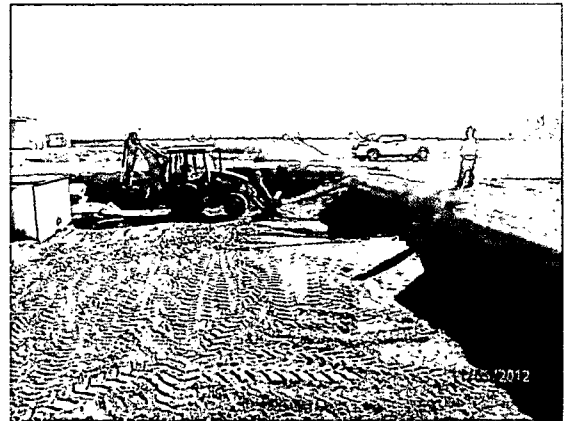
below grade tanks removed, facing northwest
9/27/2012



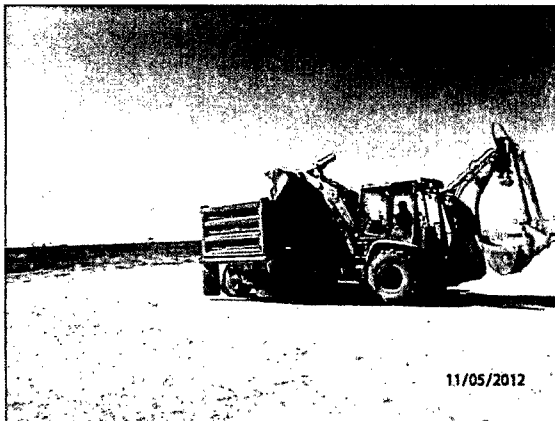
new G-8 facility, facing west
9/27/2012



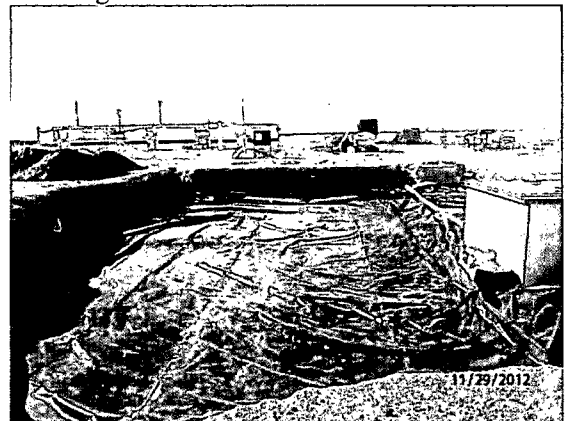
collecting soil samples, facing northeast
10/25/2012



scraping soil from the area of the east tank,
facing east 11/5/2012



exporting scraped soil, facing south 11/5/2012



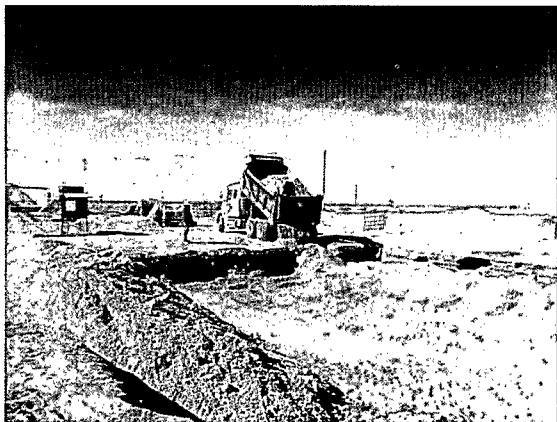
20-mil, reinforced liner installed at
approximately 5 ft bgs, facing west 11/29/2012



importing blow sand, facing north
11/29/2012



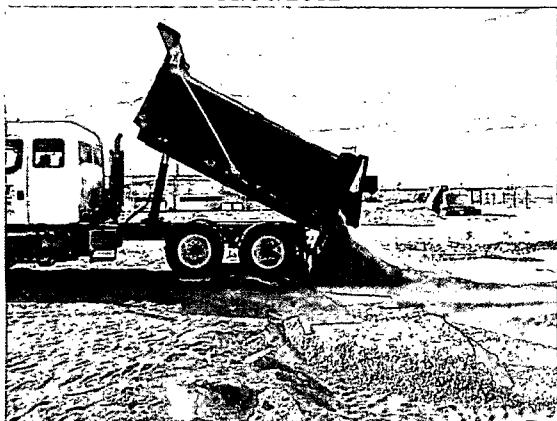
padding above the liner with blow sand,
facing north 11/30/2012



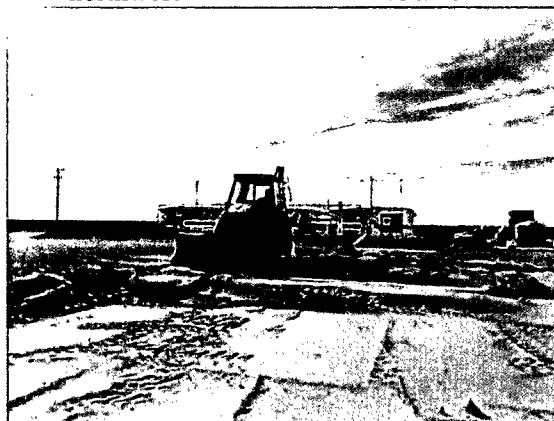
importing caliche, facing west
11/30/2012



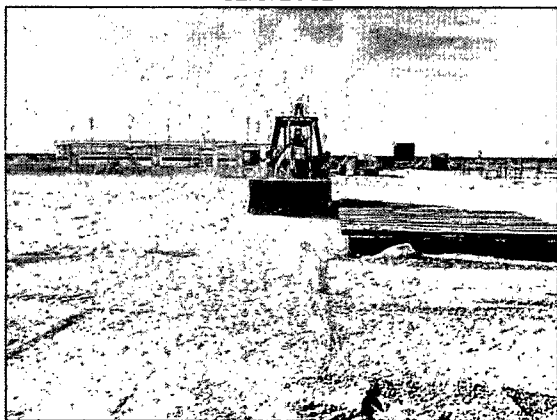
backfilling the site with caliche, facing
northwest 11/30/2012



importing base coarse, facing west
12/3/2012



backfilling the site with base coarse, facing west
12/3/2012



contouring the site, facing west
12/6/2012



site complete, facing north
12/6/2012

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

BGT-Closure

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: RICE Operating Company	Contact: Hack Conder
Address: 112 West Taylor Hobbs, NM 88240	Telephone No: (575) 393-9174
Facility Name: EME G-8 East below grade tank (BGT)	Facility Type: SWD

Surface Owner: Jimmie Cooper	Mineral Owner	API No. 30-025-06017
-------------------------------------	---------------	-----------------------------

LOCATION OF RELEASE

Unit Letter G	Section 8	Township 20S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
-------------------------	---------------------	------------------------	---------------------	---------------	------------------	---------------	----------------	----------------------

Latitude **32° 35' 383"** Longitude **103° 16' 337"**

NATURE OF RELEASE

Type of Release: produced water	Volume of Release: unknown	Volume Recovered: unknown
Source of Release: unknown	Date and Hour of Occurrence: unknown	Date and Hour of Discovery: soil investigation began in 2009 and was completed in December 2012
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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.*


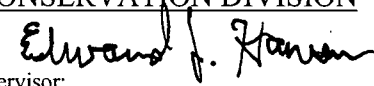
Describe Cause of Problem and Remedial Action Taken.*

The below grade tanks located at this site were removed according to 19.15.17 NMAC. Upon removed of the former tanks and investigation of the soils beneath the tanks, it was determined that past operations did not impact soil at concentrations to impair groundwater quality.

