

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 I-31 (09/02)	Facility Type	Salt Water Gathering System

Surface Owner: D. K. Boyd	Mineral Owner	Lease No.
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**LOCATION OF RELEASE**

Unit Letter I	Section 31	Township 22S	Range 38E	Feet from the	North/South Line	Feet from the	East/West Line	County Lea
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Latitude 32° 20.847N Longitude 103° 05.552W

**NATURE OF RELEASE**

Type of Release: Produced Water	Volume of Release 7 bbls	Volume Recovered :
Source of Release: PVC Pipeline	Date and Hour of Occurrence 9/26/02 4:30 PM	Date and Hour of Discovery 9/26/02 4:30 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.\*



Describe Cause of Problem and Remedial Action Taken.\*

Due to Tex New Mex pipeline construction, ROC's PVC line was cracked. A vacuum truck was called in to pick up standing fluid.

Describe Area Affected and Cleanup Action Taken.\*

1,100 square feet of pasture was affected... The surface has naturally restored. No disturbance is necessary.

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: 	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: Tony Grieco	Approved by District Supervisor: 	
Title: Environmental Tech	Approval Date: 7/17/07	Expiration Date: 10/17/07
E-mail Address: tgrieco@riceswd.com	Conditions of Approval: Auger borehole #3 look for a pattern in decaying chloride concentration.	Attached <input type="checkbox"/>
Date: 7/12/07	Phone: (505) 393-9174	

\* Attach Additional Sheets If Necessary

RP# 1488

District I  
P.O. Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, NM 87505  
**OPERATOR'S MONTHLY REPORT**

Form C-141  
Originated 2/13/97

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


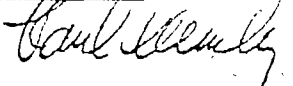
Name Rice Operating Company	Contact Chris Rodriguez
Address 122 West Taylor Hobbs, NM 88240	Telephone No. 505-393-9174
Facility Name Blinebry Drinkard SWD System	Facility Type System line

Surface Owner D. K. Boyd	Mineral Owner	Lease No.
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**LOCATION OF RELEASE**

Unit Letter <b>I</b>	Section <b>31</b>	Township <b>22S</b>	Range <b>38E</b>	Feet from the	North/South line	Feet from the	East/West Line	County <b>LEA</b>
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**NATURE OF RELEASE**

Type of Release Produced water	Volume of Release 7 bbls	Volume Recovered None
Source of Release 2" PVC pipe	Date and Hour of Occurrence 9-26-02 4:30 pm	Date and Hour of Discovery 9-26-02 4:30 pm
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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. (Attach Additional Sheets If Necessary)		
Describe Cause of Problem and Remedial Action Taken. (Attach Additional Sheets If Necessary). The padding around the line contained rocks that were backfilled from a pipeline crossing that belonged to Tex New Mex. The rocks punctured a hole in the line releasing 7 bbls of produced water.		
Describe Area Affected and Cleanup Action Taken. (Attach Additional Sheets If Necessary). 1,100 square feet was affected. The 2" PVC line was repaired. No cleanup will be performed at the time due to a landowner dispute. ROC will cleanup the site as soon as the matter is resolved.		
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, 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:  Printed Name: Chris Rodriguez	OIL CONSERVATION DIVISION  Approved by District Supervisor:	
Title: Environmental Technician	Approval Date: 3-9-03	ENVIRONMENTAL ENGINEER
Date: September 27, 2002	505 393-9174	Conditions of Approval: Attached <input type="checkbox"/>

