istrict | i25 N. French D. Hobbs, iM 88240 istrict II i01 W. Grand Avenus Artesia, IM 88210 istrict III i00 Brazos Road, Azarc, NM 8 10 istrict IV 220 S. St. Francis Dr., Santa F. NM 8 505

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

						UPERA	UN		аі керогі	<u>ப</u>	rmai Kep					
Name of Co	mpany: R	ice Operation	g Compa	my		Contact:										
Address: 12	22 West Ta	aylor				Celephone N										
Facility Nan					I	Facility Type: Salt Water Gathering Sytem										
				126 10												
Surface Own	ner: Char	lie Bettis		Mineral O	wner:				Lease No.:							
				LOCA	TION	OF REI	LEASE									
Unit Letter	Section	Township	Range	Feet from the		South Line	Feet from the	West Line County								
M	9	228	37E								Le	-				
	<u> </u>		<u> </u>													
Latitude: 32*24.163N Longitude: 103*10.334W																
NATURE OF RELEASE																
Type of Rele	ase: Produ	ced Water wi	th Oil			Volume of	210 b	arrels								
Source of Rel							lour of Occurrence			Hour of Dis						
						N/A			6/8/06							
Was Immedia	ate Notice (If YES, To	Whom? Pat Cap	erton lef	t message.	•						
		×	Yes L	No 🗌 Not Rec	puired	d										
3y Whom? J						Date and Hour: 6/8/06 3:50 pm										
Was a Watero	course Read					If YES, Vo	lume Impacting t	he Water	course:							
			Yes 🏻	No												
f a Watercou	rse was Im	pacted, Descr	be Fully.*			L			/189) 1011 12 7	1					
Was a Watercourse Reached? Yes No If YES, Volume Impacting the Watercourse: If YES, Volume Impacting the Watercourse: Oescribe Cause of Problem and Remedial Action Taken.* Coupling blew out. Replaced with flanges fused together. Describe Area Affected and Cleanup Action Taken.* Vacuum truck was used to haul produced water to an approved disposal facility.																
								(0)	2	<i>30.</i> ,		(
Describe Cause of Problem and Remedial Action Taken.* Coupling blew out. Replaced with flanges fused together.																
Describe Cau	se of Proble	em and Reme	dial Action	Taken.* Couplin	g blew	out. Replace	d with flanges fu	sed toget	her. 2	Vision Ville		8				
		-					_	\3 \2	, A ,	CARLY MEN	Á	6				
Describe Arca	a Affected a	and Cleanup A	Action Tak	en.* Vacuum truc	k was u	sed to haul p	roduced water to	an appid	ed dispo	sal facility.		/				
									16550	1324252	60/					
									130	688 Ac						
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																
eguianons an	i operators a	are required to) report an	d/or file certain rel	ease no	tifications an	d perform correct	ive actio	no for raid	didne seese		-d				
oudlic nealth	or the envir	onment. The	acceptanc	e of a C-141 report	t by the	NMOCD ma	irked as "Final Re	mort" do	ee not roli	ave the one		flighilie.				
-iioma area o		ave lalled to a	oeduaterv	investigate and rer	nediate	contamination (on that more a thre	eat to area	und water		4 L-	L WL				
ederal, state,	or local lay	somon, NMO	CD accept	ance of a C-141 re	port do	es not relieve	the operator of n	esponsib	ility for co	empliance w	ith an	y other				
odoral, batto,	01 100111 101	os amoros regu			OII CONCEDIATION DIFFEREN											
A.	1	$\Lambda \Omega I$			OIL CONSERVATION DIVISION											
Signature: (4717 M	the state	M													
(1		1		A	Approved by District Supervisor:											
rinted Name:	: Jenniter J	ohnson		· · · · · · · · · · · · · · · · · · ·				Allam								
fitle: Environ	imental and	Field Techni	oion.		١,	9/11/07 - 01/1-										
		I IOO ICAH	viau		pproval Date	1/17/0	piration [ation Date: 9/14/07								
:-mail Addres	s: jjohnsor	@riceswd.co	m ·		C	onditions of	Approval:									
.							* * · · · · · ·		Attached							
Date: 6/23/06		7027	Phor	ne: 505-393-9174						1		\$				
ttach Additi	onal Shee	ts If Necessa	гу					***************************************	· · · · · · · · · · · · · · · · · · ·	-						

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

Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back

Revised October 10, 2003

Form C-141

side of form

Attached

Release Notification and Corrective Action OPERATOR Initial Report **Tony Grieco** Contact Telephone No. (505) 393-9174

