

1R - 427-36

APPROVALS

YEAR(S):

2013

Hansen, Edward J., EMNRD

From: Hansen, Edward J., EMNRD
Sent: Wednesday, January 30, 2013 3:28 PM
To: Hack Conder (hconder@riceswd.com)
Cc: Leking, Geoffrey R, EMNRD; Laura Pena (lpna@riceswd.com); Katie Jones <kjones@riceswd.com> (kjones@riceswd.com); Scott Curtis (scurtis@riceswd.com)
Subject: Remediation Plan (1R427-36) Termination - ROC EME H-12 Site

**RE: Termination Request
for the Rice Operating Company's
EME H-12 Site
Unit Letter H, Section 12, T21S, R35E, NMPM, Lea County, New Mexico
Remediation Plan (1R427-36) Termination**

Dear Mr. Conder:

The New Mexico Oil Conservation Division (OCD) has received Rice Operating Company's report and request to close the above-referenced site, dated January 25, 2013 (received January 28, 2013) and the "Final Report," dated September 30, 2003. The reports are acceptable to the OCD.

The above-referenced report, submitted in accordance with 19.15.29 NMAC (Rule 29; formally, Rule 116), indicates that Rice Operating Company has met the requirements of 19.15.29 NMAC; therefore, the OCD approves the report and hereby notifies you that the remediation plan (1R427-36) is terminated in accordance with 19.15.29 NMAC.

Please be advised that OCD approval of this report does not relieve the owner/operator of responsibility should operations pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the owner/operator of responsibility for compliance with any OCD, federal, state, or local laws and/or regulations.

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

Edward J. Hansen
Hydrologist
Environmental Bureau

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 8784

RECEIVED

January 25, 2013

JAN 28 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: Termination Request
EME H-12 (1R427-36): UL/H Sec. 12, T21S, R35E
RICE Operating Company – Eunice Monument Eumont 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.

Background

In 2003, ROC initiated work on the former H-12 junction box. The site is located in UL/H, Sec. 12, T21S, R35E. NM OSE records indicate that groundwater would likely be encountered at a depth of approximately 133 +/- feet. After the junction box was eliminated, the site was delineated using a backhoe to collect soil samples at regular intervals, creating a 23x14x13 ft deep excavation. Each sample was field titrated for chlorides and field screened using a PID for hydrocarbons, resulting in chloride concentrations that decreased with depth. The excavated soil was blended on site and representative composite samples of the excavation bottom, the excavation walls, and the remediated backfill were sent to a commercial for analysis of chloride and TPH, resulting in a sidewall chloride concentration of 704 mg/kg and concentrations of gasoline range organics (GRO) and diesel range organics (DRO) below detectable limits. The bottom composite resulted in a chloride concentration of 704 mg/kg and GRO and DRO concentrations below detectable limits. The remediated backfill resulted in a chloride concentration of 416 mg/kg and GRO and DRO concentrations below detectable limits. The remediated soil was returned to the excavation to ground surface and contoured to

the surrounding area. The site was not reseeded due to the close proximity of active facilities and lease roads.

The junction box site location map, final report, photodocumentation, laboratory analysis and current photodocumentation are attached.

Recommendations

Site investigation demonstrates that residual chloride and hydrocarbons in the vadose zone will not with reasonable probability contaminate groundwater in excess of NMOCD standards. This site meets the requirements of the NMOCD-approved Revised Junction Box Upgrade Work Plan (July 16, 2003). As such, ROC request termination of the regulatory file, or similar closure status.

Please contact me at (575)393-9174 if you have any questions or wish to discuss this site. Thank you for your time and consideration.

Sincerely,
RICE Operating Company

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

Hack Conder
Environmental Manager

enclosures

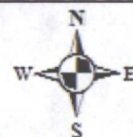


Site Location Map

RICE *Operating Company* (ROC)
112 West Taylor Hobbs, NM 88240
Phone: (575) 393-9174 Fax: (575) 397-1471



UL H SECTION 12
T-21-S R-35-E
LEA COUNTY, NM



Drawing date: 12/7/12
Drafted by: Tony Grieco



Junction Box Report

RICE *Operating Company* (ROC)
112 West Taylor Hobbs, NM 88240
Phone: (575) 393-9174 Fax: (575) 397-1471

**RICE OPERATING COMPANY
JUNCTION BOX FINAL REPORT**

BOX LOCATION

| SWD SYSTEM | JUNCTION | UNIT | SECTION | TOWNSHIP | RANGE | COUNTY | BOX DIMENSIONS - FEET | | |
|------------|----------|------|---------|----------|-------|--------|-----------------------|-------|-------|
| EME | H-12 | H | 12 | 21S | 35E | Lea | Length | Width | Depth |
| | | | | | | | No Box (elimated) | | |