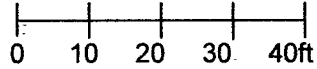
N

# BD I-31 LEAK SITE

UL/I SEC 31 T-22-S R-38-E

GW 100+ft

APPROXIMATE SCALE



AUGER POINT  
CI PPM

TO JCT G-31

ROC 2" PVC LINE

AUGER PT 1 CI	
SURFACE	59
1 FT	90
1.5 FT	CALICHE
LAB RESULTS CI	
1 FT	< 16

AUGER PT 3 CI	
SURFACE	59
1 FT	713
1.5 FT	CALICHE
LAB RESULTS CI	
1 FT	1024

AUGER PT 2 CI	
SURFACE	59
1 FT	119
1.5 FT	CALICHE
LAB RESULTS CI	
1 FT	64

TO JCT L-32-2



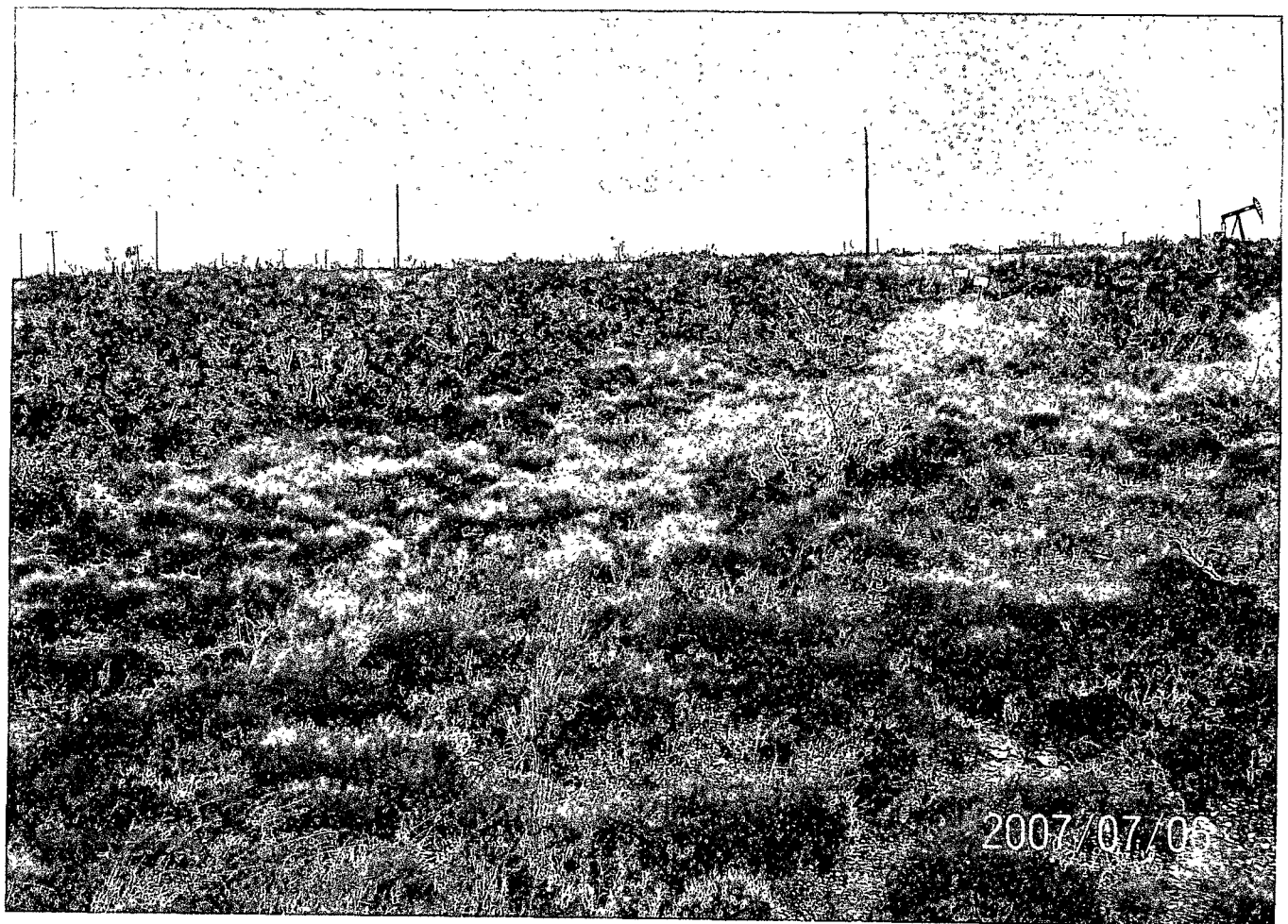
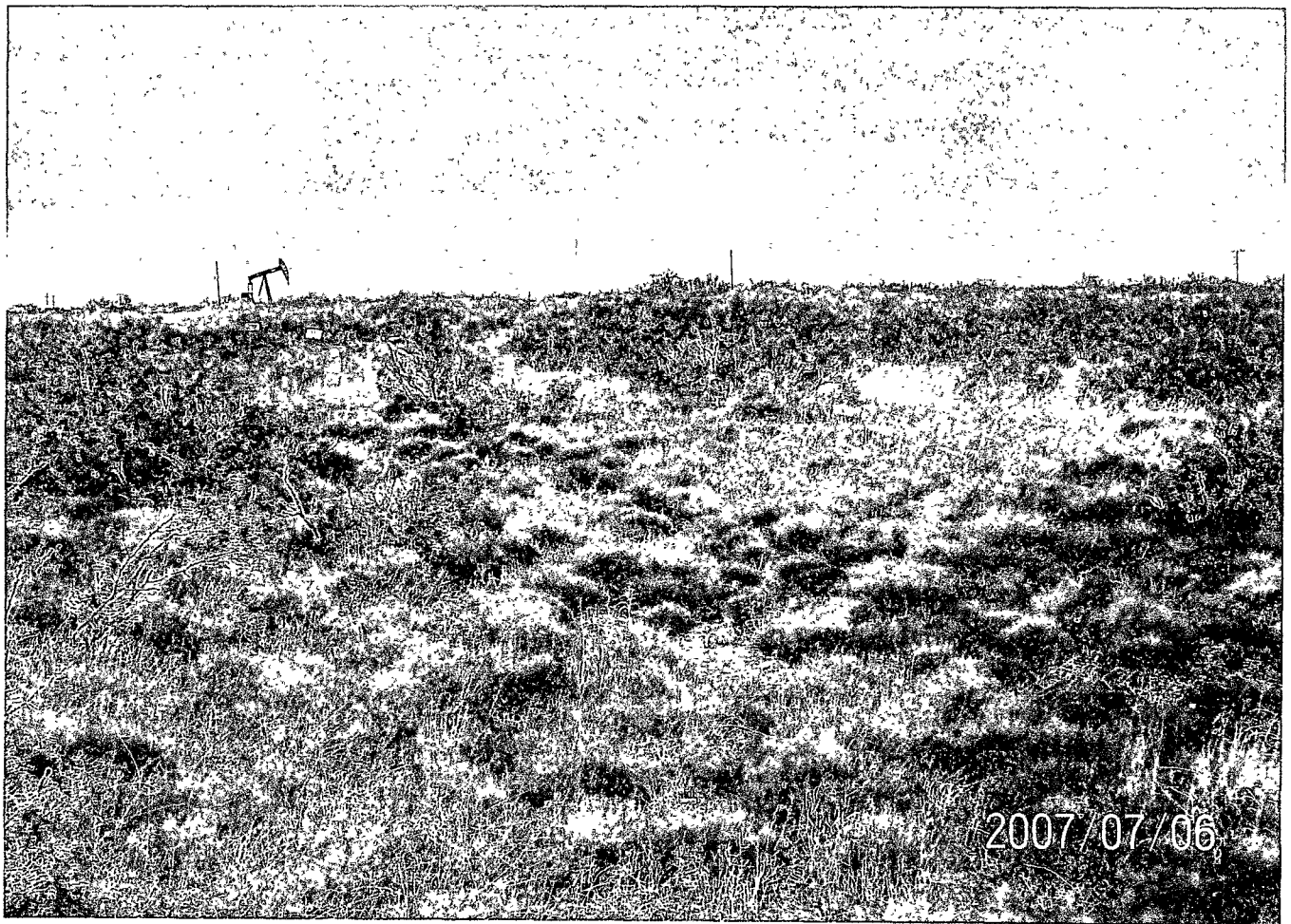
2007/07/06



