

AP - 71

**GENERAL
CORRESPONDENCE**

DATE:

2007 - 1998

AP-71
Gen. Cor

2007-1998

Hansen, Edward J., EMNRD

From: Hall, Sharon [Sharon.Hall@arcadis-us.com]
Sent: Friday, February 09, 2007 4:13 PM
To: Hansen, Edward J., EMNRD; kpope@riceswd.com
Cc: Price, Wayne, EMNRD; chaynes@riceswd.com *was*
Subject: Re: BD H-35 pit Abatement Plan submittal extension (1R0216)

Thank you Ed. Sharon

-----Original Message-----

From: Hansen, Edward J., EMNRD <edwardj.hansen@state.nm.us>
To: Kristin Pope <kpope@riceswd.com>
CC: Price, Wayne, EMNRD <wayne.price@state.nm.us>; Carolyn Haynes <chaynes@riceswd.com>; Hall, Sharon
Sent: Fri Feb 09 14:38:03 2007
Subject: RE: BD H-35 pit Abatement Plan submittal extension (1R0216)

Dear Ms. Pope:

The NMOCD has reviewed your request for an extension to submit the Abatement Plan requested by the NMOCD regarding the above referenced site. Per your email of February 7, 2007, the NMOCD understands that an additional 60 days is required to finalize a monitoring well agreement. Therefore, the NOMAD hereby approves the request for extension for submittal of additional information until Friday, April 13, 2007.

Please be advised that NOMAD approval of this extension 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, NOMAD approval does not relieve the owner/operator of responsibility for compliance with any NOMAD, federal, state, or local laws and/or regulations.

If you have any questions regarding this matter, please contact me at 505-476-3489. Also, in the future please send all correspondence regarding this case to me. Thank you.

Edward J. Hansen
Hydrologist
Environmental Bureau

From: Kristin Pope [mailto:kpope@riceswd.com]
Sent: Wednesday, February 07, 2007 4:26 PM
To: Price, Wayne, EMNRD; Hansen, Edward J., EMNRD
Cc: Hall, Sharon; Carolyn Haynes
Subject: BD H-35 pit Abatement Plan

Wayne,

In response to your letter of December 8th, 2006 in which you requested a Rule 19 Abatement Plan for the BD H-35 Pit site(1R0216), we respectfully request a 60-day extension to submit this Plan. We have had difficulty obtaining a monitoring well agreement with the surface owner at this site but efforts are ongoing and the situation is currently in legal review.

Arcadis G & M of Midland, TX is our consultant for this project. There is currently one monitoring well on site that is sampled on a quarterly basis.

Thank you for your consideration of this request.

Kristin Farris Pope
Project Scientist

3/15/2007

RICE Operating Company
Hobbs, New Mexico
(505) 393-9174

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: 12-8-06

Kristen Farris Pope
Ric Operating Company
122 West Taylor
Hobbs, NM 88240

COMPLETE THIS SECTION ON DELIVERY

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 [Signature] Addressee

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Marla Harrington / *2/13/06*

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2. Article Number
(Transfer from service label)

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NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

**CERTIFIED MAIL
RETURN RECEIPT NO: 3929 4418**

December 8, 2006

Kristen Farris Pope
Rice Operating Company
122 West Taylor
Hobbs, New Mexico 88240

RE: REQUIREMENT TO SUBMIT ABATEMENT PLAN

Dear Ms. Pope:

The New Mexico Oil Conservation Division (OCD) has determined after reviewing your Notification of Groundwater Impact for each of the following five sites:

- 1) Rice Hobbs SWD Jct E-32-1
Unit E, Section 32, T18S, R38E
Lea County, New Mexico
OCD Case #1R0428-65
- 2) Rice Vacuum Jct E-2
Unit E, Section 2, T18S, R35E
Lea County, New Mexico
OCD Case #1R0425-01
- 3) Rice Vacuum K-35-1 Boot
Unit K, Section 35, T17S, R35E
Lea County, New Mexico
OCD Case #1R0425-03
- 4) Rice N-6-1 Junction Box
Unit N, Section 6, T18S, R35E
Lea County, New Mexico
OCD Case #1R0479

Kristen Farris Pope
December 8, 2006
Page 2

- 5) Rice BD H-35 Emergency Overflow Pit
Unit H, Section 35, T22S, R37E
Lea County, New Mexico
OCD Case #1R0216

that the Rice Operating Company (ROC) must submit for each of the five sites a separate Stage 1 Abatement Plan in accordance with OCD Rule 19 (19.15.1.19 NMAC) to investigate the ground water contamination at each of these sites. The Stage 1 Abatement Plans must be submitted to the OCD Santa Fe Office with a copy provided to the OCD Hobbs District Office and must meet of all the requirements specified in OCD Rule 19 (19.15.1.19 NMAC), including, but not limited to, the public notice and participation requirements specified in Rule 19G. The Stage 1 Abatement Plan is due sixty (60) days from the receipt by ROC of this written notice.

ROC's Stage 1 Abatement Plans must specifically meet all of the requirements specified in OCD Rule 19E.3, including, but not limited to, a site investigation work plan and monitoring program that will enable it to characterize the release using an appropriate number of isoconcentration maps and cross sections that depict the contamination that has been released from the sites and to provide the data necessary to select and design an effective abatement option. ROC may, if it chooses, concurrently submit a Stage 2 Abatement Plan that addresses appropriate proactive abatement options.

ROC should submit one paper copy and an electronic copy on CD for each of the Plans and for all future workplans and/or reports for each of the Plans. Please be sure to include the current corresponding OCD Case # on each of the respective Abatement Plans. An Abatement Plan # will be assigned as each of the Plans are submitted to the OCD. If you have any questions, please contact Edward J. Hansen of my staff at (505) 476-3489 or <mailto:edwardj.hansen@state.nm.us>.

Sincerely,



Wayne Price
Environmental Bureau Chief

WP:EJH:ejh

cc: Chris Williams, OCD Hobbs District Supervisor
Larry Johnson, OCD Hobbs

RICE Operating Company

122 West Taylor • Hobbs, New Mexico 88240
Phone: (505)393-9174 • Fax: (505) 397-1471

CERTIFIED MAIL
RETURN RECEIPT NO. 7005 1820 0001 6804 7647

January 16, 2006

Mr. Wayne Price
New Mexico Energy, Minerals, & Natural Resources
Oil Conservation Division, Environmental Bureau
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

RE: NOTIFICATION OF GROUNDWATER IMPACT
BD H-35 Emergency Overflow Pit
Unit 'H', Sec. 35, T22S, R37E
NMOCD Case # 1R0216

Mr. Price:

Rice Operating Company (ROC) notifies the New Mexico Oil Conservation Division (OCD), Environmental Bureau of groundwater impact at the above-referenced site in accordance with NM Rule 116. The remediation of this site may be subject to NM Rule 19 procedures.

Groundwater impact at the BD H-35 pit site was discovered during delineation of the emergency overflow pit. These delineation activities were conducted in accordance with the NMOCD-approved work plan for this site and were supervised by the Arcadis G & M (Arcadis) consulting firm of Midland, Texas. A 2-inch monitoring well was installed near the southeast corner of the pit site on December 21, 2005 by White's Drilling of XXX, Texas as chloride impact was indicated by field tests. Groundwater was encountered at approximately 44 ft.

After appropriate development, the well was sampled pursuant to OCD and EPA guidelines by Arc Environmental Services (Arc) of Lovington on January 4, 2006. Environmental Lab of Texas performed the analysis on the samples. Notably, Chloride and Total Dissolved Solids exceed New Mexico Water Quality Control Commission standards. Hydrocarbon constituents (BTEX) were not detected. Arc Environmental will

continue to sample the well on a quarterly basis throughout the 2006 year. Investigation of impacts at this site by Arcadis is ongoing.

ROC is the service provider (operator) for the BD Salt Water Disposal System and has no ownership of any portion of the pipelines, wells, or facilities. The BD System is owned by a consortium of oil producers, System Partners, who provide all operating capital on a percentage ownership/usage basis. Environmental remediation projects of this magnitude require System Partner AFE approval and work begins as funds are received.

Please accept this notification for the above-referenced site. Should you have any questions or concerns regarding this site, please do not hesitate to contact me.

RICE OPERATING COMPANY

A handwritten signature in black ink that reads "Kristin Farris Pope". The signature is written in a cursive, flowing style.

