1R - 427 - 08

REPORTS

DATE:

9-16-11

Rice Environmental Consulting & Safety

P.O. Box 5630 Hobbs, NM 88241 Phone 575.393.4411 Fax 575.393.0293

RECEIVED OCD

2011 SEP 19 P 10: 28

CERTIFIED MAIL RETURN RECIEPT NO. 7008 1140 0001 3068 8517

September 16th, 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: ICP Report and Termination Request Rice Operating Company – EME SWD System EME jct. D-25 (1R427-08): UL/D sec. 25 T20S R36E

Mr. Hansen:

RICE Operating Company (ROC) has retained Rice Environmental Consulting and Safety (RECS) to address potential environmental concerns at the above-referenced site in the EME Salt Water Disposal (SWD) system. 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/usage basis.

Background and Previous Work

The site is located approximately 6 miles south-west of Monument, New Mexico at UL/D sec. 25 T20S R36E as shown on the Site Location Map (Figure 1). NM OSE records indicated that groundwater would likely be encountered at a depth of approximately 68 +/- feet, but a soil bore drilled to a depth of 90 ft below ground surface (bgs) confirmed groundwater is not present beneath this site.

In 2002, ROC initiated work on the former EME D-25 junction box. The site was delineated using a backhoe and soil samples were screened at regular intervals for both hydrocarbons and chlorides. The excavation reached dimensions of 40 x 33 x 15 feet bgs where composite samples were collected for laboratory verification. Laboratory tests of the site showed gasoline range organics (GRO) readings of 723 mg/kg in the 4-wall composite, 1,210 mg/kg in the bottom composite and negligible readings in the remediated backfill. Diesel range organics (DRO) ranged from 265 mg/kg in the 4-wall composite, 538 mg/kg in the bottom composite, and 138 mg/kg in the remediated backfill. Chlorides at the site ranged from 727 mg/kg on the 4-wall composite, 727 mg/kg for the bottom composite at 15 ft bgs, and 88.6 mg/kg for the remediated backfill. A clay layer was installed at the bottom of the excavation to inhibit further chloride migration. The soils were blended on site and then backfilled into the excavation. The area was contoured to the surrounding landscape and an identification plate was placed on the surface of

the site to mark its location for future environmental considerations. A new junction box was not required at the site.

NMOCD was notified of potential groundwater impact on January 31, 2003 and a junction box disclosure report was submitted to NMOCD with all the 2003 junction box closures and disclosures.

ROC proposed additional investigative work at the site to determine if there was a potential for groundwater degradation from residual chlorides and/or hydrocarbons at the site.

ICP Investigative Results

As part of the Investigation and Characterization Plan (ICP) approved by NMOCD on September 28th, 2010, a soil bore was advanced through the former junction box site on October 21st, 2010. The soil bore (SB-1) was drilled to a depth of 90 ft bgs with soil samples collected at regular intervals to a depth of 60 ft bgs. The boring (Appendix A) showed relatively low chloride readings and moderately high PID (Photo-ionization Detector) readings that decreased with depth. Representative samples from the bore were taken to a commercial laboratory for confirmation of chloride and hydrocarbon field numbers. Laboratory readings showed chloride numbers of 256 mg/kg at 20 ft bgs, 720 mg/kg at 55 ft bgs, and 112 mg/kg at 60 ft bgs. Laboratory readings for GRO showed numbers of 210 mg/kg at 20 ft bgs, 189 mg/kg at 55 ft bgs, and <10 mg/kg at 60 ft bgs. Laboratory DRO readings showed numbers of 1,180 mg/kg at 20 ft bgs, 1,900 mg/kg at 55 bgs, and 42.8 mg/kg at 60 ft bgs. Laboratory BTEX numbers showed non-detect at 20 ft bgs, and at 55 ft bgs, BTEX numbers were Benzene <0.1, Toluene <0.1, Ethyl Benzene 0.223, and Xylene 0.847.