LAND TYPE: BLM _____ STATE _____ FEE LANDOWNER Merchant Livestock Co. OTHER _____

Depth to Groundwater 133 feet NMOC SITE ASSESSMENT RANKING SCORE: 0

Date Started 8/14/2003 Date Completed 8/26/2003 OCD Witness No

Soil Excavated 155 cubic yards Excavation Length 23 Width 14 Depth 13 feet

Soil Disposed 0 cubic yards Offsite Facility n/a Location n/a

FINAL ANALYTICAL RESULTS: Sample Date 8/19/2003 Sample Depth 13 ft

Procure 5-point composite sample of bottom and 4-point composite sample of sidewalls. TPH, BTEX and Chloride laboratory test results completed by using an approved lab and testing procedures pursuant to NMOC guidelines.

| Sample Location | PID ppm | GRO mg/kg | DRO mg/kg | Chloride mg/kg |
|-----------------|---------|-----------|-----------|----------------|
| SIDEWALLS | <30.0 * | <10.0 | <10.0 | 704 |
| BOTTOM | 20.8 | <10.0 | <10.0 | 704 |
| REMEDIED | 29.5 | <10.0 | <10.0 | 416 |

* Each individual wall composite was tested with the PID.
None were over 30 ppm.

General Description of Remedial Action: Delineation of this site exhibited

chloride concentration declines vertically and laterally in relation to the original junction. There was no evidence of TPH impact. PID readings were taken regularly which consistently yielded minimal readouts. The excavated soil from the 23 x 14 x 13-ft-deep hole was blended and then backfilled and contoured to the surrounding surface. A new junction box will not be re-built over the location as it was re-plumbed straight through with a new poly pipeline. The disturbed surface will not be re-seeded due to the site's proximity to active oilfield facilities, structures, and a road (see photos). The site is expected to naturally re-vegetate at a normal rate.

cc: lab results, chloride graphs, PID field notes, photos

CHLORIDE FIELD TESTS

| LOCATION | DEPTH (ft) | ppm |
|--------------|------------|------|
| 5 ft East | 5 | 891 |
| | 6 | 1184 |
| | 7 | 1008 |
| | 8 | 896 |
| | 9 | 799 |
| | 10 | 464 |
| | 12 | 525 |
| | 13 | 540 |
| bottom comp. | 13 | 518 |
| remed. comp. | n/a | 534 |

I HEREBY CERTIFY THAT THE INFORMATION ABOVE IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DATE 9/30/2003 PRINTED NAME Kristin Farris

SIGNATURE Kristin Farris TITLE Project Scientist

EME jct. H-12

August 2003



Jct. Box Site (after NORM removal)



Excavation



Excavation (looking North)



Backfilled



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: ROY R. RASCON
122 W. TAYLOR
HOBBS, NM 88240
FAX TO:

Receiving Date: 08/19/03
Reporting Date: 08/21/03
Project Number: NOT GIVEN
Project Name: EME H-12
Project Location: LEA COOUNTY, NM

Sampling Date: 08/19/03
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: BC/AH

| LAB NUMBER | SAMPLE ID | GRO (C ₆ -C ₁₀) (mg/Kg) | DRO (>C ₁₀ -C ₂₈) (mg/Kg) | Cl* (mg/Kg) |
|-----------------------------|---------------------|--|--|----------------|
| | | 08/20/03 | 08/20/03 | 08/20/03 |
| H7928-1 | BOTTOM COMPOSITE | <10.0 | <10.0 | 704 |
| H7928-2 | N. WALL COMPOSITE | <10.0 | <10.0 | 672 |
| H7928-3 | S. WALL COMPOSITE | <10.0 | <10.0 | 864 |
| H7928-4 | W. WALL COMPOSITE | <10.0 | <10.0 | 208 |
| H7928-5 | E. WALL COMPOSITE | <10.0 | <10.0 | 1020 |
| H7928-6 | STOCKPILE COMPOSITE | <10.0 | <10.0 | 416 |
| Quality Control | | 812 | 748 | 1050 |
| True Value QC | | 800 | 800 | 1000 |
| % Recovery | | 102 | 93.5 | 105 |
| Relative Percent Difference | | 2.1 | 0.8 | 5.0 |

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl: Std. Methods 4500-ClB

*Analyses performed on a 1:4 w:v aqueous extract.