Describe Area Affected and Cleanup Action Taken.*

A composite sample was collected from the area beneath the former east below grade tank and was analyzed by a commercial laboratory, resulting in a chloride concentration of 144 mg/kg, a GRO concentration of <10.0 mg/kg, a DRO concentration of 164 mg/kg, and a BTEX concentration below detectable limits. Because of the DRO concentration, the area was scraped an additional 6 inches and the soil was properly disposed of at a NMOCD facility. A composite sample then collected from the scraped area was analyzed by a commercial laboratory and resulted in a chloride concentration of 96 mg/kg, a GRO concentration of <10.0 mg/kg, a DRO concentration of 21.2 mg/kg, and BTEX concentration below detectable limits. In order to protect groundwater from any potential chloride migration, a 76x67-ft liner was installed and properly seated at approximately 5 ft below ground surface (bgs). The liner was padded with clean, imported blow sand, and the excavation was backfilled with clean, imported caliche. This site is located on an active lease pad; therefore, seeding was not required (as approved by the landowner).

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: 1/14/13	Expiration Date:
E-mail Address: hconder@riceswd.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12/28/2012	Phone: (575) 393-9174	

* Attach Additional Sheets If Necessary

RICE *Operating Company*

112 West Taylor • Hobbs, New Mexico 88240

Phone: (575) 393-9174 • Fax: (575) 397-1471

CERTIFIED MAIL

RETURN RECEIPT NO. 7007 2560 0000 4569 8739

RECEIVED

January 4, 2013

JAN 10 2013

Mr. Edward Hansen
New Mexico Energy, Minerals, & Natural Resources
Oil Conservation Division, Environmental Bureau
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Below Grade Tank (BGT) - Closure
EME G-8 West BGT (API 30-025-06017):
Unit G, Sec. 8, T20S, R37E
RICE Operating Company – Eunice Monument Eumont (EME) SWD System

Mr. Hansen:

Rice Operating Company (ROC) is the service provider (agent) for the EME Saltwater Disposal (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 Parties, who provide all operating capital on a percentage ownership/usage basis.

Based on the November 2nd, 2011, Finalization of Below Grade Tank Closure Plan, the east and west below grade tanks were removed from the site and were properly disposed of on September 27th, 2012. On October 25th, 2012, a composite sample was collected from the area beneath the former west tank. Laboratory analysis of the West 5 Pt. Comp resulted in a chloride concentration of 96.0 mg/kg, a GRO concentration of <10.0 mg/kg, a DRO concentration of 89.5 mg/kg, and BTEX concentrations below detectable limits.

On October 25th, 2012, the landowner was notified of ROC's intent to conduct on-site closure activities at this site. The landowner also gave approval for the site to be backfilled with caliche and not seeded.

The landowner notification, landowner approval to not seed the backfilled site, and lab results were submitted to the NMOCD on October 30th, 2012. NMOCD granted approval to proceed with the closure plan of November 2nd, 2011.

To further protect groundwater, a 76x67-ft, 20-mil reinforced liner was installed at approximately 5 ft below ground surface (bgs). The liner was then padded with 6 inches of imported top soil. Laboratory analysis of the imported topsoil resulted in a chloride concentration below detectable limit and a PID (field) reading of 0.0. The remaining excavation was backfilled with imported caliche and base coarse. Lab analysis of these resulted in a chloride concentration of below detectable limits and a PID (field) reading of 2.1 ppm for the caliche and concentration of 80 mg/kg chloride and a PID (field) reading of 0.0 ppm for the base coarse. Laboratory analyses, PID sheets, and photo documentation is attached.

ROC acknowledges they have met the requirements of 19.15.17 NMAC, and respectfully request termination or similar closure status for the east and west below grade tank formerly located at this site. If you require any additional information or have any questions or comments, please contact me at (575)393-9174. Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'H. Conder', with a stylized flourish at the end.

Hack Conder
Environmental Manager
RICE Operating Company

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
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
July 21, 2008

For temporary pits, closed-loop systems, and below-grade tanks, submit to the appropriate NMOCD District Office.
For permanent pits and exceptions submit to the Santa Fe Environmental Bureau office and provide a copy to the appropriate NMOCD District Office.

Pit, Closed-Loop System, Below-Grade Tank, or
Proposed Alternative Method Permit or Closure Plan Application

- Type of action: ☐ Permit of a pit, closed-loop system, below-grade tank, or proposed alternative method
☒ Closure of a pit, closed-loop system, below-grade tank, or proposed alternative method
☐ Modification to an existing permit
☐ Closure plan only submitted for an existing permitted or non-permitted pit, closed-loop system, below-grade tank, or proposed alternative method

Instructions: Please submit one application (Form C-144) per individual pit, closed-loop system, below-grade tank or alternative request

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1. Operator: Rice Operating Company OGRID #: _____
Address: 122 West Taylor, Hobbs NM 88240
Facility or well name: EME G-8 WEST TANK
API Number: none 30-025-01017 OCD Permit Number: none
U/L or Qtr/Qtr G Section 8 Township 20S Range 37E County: Lea
Center of Proposed Design: Latitude 32° 35' 38.3" Longitude 103° 16' 33.7" NAD: ☒ 1927 ☐ 1983
Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment

2. ☐ Pit: Subsection F or G of 19.15.17.11 NMAC
Temporary: ☐ Drilling ☐ Workover
☐ Permanent ☐ Emergency ☐ Cavitation ☐ P&A
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
☐ String-Reinforced
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____ Volume: _____ bbl Dimensions: L _____ x W _____ x D _____

3. ☐ Closed-loop System: Subsection H of 19.15.17.11 NMAC
Type of Operation: ☐ P&A ☐ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent)
☐ Drying Pad ☐ Above Ground Steel Tanks ☐ Haul-off Bins ☐ Other _____
☐ Lined ☐ Unlined Liner type: Thickness _____ mil ☐ LLDPE ☐ HDPE ☐ PVC ☐ Other _____
Liner Seams: ☐ Welded ☐ Factory ☐ Other _____

4. ☒ Below-grade tank: Subsection I of 19.15.17.11 NMAC
Volume: 500 bbl tanks Type of fluid: Produced Water
Tank Construction material: Fiberglass
☐ Secondary containment with leak detection ☐ Visible sidewalls, liner, 6-inch lift and automatic overflow shut-off
☐ Visible sidewalls and liner ☐ Visible sidewalls only ☒ Other Buried 4 feet below grade
Liner type: Thickness none mil ☐ HDPE ☐ PVC ☐ Other _____

5. ☐ Alternative Method:
Submittal of an exception request is required. Exceptions must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.