Kristin Farris Pope
Project Scientist

enclosures: water analysis, well log

cc: LBG, CDH, Arcadis, file, D. Sanchez (NMOCD)

Mr. Chris Williams
NMOCD, District 1 Office
1625 N. French Drive
Hobbs, NM 88240



WELL LOG

WELL NO.

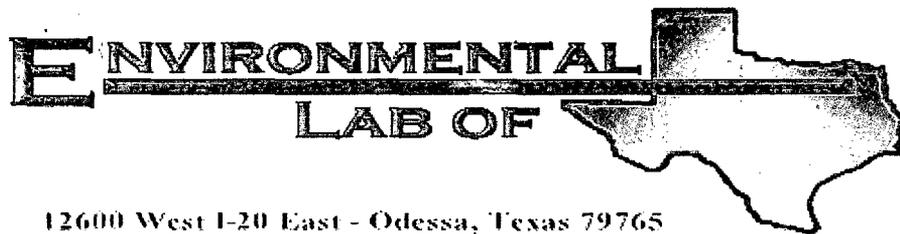
MW-1

1004 N. Big Spring St. Suite 300, Midland, TX 79701-3383 Tel: 432/687-5400 Fax: 432/687-5401

Page 1 of 1

PROJECT NUMBER: MT000846 0001	STATIC WATER LEVEL:	MEAS. PT.: T.O.C.	DATE:
CLIENT NAME: Rice Operating Company	HOLE SIZE(S): 7 7/8"		TOTAL DEPTH: -55.0'
PROJECT NAME: BD H-35	SURFACE COMPLETION: 8" Locking Steel Sleeve, 3'x3'x6" Conc. Slab		
SITE LOCATION: Lea County, New Mexico		TYPES	DEPTH(S)
DRILLING CO: White Drilling Co.	GROUT TYPE: Portland Cement		-20.0' to Surface
DRILLING METHOD: Rotary/Air	SEAL TYPE: Bentonite Chips		-32.0' to -20.0'
SAMPLE METHOD: Shovel	SCREEN PACK: 8/16 Sand		-55.0' to -32.0'
DATE BEGUN: 12/21/05	DATE COMPLETED: 12/21/05	CASING TYPE: 4" Diameter Sch. 40 PVC Blank	-34.0' to Surface
DRILLER: R. Allen	ELEVATION (SURF.):	WELL SCREEN: 4" Diameter Sch. 40 PVC, 0.020" slots	-54.0' to -34.0'
LOGGER: R. Lang	ELEVATION (T.O.C.):	PLUG BACK: Bentonite Chips	-54.0'
FILE NAME: MW-1.dat	UNIQUE NUMBER: 31-014-00781		

DEPTH	SAMPLED	SAMPLING METHOD	ANALYZED	MOISTURE	RECOVERY	OVM READING	U. S. C. CLASS	LITHOLOGY	DESCRIPTION	WELL INSTALLATION
0										
-5	X	Shovel				0.000			SAND 10YR 8/3 very pale brown, medium to fine grained, subangular to subrounded, poorly sorted, moist.	
-10	X	Shovel				0.000				
-15	X	Shovel				0.000				
-20	X	Shovel				0.000			SANDSTONE 10YR 8/2 very pale brown, medium grained, subangular to well rounded, weakly cemented, well sorted, dry, CALICHE nodules.	
-25	X	Shovel				0.000			SANDSTONE 10R 6/6 light red, fine grained, angular, well sorted, soft, dry.	
-30	X	Shovel				0.000			SANDSTONE 2.5Y 8/3 pale yellow, fine grained, subangular to subrounded, well sorted, soft, dry.	
-35	X	Shovel				0.000			SANDSTONE 10R 6/6 light red, fine to medium grained, well rounded to subrounded, well sorted, soft to argillaceous, moist.	
-40	X	Shovel				0.000			Note: Well became wat at -45'; water level measured -41'. Some SAND interbeds 2.5Y 6/3 pale yellow, fine grained, subangular to subrounded, well sorted.	
-45	X	Shovel				0.000				
-50	X	Shovel				0.000				
-55	X	Shovel				0.000				



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Kristin Farris-Pope

Rice Operating Co.

122 W. Taylor

Hobbs, NM 88240

Project: BD H-35 SWD

Project Number: None Given

Location: Lea County

Lab Order Number: 6A05002

Report Date: 01/13/06

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
Monitor Well #1	6A05002-01	Water	01/04/06 09:45	01/04/06 17:00

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

Project: BD H-35 SWD
 Project Number: None Given
 Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
 01/13/06 12:33

Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Monitor Well #1 (6A05002-01) Water									
Benzene	ND	0.00100	mg/L	1	EA60408	01/05/06	01/09/06	EPA 8021B	
Toluene	ND	0.00100	"	"	"	"	"	"	
Ethylbenzene	ND	0.00100	"	"	"	"	"	"	
Xylene (p/m)	ND	0.00100	"	"	"	"	"	"	
Xylene (o)	ND	0.00100	"	"	"	"	"	"	
<i>Surrogate: a,a,a-Trifluorotoluene</i>		<i>92.0 %</i>	<i>80-120</i>		<i>"</i>	<i>"</i>	<i>"</i>	<i>"</i>	
<i>Surrogate: 4-Bromofluorobenzene</i>		<i>95.2 %</i>	<i>80-120</i>		<i>"</i>	<i>"</i>	<i>"</i>	<i>"</i>	

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Monitor Well #1 (6A05002-01) Water									
Total Alkalinity	110	2.00	mg/L	1	EA61216	01/12/06	01/12/06	EPA 310.1M	
Chloride	1880	25.0	"	50	EA61009	01/10/06	01/10/06	EPA 300.0	
Total Dissolved Solids	4290	5.00	"	1	EA60605	01/05/06	01/06/06	EPA 160.1	
Sulfate	383	25.0	"	50	EA61009	01/10/06	01/10/06	EPA 300.0	

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471
Reported:
01/13/06 12:33

Total Metals by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Monitor Well #1 (6A05002-01) Water									
Calcium	444	1.00	mg/L	100	EA60609	01/06/06	01/06/06	EPA 6010B	
Magnesium	247	0.100	"	"	"	"	"	"	
Potassium	28.7	0.500	"	10	"	"	"	"	
Sodium	584	1.00	"	100	"	"	"	"	

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

**Organics by GC - Quality Control
Environmental Lab of Texas**

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EA60408 - EPA 5030C (GC)										
Blank (EA60408-BLK1)										
Prepared: 01/04/06 Analyzed: 01/09/06										
Benzene	ND	0.00100	mg/L							
Toluene	ND	0.00100	"							
Ethylbenzene	ND	0.00100	"							
Xylene (p/m)	ND	0.00100	"							
Xylene (o)	ND	0.00100	"							
Surrogate: a,a,a-Trifluorotoluene	34.9		ug/l	40.0		87.2	80-120			
Surrogate: 4-Bromofluorobenzene	36.2		"	40.0		90.5	80-120			
LCS (EA60408-BS1)										
Prepared: 01/04/06 Analyzed: 01/09/06										
Benzene	0.0528	0.00100	mg/L	0.0500		106	80-120			
Toluene	0.0586	0.00100	"	0.0500		117	80-120			
Ethylbenzene	0.0586	0.00100	"	0.0500		117	80-120			
Xylene (p/m)	0.119	0.00100	"	0.100		119	80-120			
Xylene (o)	0.0591	0.00100	"	0.0500		118	80-120			
Surrogate: a,a,a-Trifluorotoluene	41.3		ug/l	40.0		103	80-120			
Surrogate: 4-Bromofluorobenzene	38.0		"	40.0		95.0	80-120			
Calibration Check (EA60408-CCV1)										
Prepared: 01/04/06 Analyzed: 01/09/06										
Benzene	54.1		ug/l	50.0		108	80-120			
Toluene	59.8		"	50.0		120	80-120			
Ethylbenzene	59.5		"	50.0		119	80-120			
Xylene (p/m)	120		"	100		120	80-120			
Xylene (o)	57.0		"	50.0		114	80-120			
Surrogate: a,a,a-Trifluorotoluene	40.2		"	40.0		100	80-120			
Surrogate: 4-Bromofluorobenzene	36.6		"	40.0		91.5	80-120			
Matrix Spike (EA60408-MS1)										
Source: 6A05002-01 Prepared: 01/04/06 Analyzed: 01/09/06										
Benzene	0.0516	0.00100	mg/L	0.0500	ND	103	80-120			
Toluene	0.0572	0.00100	"	0.0500	ND	114	80-120			
Ethylbenzene	0.0587	0.00100	"	0.0500	ND	117	80-120			
Xylene (p/m)	0.119	0.00100	"	0.100	ND	119	80-120			
Xylene (o)	0.0588	0.00100	"	0.0500	ND	118	80-120			
Surrogate: a,a,a-Trifluorotoluene	39.9		ug/l	40.0		99.8	80-120			
Surrogate: 4-Bromofluorobenzene	41.4		"	40.0		104	80-120			

