

1R - 499

REPORTS

DATE:

6-21-11

Texerra

75 Wuthering Hts Drive Colorado Springs, CO 80921
Tel: 719-339-6791 E-mail: lpg@texerra.com

June 21st, 2011

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: TERMINATION REQUEST
Rice Operating Company – BD SWD System
BD P-19 EOL (1R-499): UL/P sec. 19 T21S R37E

Sent via E-mail and Certified U.S. Mail w/ Return Receipt No. 7011 0110 0001 5863 4790

Mr. Hansen:

RICE Operating Company (ROC) has retained Texerra to address potential environmental concerns at the above-referenced site in the BD Salt Water Disposal (SWD) system. ROC is the service provider (agent) for the BD 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/usage basis.

Background and Previous Work

The site is located approximately 3 miles west-northwest of Eunice, New Mexico at UL/P sec. 19 T21S R37E as shown on the Site Location Map (Figure 1).

On July 17th, 2004, ROC discovered a leak of produced water. Approximately 675 barrels of produced water were estimated to have been released, pooling in down-gradient low-lying areas before being removed by a vacuum truck. An initial C-141 was submitted to NMOCD on June 27th, 2008 (Figure 2). As depth to groundwater is greater than 100 ft, the potential for groundwater impact from this relatively small spill is exceedingly slight. On January 7th, 2011, ROC submitted a CAP to NMOCD which was approved on February 21st, 2011.

CAP Work

As part of the approved CAP, ROC scraped the upper six inches of soil from the affected areas outside of the caliche lease road and disposed of the material at a NMOCD approved disposal facility on June 15th, 2011. A total of 48 yards were taken to Sundance Services for disposal. 72 cubic yards of clean soil was imported from Wallach in Eunice to the site, spread over the scraped areas and contoured to the natural terrain (Appendix A). Hay was mixed into the topsoil and the site was seeded with native vegetation (Appendix B). A silt

RECEIVED
JUL 11 11:30

RECEIVED OGD
2011 JUL -7 A 11:30

Rice Operating Company – BD P-19

net fencing was placed around the scraped areas to provide a windbreak to allow the seed to remain in place.

Re-vegetation of the ground surface will limit infiltration of precipitation and the subsequent migration of chlorides to groundwater. Plants capture water through their roots, thereby reducing the volume of water infiltrating below the root zone. This natural “infiltration barrier” helps protect groundwater as the decreased flux of water through the subsurface slows the transportation rate of residual chloride.

These activities have met the work plan outlined in the Corrective Action Plan. Therefore, we request that the site be granted termination status of the regulatory file.

Texerra appreciates the opportunity to work with you on this project. Please call Hack Conder at (575) 393-9174 or me if you have any questions or wish to discuss the site.

Sincerely,

A handwritten signature in black ink, appearing to be 'L. Peter Galusky', written in a cursive style.

L. Peter Galusky
Texerra

Attachments (in separate .pdf file) :

Figure 1 – Site Location Map

Figure 2 – Initial C-141

Appendix A – Laboratory analysis of the backfill and PID sheet

Appendix B – Re-vegetation form and Photo documentation



Figures

RICE Environmental Consulting and Safety (RECS)

P.O. Box 5630 Hobbs, NM 88241

Phone 575.393.4411 Fax 575.393.0293

Site Map

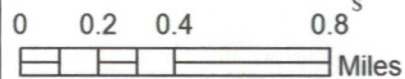


BD P-19 EOL

UL/P SECTION 19
T-21-S R-37-E

NMOCD Case #: 1R-499

Figure 1



Drawing date: 6/15/11
Drafted by: L. Weinheimer

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003
Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company: Rice Operating	Contact: Tony Grieco
Address: 122 W. Taylor St., Hobbs, NM 88240	Telephone No.: (505) 393-9174
Facility Name: BD	Facility Type: Salt Water Gathering System

Surface Owner: Millard Deck	Mineral Owner: BLM	Lease No.
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LOCATION OF RELEASE

Unit Letter P	Section 19	Township 21S	Range 37E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
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Latitude: 32°27.477N Longitude: 103°11.738W

NATURE OF RELEASE

Type of Release: Produced water	Volume of Release: 685 bbls	Volume Recovered: 685 bbls
Source of Release: A four-inch PVC 45 degree 'L' failed	Date and Hour of Occurrence: 7/17/04 7:30 AM	Date and Hour of Discovery: 7/17/07 7:30 AM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input 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.*: **A four inch PVC 45 degree 'L' failed. A new 'L' was installed as a permanent repair.**