2007/07/06









# 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: HACK CONDER  
122 W. TAYLOR  
HOBBS, NM 88240  
FAX TO: (505) 397-1471

Receiving Date: 07/10/07  
Reporting Date: 07/11/07  
Project Number: NOT GIVEN  
Project Name: BD I-31 LEAK  
Project Location: NOT GIVEN

Sampling Date: 07/06/07  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: HM  
Analyzed By: BC/HM

LAB NUMBER	SAMPLE ID	GRO (C <sub>6</sub> -C <sub>10</sub> ) (mg/Kg)	DRO (>C <sub>10</sub> -C <sub>28</sub> ) (mg/Kg)	Cl* (mg/Kg)
		07/10/07	07/10/07	07/10/07
H12868-1	AUGER POINT 1 1 FT.	<10.0	<10.0	<16
H12868-2	AUGER POINT 2 1 FT.	<10.0	<10.0	64
H12868-3	AUGER POINT 3 1 FT.	<10.0	<10.0	1024
Quality Control		766	783	490
True Value QC		800	800	500
% Recovery		97.8	95.7	98.0
Relative Percent Difference		1.1	5.8	1.0

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

\*Analyses performed on 1:4 w:v aqueous extracts.

  
Chemist

  
Date

H12868 RICE

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.



ARDINAL LABORATORIES, INC.

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

(325) 673-7001 Fax (325) 673-7020 (505) 393-2326 Fax (505) 393-2476

# CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page \_\_\_\_ of \_\_\_\_

Company Name: <b>RICE OPERATING</b>				<b>BILL TO</b>				<b>ANALYSIS REQUEST</b>											
Project Manager: <b>HACK CONDEIC</b>				P.O. #:				<div style="writing-mode: vertical-rl; transform: rotate(180deg);"> C1-TPH8015M </div>											
Address: <b>122 W. TAYLOR</b>				Company:															
City: <b>HOBBS</b> State: <b>NM</b> Zip: <b>88240</b>				Attn:															
Phone #: <b>505-393-9174</b> Fax #: <b>505-393-1471</b>				Address:															
Project #:				City:															
Project Name: <b>BD I-31 LEAK</b>				State: Zip:															
Project Location:				Phone #:															
Sampler Name: <b>TONY GRIECO</b>				Fax #:															
FOR LAB USE ONLY						MATRIX		PRESERV.		SAMPLING									
Lab I.D.	Sample I.D.	(C)RAB OR (C)OMP.	# CONTAINERS	GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	DATE	TIME					
H128681	AUGER POINT 1 LET	G	1			✓					✓		7/6/07	10:00 AM	✓	✓			
-2	AUGER POINT 2 LET	G	1			✓					✓		7/6/07	10:30 AM	✓	✓			
-3	AUGER POINT 3 LET	G	1			✓					✓		7/6/07	11:00 AM	✓	✓			

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 analysis. Moreover, liability shall be deemed waived unless made known 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 interruption, 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 rendered 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: <b>7/10/07</b>	Received By:		Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	
		Time: <b>9:25</b>			Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Relinquished By:		Date: <b>07/10/07</b>	Received By: (Lab Staff)		REMARKS:	
		Time: <b>9:25</b>			email results to hconder@riceswd.com tgrieco@riceswd.com jpurvis@riceswd.com	
Delivered By: (Circle One)						
Sampler - UPS - Bus - Other:			Sample Condition			
			Temp. °C			
			Intact?			
			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
			Checked By:			
			(Initials)			

† Cardinal cannot accept verbal changes. Please fax written changes to (325) 673-7020.