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch EA60408 - EPA 5030C (GC)

Matrix Spike Dup (EA60408-MSD1)	Source: 6A05002-01			Prepared: 01/04/06 Analyzed: 01/09/06						
Benzene	0.0525	0.00100	mg/L	0.0500	ND	105	80-120	1.92	20	
Toluene	0.0575	0.00100	"	0.0500	ND	115	80-120	0.873	20	
Ethylbenzene	0.0573	0.00100	"	0.0500	ND	115	80-120	1.72	20	
Xylene (p/m)	0.119	0.00100	"	0.100	ND	119	80-120	0.00	20	
Xylene (o)	0.0590	0.00100	"	0.0500	ND	118	80-120	0.00	20	
<i>Surrogate: a, a, a-Trifluorotoluene</i>	<i>39.6</i>		<i>ug/l</i>	<i>40.0</i>		<i>99.0</i>	<i>80-120</i>			
<i>Surrogate: 4-Bromofluorobenzene</i>	<i>36.8</i>		<i>"</i>	<i>40.0</i>		<i>92.0</i>	<i>80-120</i>			

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

General Chemistry Parameters by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC %REC	Limit	RPD	RPD Limit	Notes
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Batch EA60605 - General Preparation (WetChem)

Blank (EA60605-BLK1) Prepared: 01/05/06 Analyzed: 01/06/06

Total Dissolved Solids	ND	5.00	mg/L							
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Duplicate (EA60605-DUP1) Source: 6A05002-01 Prepared: 01/05/06 Analyzed: 01/06/06

Total Dissolved Solids	4130	5.00	mg/L		4290			3.80	5	
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Batch EA61009 - General Preparation (WetChem)

Blank (EA61009-BLK1) Prepared & Analyzed: 01/10/06

Sulfate	ND	0.500	mg/L							
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Chloride	ND	0.500	"							
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LCS (EA61009-BS1) Prepared & Analyzed: 01/10/06

Sulfate	9.33		mg/L	10.0		93.3	80-120			
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Chloride	11.3		"	10.0		113	80-120			
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Calibration Check (EA61009-CCV1) Prepared & Analyzed: 01/10/06

Sulfate	9.50		mg/L	10.0		95.0	80-120			
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Chloride	8.61		"	10.0		86.1	80-120			
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Duplicate (EA61009-DUP1) Source: 6A06009-06 Prepared & Analyzed: 01/10/06

Sulfate	552	10.0	mg/L		511			7.71	20	
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Chloride	398	10.0	"		394			1.01	20	
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Batch EA61216 - General Preparation (WetChem)

Blank (EA61216-BLK1) Prepared & Analyzed: 01/12/06

Total Alkalinity	ND	2.00	mg/L							
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Rice Operating Co.
 122 W. Taylor
 Hobbs NM, 88240

Project: BD H-35 SWD
 Project Number: None Given
 Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471
 Reported:
 01/13/06 12:33

General Chemistry Parameters by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch EA61216 - General Preparation (WetChem)

LCS (EA61216-BS1)

Prepared & Analyzed: 01/12/06

Bicarbonate Alkalinity	198	2.00	mg/L	200		99.0	85-115			
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Duplicate (EA61216-DUP1)

Source: 6A05002-01

Prepared & Analyzed: 01/12/06

Total Alkalinity	109	2.00	mg/L		110			0.913	20	
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Reference (EA61216-SRM1)

Prepared & Analyzed: 01/12/06

Total Alkalinity	96.0		mg/L	100		96.0	90-110			
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Rice Operating Co.
122 W. Taylor
Hobbs NM, 88240

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

Total Metals by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch EA60609 - 6010B/No Digestion

Blank (EA60609-BLK1)

Prepared & Analyzed: 01/06/06

Calcium	ND	0.0100	mg/L							
Magnesium	ND	0.00100	"							
Potassium	ND	0.0500	"							
Sodium	ND	0.0100	"							

Calibration Check (EA60609-CCV1)

Prepared & Analyzed: 01/06/06

Calcium	2.06		mg/L	2.00		103	85-115			
Magnesium	2.05		"	2.00		102	85-115			
Potassium	1.87		"	2.00		93.5	85-115			
Sodium	1.84		"	2.00		92.0	85-115			

Duplicate (EA60609-DUP1)

Source: 5L30002-01

Prepared & Analyzed: 01/06/06

Calcium	32.6	0.100	mg/L		33.8			3.61	20	
Magnesium	18.0	0.0100	"		18.6			3.28	20	
Potassium	4.45	0.500	"		4.58			2.88	20	
Sodium	34.8	0.100	"		34.1			2.03	20	

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

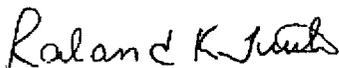
Fax: (505) 397-1471

Reported:
01/13/06 12:33

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference
LCS Laboratory Control Spike
MS Matrix Spike
Dup Duplicate

Report Approved By:



Date: 1/13/2006

Raland K. Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director
LaTasha Cornish, Chemist
Sandra Sanchez, Lab Tech.

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas

Variance / Corrective Action Report – Sample Log-In

Client: Rice Operating

Date/Time: 01-04-06 @ 1700

Order #: 6A05002

Initials: JMM

Sample Receipt Checklist

Temperature of container/cooler?	<input checked="" type="radio"/> Yes	<input type="radio"/> No	-- Z - O C	not frozen
Shipping container/cooler in good condition?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Custody Seals intact on shipping container/cooler?	<input checked="" type="radio"/> Yes	<input type="radio"/> No	Not present	
Custody Seals intact on sample bottles?	<input checked="" type="radio"/> Yes	<input type="radio"/> No	Not present	
Chain of custody present?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Sample Instructions complete on Chain of Custody?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Chain of Custody signed when relinquished and received?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Chain of custody agrees with sample label(s)	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Container labels legible and intact?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Sample Matrix and properties same as on chain of custody?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Samples in proper container/bottle?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Samples properly preserved?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Sample bottles intact?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Preservations documented on Chain of Custody?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Containers documented on Chain of Custody?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
Sufficient sample amount for indicated test?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
All samples received within sufficient hold time?	<input checked="" type="radio"/> Yes	<input type="radio"/> No		
VOC samples have zero headspace?	<input checked="" type="radio"/> Yes	<input type="radio"/> No	Nct Applicable	

Other observations:

Variance Documentation:

Contact Person: - _____ Date/Time: _____ Contacted by: _____

Regarding:

Corrective Action Taken:

RICE Operating Company

122 West Taylor • Hobbs, New Mexico 88240
Phone: (505)393-9174 • Fax: (505) 397-1471

CERTIFIED MAIL
RETURN RECEIPT NO. 7005 1820 0001 6804 7647

January 16, 2006

Mr. Wayne Price
New Mexico Energy, Minerals, & Natural Resources
Oil Conservation Division, Environmental Bureau
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

RE: NOTIFICATION OF GROUNDWATER IMPACT
BD H-35 Emergency Overflow Pit
Unit 'H', Sec. 35, T22S, R37E
NMOCD Case # 1R0216

Mr. Price:

Rice Operating Company (ROC) notifies the New Mexico Oil Conservation Division (OCD), Environmental Bureau of groundwater impact at the above-referenced site in accordance with NM Rule 116. The remediation of this site may be subject to NM Rule 19 procedures.

Groundwater impact at the BD H-35 pit site was discovered during delineation of the emergency overflow pit. These delineation activities were conducted in accordance with the NMOCD-approved work plan for this site and were supervised by the Arcadis G & M (Arcadis) consulting firm of Midland, Texas. A 2-inch monitoring well was installed near the southeast corner of the pit site on December 21, 2005 by White's Drilling of XXX, Texas as chloride impact was indicated by field tests. Groundwater was encountered at approximately 44 ft.

After appropriate development, the well was sampled pursuant to OCD and EPA guidelines by Arc Environmental Services (Arc) of Lovington on January 4, 2006. Environmental Lab of Texas performed the analysis on the samples. Notably, Chloride and Total Dissolved Solids exceed New Mexico Water Quality Control Commission standards. Hydrocarbon constituents (BTEX) were not detected. Arc Environmental will

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Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505
COPY

continue to sample the well on a quarterly basis throughout the 2006 year. Investigation of impacts at this site by Arcadis is ongoing.