6.	<p>Fencing: Subsection D of 19.15.17.11 NMAC (<i>Applies to permanent pits, temporary pits, and below-grade tanks</i>)</p> <p><input type="checkbox"/> Chain link, six feet in height, two strands of barbed wire at top (<i>Required if located within 1000 feet of a permanent residence, school, hospital, institution or church</i>)</p> <p><input checked="" type="checkbox"/> Four foot height, four strands of barbed wire evenly spaced between one and four feet</p> <p><input type="checkbox"/> Alternate. Please specify _____</p>																				
7.	<p>Netting: Subsection E of 19.15.17.11 NMAC (<i>Applies to permanent pits and permanent open top tanks</i>)</p> <p><input type="checkbox"/> Screen <input type="checkbox"/> Netting <input type="checkbox"/> Other _____</p> <p><input type="checkbox"/> Monthly inspections (If netting or screening is not physically feasible)</p>																				
8.	<p>Signs: Subsection C of 19.15.17.11 NMAC</p> <p><input checked="" type="checkbox"/> 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers</p> <p><input type="checkbox"/> Signed in compliance with 19.15.3.103 NMAC</p>																				
9.	<p>Administrative Approvals and Exceptions:</p> <p>Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17 NMAC for guidance.</p> <p><i>Please check a box if one or more of the following is requested, if not leave blank:</i></p> <p><input checked="" type="checkbox"/> Administrative approval(s): Requests must be submitted to the appropriate division district or the Santa Fe Environmental Bureau office for consideration of approval.</p> <p><input type="checkbox"/> Exception(s): Requests must be submitted to the Santa Fe Environmental Bureau office for consideration of approval.</p>																				
10.	<p>Siting Criteria (regarding permitting): 19.15.17.10 NMAC</p> <p><i>Instructions: The applicant must demonstrate compliance for each siting criteria below in the application. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Applicant must attach justification for request. Please refer to 19.15.17.10 NMAC for guidance. Siting criteria does not apply to drying pads or above-grade tanks associated with a closed-loop system.</i></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; vertical-align: top;"> <p>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p> </td> <td style="width: 20%; vertical-align: top; text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).</p> <p style="margin-left: 20px;">- Topographic map; Visual inspection (certification) of the proposed site</p> </td> <td style="vertical-align: top; text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p> </td> <td style="vertical-align: top; text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p> </td> <td style="vertical-align: top; text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p> </td> <td style="vertical-align: top; text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.</p> <p style="margin-left: 20px;">- Written confirmation or verification from the municipality; Written approval obtained from the municipality</p> </td> <td style="vertical-align: top; text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within 500 feet of a wetland.</p> <p style="margin-left: 20px;">- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p> </td> <td style="vertical-align: top; text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within the area overlying a subsurface mine.</p> <p style="margin-left: 20px;">- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</p> </td> <td style="vertical-align: top; text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within an unstable area.</p> <p style="margin-left: 20px;">- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map</p> </td> <td style="vertical-align: top; text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> <tr> <td style="vertical-align: top;"> <p>Within a 100-year floodplain.</p> <p style="margin-left: 20px;">- FEMA map</p> </td> <td style="vertical-align: top; text-align: right;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </td> </tr> </table>	<p>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).</p> <p style="margin-left: 20px;">- Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	<p>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	<p>Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.</p> <p style="margin-left: 20px;">- Written confirmation or verification from the municipality; Written approval obtained from the municipality</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within 500 feet of a wetland.</p> <p style="margin-left: 20px;">- US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within the area overlying a subsurface mine.</p> <p style="margin-left: 20px;">- Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within an unstable area.</p> <p style="margin-left: 20px;">- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Within a 100-year floodplain.</p> <p style="margin-left: 20px;">- FEMA map</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Ground water is less than 50 feet below the bottom of the temporary pit, permanent pit, or below-grade tank.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
<p>Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).</p> <p style="margin-left: 20px;">- Topographic map; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
<p>Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to temporary, emergency, or cavitation pits and below-grade tanks</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA																				
<p>Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. (<i>Applies to permanent pits</i>)</p> <p style="margin-left: 20px;">- Visual inspection (certification) of the proposed site; Aerial photo; Satellite image</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA																				
<p>Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application.</p> <p style="margin-left: 20px;">- NM Office of the State Engineer - iWATERS database search; Visual inspection (certification) of the proposed site</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
<p>Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.</p> <p style="margin-left: 20px;">- Written confirmation or verification from the municipality; Written approval obtained from the municipality</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
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<p>Within an unstable area.</p> <p style="margin-left: 20px;">- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				
<p>Within a 100-year floodplain.</p> <p style="margin-left: 20px;">- FEMA map</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No																				

11.

Temporary Pits, Emergency Pits, and Below-grade Tanks Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC*Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ Hydrogeologic Report (Below-grade Tanks) - based upon the requirements of Paragraph (4) of Subsection B of 19.15.17.9 NMAC
☐ Hydrogeologic Data (Temporary and Emergency Pits) - based upon the requirements of Paragraph (2) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☒ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number: _____ or Permit Number: _____

12.

Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC*Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ Geologic and Hydrogeologic Data (only for on-site closure) - based upon the requirements of Paragraph (3) of Subsection B of 19.15.17.9
☐ Siting Criteria Compliance Demonstrations (only for on-site closure) - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Closure Plan (Please complete Boxes 14 through 18, if applicable) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number: _____
☐ Previously Approved Operating and Maintenance Plan API Number: _____ (Applies only to closed-loop system that use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

13.

Permanent Pits Permit Application Checklist: Subsection B of 19.15.17.9 NMAC*Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.*

- ☐ Hydrogeologic Report - based upon the requirements of Paragraph (1) of Subsection B of 19.15.17.9 NMAC
☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC
☐ Climatological Factors Assessment
☐ Certified Engineering Design Plans - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Dike Protection and Structural Integrity Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Leak Detection Design - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Liner Specifications and Compatibility Assessment - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Quality Control/Quality Assurance Construction and Installation Plan
☐ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☐ Freeboard and Overtopping Prevention Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☐ Nuisance or Hazardous Odors, including H₂S, Prevention Plan
☐ Emergency Response Plan
☐ Oil Field Waste Stream Characterization
☐ Monitoring and Inspection Plan
☐ Erosion Control Plan
☐ Closure Plan - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC

14.

Proposed Closure: 19.15.17.13 NMAC*Instructions: Please complete the applicable boxes, Boxes 14 through 18, in regards to the proposed closure plan.*

- Type: ☐ Drilling ☐ Workover ☐ Emergency ☐ Cavitation ☐ P&A ☐ Permanent Pit ☒ Below-grade Tank ☐ Closed-loop System
☐ Alternative
 Proposed Closure Method: ☒ Waste Excavation and Removal
☐ Waste Removal (Closed-loop systems only)
☐ On-site Closure Method (Only for temporary pits and closed-loop systems)
☐ In-place Burial ☐ On-site Trench Burial
☐ Alternative Closure Method (Exceptions must be submitted to the Santa Fe Environmental Bureau for consideration)

15.

Waste Excavation and Removal Closure Plan Checklist: (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

- ☒ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC
☒ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC
☒ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings)
☒ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☒ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

16. **Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:** (19.15.17.13.D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.

Disposal Facility Name: Sundance Services Disposal Facility Permit Number: NM-01-0003

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will *not* be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☒ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

☒ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC

☒ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

17. **Siting Criteria (regarding on-site closure methods only):** 19.15.17.10 NMAC
Instructions: Each siting criteria requires a demonstration of compliance in the closure plan. Recommendations of acceptable source material are provided below. Requests regarding changes to certain siting criteria may require administrative approval from the appropriate district office or may be considered an exception which must be submitted to the Santa Fe Environmental Bureau office for consideration of approval. Justifications and/or demonstrations of equivalency are required. Please refer to 19.15.17.10 NMAC for guidance.

Ground water is less than 50 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is between 50 and 100 feet below the bottom of the buried waste - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Ground water is more than 100 feet below the bottom of the buried waste. - NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark). - Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 300 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application. - Visual inspection (certification) of the proposed site; Aerial photo; Satellite image	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 horizontal feet of a private, domestic fresh water well or spring that less than five households use for domestic or stock watering purposes, or within 1000 horizontal feet of any other fresh water well or spring, in existence at the time of initial application. - NM Office of the State Engineer - iWATERS database; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended. - Written confirmation or verification from the municipality; Written approval obtained from the municipality	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within 500 feet of a wetland. - US Fish and Wildlife Wetland Identification map; Topographic map; Visual inspection (certification) of the proposed site	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within the area overlying a subsurface mine. - Written confirmation or verification or map from the NM EMNRD-Mining and Mineral Division	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within an unstable area. - Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; Topographic map	<input type="checkbox"/> Yes <input type="checkbox"/> No
Within a 100-year floodplain. - FEMA map	<input type="checkbox"/> Yes <input type="checkbox"/> No

18. **On-Site Closure Plan Checklist:** (19.15.17.13 NMAC) *Instructions: Each of the following items must be attached to the closure plan. Please indicate, by a check mark in the box, that the documents are attached.*

☐ Siting Criteria Compliance Demonstrations - based upon the appropriate requirements of 19.15.17.10 NMAC

☐ Proof of Surface Owner Notice - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC

☐ Construction/Design Plan of Burial Trench (if applicable) based upon the appropriate requirements of 19.15.17.11 NMAC

☐ Construction/Design Plan of Temporary Pit (for in-place burial of a drying pad) - based upon the appropriate requirements of 19.15.17.11 NMAC