Red bed clay was encountered at 55 ft bgs through 90 ft bgs which indicates the base of the water table. Since water was not encountered above the red bed clay, the bore hole was left open for 48 hours to determine if groundwater would seep back into the bore hole. On October 23rd, 2010, 48 hours after the bore was left open, Harrison & Cooper Drilling, Inc. checked the bore for water and found no water in the bore hole (Appendix B). The soil bore was then plugged in entirety with bentonite.

Recommendations

Based on the fact that there is no groundwater below the former D-25 junction box, the site will in no way contribute to groundwater impairment. In addition, the site is located on a right of way (R-O-W); therefore, seeding is not required (Appendix C). Because there is no groundwater below the site and seeding is not required, RECS requests "remediation termination" status of the regulatory file.

ROC 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,

Lara Weinheimer

Project Scientist

RECS

(575) 441-0431

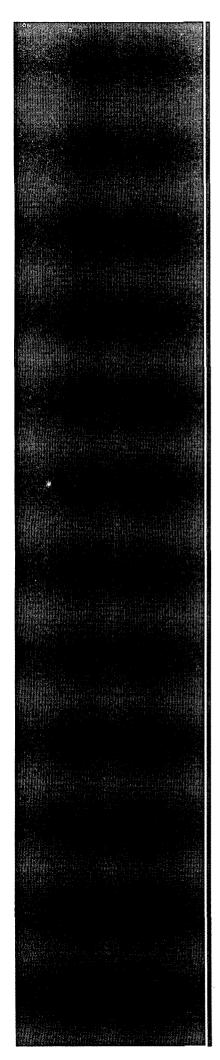
Attachments:

Figures – Site location map

Appendix A – Soil Bore Log and Laboratory Analysis

Appendix B – Depth to Groundwater report

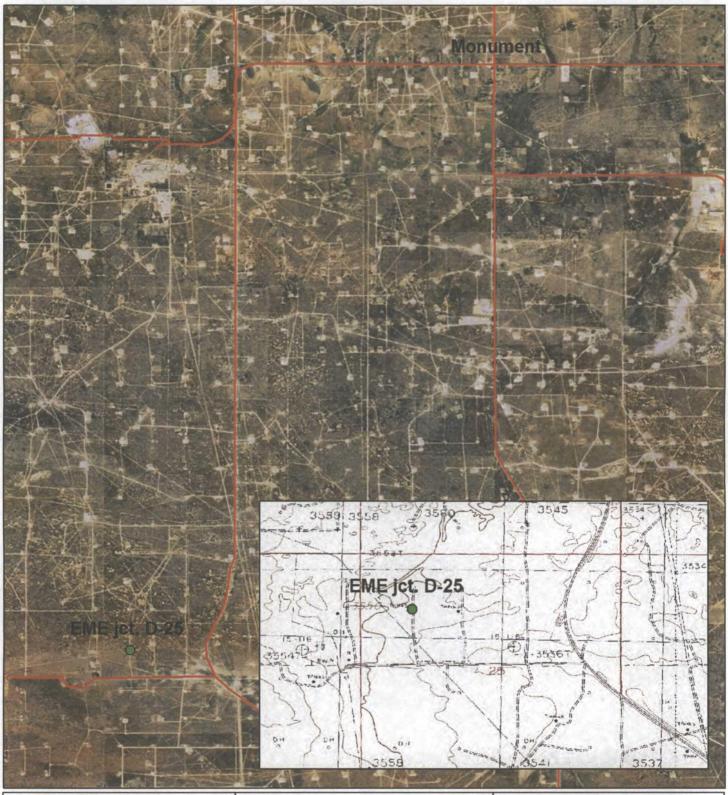
Appendix C – Site photos



Figures

RICE Environmental Consulting and Safety (RECS)
P.O. Box 5630 Hobbs, NM 88241
Phone 575.393.4411 Fax 575.393.0293