Chemist

Date

H7928.XLS

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 services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240

(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page ____ of ____

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------------------|--|-------------------------------------|--|-------------------------------|--|--|--|------------------|--|----------------|--|--------------------|--|------------------------|--|-------------------------------|--|------------------------------|--|------------------|--|-------|--|------------|--|--------|--|---------|--|-------|--|--|--|--|--|--|--|--|--|--|--|
| Company Name: <u>Rice Operation</u> | | Project Manager: <u>Roy Pearson</u> | | Address: <u>122 W. Taylor</u> | | City: <u>Hobbs</u> State: <u>NM</u> Zip: <u></u> | | Phone #: <u></u> | | Fax #: <u></u> | | Project #: <u></u> | | Project Owner: <u></u> | | Project Name: <u>EME H-12</u> | | Project Location: <u>LER</u> | | ANALYSIS REQUEST | | | | | | | | | | | | | | | | | | | | | |
| BILL TO | | PO #: | | Company: | | Attn: | | Address: | | City: | | State: | | Zip: | | Phone #: | | Fax #: | | | | | | | | | | | | | | | | | | | | | | | |
| FOR LAB USE ONLY | | LAB I.D. | | Sample I.D. | | (GRAB OR COMPOUND) | | # CONTAINERS | | MATRIX | | PRES. | | SAMPLING | | DATE | | TIME | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | GROUNDWATER | | WASTEWATER | | SOIL | | OIL | | SLUDGE | | OTHER: | | ACID: | | ICE / COOL | | OTHER: | | | | | | | | | | | | | | | |
| | | 47928-1 | | Bottom Composite | | C | | G | | | | | | | | | | | | | | | | | | | | 8-19-03 | | 11:15 | | | | | | | | | | | |
| | | -2 | | N. Well Composite | | C | | G | | | | | | | | | | | | | | | | | | | | 8-19-03 | | 12:05 | | | | | | | | | | | |
| | | -3 | | S. Well Composite | | C | | G | | | | | | | | | | | | | | | | | | | | 8-19-03 | | 12:40 | | | | | | | | | | | |
| | | -4 | | W. Well Composite | | C | | G | | | | | | | | | | | | | | | | | | | | 8-19-03 | | 13:15 | | | | | | | | | | | |
| | | -5 | | E. Well Composite | | C | | G | | | | | | | | | | | | | | | | | | | | 8-19-03 | | 13:41 | | | | | | | | | | | |
| | | -6 | | Stockpile Composite | | C | | G | | | | | | | | | | | | | | | | | | | | 8-19-03 | | 13:55 | | | | | | | | | | | |

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.

Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

| | | | | | | | | | |
|------------------------------|--|---|--|--------------------------|--|---|--|--|--|
| Sampler Relinquished: | | Date: <u>8-19-03</u> | | Received By: | | Phone Result <input type="checkbox"/> Yes <input type="checkbox"/> No | | Additional Fax #: <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| <u>Carl Stebbins</u> | | Time: <u>4:58:00</u> | | | | Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| Relinquished By: | | Date: <u>08/19/2003</u> | | Received By: (Lab Staff) | | REMARKS: | | | |
| | | Time: <u>5:10 PM</u> | | <u>[Signature]</u> | | <u>For copy to RICE</u> | | | |
| Delivered By: (Circle One) | | Sample Condition | | CHECKED BY: | | | | | |
| Sampler - UPS - Bus - Other: | | Cool <input checked="" type="checkbox"/> Intact <input checked="" type="checkbox"/> | | (Initials) | | | | | |
| | | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | | | | | | | |

† Cardinal cannot accept verbal changes. Please fax written changes to 915-673-7020.



PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: ROY RASCON
122 W. TAYLOR
HOBBS, NM 88240
FAX TO:

Receiving Date: 08/19/03
Reporting Date: 09/02/03
Project Number: NOT GIVEN
Project Name: EME H-12
Project Location: LEA COUNTY, NM

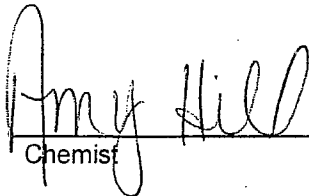
Analysis Date: 08/29/03
Sampling Date: 08/19/03
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: AH


| LAB NUMBER | SAMPLE ID | Cl ⁻ (mg/Kg) |
|-----------------------------|---------------------------------|----------------------------|
| H7928-1 | COMP. N., S., E., & W. WALLS | 704 |
| | | |
| | | |
| | | |
| | | |
| | | |
| Quality Control | | 1070 |
| True Value QC | | 1000 |
| % Recovery | | 107 |
| Relative Percent Difference | | 1.9 |

METHOD: Standard Methods

4500-Cl⁻B

Note: Analysis performed on a 1:4 w:v aqueous extract.


Chemist


Date

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 services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

h7928



Current Photodocumentation

RICE *Operating Company* (ROC)
112 West Taylor Hobbs, NM 88240
Phone: (575) 393-9174 Fax: (575) 397-1471

EME H-12 (1R427-36)
Unit Letter H, Section 12, T21S, R36E



Facing Northeast



Facing North

12/31/2012