☐ Protocols and Procedures - based upon the appropriate requirements of 19.15.17.13 NMAC

☐ Confirmation Sampling Plan (if applicable) - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC

☐ Waste Material Sampling Plan - based upon the appropriate requirements of Subsection F of 19.15.17.13 NMAC

☐ Disposal Facility Name and Permit Number (for liquids, drilling fluids and drill cuttings or in case on-site closure standards cannot be achieved)

☐ Soil Cover Design - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC

☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC

☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

10 Operator Application Certification:
 I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): Hack Conder Title: Environmental Manager

Signature: [Signature] Date: 12.12.08

e-mail address: hconder@rice.edu.com Telephone: 575-393-3174

11 OCD Approval: ☐ Permit Application (including closure plan) ☒ Closure Plan (only) ☐ OCD Conditions (see attachment)

OCD Representative Signature: [Signature] Approval Date: 01/13/09

Title: Hydrologist OCD Permit Number: _____

12 Closure Report (required within 60 days of closure completion): Subsection K of 19.15.17.13 NMAC
Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☐ Closure Completion Date: _____

13 Closure Method:

☐ Waste Excavation and Removal ☐ On-Site Closure Method ☐ Alternative Closure Method ☐ Waste Removal (Closed-loop systems only)

☐ If different from approved plan, please explain _____

14 Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Hook-off Bins Only:
Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that will not be used for future service and operations?
☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations

☐ Site Reclamation (Photo Documentation)
☐ Soil Backfilling and Cover Installation
☐ Re-vegetation Application Rates and Seeding Technique

15 Closure Report Attachment Checklist: *Instructions: Each of the following items must be attached to the closure report. Please indicate, by a check mark in the box, that the documents are attached.*

☒ Proof of Closure Notice (surface owner and division)
☐ Proof of Deed Notice (required for on-site closure)
☐ Plot Plan (for on-site closures and temporary pits)
☒ Confirmation Sampling Analytical Results (if applicable)
☒ Waste Material Sampling Analytical Results (required for on-site closure)
☒ Disposal Facility Name and Permit Number
☒ Soil Backfilling and Cover Installation
☒ Re-vegetation Application Rates and Seeding Technique
☒ Site Reclamation (Photo Documentation)

On-site Closure Location: Latitude _____ Longitude _____ NAD: ☐ 1927 ☐ 1983

16 Operator Closure Certification:
 I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Hack Conder Title: Environmental Manager

Signature: [Signature] Date: 1-4-13

e-mail address: hconder@rice.edu.com Telephone: 575-631-6432

RICE *Operating Company*

122 West Taylor • Hobbs, New Mexico 88240

Phone: (575) 393-9174 • Fax: (575) 397-1471

CERTIFIED MAIL

RETURN RECEIPT NO. 7007 2560 0000 4569 9392

October 25, 2012

Mr. Jimmie Cooper
PO Box 55
Monument, New Mexico 88265

RE: EME G-8 BGT (API # 30-025-06017): UL/G, Sec. 8, T20S, R37E
RICE Operating Company – EME SWD System

Mr. Cooper:

Rice Operating Company (ROC) is the service provider (agent) for the EME Saltwater Disposal (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 Parties, who provide all operating capital on a percentage ownership/usage basis.

In accordance of Subsection F of 19.15.17.13 NMAC, ROC provides this notification that on-site closure activities of the former below grade tanks located at EME G-8 will be conducted from October through December 2012. The former below grade tanks were removed from the site in September 2012. Soil samples collected from beneath the former tanks will be analyzed for 'clean closure' criteria. As a preventative measure, a 20-mil reinforced liner, measuring approximately 54 x 72 ft. will be installed at approximately 5 ft below ground surface (bgs). A liner installed below the subsurface will prevent the migration of any residual constituents and of any constituents contributed in the future. The liner will be padded with blow sand and the site will be backfilled with caliche to the ground surface. The site is located on an active caliche lease pad, so revegetation is not required. Attached is the Finalization of Below Grade Tank Closure Plan submitted to NMOCD on November 2, 2011.

Thank you for your time and please contact me at (575)393-9174 if you have any questions.

Sincerely,
RICE Operating Company



Hack Conder
Environmental Manager

RICE *Operating Company*

112 West Taylor • Hobbs, New Mexico 88240

Phone: (575) 393-9174 • Fax: (575) 397-1471

Sent via E-mail and U.S. Certified Mail with Return Receipt No.
7008 1140 0001 3070 5979

November 2nd, 2011

Mr. Edward Hansen

New Mexico Energy, Minerals, & Natural Resources
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**RE: Finalization of Below Grade Tank Closure Plan
Rice Operating Company –EME SWD System
EME G-8 BGT (SWD) – East and West Tanks
UL-G, Sec 8, T20S, R37E**

Mr. Hansen:

This letter is presented to update and finalize the OCD approved “C-144 Modifications to the Closure Plans” of November 10th, 2009, for two below-grade tanks at the Rice Operating Company (ROC) EME G-8 BGT (SWD) facility (attached as an appendix to this letter).

The EME G-8 BGT facility is located approximately 3 miles south of Monument, New Mexico (Figure 1). Since the submittal of the C-144 Modifications in 2009, ROC has conducted additional soil sampling beneath the east tank to supplement information previously provided (Figure 2). In brief, residual soil chloride levels beneath the tanks were low (< 225 mg/kg) as were residual petroleum hydrocarbons (DRO and GRO less than 10 mg/kg beneath the west tank and less than 250 mg/kg beneath the east tank). Residual soil chlorides were slightly elevated (336 mg/kg) and residual hydrocarbons were low (DRO < 160 mg/kg, GRO < 10 mg/kg) in the soil material that was excavated from around the tanks. These results are consistent with the tank integrity test and soil sampling and analyses presented in the 2009 C-144 Modifications and indicate that this facility has not impacted soils or threatened groundwater quality.

EME G-8 BGT

ROC therefore proposes the following work items to affect and finalize the Closure Plan for this facility:

1. A temporary facility will be installed adjacent to and used in place of the existing below-grade tanks while the latter are removed from service and the site is prepared for a new salt water disposal terminal facility.
2. The existing (east and west) below-grade tanks will be removed and properly disposed at an off-site location. Due care will be given to empty the tanks of their contents before this is done and to secure the lines so that no fluid leakage will occur.
3. Composite soil samples will be taken from the bottom of the excavation following the removal of the existing below-grade tanks and analyzed for chlorides. If residual soil chloride levels test below 250 mg/kg, a synthetic liner will be properly seated in the bottom of the excavation at approximately 5 feet below ground surface (bgs), Figure 2. The synthetic liner will be padded with approximately 6 inches of blow sand beneath and above and will cover an area of approximately 48x70 ft. The excavation will then be backfilled with clean soil (testing less than 250 mg/kg for chlorides) and compacted to the natural ground surface. A synthetic liner installed beneath a site will inhibit the downward migration of water through the subsurface, slowing movement of chloride toward groundwater.
4. Upon completion of the liner installation and backfilling, a new salt water disposal terminal facility will be constructed in the same location as the former below grade tank facility (above the liner and compacted soil material). The new facility will have two fiberglass receiving tanks and one fiberglass overflow tank with the necessary plumbing and fittings. The tanks will be installed within a lined secondary containment. The gathering system pipeline will be connected to the new facility and placed into operation prior to removal of the BGT on site.
5. A report with photographic chronology will be provided to OCD, which summarizes the course and completion of this work.


We submit that the remediation (if warranted) of soils found to exceed 250 mg/kg chlorides and the placement of a synthetic liner will serve to protect groundwater quality. Further, the replacement of below-grade tanks with above-ground tanks will facilitate early detection of any future leaks or spillage that may occur so that timely and effective response may be made.

ROC is the service provider (agent) for the EME 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 Parties, who provide all operating capital on a percentage ownership/usage basis. Environmental projects of this magnitude require System Party AFE approval, and work begins as funds are received. In general, project funding is not forthcoming until NMOCD approves the work plan. Therefore, your timely review of this submission would be greatly appreciated.