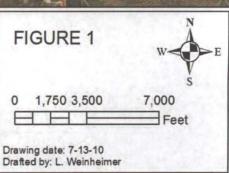
Site Location

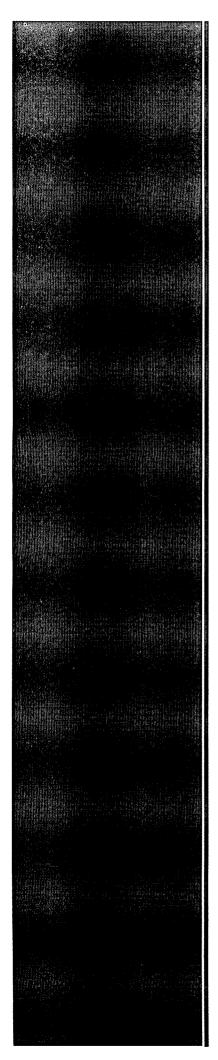




EME jct. D-25

Legals: UL/D sec. 25 T20S R36E NMOCD Case #: 1R427-08





Appendix A Soil Bore Log and Laboratory Analysis

RICE Environmental Consulting and Safety (RECS)
P.O. Box 5630 Hobbs, NM 88241

Phone 575.393.4411 Fax 575.393.0293

Logger:

Jordan Woodfin

Driller:

Harrison & Cooper, Inc.

Drilling Method:

Air rotary 10/21/2010 10/21/2010

Start Date: End Date: SB-1



Project Name:

Well ID:

EME jct. D-25

SB-1

Project Consultant: RECS

Location: UL/D sec. 25 T20S R36E

All samples were from split spoon sampling.

DRAFTED BY: LARA WEINHEIMER

Comments: Located at the source of the former junction box site.

TD = 90 ft

GW = none

Lat: 32°32'51.424"N Long: 103°18'47.339"W County: LEA State: NM

	ID = 90	11		GVV = none	Long: 103 18 47.	.339"W State: NM
Depth (feet)	chloride field tests	LAB	PID	Description	Lithology	Well Construction
				Dark Brown to black fine grain sand with caliche fragments.		
15 ft	225		691	Hydrocarbon odor.		
20 ft	307	CI- 256	1381			
B <0	176	GRO 210		Drawn fine avain conductible college		
E <(0.1 X <0.1	DRO 1180		Brown fine grain sand with caliche fragments. Hydrocarbon odor.		
25 ft	277		148			
		. /		Light brown very fine grain sand. Hydrocarbon odor.		
30 ft	273		214			
				Very fine grain red sand. Hydrocarbon odor.		
35 ft	379		260		la l	
				Very fine grain red sand with caliche fragments. Hydrocarbon odor.		
40 ft	330	7	116			
				Very fine red sand.		
45 ft	578		72.6			
				Light red very fine sand.		bentonite
50 ft	570		11.9			seal

Depth feet)	chloride field tests	LAB	PID	Description	Lithology	Well Construction
N. S.				Brownish red fine grain sand.		
55 ft	649	CI- 720	409			
B <0	0.1 T <0.1	GRO 189				
E 0.2	23 X 0.847	DRO 1900		Red clay		
60 ft	254	Cl- 112	21.4			
		GRO <10	>			
		DRO 42.8				
65 ft						
70 ft			5			
80 ft						
	2					
85 ft						
90 ft						
0011						
1	Marie Salvery					



October 28, 2010

Hack Conder

Rice Operating Company

112 W. Taylor

Hobbs, NM 88240

RE: EME JCT D-25

Enclosed are the results of analyses for samples received by the laboratory on 10/22/10 7:58.

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 Hydorcarbons

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

Cardinal Laboratories is accreditated 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



Analytical Results For:

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

Received:

10/22/2010

Reported:

10/28/2010

Project Name:

EME JCT D-25

Project Number: Project Location:

NONE GIVEN EME JCT D-25 Sampling Date:

10/21/2010

Sampling Type:

Soil

Sampling Condition:

Cool & Intact

Sample Received By:

Celey D. Keene

Sample ID: SB #1 @ 20' (H021121-01)