ROC is the service provider (operator) for the BD Salt Water Disposal System and has no ownership of any portion of the pipelines, wells, or facilities. The BD System is owned by a consortium of oil producers, System Partners, who provide all operating capital on a percentage ownership/usage basis. Environmental remediation projects of this magnitude require System Partner AFE approval and work begins as funds are received.

Please accept this notification for the above-referenced site. Should you have any questions or concerns regarding this site, please do not hesitate to contact me.

RICE OPERATING COMPANY



Kristin Farris Pope
Project Scientist

enclosures: water analysis, well log

cc: LBG, CDH, Arcadis, file, D. Sanchez (NMOCD)

Mr. Chris Williams
NMOCD, District 1 Office
1625 N. French Drive
Hobbs, NM 88240



ARCADIS

WELL LOG

WELL NO.

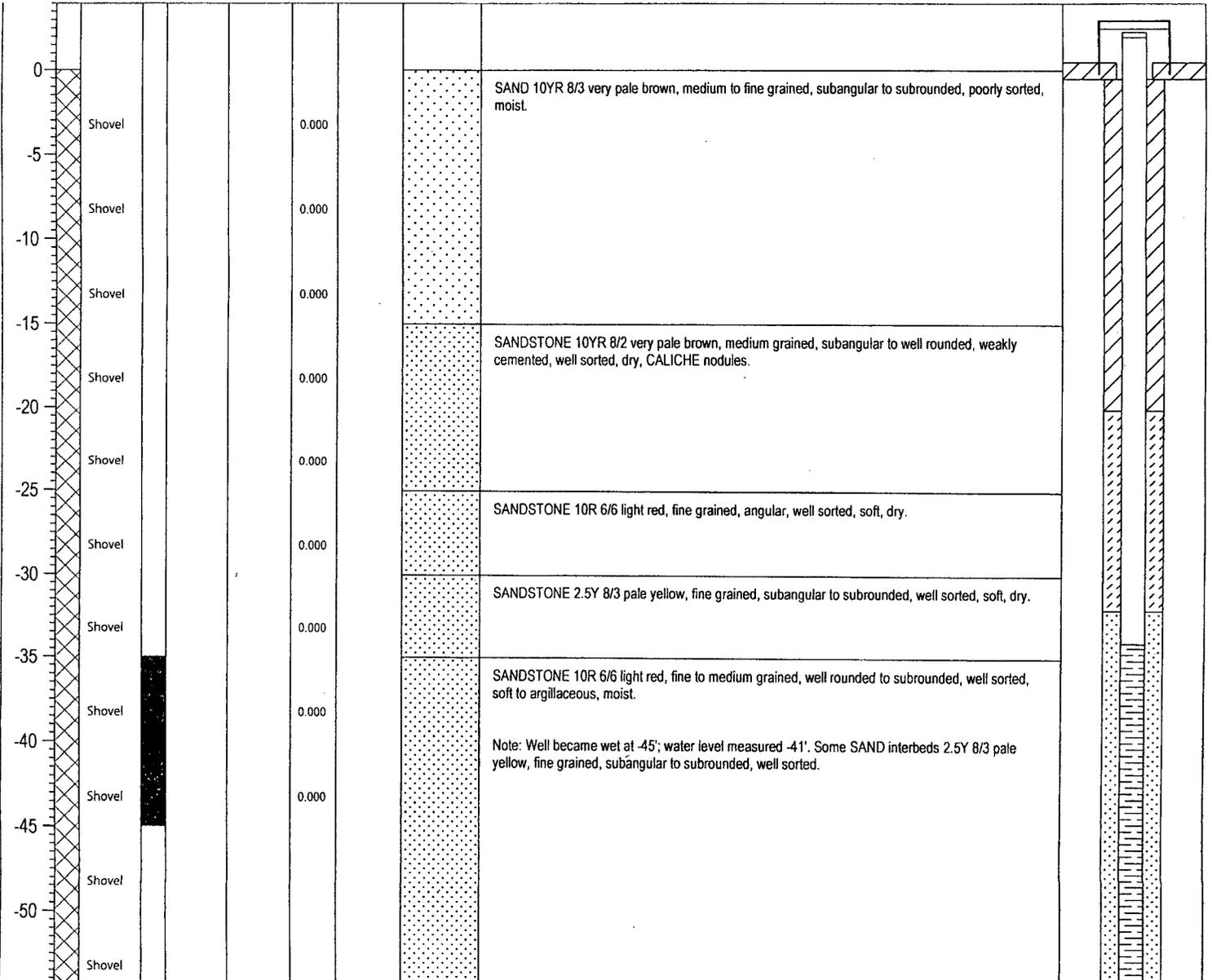
MW-1

1004 N. Big Spring St. Suite 300, Midland, TX 79701-3383 Tel: 432/687-5400 Fax: 432/687-5401

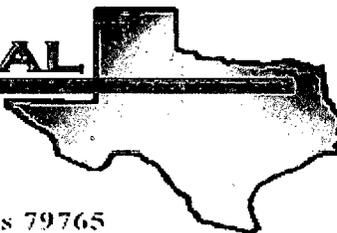
Page 1 of 1

PROJECT NUMBER: MT000846.0001	STATIC WATER LEVEL: MEAS. PT.: T.O.C.	DATE:
CLIENT NAME: Rice Operating Company	HOLE SIZE(S): 7 7/8"	TOTAL DEPTH: -55.0'
PROJECT NAME: BD H-35	SURFACE COMPLETION: 8" Locking Steel Sleeve, 3'x3'x6" Conc. Slab	
SITE LOCATION: Lea County, New Mexico	TYPES	DEPTHS
DRILLING CO: White Drilling Co.	GROUT TYPE: Portland Cement	-20.0' to Surface
DRILLING METHOD: Rotary/Air	SEAL TYPE: Bentonite Chips	-32.0' to -20.0'
SAMPLE METHOD: Shovel	SCREEN PACK: 8/16 Sand	-55.0' to -32.0'
DATE BEGUN: 12/21/05	DATE COMPLETED: 12/21/05	CASING TYPE: 4" Diameter Sch. 40 PVC Blank
DRILLER: R. Allen	ELEVATION (SURF.):	WELL SCREEN: 4" Diameter Sch. 40 PVC, 0.020" slots
LOGGER: R. Lang	ELEVATION (T.O.C.):	-54.0' to -34.0'
FILE NAME: MW-1.dat	UNIQUE NUMBER: 31-014-00781	PLUG BACK: Bentonite Chips
		-54.0'

DEPTH	SAMPLED	SAMPLING METHOD	ANALYZED	MOISTURE	RECOVERY	OVN READING	U. S. C. S. CLASS	LITHOLOGY	DESCRIPTION	WELL INSTALLATION
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E NVIRONMENTAL
LAB OF



12600 West I-20 East - Odessa, Texas 79765

Analytical Report

Prepared for:

Kristin Farris-Pope

Rice Operating Co.

122 W. Taylor

Hobbs, NM 88240

Project: BD H-35 SWD

Project Number: None Given

Location: Lea County

Lab Order Number: 6A05002

Report Date: 01/13/06

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
Monitor Well #1	6A05002-01	Water	01/04/06 09:45	01/04/06 17:00

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

Organics by GC
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Monitor Well #1 (6A05002-01) Water									
Benzene	ND	0.00100	mg/L	1	EA60408	01/05/06	01/09/06	EPA 8021B	
Toluene	ND	0.00100	"	"	"	"	"	"	
Ethylbenzene	ND	0.00100	"	"	"	"	"	"	
Xylene (p/m)	ND	0.00100	"	"	"	"	"	"	
Xylene (o)	ND	0.00100	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		92.0 %	80-120		"	"	"	"	
Surrogate: 4-Bromofluorobenzene		95.2 %	80-120		"	"	"	"	

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

General Chemistry Parameters by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Monitor Well #1 (6A05002-01) Water									
Total Alkalinity	110	2.00	mg/L	1	EA61216	01/12/06	01/12/06	EPA 310.1M	
Chloride	1880	25.0	"	50	EA61009	01/10/06	01/10/06	EPA 300.0	
Total Dissolved Solids	4290	5.00	"	1	EA60605	01/05/06	01/06/06	EPA 160.1	
Sulfate	383	25.0	"	50	EA61009	01/10/06	01/10/06	EPA 300.0	