EME G-8 BGT

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'H. Conder', with a long horizontal flourish extending to the right.

Hack Conder
Environmental Manager

Copy: Pete Galusky (Texerra)
 Katie Jones (ROC)
 File

Attachments: NMOCD Approval (e-mail letter) of November 16, 2009,
 C-144 Modifications to the Closure Plans November 10, 2009.

EME G-8 BGT

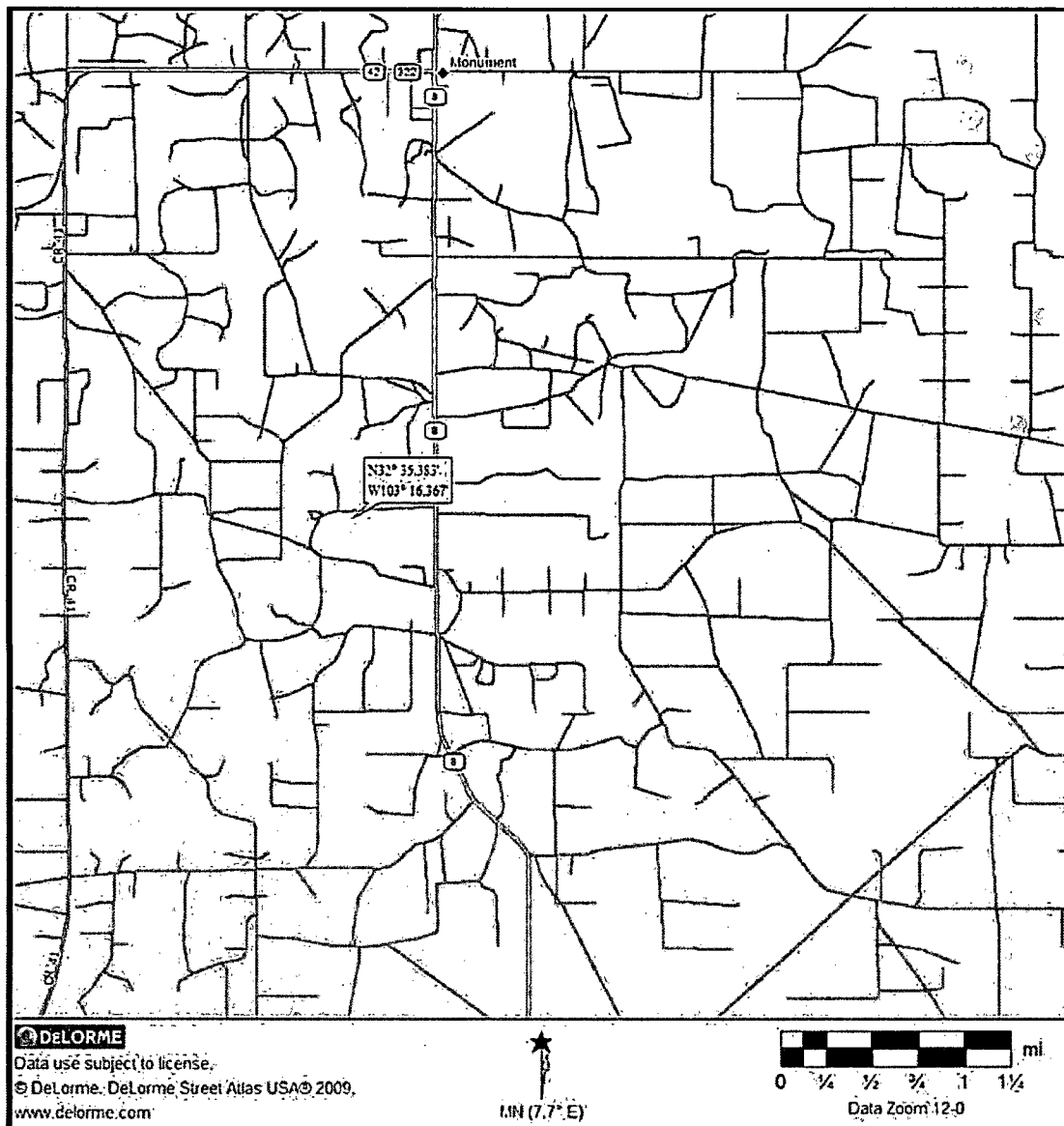


Figure 1 – EME G-8 BGT location.

EME G-8 BGT

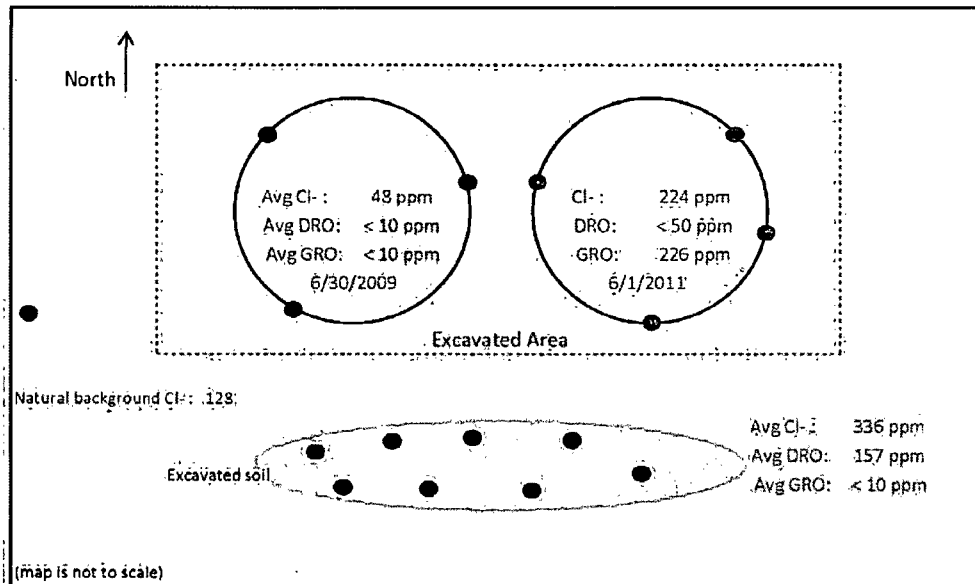


Figure 2 – Approximate soil sampling locations and laboratory results.