BTEX 8260B	mg/	kg	Analyze	d By: CMS					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	10/27/2010	ND	1,00	100	1.00		
Toluene*	<0.100	0.100	10/27/2010	ND	0.970	97.0	1.00		
Ethylbenzene*	<0.100	0.100	10/27/2010	ND	1.04	104	1.00		
m+p - Xylene	<0.200	0.200	10/27/2010	ND	2.07	103	2.00		
o-Xylene	<0.100	0.100	10/27/2010	ND	1,02	102	1.00		
Total Xylenes*	<0.100	0.100	10/27/2010	ND	3.09	103	3.00		
Surrogate: Dibromofluoromethane	83.8	% 80-120			Î				
Surrogate: Toluene-d8	95.4	% 80-120							
Surrogate: 4-Bromofluorobenzene	99.0	% 80-120							
Chloride, SM4500Cl-B	mg/	kg	Analyze	d By: HM					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	` Qualifier
Chloride	256	16.0	10/22/2010	ND	416	104	400	0.00	

Analyte	Kesuit	Reporting Limit	Analyzeu	rieurou biank	53	70 Recovery	True value QC	KFD	Qualifiei
Chloride	256	16.0	10/22/2010	ND	416	104	400	0.00	
TPH 8015M	mg.	/kg	Analyze	d By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	210	10.0	10/22/2010	ND	211	105	200	6.63	
DRO >C10-C28	1180	10.0	10/22/2010	ND	180	90.2	200	5.39	

Surrogate: 1-Chlorooctane

114%

70-130

Surrogate: 1-Chlorooctadecane

106 %

70-130

Cardinal Laboratories

*=Accredited Analyte

PLEASE NOTE: Uability and Damages. Cardinal's flability and clients exclusive remedy for any claim anting, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negigence 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.



Analytical Results For:

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

Fax To:

(575) 397-1471

Received:

10/22/2010

Reported:

10/28/2010

Project Name:

EME JCT D-25

Project Number:

NONE GIVEN

Project Location:

EME JCT D-25

Sampling Date:

10/21/2010

Sampling Type:

Soil

Sampling Condition:

Cool & Intact

Sample Received By:

Celey D. Keene

Sample ID: SB #1 @ 55' (H021121-02)

BTEX 8260B

ma	/k

Analyzed By: CMS

Analyte	Result	Reporting Limit	Analyzed	Method Blank	ВS	% Recovery	True Value QC	RPD	Qualifier
Benzene*	<0.100	0.100	10/27/2010	ND	1.00	100	1.00		
Toluene*	<0.100	0.100	10/27/2010	NĎ	0.970	97.0	1.00		
Ethylbenzene*	0.223	0.100	10/27/2010	ND	1.04	104	1.00		
m+p - Xylene	0.839	0.200	10/27/2010	ND	2.07	103	2.00	•	
o-Xylene	<0.100	0.100	10/27/2010	ND	1.02	102	1.00		
Total Xylenes*	0.847	0.100	10/27/2010	ND	3.09	103	3.00		
Surrogate: Dibromofluoromethane	86.8	% 80-120							
Surrogate: Toluene-d8	92.6	% 80-120							
Surrogate: 4-Bromofluorobenzene	100 5	% 80-120							
Chloride, SM4500CI-B	mg/	'kg	Analyze	d By: HM	1				
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	720	16.0	10/22/2010	ND	416	104	400	0.00	
TPH 8015M	mg/	/kg	Analyze	d By: AB	l.	•			
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	189	10.0	10/22/2010	ND	211	105	200	6.63	
DRO >C10-C28	1900	10.0	10/22/2010	ND	180	90.2	200	5.39	
Surrogate: I-Chlorooctane	112 5	% 70-130							
Surrogate: I-Chlorooctadecane	118	% 70-130							

Cardinal Laboratories

*=Accredited Analyte

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Analytical Results For:

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

Fax To:

(575) 397-1471

Received:

10/22/2010

Reported: Project Name: 10/28/2010

Project Number:

EME JCT D-25 NONE GIVEN

Project Location:

EME JCT D-25

Sampling Date:

10/21/2010

Sampling Type:

Soil

Sampling Condition:

Cool & Intact

Sample Received By:

Celey D. Keene

Sample ID: SB #1 @ 60' (H021121-03)

Chloride, SM4500Cl-B

mg/kg

Analyzed By: HM

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	112	16.0	10/22/2010	ND	416	104	400	0.00	
TPH 8015M	mg	/kg	Analyze	d By: AB					
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	10/22/2010	ND	211	105	200	6.63	
DRO >C10-C28	42.8	10.0	10/22/2010	ND	180	90.2	200	5.39	
Surrogate: 1-Chlorooctane	95.4	% 70-130)						

Surrogate: 1-Chlorooctane 95.4 % 70-130
Surrogate: 1-Chlorooctadecane 92.5 % 70-130

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*=Accredited Analyte

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Notes and Definitions

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

Analyte NOT DETECTED at or above the reporting limit

ND

Cardinal Laboratories *=Accredited Analyte

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Page 6 of 6

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

ARDINAL LABORATORIES

101 East Marland, Hobbs, NM 88240 2111 Beechwood, Abilene, TX 79603 (505) 393-2326 FAX (505) 393-2476 (325) 673-7001 FAX (325)673-7020

Company Name:	 Rice Operating Company 	,								8	BILL TO		::: :::				AN	ANALYSIS		REQ	REQUEST	_		
Project Manage	Project Manager: Hack Conder							P.0	P.O. #:				L.,	L.	<u> </u>	_	L	-	-	-	-	┢	\vdash	
Address: 122	Address: 122 West Taylor							Cor	Company:	.:			_											
City: Hobbs		State: NM Zip: 88240	882	740				Attn:	Ë	í								110						
Phone #: 575-393-9174		Fax #: 575-397-147	71		÷	,		Adc	Address:	S:			1				ju							
Project #:	Pre	Project Owner:						City:	::				•			<u> </u>		110						
Project Name:	Project Name: EME Jct D-25							State:	te:		Zlp:		SƏ	SI		ld.		2110						
Project Locatio	Project Location: EME Jct D-25							Pho	Phone #:	**			oin		(3.			אווצ						
Sampler Name	Sampler Name: Jördan Woodfin							Fax#:	#				olr											
FOR LAB USE ONLY			۲		Ž	MATRIX	×	Ī	PRE	PRESERV	V. SAMPLING	LING	10					_						
Lab I.D.	Sample I.D.	(G)RAB OR (C)OMP.	# CONTAINERS	GROUNDWATER	WASTEWATER SOIL	OIF	SLUDGE	: ЯЭНТО	ACID/BASE:	ICE / COOL,	DATE	TIME				<u> </u>		Complet			· · · · · · · · · · · · · · · · · · ·	- ,		
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7	SB #'1 @ 55ft		-		>					_	10/21/10	0 09:50	>	>	>						-		-	
Ja)	SB # 1 @ 60ft		-		>					<u> </u>	10/21/10	0 10:15	>	>					<u> </u>					
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PLEASE NOTE: Lability and snatyses. All claims included	PLEASE NOTE: Labidy and Damages. Cardinal's fability and dient's exclusive remedy for any dain arising whether based in centract or tort, shall be limited to the amount paid by the client for the analyses. At calms including those for negligence and any other cause whostoever shall be deemed waved unless made in writing and received by Cardinal within 30 days after completion of the applicable	clusive remedy for any claim : matsoever shall be deemed w	arising	unles	her bas e made	ed in c in writi	ontract ing and	or tort, recelv	shall b	oe Umite Cardina	ed to the amount Il within 30 days	sing whether based in contract or tort, shall be limited to the amount paid by the client for the ved unless made in writing and received by Cardinal within 30 days after completion of the a	or the the appli	cable										
service: In ho event shall effect of successors am	ecritot. In no event shak Cardinal be liable for incidental or consequental damagos, including without kindation, business interruptions, loss of use, or loss of profits incursed by client, its subsidiaries suffillables or successors arising out of or tables to the performance of services hereinder by Cardinal, regarders or whether such claim is based upon any of the above stated reasons or otherwise.	damagos, including without 8 ioes hereunder by Cardinal, re	Emitatio egardie	on, bu	whethe	nterrus r such	ckelm (oss of e s basec	use, or d upon	lose of any of	profits incurred the above stated	y client, its subsiding	iaries rise.											