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

Total Metals by EPA / Standard Methods
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
Monitor Well #1 (6A05002-01) Water									
Calcium	444	1.00	mg/L	100	EA60609	01/06/06	01/06/06	EPA 6010B	
Magnesium	247	0.100	"	"	"	"	"	"	
Potassium	28.7	0.500	"	10	"	"	"	"	
Sodium	584	1.00	"	100	"	"	"	"	

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EA60408 - EPA 5030C (GC)										
Blank (EA60408-BLK1)										
Prepared: 01/04/06 Analyzed: 01/09/06										
Benzene	ND	0.00100	mg/L							
Toluene	ND	0.00100	"							
Ethylbenzene	ND	0.00100	"							
Xylene (p/m)	ND	0.00100	"							
Xylene (o)	ND	0.00100	"							
Surrogate: a,a,a-Trifluorotoluene	34.9		ug/l	40.0		87.2	80-120			
Surrogate: 4-Bromofluorobenzene	36.2		"	40.0		90.5	80-120			
LCS (EA60408-BS1)										
Prepared: 01/04/06 Analyzed: 01/09/06										
Benzene	0.0528	0.00100	mg/L	0.0500		106	80-120			
Toluene	0.0586	0.00100	"	0.0500		117	80-120			
Ethylbenzene	0.0586	0.00100	"	0.0500		117	80-120			
Xylene (p/m)	0.119	0.00100	"	0.100		119	80-120			
Xylene (o)	0.0591	0.00100	"	0.0500		118	80-120			
Surrogate: a,a,a-Trifluorotoluene	41.3		ug/l	40.0		103	80-120			
Surrogate: 4-Bromofluorobenzene	38.0		"	40.0		95.0	80-120			
Calibration Check (EA60408-CCV1)										
Prepared: 01/04/06 Analyzed: 01/09/06										
Benzene	54.1		ug/l	50.0		108	80-120			
Toluene	59.8		"	50.0		120	80-120			
Ethylbenzene	59.5		"	50.0		119	80-120			
Xylene (p/m)	120		"	100		120	80-120			
Xylene (o)	57.0		"	50.0		114	80-120			
Surrogate: a,a,a-Trifluorotoluene	40.2		"	40.0		100	80-120			
Surrogate: 4-Bromofluorobenzene	36.6		"	40.0		91.5	80-120			
Matrix Spike (EA60408-MS1)										
Source: 6A05002-01 Prepared: 01/04/06 Analyzed: 01/09/06										
Benzene	0.0516	0.00100	mg/L	0.0500	ND	103	80-120			
Toluene	0.0572	0.00100	"	0.0500	ND	114	80-120			
Ethylbenzene	0.0587	0.00100	"	0.0500	ND	117	80-120			
Xylene (p/m)	0.119	0.00100	"	0.100	ND	119	80-120			
Xylene (o)	0.0588	0.00100	"	0.0500	ND	118	80-120			
Surrogate: a,a,a-Trifluorotoluene	39.9		ug/l	40.0		99.8	80-120			
Surrogate: 4-Bromofluorobenzene	41.4		"	40.0		104	80-120			

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

Organics by GC - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EA60408 - EPA 5030C (GC)										
Matrix Spike Dup (EA60408-MSD1)		Source: 6A05002-01			Prepared: 01/04/06		Analyzed: 01/09/06			
Benzene	0.0525	0.00100	mg/L	0.0500	ND	105	80-120	1.92	20	
Toluene	0.0575	0.00100	"	0.0500	ND	115	80-120	0.873	20	
Ethylbenzene	0.0573	0.00100	"	0.0500	ND	115	80-120	1.72	20	
Xylene (p/m)	0.119	0.00100	"	0.100	ND	119	80-120	0.00	20	
Xylene (o)	0.0590	0.00100	"	0.0500	ND	118	80-120	0.00	20	
Surrogate: a,a,a-Trifluorotoluene	39.6		ug/l	40.0		99.0	80-120			
Surrogate: 4-Bromofluorobenzene	36.8		"	40.0		92.0	80-120			

Rice Operating Co. 122 W. Taylor Hobbs NM, 88240	Project: BD H-35 SWD Project Number: None Given Project Manager: Kristin Farris-Pope	Fax: (505) 397-1471 Reported: 01/13/06 12:33
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General Chemistry Parameters by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC %REC	Limit	RPD	RPD Limit	Notes
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Batch EA60605 - General Preparation (WetChem)

Blank (EA60605-BLK1)		Prepared: 01/05/06 Analyzed: 01/06/06								
Total Dissolved Solids	ND	5.00	mg/L							
Duplicate (EA60605-DUP1)		Source: 6A05002-01 Prepared: 01/05/06 Analyzed: 01/06/06								
Total Dissolved Solids	4130	5.00	mg/L		4290			3.80	5	

Batch EA61009 - General Preparation (WetChem)

Blank (EA61009-BLK1)		Prepared & Analyzed: 01/10/06								
Sulfate	ND	0.500	mg/L							
Chloride	ND	0.500	"							
LCS (EA61009-BS1)		Prepared & Analyzed: 01/10/06								
Sulfate	9.33		mg/L	10.0		93.3		80-120		
Chloride	11.3		"	10.0		113		80-120		
Calibration Check (EA61009-CCV1)		Prepared & Analyzed: 01/10/06								
Sulfate	9.50		mg/L	10.0		95.0		80-120		
Chloride	8.61		"	10.0		86.1		80-120		
Duplicate (EA61009-DUP1)		Source: 6A06009-06 Prepared & Analyzed: 01/10/06								
Sulfate	552	10.0	mg/L		511			7.71	20	
Chloride	398	10.0	"		394			1.01	20	

Batch EA61216 - General Preparation (WetChem)

Blank (EA61216-BLK1)		Prepared & Analyzed: 01/12/06								
Total Alkalinity	ND	2.00	mg/L							

Rice Operating Co. 122 W. Taylor Hobbs NM, 88240	Project: BD H-35 SWD Project Number: None Given Project Manager: Kristin Farris-Pope	Fax: (505) 397-1471 Reported: 01/13/06 12:33
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General Chemistry Parameters by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Batch EA61216 - General Preparation (WetChem)										
LCS (EA61216-BS1)					Prepared & Analyzed: 01/12/06					
Bicarbonate Alkalinity	198	2.00	mg/L	200		99.0	85-115			
Duplicate (EA61216-DUP1)					Source: 6A05002-01 Prepared & Analyzed: 01/12/06					
Total Alkalinity	109	2.00	mg/L		110			0.913	20	
Reference (EA61216-SRM1)					Prepared & Analyzed: 01/12/06					
Total Alkalinity	96.0		mg/L	100		96.0	90-110			

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

Reported:
01/13/06 12:33

Total Metals by EPA / Standard Methods - Quality Control
Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch EA60609 - 6010B/No Digestion

Blank (EA60609-BLK1)

Prepared & Analyzed: 01/06/06

Calcium	ND	0.0100	mg/L							
Magnesium	ND	0.00100	"							
Potassium	ND	0.0500	"							
Sodium	ND	0.0100	"							

Calibration Check (EA60609-CCV1)

Prepared & Analyzed: 01/06/06

Calcium	2.06		mg/L	2.00		103	85-115			
Magnesium	2.05		"	2.00		102	85-115			
Potassium	1.87		"	2.00		93.5	85-115			
Sodium	1.84		"	2.00		92.0	85-115			

Duplicate (EA60609-DUP1)

Source: 5L30002-01

Prepared & Analyzed: 01/06/06

Calcium	32.6	0.100	mg/L		33.8			3.61	20	
Magnesium	18.0	0.0100	"		18.6			3.28	20	
Potassium	4.45	0.500	"		4.58			2.88	20	
Sodium	34.8	0.100	"		34.1			2.03	20	

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

Project: BD H-35 SWD
Project Number: None Given
Project Manager: Kristin Farris-Pope

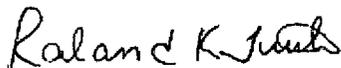
Fax: (505) 397-1471

Reported:
01/13/06 12:33

Notes and Definitions

DET Analyte DETECTED
ND Analyte NOT DETECTED at or above the reporting limit
NR Not Reported
dry Sample results reported on a dry weight basis
RPD Relative Percent Difference
LCS Laboratory Control Spike
MS Matrix Spike
Dup Duplicate

Report Approved By:



Date: 1/13/2006

Raland K. Tuttle, Lab Manager
Celey D. Keene, Lab Director, Org. Tech Director
Peggy Allen, QA Officer

Jeanne Mc Murrey, Inorg. Tech Director
LaTasha Cornish, Chemist
Sandra Sanchez, Lab Tech.