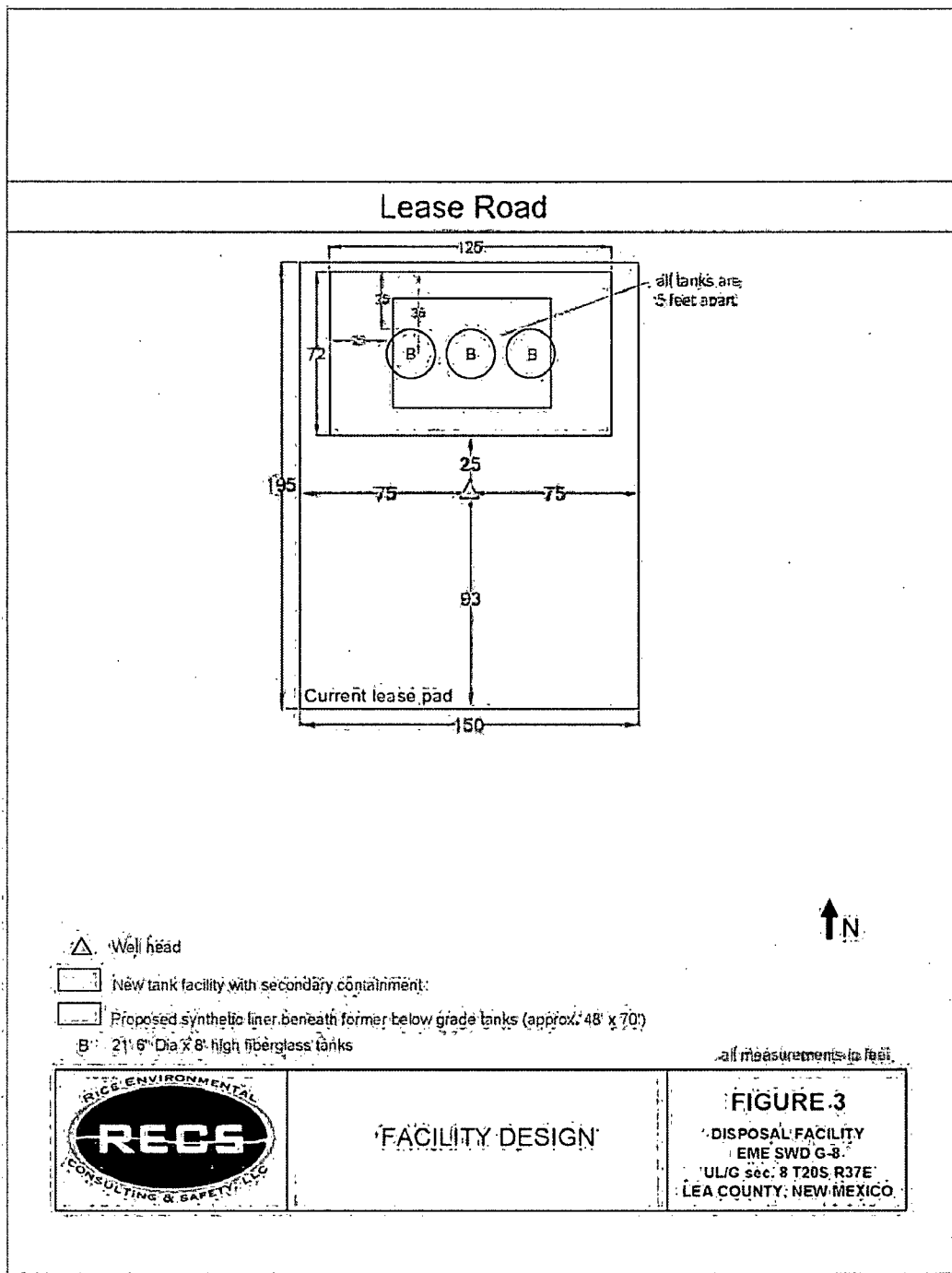


Figure 3 – Schematic diagram of proposed liner.

U.S. Postal Service
CERTIFIED MAIL - RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 0.65
Certified Fee	2.95
Return Receipt Fee (Endorsement Required)	2.35
Restricted Delivery Fee (Endorsement Required)	0
Total Postage & Fees	\$ 5.95



Sent To *Mr. Jimmie Cooper*
 Street, Apt. No.,
 or PO Box No. *PO Box 55*
 City, State, ZIP+4 *Monument, NM 88265*
 PS Form 3800, August 2006 See Reverse for Instructions

7007 2560 0000 4569 9392

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

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Mr. Jimmie Cooper
PO Box 55
Monument, NM
88265

2. Article Number

(Transfer from service label)

7007 2560 0000 4569 9392

PS Form 3811, February 2004

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X [Signature]

☐ Agent

☐ Addressee

B. Received by (Printed Name)

Danny Scott

C. Date of Delivery

10/26/12

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☒ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

Domestic Return Receipt

EME 6-8 Landowner
Notification

PS-02-M-1540



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

October 26, 2012

Hack Conder

Rice Operating Company

112 W. Taylor

Hobbs, NM 88240

RE: EME G-8 BGT

Enclosed are the results of analyses for samples received by the laboratory on 10/25/12 15:30.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

Rice Operating Company
Hack Conder
112 W. Taylor
Hobbs NM, 88240
Fax To: (575) 397-1471

Received: 10/25/2012
Reported: 10/26/2012
Project Name: EME G-8 BGT
Project Number: NONE GIVEN
Project Location: NOT GIVEN

Sampling Date: 10/25/2012
Sampling Type: Soil
Sampling Condition: ** (See Notes)
Sample Received By: Jodi Henson

Sample ID: WEST 5 PT. COMP (H202607-01)

BTX 8021B			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.050	0.050	10/25/2012	ND	1.76	87.9	2.00	0.815	
Toluene*	<0.050	0.050	10/25/2012	ND	1.92	95.9	2.00	1.02	
Ethylbenzene*	<0.050	0.050	10/25/2012	ND	1.89	94.4	2.00	0.726	
Total Xylenes*	<0.150	0.150	10/25/2012	ND	5.72	95.3	6.00	0.867	
Total BTX	<0.300	0.300	10/25/2012	ND					

Surrogate: 4-Bromofluorobenzene (PID) 104 % 89.4-126

Chloride, SM4500Cl-B			mg/kg		Analyzed By: HM				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	96.0	16.0	10/25/2012	ND	416	104	400	3.77	

TPH 8015M			mg/kg		Analyzed By: MS				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	10/25/2012	ND	195	97.7	200	2.56	
DRO >C10-C28	89.5	10.0	10/25/2012	ND	216	108	200	9.52	

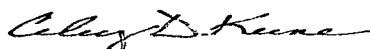
Surrogate: 1-Chlorooctane 91.9 % 65.2-140

Surrogate: 1-Chlorooctadecane 116 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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 the services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



Celey D. Keene, Lab Director/Quality Manager

Analytical Results For:

 Rice Operating Company
 Hack Conder
 112 W. Taylor
 Hobbs NM, 88240
 Fax To: (575) 397-1471

 Received: 10/25/2012
 Reported: 10/26/2012
 Project Name: EME G-8 BGT
 Project Number: NONE GIVEN
 Project Location: NOT GIVEN

 Sampling Date: 10/25/2012
 Sampling Type: Soil
 Sampling Condition: ** (See Notes)
 Sample Received By: Jodi Henson

Sample ID: EAST 5 PT. COMP (H202607-02)

BTEX 8021B			mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Benzene*	<0.050	0.050	10/26/2012	ND	1.76	87.9	2.00	0.815		
Toluene*	<0.050	0.050	10/26/2012	ND	1.92	95.9	2.00	1.02		
Ethylbenzene*	<0.050	0.050	10/26/2012	ND	1.89	94.4	2.00	0.726		
Total Xylenes*	<0.150	0.150	10/26/2012	ND	5.72	95.3	6.00	0.867		
Total BTEX	<0.300	0.300	10/26/2012	ND						

Surrogate: 4-Bromofluorobenzene (PID) 104 % 89.4-126

Chloride, SM4500Cl-B			mg/kg		Analyzed By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier	
Chloride	144	16.0	10/25/2012	ND	416	104	400	3.77		

TPH 8015M		mg/kg		Analyzed By: MS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	10/25/2012	ND	195	97.7	200	2.56	
DRO >C10-C28	164	10.0	10/25/2012	ND	216	108	200	9.52	

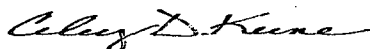
Surrogate: 1-Chlorooctane 86.8 % 65.2-140

Surrogate: 1-Chlorooctadecane 99.9 % 63.6-154

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

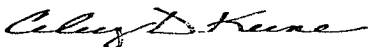
Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

[illegible]

December 04, 2012

Hack Conder
Rice Operating Company
112 W. Taylor
Hobbs, NM 88240

RE: EME G-8 BGT

Enclosed are the results of analyses for samples received by the laboratory on 12/03/12 16:15.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene
Lab Director/Quality Manager

Analytical Results For:

Rice Operating Company
Hack Conder
112 W. Taylor
Hobbs NM, 88240
Fax To: (575) 397-1471

Received: 12/03/2012
Reported: 12/04/2012
Project Name: EME G-8 BGT
Project Number: NONE GIVEN
Project Location: NOT GIVEN

Sampling Date: 11/30/2012
Sampling Type: Soil
Sampling Condition: Cool & Intact
Sample Received By: Jodi Henson

Sample ID: CALICHE (H202906-01)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: HM				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	12/04/2012	ND	416	104	400	0.00	