Phone Result: ☐ Yes ☑ No Add'l Phone #: Fax Result: ☐ Yes ☑ No Add'l Fax #: REMARKS: email results Received By: Received By: Jordan Woodfin Sampler - WPS - Bus - Other: Delivered Br: (Circle Sue) Relinquished By: Relinguished By:

Lweinheimer@riceswd.com kjones@riceswd.com Hconder@riceswd.com; jwoodfin@riceswd.com; Sample Condition
Cool Misch NEED SAMPLES BACK, PLEASE

t Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476 ギガル

EME jct. D-25

Soil bore installation



Drilling the soil bore



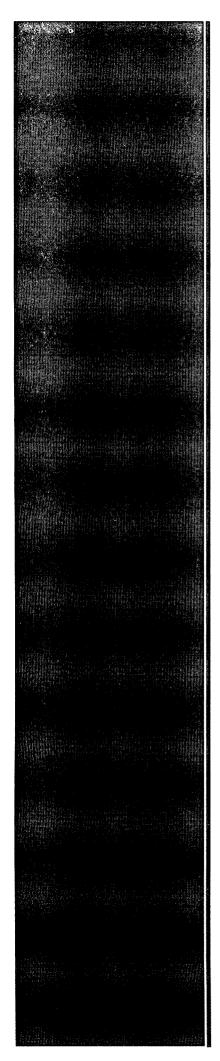
Split spoon sample



Gauging the soil bore for water



Completed soil bore



$\begin{array}{c} Appendix \ B \\ \text{Depth to Groundwater report} \end{array}$

P.O. Box 5630 Hobbs, NM 88241 Phone 575.393.4411 Fax 575.393.0293

HARRISON & COOPER, INC.

7414 85th Street, Lubbock, Texas 79424-4951

P.O. Box 96, Wolfforth, Texas 79382-0096

Drilling & Pump Professionals

Ph: (806) 866-4026

Fax: (806) 866-4044

harrisoncooper-drilling.com

November 1, 2010

Rice Operating Co. 112 W. Taylor Hobbs, NM 88240

Attn:

Lara Weinheimer

RE:

EME Jct. D-25, Monument, NM

Bore Hole Condition

To whom it may concern:

On October 21, 2010, Harrison and Cooper were contracted by Rice Operating to drill and sample a soil boring at the subject site. The soil boring was drilled to approximately 90 feet in an effort to determine whether or not a saturated interval existed. After a fourty-eight hour holdover time the moisture content at that depth was NON-detectable.

If any questions arise from this issue, do not hesitate to contact a representative with Harrison and Cooper.

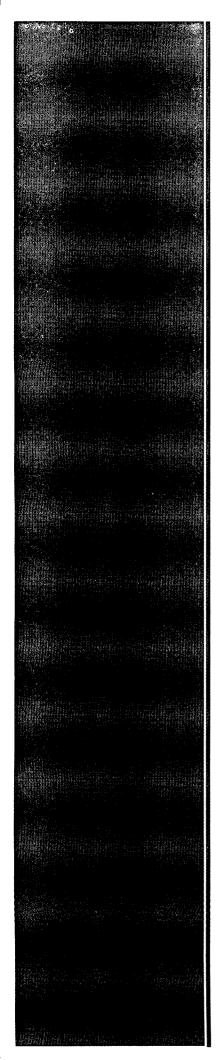
Sincerely,

Kenny Cooper Operations Manager

Copies: File

Email (Lara Weinheimer)

Regulated by: Texas Dept. of Licensing & Regulation, Water Well Division, P.O. Box 12157, Austin, TX 78711, (800) 803-9202



Appendix C Site Photos

P.O. Box 5630 Hobbs, NM 88241 Phone 575.393.4411 Fax 575.393.0293



Site photo, facing north

8/19/11



Site photo, facing west

8/19/11