This material is intended only for the use of the individual (s) or entity to whom it is addressed, and may contain information that is privileged and confidential.

If you have received this material in error, please notify us immediately at 432-563-1800.

Environmental Lab of Texas
Variance / Corrective Action Report – Sample Log-In

Client: Rice Operating

Date/Time: 01-04-06 @ 1700

Order #: 6A05002

Initials: JMM

Sample Receipt Checklist

Temperature of container/cooler?	<input checked="" type="radio"/> Yes	<input type="radio"/> No	-- Z - O	C	not frozen
Shipping container/cooler in good condition?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Custody Seals intact on shipping container/cooler?	<input checked="" type="radio"/> Yes	<input type="radio"/> No	Not present		
Custody Seals intact on sample bottles?	<input checked="" type="radio"/> Yes	<input type="radio"/> No	Not present		
Chain of custody present?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Sample Instructions complete on Chain of Custody?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Chain of Custody signed when relinquished and received?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Chain of custody agrees with sample label(s)	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Container labels legible and intact?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Sample Matrix and properties same as on chain of custody?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Samples in proper container/bottle?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Samples properly preserved?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Sample bottles intact?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Preservations documented on Chain of Custody?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Containers documented on Chain of Custody?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
Sufficient sample amount for indicated test?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
All samples received within sufficient hold time?	<input checked="" type="radio"/> Yes	<input type="radio"/> No			
VOC samples have zero headspace?	<input checked="" type="radio"/> Yes	<input type="radio"/> No	Not Applicable		

Other observations:

Variance Documentation:

Contact Person: - _____ Date/Time: _____ Contacted by: _____
 Regarding: _____

Corrective Action Taken:

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Thursday, December 01, 2005 4:00 PM
To: Carolyn Doran Haynes (riceswd@leaco.net); Sharon Hall (shall@arcadis-us.com)
Cc: Sanchez, Daniel J., EMNRD
Subject: BD H-35 Pit 1R0216

The OCD is in receipt of the August 09, 2004 investigation work plan. OCD approved the plan on November 09, 2004. There was some confusing as to whether this approval was a partial or full approval.

Please note OCD considered this the approval of the investigation plan. You are hereby authorized to continue the work requested.

Wayne Price
Oil Conservation Div.
1220 S. Saint Francis
Santa Fe New Mexico 87505

phone: 505-476-3487
fax: 505-476-3462

Price, Wayne

From: Hall, Sharon E. [Shall@arcadis-us.com]
Sent: Friday, December 03, 2004 7:03 AM
To: Price, Wayne
Cc: Kristin Farris Pope (E-mail); Carolyn Doran Haynes (E-mail)
Subject: RE: BD H-35 Pit closure



H-35 workplan.doc

Yes Wayne- it is Section 35. Attached is a corrected report. My apologies. Sharon

-----Original Message-----

From: Price, Wayne [mailto:WPrice@state.nm.us]
Sent: Thursday, December 02, 2004 4:10 PM
To: Hall, Sharon E.
Cc: Kristin Farris Pope (E-mail); Carolyn Doran Haynes (E-mail)
Subject: BD H-35 Pit closure

The Arcadis Report shoes the section is 22. Is this correct? or should it be 35?

Sincerely:

Wayne Price
New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505
505-476-3487
fax: 505-476-3462
E-mail: WPRICE@state.nm.us

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the MessageLabs Email Security System.

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Infrastructure, buildings, environment, communications

Wayne Price
New Mexico Oil Conservation Division
1220 So. Saint Francis Drive
Santa Fe, New Mexico 87505
Sent Certified Mail

ARCADIS G&M, Inc.
1004 N. Big Spring Street
Suite 300
Midland Texas 79701
Tel 432.687.5400
Fax 432.687.5401
www.arcadis-us.com

Subject:

Investigation Workplan
Rice Operating Company Blinbry-Drinkard H-35 SWD Overflow Pit Site
T22S, R37E, Section 35, Unit H Eunice, Lea County, New Mexico

Date:
9 August 2004

Dear Mr. Price,

On behalf of Rice Operating Company (ROC), ARCADIS G&M respectfully submits this investigation workplan for the above-referenced site. A Form C-103 was completed for this site on April 2, 2004 and submitted to the New Mexico Oil Conservation Division (NMOCD). The form was a notice of intention to delineate and close the overflow pit.

Contact:
Sharon Hall

Phone:
432 687-5400

Email:
shall@arcadis-us.com

Site History and Background

The site location contained an above ground redwood tank and an emergency overflow pit. The tank has been removed, and the pit is no longer in use. In February 2004, five trenches were excavated. Two excavations were located adjacent to the pit on the south side and three located adjacent to the pit on the east side. The trenches were excavated to a depth of 12 to 14 feet below ground surface (bgs). Soil samples were collected and analyzed in the field for chlorides using field adapted Method 9253. Chloride concentrations ranged from 99 to 3,426 milligrams per kilogram (mg/kg). Photo-ionization detector (PID) readings were relatively low, ranging from 0.3 to 2.3 units.

A Form C-103 was completed for this site on April 2, 2004 and submitted to the NMOCD. The notice to delineate and close the emergency overflow via soil borings in accordance with the NMOCD-approved "Closure Plan for Permitted Emergency Pits" (revised 2/23/2000) was given a NMOCD Site Assessment Score of 20.

Delineation activities were performed on June 1, 2004. Two boreholes were drilled (in the southwest and northeast corner of the pit) to a depth of 40 and 45 feet bgs respectively. Moisture was encountered at a depth of approximately 42 feet bgs.

Part of a bigger picture

Soil samples were collected and analyzed in the field for chlorides using field adapted Method 9253. Chloride concentrations ranged from 517 to 8,914 mg/kg. PID readings ranged from 1.9 to 8.8 units. Field analytical results are shown in Table 1.

Table 1-Soil Field Analytical Results

Sample ID and Depth	PID Reading	Field Chloride (mg/kg)	Laboratory Chloride (mg/kg)
Borehole 1 (SW) 1'	2	2,091	NA
Borehole 1 (SW) 2'	1.1	1,957	NA
Borehole 1 (SW) 3'	1.3	1,910	NA
Borehole 1 (SW) 4'	1.2	2,129	NA
Borehole 1 (SW) 10'	1.5	1,624	NA
Borehole 1 (SW) 15'	2.3	3,155	NA
Borehole 1 (SW) 20'	2.3	8,914	NA
Borehole 1 (SW) 25'	2.4	3,799	NA
Borehole 1 (SW) 30'	8.1	2,100	NA
Borehole 1 (SW) 35'	1.3	2,233	2,559
Borehole 1 (SW) 40'	3.2	517	976
Borehole 2 (NE) 1'	8.8	1,211	NA
Borehole 2 (NE) 5'	1.5	2,926	NA
Borehole 2 (NE) 10'	2.5	1,611	NA
Borehole 2 (NE) 15'	6.5	2,772	NA
Borehole 2 (NE) 25'	3.0	5,334	NA
Borehole 2 (NE) 30'	5.4	3,078	NA
Borehole 2 (NE) 35'	1.0	2,562	NA
Borehole 2 (NE) 40'	2	1,091	1,260

NA= Not Analyzed

Three borehole soil samples were submitted for laboratory analysis for chlorides using standard method 4500Cl⁻B. Two soil samples were submitted for analysis for gasoline range organics (GRO) and diesel range organics (DRO) using USEPA Method SW-846 8015 M. Laboratory analytical results are shown in Table 2.

Table 2-Soil Laboratory Analytical Results

Sample ID and Depth	GRO	DRO	Chlorides
Borehole 1 (SW) 35' bgs	NA	NA	2,559
Borehole 1 (SW) 40' bgs	<10.0	<10.0	976
Borehole 2 (NE) 40' bgs	<10.0	<10.0	1,260

NA= Not analyzed

Based on the results of the soil sampling analytical results, elevated chloride concentrations are present at the subject site. PID readings and analytical analysis indicate that hydrocarbon concentrations are not present at the site.

Proposed Investigation Workplan

A one-half mile water well inventory will be performed. The water well inventory will include a review of water well records listed on the New Mexico State Engineer Office and United States Geological Survey (USGS) websites and windmills indicated on applicable USGS topographic maps.

Depth to groundwater at the site is expected to be approximately 42 bgs. One monitoring well will be installed at the subject site at the former overflow pit location. The monitor well will be constructed, developed and sampled in accordance with Environmental Protection Agency and NMOCD standards. A groundwater sample will be collected and submitted for laboratory analysis for chlorides, BTEX and general chemistry.