Name of Company Rice Operating Address 122 W. Taylor St., Hobbs, NM 88240 Facility Type Salt Water Gathering System Facility Name BD Mineral Owner Lease No. Surface Owner Charlie Bettis LOCATION OF RELEASE North/South Line Feet from the Feet from the Unit Letter Section Township Range East/West Line County 9 228 37E Lea M Latitude 32* 24.163N Longitude 103* 10.334W NATURE OF RELEASE Volume of Release 363 barrels Volume Recovered 210 barrels Type of Release Produced water Date and Hour of Occurrence Date and Hour of Discovery Source of Release Junction Box 6/8/06 Was Immediate Notice Given? If YES, To Whom? Patricia Caperton /left message Date and Hour 6/8/06 3:50 PM By Whom? Jennifer Johnson Was a Watercourse Reached? If YES, Volume Impacting the Watercourse. ☐ Yes ☒ No If a Watercourse was Impacted, Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Coupling failed. Replaced with flanges fused together as a permanent repair Describe Area Affected and Cleanup Action Taken.* A vacuum truck was dispatched at the time the spill was discovered to haul produced water to an appropriate disposal facility. The affected area was initially scraped to a depth of 4 inches and the 120 yds of impacted soil was disposed at the Sundance facility. The site was delineated using a hand auger and backhoe. 144 yds of clean soil was imported to the location and the shoulder built up along the road to restrict vehicular traffic. The entire area was seeded with a blend of grasses requested by the landowner. 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. OIL CONSERVATION DIVISION Signature: Chie Welliams Approved by District Supervisor: Printed Name: Tony Grieco 9/14/07 Expiration Date: 9/14/07 Title: Environmental Technician Approval Date:

Conditions of Approval:

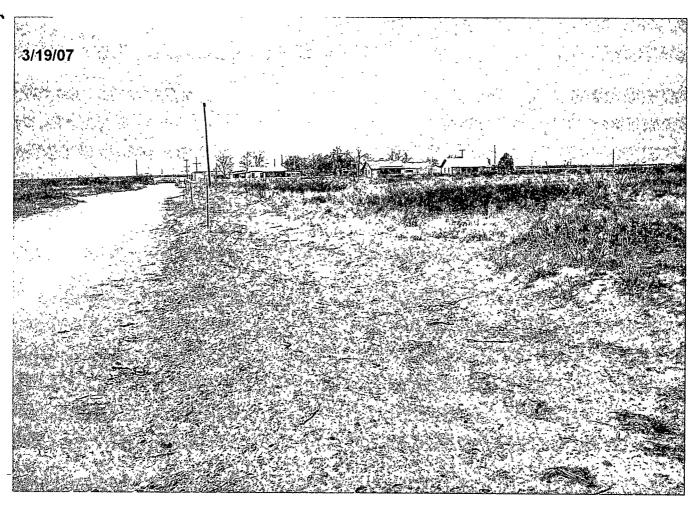
Phone: (505) 393-9174

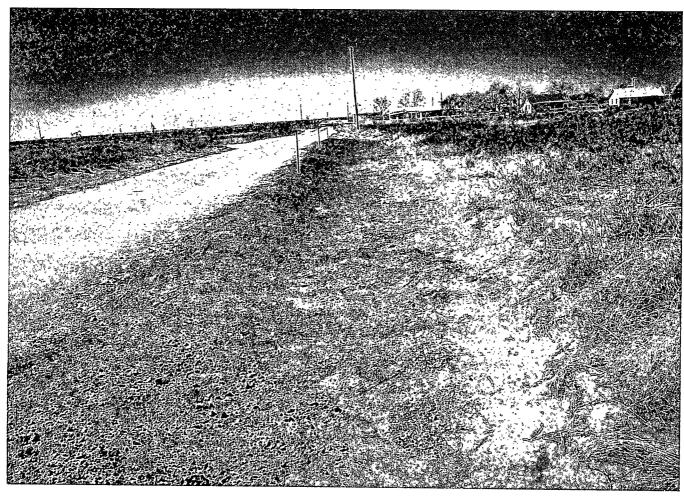
Attach Additional Sheets If Necessary

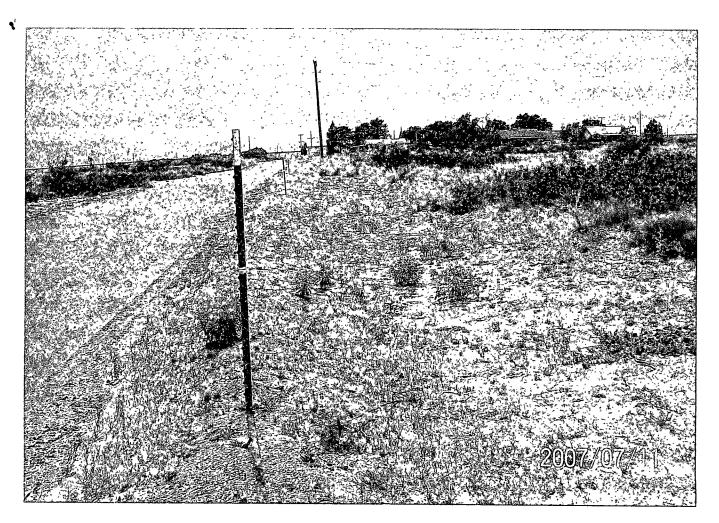
7/27/07

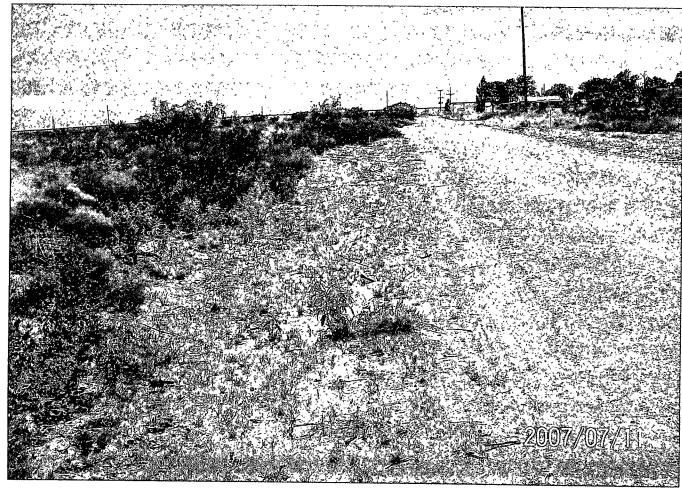
E-mail Address: tgrieco@riceswd.com





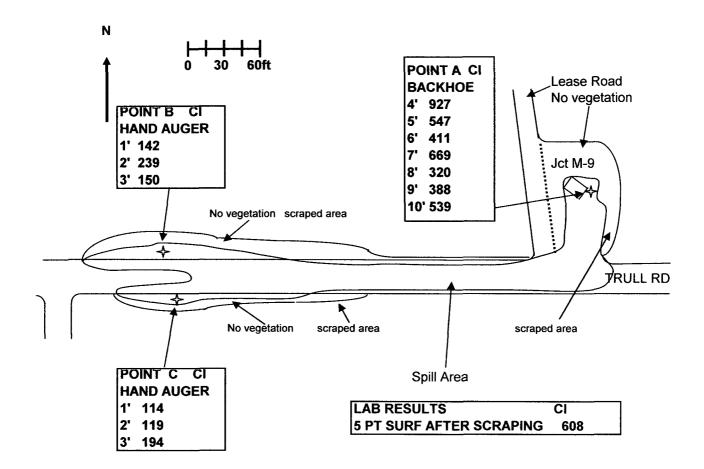






BD M-9 Leak

U/L M SEC 9 T22S R37E GW 70' DELINEATION RESULTS AFTER SCRAPING







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

ANALYTICAL RESULTS FOR RICE OPERATING CO. ATTN: KRISTIN FARRIS-POPE 122 W. TAYLOR HOBBS, NM 88240

FAX TO: (505) 397-1471

Receiving Date: 07/18/06 Reporting Date: 07/21/06

Project Number: NOT GIVEN

Project Name: BD M-9

Project Location: NOT GIVEN

Sampling Date: 07/14/06

Sample Type: SOIL

Sample Condition: COOL & INTACT

Sample Received By: BC Analyzed By: BC/HM

GRO DRO

 (C_6-C_{10}) $(>C_{10}-C_{28})$

CI*

LAB NUMBER SAMPLE ID

(mg/Kg)

(mg/Kg)

(mg/Kg)

ANALYSIS DATE	07/20/06	07/20/06	07/18/06		
H11349-1 5 PT SURFACE	<10.0	<10.0	608		
Quality Control	706	807	1010		
True Value QC	800	800	1000		
% Recovery	95.7	101	101		
Relative Percent Difference	3.4	8.9	0.0		

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; CI: Std. Methods 4500-CIB *Analysis performed on a 1:4 w:v aqueous extract.

Chemist

Date



	(325) 673-7001	Fax (325) 673-702	0 (8	505)	393-	2326	Fax	(605) 39	3-2	476	_								-aga	01	
Company Name: Rife Operating Co									BILL TO					ANALYSIS REQUEST								
Project Manager: Kristen Farris Pour								P.O. #:														
Address: 122 W. Tawor								Company:														
City: Hobbs State: NM Zip: 88240							Attn:											Ì				
Phone #: 393 900 9174 Fax #: 397-1471								Address;									i		}			
Project #: Project Owner:									City:													
Project Name: BV M-C								State: Zip:														
Project Location:									Phone #:						5	6						
Samplar Hama:	Charles A	Jannon	·-						Fax #:							70						
FOR LAB USE ONLY		And a second contract to the second s				MA	TRIX	********	PRESERV. SAMPLING						2		EX					
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PLEASE HOTE: Liability and any year All claims busing the	PLASE NOTE: Liability and Damages. Cardinal's liability and client's arclusive femely by any claim arising whether based in contract or lord, shall be limited any year. All claims hawars those for negligible and one of the claims whether whether the document which and any and any inclining and received by Carolinal within 30 day.							aled to the amounl paid by the client for the					Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 24% per annum born the original date of invoke,									
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[†] Cardinal cannot accept verbal changes. Please fax written changes to (325) 673-7020.