Sample ID: TOPSOIL (H202906-02)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: HM				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	12/04/2012	ND	416	104	400	0.00	

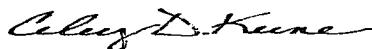
Sample ID: BASE COARSE (H202906-03)

Chloride, SM4500Cl-B			mg/kg		Analyzed By: HM				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	80.0	16.0	12/04/2012	ND	416	104	400	0.00	

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

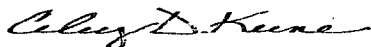
Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

[illegible]

*** Cardinal cannot accept verbal changes. Please fax written changes to (575) 393-2326.**

RICE ENVIRONMENTAL CONSULTING & SAFETY

122 West Taylor Hobbs, NM 88240
PHONE: (505) 393-9174 FAX: (505) 397-1471
PID METER CALIBRATION & FIELD REPORT FORM

CK.		MODEL: PGM 7300	SERIAL NO: 590-000508
MODEL		MODEL: PGM 7300	SERIAL NO: 590-000504
NO.	X	MODEL: PGM 7320	SERIAL NO: 592-903318
		MODEL: PGM	SERIAL NO:

GAS COMPOSITION: ISOBUTYLENE 100PPM / AIR: BALANCE

LOT NO : Hal-248-100-1	EXPIRATION DATE: 7/1/2015
METER READING ACCURACY: 100	

ACCURACY : +/- 2%

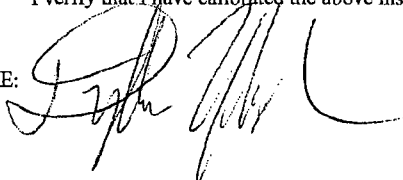
COMPANY
RICE OPERATING

SITE	UNIT	SECTION	TOWN SHIP	RANGE
EME G-8 BGT	G	8	T-20-S	R-37-E

SAMPLE ID	PID	SAMPLE ID	PID
TOPSOIL	0		
CALICHE	2.1		

I verify that I have calibrated the above instrument in accordance to the manufacture operation manual.

SIGNATURE:



DATE: 11/30/2012

RICE ENVIRONMENTAL CONSULTING & SAFETY

122 West Taylor Hobbs, NM 88240
PHONE: (505) 393-9174 FAX: (505) 397-1471
PID METER CALIBRATION & FIELD REPORT FORM

CK.		MODEL: PGM 7300	SERIAL NO: 590-000508
MODEL		MODEL: PGM 7300	SERIAL NO: 590-000504
NO.	X	MODEL: PGM 7320	SERIAL NO: 592-903318
		MODEL: PGM	SERIAL NO:

GAS COMPOSITION: ISOBUTYLENE 100PPM / AIR: BALANCE

LOT NO : Hal-248-100-1	EXPIRATION DATE: 7/1/2015
METER READING ACCURACY: 100	

ACCURACY : +/- 2%

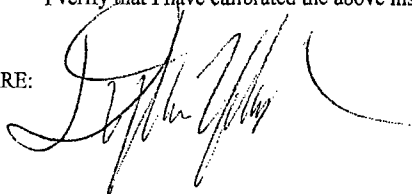
COMPANY
RICE OPERATING

SITE	UNIT	SECTION	TOWN SHIP	RANGE
EME G-8 BGT	G	8	T-20-S	R-37-E

SAMPLE ID	PID	SAMPLE ID	PID
BASE COARSE	0		

I verify that I have calibrated the above instrument in accordance to the manufacture operation manual.

SIGNATURE:



DATE: 12/3/2012

Jimmie T. Cooper
PO Box 55
Montument, NM 88265
October 25, 2012

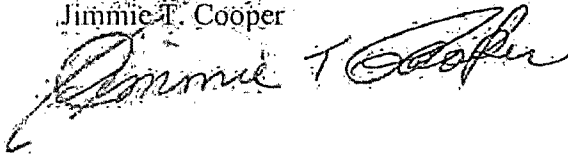
Hack Conder
Environmental Project Manager
Rice Operating Company
120 West Taylor
Hobbs, NM 88240

Dear Mr. Conder:

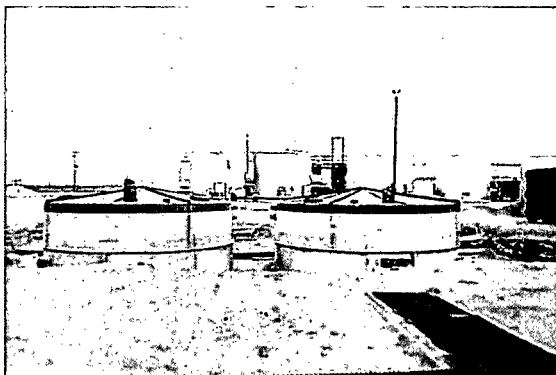
This letter is in regards to work that will be performed at EME G-8 BGT (API 30-025-06017) located at UL/G, Sec. 8, T20S, R37E. The site is located inside of an active facility. Therefore, I am authorizing that it is permissible for the site to be backfilled with clean imported caliche and seeding will not be required.

Sincerely,

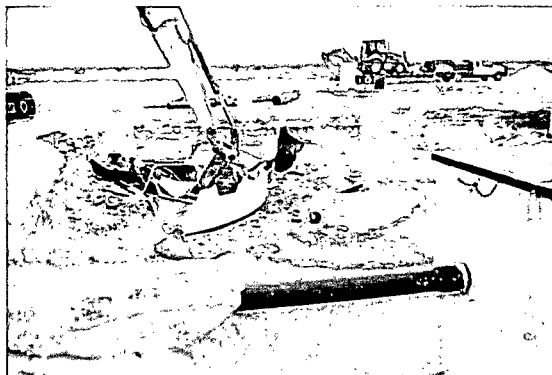
Jimmie T. Cooper

A handwritten signature in cursive script that reads "Jimmie T. Cooper". The signature is written in dark ink and is positioned below the printed name.

EME G-8 BGT
Unit G, Section 8, T20S, R37E



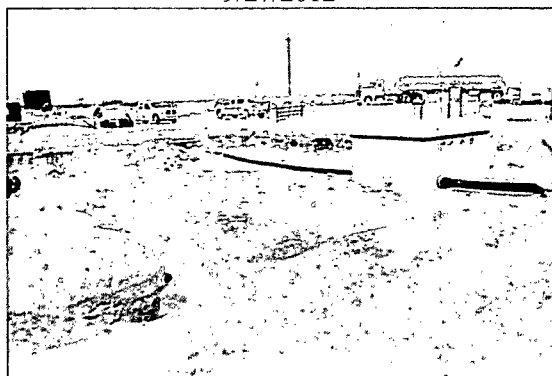
former below grade tanks, facing north
9/27/2012



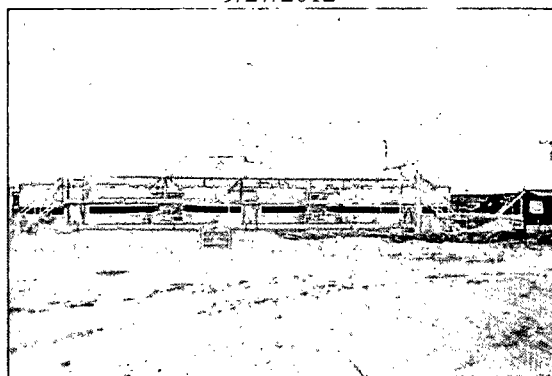
removing the below grade tanks, facing south
9/27/2012



disposing of the below grade tanks
9/27/2012



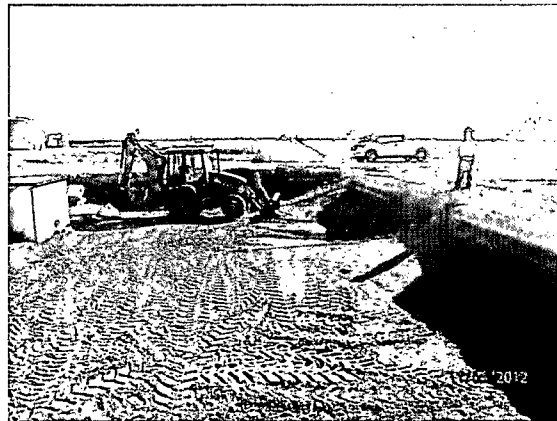
below grade tanks removed, facing northwest
9/27/2012



