

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 Company	Contact: Jennifer Johnson
Address: 122 West Taylor	Telephone No.: 505-393-9174
Facility Name: EME	Facility Type: Salt Water Gathering System
Surface Owner: State leased to SW Cattle Co.	Mineral Owner: _____ Lease No.: _____

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
M	9	20S	37E					Lea

13'

Latitude: 32°34.843N Longitude: 103°15.799W

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release: 20 barrels	Volume Recovered: 0 barrels
Source of Release: Asbestos Cement Pipeline	Date and Hour of Occurrence: 1/24/06	Date and Hour of Discovery: 1/24/06 12:00 pm
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" 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.*

*NEED CHLORIDES OF
WATER SPILLED*

Describe Cause of Problem and Remedial Action Taken.* 6" A/C line cracked. Pipeline was clamped.

Describe Area Affected and Cleanup Action Taken.* Approximately 1892 sq ft affected. Areas highly impacted were excavated to 3 ft. All excavated soils were blended below 250 ppm chlorides. Field samples were taken and sent to a laboratory for confirmation. The excavation was backfilled and contoured with the surrounding terrain. The site is scheduled for seeding in September 2006.

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: <i>Jennifer Johnson</i>	OIL CONSERVATION DIVISION	
Printed Name: Jennifer Johnson	ACCEPTED Approved by District Supervisor:	ENGINER <i>[Signature]</i>
Title: Environmental and Field Technician	Approval Date: 6-27-07	Expiration Date: 6-30-07
E-mail Address: jjriceswd@valornet.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 8/22/06 Phone: 505-393-9174	<i>SUBMIT SUPPORTING</i>	

* Attach Additional Sheets If Necessary

*Facility - PPAC0627527128
Incident - PPAC0627527233
Application - PPAC0627527370*

*DOCUMENTATION BY
FOR APPROVAL*

RP# 1053