Soil samples will be collected at regular intervals no greater than five feet, screened in the field using a PID and field tested for chlorides. Soil lithology and the presence of any observed staining or odor will be recorded. One sample, the sample collected at total depth of the boring, will be submitted laboratory analysis as confirmation of the field sampling.

If groundwater analytical results indicate that chloride and/or BTEX concentrations exceed New Mexico Water Quality Control Commission standards, additional monitoring wells may be installed as warranted by the results of the investigation. However, if existing monitoring and water wells are present near the site, the well construction is determined to be sufficient for representative sampling, and access to the wells can be obtained, ROC will include the wells in their sampling program and sample the existing wells in lieu of installing additional monitoring wells.

A report detailing the investigation activities and results will be submitted to the OCD. The report will include recommendations for further action if necessary or for closure of the site.

Very truly yours,

ARCADIS G&M, Inc.

Sharon E. Hall, Site Evaluation Department Manager

ARCADIS

Wayne Price
August 9, 2004

Copies:

Carolyn Haynes- Rice Operating Company
Kristin Farris Pope- Rice Operating Company

Attachment:

Form C-103

ARCADIS

Wayne Price
August 9, 2004

Price, Wayne

From: Price, Wayne
Sent: Thursday, December 02, 2004 3:10 PM
To: Sharon Hall (E-mail)
Cc: Kristin Farris Pope (E-mail); Carolyn Doran Haynes (E-mail)
Subject: BD H-35 Pit closure

The Arcadis Report shows the section is 22. Is this correct? or should it be 35?

Sincerely:

Wayne Price
New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505
505-476-3487
fax: 505-476-3462
E-mail: WPRICE@state.nm.us

Price, Wayne

From: Price, Wayne
Sent: Tuesday, November 09, 2004 9:30 AM
To: 'Carolyn Doran Haynes'; Price, Wayne
Cc: 'Kristin Farris'; 'Hall, Sharon E.'
Subject: RE: BD SWD H-35 Pit Closure

APPROVED!

Please be advised that NMOCD approval of this plan does not relieve (Rice Operating Company) of liability should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve (Rice Operating Company) of responsibility for compliance with any other federal, state, or local laws and/or regulations.

-----Original Message-----

From: Carolyn Doran Haynes [mailto:cdhriceswd@leaco.net]
Sent: Tuesday, November 09, 2004 9:28 AM
To: 'Price, Wayne'
Cc: 'Kristin Farris'; 'Hall, Sharon E.'
Subject: BD SWD H-35 Pit Closure

Wayne,

Sharon Hall, with Arcadis G&M, has submitted the workplan for closing the emergency overflow pit at the BD SWD System H-35 Terminal Facility.

At this time, Rice Operating would like to begin some of the preliminary work at this site, work that will have to be done regardless of the workplan approval or conditional approval or revision. This work entails moving the electrical poles, preparing the site for the installation of the overflow tank, installation of the tank and excavation of the very highly impacted soils (TPH in excess of 10,000 ppm).

This site is located on land owned by Mrs. Chloe Sims. The lease is current. The landowner will be notified.

Rice is asking for your concurrence that this incidental work can proceed while the NMOCD contemplates the workplan proposal. Rice would really appreciate having the overflow tank installed before hard winter is upon us.

Thank you for this consideration.

Carolyn Doran Haynes
Engineering Manager
RICE Operating Company
PH: 505-393-9174
FX: 505-397-1471

This email has been scanned by the MessageLabs Email Security System.
For more information please visit <http://www.messagelabs.com/email>

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From: Price, Wayne
Sent: Tuesday, November 09, 2004 9:30 AM
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Cc: 'Kristin Farris'; 'Hall, Sharon E.'
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PH: 505-393-9174
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Infrastructure, buildings, environment, communications

ARCADIS G&M, Inc.
1004 N. Big Spring Street
Suite 300
Midland Texas 79701
Tel 432.687.5400
Fax 432.687.5401
www.arcadis-us.com

Wayne Price
New Mexico Oil Conservation Division
1220 So. Saint Francis Drive
Santa Fe, New Mexico 87505
Sent Certified Mail

Subject:
Investigation Workplan
Rice Operating Company Blinbry-Drinkard H-35 SWD Overflow Pit Site
T22S, R37E, Section 22, Unit H Eunice, Lea County, New Mexico

Dear Mr. Price, L? 35?

Date:
9 August 2004

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Contact:
Sharon Hall

Phone:
432 687-5400

Email:
shall@arcadis-us.com

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Delineation activities were performed on June 1, 2004. Two boreholes were drilled (in the southwest and northeast corner of the pit) to a depth of 40 and 45 feet bgs respectively. Moisture was encountered at a depth of approximately 42 feet bgs.

Part of a bigger picture.

Soil samples were collected and analyzed in the field for chlorides using field adapted Method 9253. Chloride concentrations ranged from 517 to 8,914 mg/kg. PID readings ranged from 1.9 to 8.8 units. Field analytical results are shown in Table 1.

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NA= Not Analyzed

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Table 2-Soil Laboratory Analytical Results

Sample ID and Depth	GRO	DRO	Chlorides
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Based on the results of the soil sampling analytical results, elevated chloride concentrations are present at the subject site. PID readings and analytical analysis indicate that hydrocarbon concentrations are not present at the site.

Proposed Investigation Workplan

A one-half mile water well inventory will be performed. The water well inventory will include a review of water well records listed on the New Mexico State Engineer Office and United States Geological Survey (USGS) websites and windmills indicated on applicable USGS topographic maps.

Depth to groundwater at the site is expected to be approximately 42 bgs. One monitoring well will be installed at the subject site at the former overflow pit location. The monitor well will be constructed, developed and sampled in accordance with Environmental Protection Agency and NMOCD standards. A groundwater sample will be collected and submitted for laboratory analysis for chlorides, BTEX and general chemistry.

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A report detailing the investigation activities and results will be submitted to the OCD. The report will include recommendations for further action if necessary or for closure of the site.

Very truly yours,

ARCADIS G&M, Inc.

Sharon E. Hall

Sharon E. Hall, Site Evaluation Department Manager

ARCADIS

Wayne Price
August 9, 2004

Copies:

Carolyn Haynes- Rice Operating Company
Kristin Farris Pope- Rice Operating Company

Attachment:

Form C-103

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised June 10, 2003

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-22797
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Blinebry Drinkard (BD) SWD System
8. Well Number H-35
9. OGRID Number
10. Pool name or Wildcat SAN ANDRES
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3525' GL; 3537 KB

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other SWD WELL

2. Name of Operator
 RICE OPERATING COMPANY

3. Address of Operator
 122 W. TAYLOR, HOBBS, NM 88240

4. Well Location
 Unit Letter H : 1872 feet from the NORTH line and 233 feet from the EAST line
 Section 35 Township 22S Range 37E NMPM LEA County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: OVERFLOW PIT DELINEATION & CLOSURE <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Delineation and closure of emergency pit via soil bore(s) to begin on April 16, 2004. Work will be conducted according to the enclosed NMOCD-approved "Closure Plan for Permitted Emergency Pits" (revised 2/23/2000). All major events including boring and sampling will be coordinated to allow 48 hours notice to NMOCD.

Depth to groundwater is <50 ft.
 NMOCD Site Assessment Score = 20.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kristin Farris TITLE Project Scientist DATE 4-2-04

Type or print name Kristin Farris E-mail address: enviro@leaco.net Telephone No. (505) 393-9174

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

RICE Operating Company

122 West Taylor • Hobbs, New Mexico 88240
Phone: (505)393-9174 • Fax: (505) 397-1471

April 2, 2004

RECEIVED

APR 05 2004

Mr. Chris Williams

New Mexico Energy, Minerals, & Natural Resources Department
Oil Conservation Division, Environmental Bureau
1625 N. French Drive
Hobbs, New Mexico 88240

OIL CONSERVATION
DIVISION

RE: **EMERGENCY OVERFLOW PIT DELINEATION/CLOSURE**
PERMIT NO. H-46
BD SWD H-35
Unit letter H, Sec. 35, T22S, R37E
Lea County, New Mexico

Mr. Williams:

Rice Operating Company (ROC) takes this opportunity to notify the NMOCD of work to be performed at the emergency overflow pit at the BD Salt Water Disposal Well H-35, located in Unit Letter H, Section 35, T22S, R37E, Lea County, New Mexico. This facility is located on fee land owned by Cloe Sims.