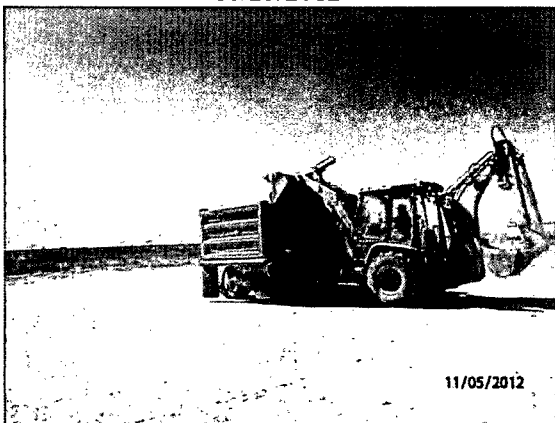
new G-8 facility, facing west
9/27/2012



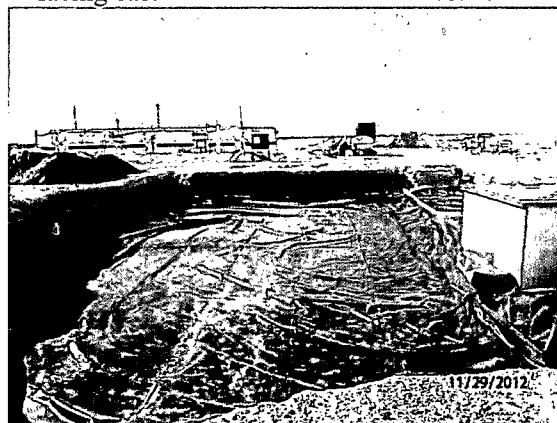
collecting soil samples, facing northeast
10/25/2012



scraping soil from the area of the east tank,
facing east 11/5/2012



exporting scraped soil, facing south 11/5/2012



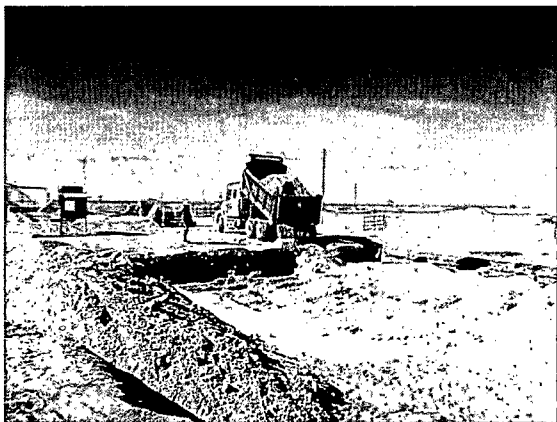
20-mil, reinforced liner installed at
approximately 5 ft bgs, facing west 11/29/2012



importing blow sand, facing north
11/29/2012



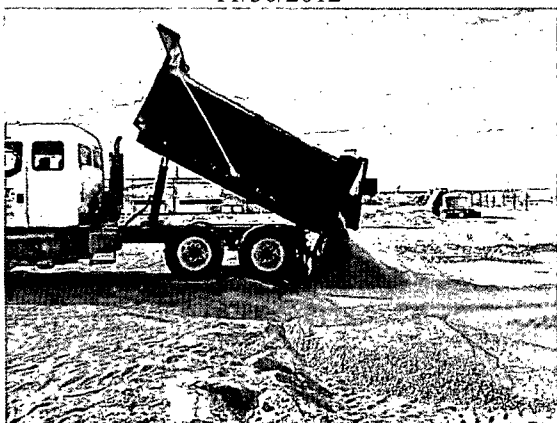
padding above the liner with blow sand,
facing north 11/30/2012



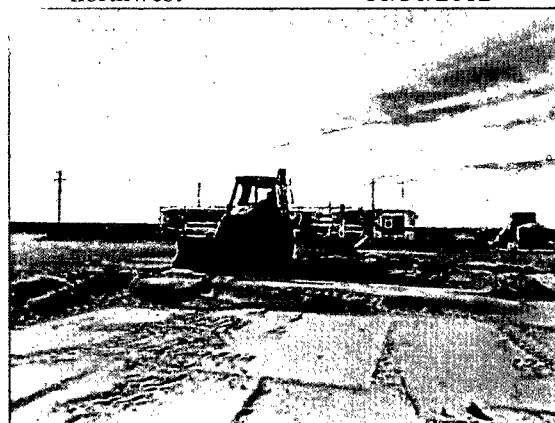
importing caliche, facing west
11/30/2012



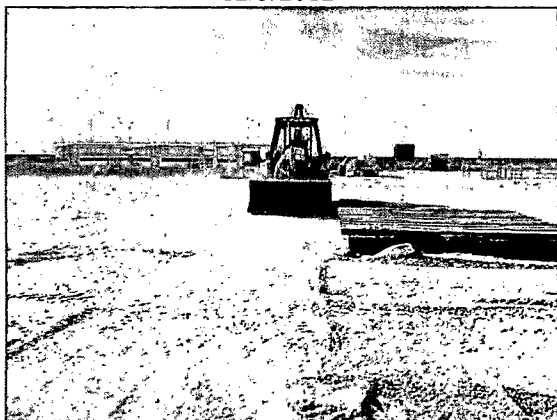
backfilling the site with caliche, facing
northwest 11/30/2012



importing base coarse, facing west
12/3/2012



backfilling the site with base coarse, facing west
12/3/2012



contouring the site, facing west
12/6/2012



site complete, facing north
12/6/2012

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

BGT-Closure

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: RICE Operating Company	Contact: Hack Conder
Address: 112 West Taylor Hobbs, NM 88240	Telephone No: (575) 393-9174
Facility Name: EME G-8 West below grade tank (BGT)	Facility Type: SWD

Surface Owner: Jimmie Cooper	Mineral Owner	API No. 30-025-06017
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LOCATION OF RELEASE

Unit Letter G	Section 8	Township 20S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
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Latitude **32° 35' 383"** Longitude **103° 16' 337"**

NATURE OF RELEASE

Type of Release: produced water	Volume of Release: unknown	Volume Recovered: unknown
Source of Release: unknown	Date and Hour of Occurrence: unknown	Date and Hour of Discovery: soil investigation began in 2009 and was completed in December 2012
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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.*


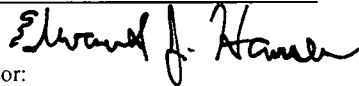
Describe Cause of Problem and Remedial Action Taken.*

The below grade tanks located at this site were removed according to 19.15.17 NMAC. Upon removed of the former tanks and investigation of the soils beneath the tanks, it was determined that past operations did not impact soil at concentrations to impair groundwater quality.

Describe Area Affected and Cleanup Action Taken.*

A composite sample was collected from the area beneath the west former below grade tank and was analyzed by a commercial laboratory, resulting in a chloride concentration of 96 mg/kg, a GRO concentration of <10.0 mg/kg, a DRO concentration of 89.5 mg/kg, and a BTEX concentration below detectable limits. In order to protect groundwater from any potential chloride migration, a 76x67-ft liner was installed and properly seated at approximately 5 ft below ground surface (bgs). The liner was padded with clean, imported blow sand, and the excavation was backfilled with clean, imported caliche. This site is located on an active lease pad; therefore, seeding was not required (as approved by the landowner).

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: 1/14/13	Expiration Date:
E-mail Address: hconder@riceswd.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 12/28/2012	Phone: (575) 393-9174	

* Attach Additional Sheets If Necessary