Describe Area Affected and Cleanup Action Taken.*: **A vacuum truck was dispatched which recovered and properly disposed 685 bbls of fluid. A total of 30 yds of impacted soil were removed to Sundance disposal facility, and 36 yds of clean material were imported.**

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	
		Approved by District Supervisor:	
Printed Name: Tony Grieco		Approval Date:	Expiration Date:
Title: Environmental Tech		Conditions of Approval:	
E-mail Address: tgrieco@riceswd.com		Attached <input type="checkbox"/>	
Date: 6/27/08 Phone: (505) 393-9174			

* Attach Additional Sheets If Necessary

Figure 2



Appendix A

Laboratory analysis of the backfill and PID sheet

RICE Environmental Consulting and Safety (RECS)

P.O. Box 5630 Hobbs, NM 88241

Phone 575.393.4411 Fax 575.393.0293



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

June 17, 2011

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

RE: MAJOR PROJECT BD P-19 EOL

Enclosed are the results of analyses for samples received by the laboratory on 06/15/11 16:45.

Cardinal Laboratories is accredited through Texas NELAP for:

Method SW-846 8021	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method SW-846 8260	Benzene, Toluene, Ethyl Benzene, and Total Xylenes
Method TX 1005	Total Petroleum Hydrocarbons

Certificate number T104704398-08-TX. Accreditation applies to solid and chemical materials and non-potable water matrices.

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 (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



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

Analytical Results For:

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

Received:	06/15/2011	Sampling Date:	06/15/2011
Reported:	06/17/2011	Sampling Type:	Soil
Project Name:	MAJOR PROJECT BD P-19 EOL	Sampling Condition:	** (See Notes)
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	NOT GIVEN		

Sample ID: IMPORTED SOIL COMP (H101251-01)

Chloride, SM4500CI-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	06/16/2011	ND	448	112	400	0.00	

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

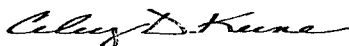
Notes and Definitions

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

Cardinal Laboratories

*=Accredited Analyte

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Caley 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>Rock</u> Project Manager: <u>Haack Conacher</u> Address: <u>1323 W. Taylor</u> City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u> Phone #: Fax #: Project #: Project Owner: Project Name: Project Location: <u>Major Project RD 9-19 EOL</u> Sampler Name: <u>Conacher</u>				BILL TO P.O. #: Company: Attn: Address: City: State: Zip: Phone #: Fax #:				ANALYSIS REQUEST																																	
FOR LAB USE ONLY		Lab I.D.		Sample I.D.		# CONTAINERS		MATRIX				PRESERV		SAMPLING																											
						(GRAB OR COMPOUND)		GROUNDWATER		WASTEWATER		SOIL		OIL		SLUDGE		OTHER		ACID/BASE		ICE / COOL		OTHER		DATE		TIME													
		H101251		-1 Imported Soil Comp																						6-15-11		9:30													

PLEASE NOTE: Liability and Damages, Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: <u>[Signature]</u> Date: <u>6/15/11</u> Time: <u>4:45</u>		Received By: <u>[Signature]</u> Date: <u>6/15/11</u> Time: <u>4:45</u>		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Phone #: Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No Add'l Fax #:	
Relinquished By: Date: Time:		Received By: Date: Time:		REMARKS: <u>H-Conacher @ 2002 - 2005 with 2-10-2011 @ 2011-11-15</u> <u>K-T Jones @ 2011-11-15 to 2011-11-15 B-B 9600</u>	
Delivered By: (Circle One) Sampler - UPS - Bus - Other:				Sample Condition Cool Intact <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	
Checked By: <u>[Signature]</u>				Checked By: <u>[Signature]</u>	

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

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.	<input type="checkbox"/>	MODEL: PGM 7300	SERIAL NO: 590-000508
MODEL	<input type="checkbox"/>	MODEL: PGM 7300	SERIAL NO: 590-000504
NO.	<input type="checkbox"/>	MODEL: PGM 7320	SERIAL NO: 592-903318
	<input checked="" type="checkbox"/>	MODEL: PGM 7300	SERIAL NO: 590-000183

GAS COMPOSITION: ISOBUTYLENE 100PPM / AIR: BALANCE

LOT NO :930132	EXPIRATION DATE:4/28/13
METER READING ACCURACY:100.00	

ACCURACY : +/- 2%

COMPANY
RICE

SYSTEM	JUNCTION	UNIT	SECTION	TOWN SHIP	RANGE
BD	P-19 EOL	19	P	21	37

SAMPLE ID	PID	SAMPLE ID	PID
IMPORTED SOIL	0.8		

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

SIGNATURE:



DATE:

4-15-11



Appendix B

Re-vegetation form and Photo documentation

RICE Environmental Consulting and Safety (RECS)

P.O. Box 5630 Hobbs, NM 88241

Phone 575.393.4411 Fax 575.393.0293



112 West Taylor
Hobbs, NM 88240
Phone: (575) 393-9174
Fax: (575) 393-0293

REVEGETATION FORM

1. General Information

Site Name: BD P-19 EOL						
U/L P	Section 19	Township 21S	Range 37E	County Lea	Latitude N 32°27'28.95	Longitude W 103°11'46.583
Contact Name: Hack Conder						
Email: hconder@riceswd.com						
Site size: 3,324 square feet				Map detail of site attached <input type="checkbox"/>		
Additional information:						

2. Soils

Salvaged from site <input type="checkbox"/>	Bioremediated <input type="checkbox"/>	Imported <input checked="" type="checkbox"/>	Blended <input type="checkbox"/>	Depth (in.):	
Texture:		Describe soil and subsoil:			
Soil prep methods:	Rip <input type="checkbox"/>	Depth (in.):	Disc <input type="checkbox"/>	Depth (in.):	Rollerpack <input type="checkbox"/>
Date complete: 6/16/2011					

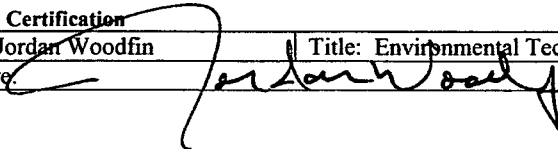
3. Bioremediation

Fertilizer <input type="checkbox"/>	Hay <input checked="" type="checkbox"/>	Other <input type="checkbox"/>
Type:	Peanut Hay	Describe:
Lbs/acre:		

4. Seeding

Custom seed mix <input type="checkbox"/>	Prescribed mix <input type="checkbox"/>	Seed mix name: 3.75 lbs Johnson Mix	Seeding date: 6/16/2011
Broadcast <input type="checkbox"/>			
Method: hand seeding and hand raking			
Soil conditions during seeding: Dry <input checked="" type="checkbox"/> Damp <input type="checkbox"/> Wet <input type="checkbox"/>			
Photos attached <input checked="" type="checkbox"/>		Observations:	

5. Certification

Name: Jordan Woodfin	Title: Environmental Tech	Date: 6/16/2011
Signature: 		

BD P-19 EOL
Unit P, Section 19, T21S, R37E



site prior to surface restoration,
facing south



scraping to a depth of 6 inches,
facing north



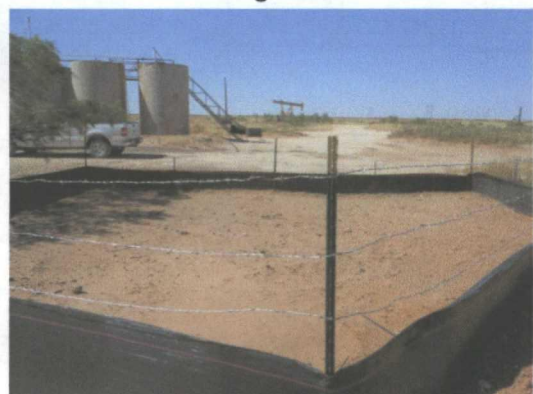
blending the imported soil with peanut hay



backfilling the scraped area,
facing south



seeding the backfilled area,
facing south



site complete,
facing north



site prior to scraping,
facing northeast



site scraped to a depth of 6 inches,
facing east



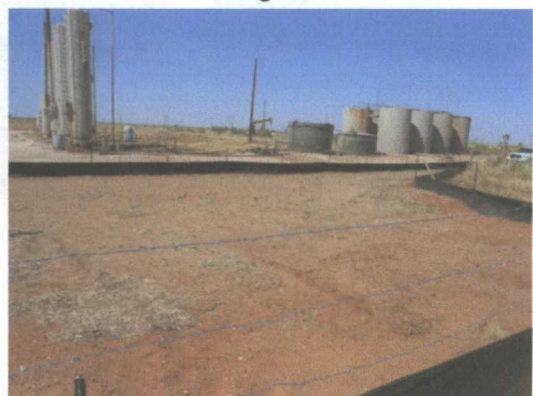
scraping the site to a depth of 6 inches and
hauling off soil, facing west



backfilling the scraped area,
facing west



seeding the backfilled area,
facing south



site complete,
facing southwest