ROC is the service provider (operator) for the BD Salt Water Disposal System and has no ownership of any portion of pipeline, well, or facility. The BD System is owned by a consortium of oil producers, System Partners, who provide all operating capital on a percentage ownership/usage basis. Replacement/closure projects of this magnitude require System Partner AFE approval and work begins as funds are received.

The Project AFE for this work has been approved by the System Partners and work is tentatively scheduled for April 16, 2004 with delineation drilling at the pit. Work will be conducted using Risk-Based Corrective Action (RBCA) to evaluate the potential of any impact in the vadose zone to impair groundwater quality at this site.

The pit will be replaced with a new fiberglass emergency overflow tank. All required documentation will be included in the Final Closure Report for the pit.

The enclosed C-103 form addresses the work to be performed at this site. ROC will schedule all major events with a 48-hour advance notice to the NMOCD. The Final Closure Report and Subsequent C-103 will follow at the end of this project.

Thank you for your consideration of this project.

RICE OPERATING COMPANY

Kristin Farris

Kristin Farris
Project Scientist

enclosures: C-103, pit closure plan, facility map, pit inventory form

cc: LBG, CDH, file Wayne Price
NMOCD
1220 S. St. Francis Dr.
Santa Fe, NM 87504

Submit 3 Copies To Appropriate District Office

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-22797
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Blinebry Drinkard (BD) SWD System
8. Well Number H-35
9. OGRID Number
10. Pool name or Wildcat SAN ANDRES
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3525' GL; 3537 KB

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

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PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
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TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPLETION <input type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: OVERFLOW PIT DELINEATION & CLOSURE <input checked="" type="checkbox"/>	

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Depth to groundwater is <50 ft.
NMOCD Site Assessment Score = 20.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kristin Farris TITLE Project Scientist DATE 4-2-04

Type or print name Kristin Farris E-mail address: enviro@leaco.net Telephone No. (505) 393-9174

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

Environmental Closure of Permitted Overflow Pits and Below-Grade Redwood Tanks

ROC was informed by the NMOCD that all emergency overflow pits and below-grade redwood tanks located in New Mexico would require bonding under NM Rule 711 unless action was taken to properly close these sites. ROC responded with generic work plans outlining the closure procedure that would be used at these sites. NMOCD approved these generic plans.

For closure of permitted below-grade tank sites and overflow pits in Texas, the procedure detailed in the RRC Pit Permit must be followed.

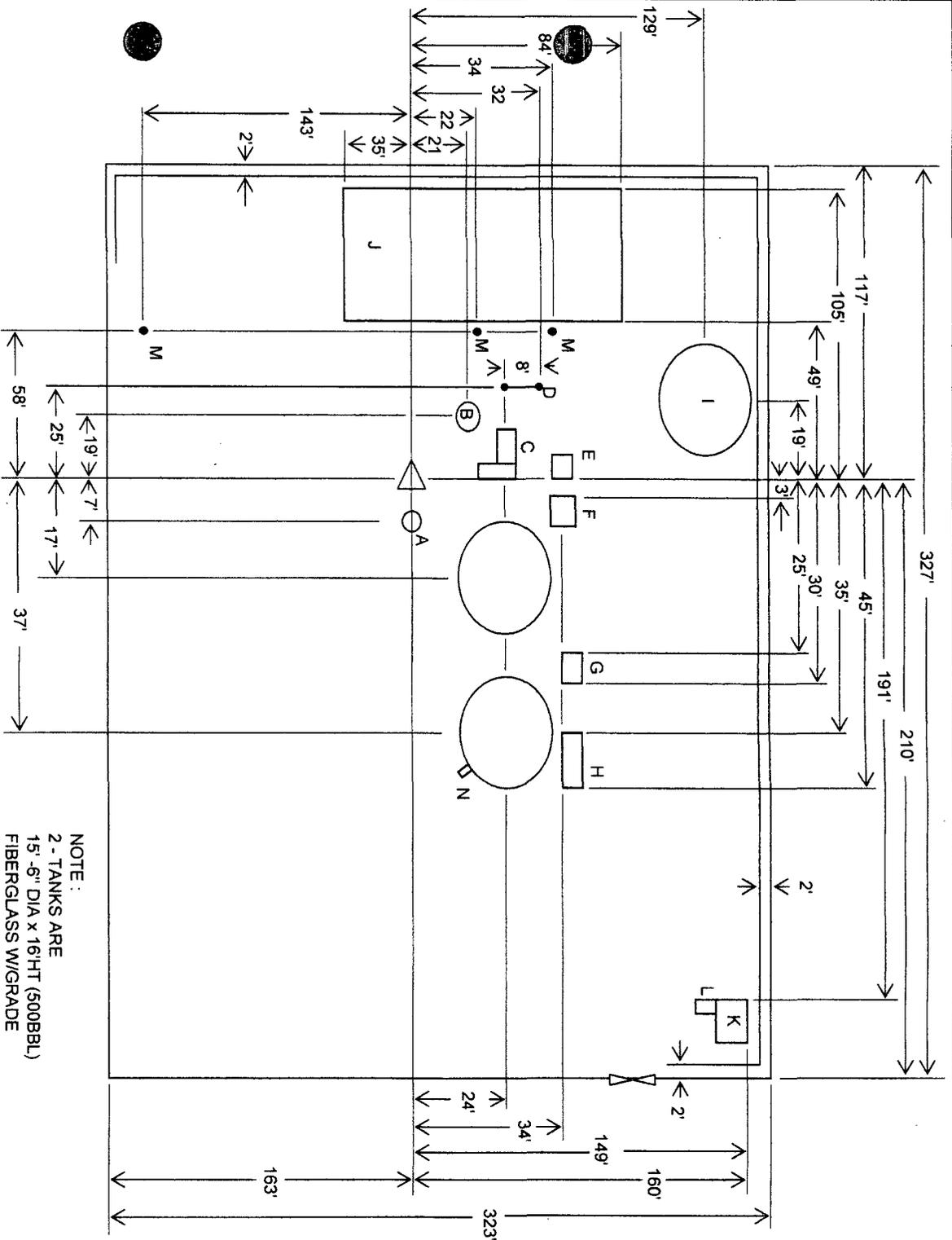
Landowners are notified that remediation/upgrade work is planned at the lease site.

All closure activities concerning closure of emergency overflow pits and below grade tanks are conducted pursuant to regulatory guidelines.

The Closure Plan for Below Grade Redwood Tanks and the Closure Plan for Permitted Emergency Pits detail the order of activities.

Closure Plan for Permitted Emergency Pits

1. Submit C-103 form to NMOCD along with the site-specific location, site assessment, work plan, time schedule, sampling and testing plan, etc., all pursuant to NMOCD guidelines.
2. Remove and properly dispose of visibly contaminated soil pursuant to NMOCD guidelines.
3. Procure soil samples from surface and 3' below excavation bottom and excavation sides.
 - A. If soil samples are < 100ppm TPH and < 250ppm Chlorides, proceed to Step 6.
 - B. If soil samples are > 100ppm THP or > 250ppm Chlorides, proceed to Step 4.
4. Delineate any portion of excavation that is > 100ppm TPH or > 250ppm Chlorides with a backhoe or soil boring machine, obtaining samples for field and lab analysis at 5' intervals.
 - A. When field analysis of bored-sample determines < 100ppm TPH and < 250ppm Cl, boring will be suspended pending laboratory analysis confirmation. Proceed to Step 5.
 - B. If these parameter levels are not identified, then boring and sampling will continue to ground water. Upon reaching groundwater, the borehole will be cased and developed. Ground water samples will be procured and tested for major cations and anions, TDS and BETX levels. If ground water is found to exceed the WQCC standards, NMOCD will be notified immediately and the closure plan will move into Rule 19 procedures.
5. Write AFE to System Partners as directed by results of delineation of redwood tank site and of emergency pit (if both are at facility). Await approval and funding for site closing
6. Remove impacted soil (as practical) to eliminate hot spots; dispose per NMOCD guidelines.
7. Procure random 5-point composite bottom sample and random 4-point composite side sample for laboratory TPH, Benzene, and BTEX testing.
 - A. If <100ppm TPH; BTEX, Benzene <10ppm; <250ppm Chlorides; proceed to Step 9.
 - B. If >100ppm TPH; BTEX, Benzene >10ppm; >250ppm Chlorides; in the vadose zone but not reaching groundwater, proceed to Step 8.
8. Evaluate site for risk assessment: delineate to assess depth and horizontal extent of impact corresponding to NMOCD guidelines for site assessment value; excavate bottom and sides as practical to minimize risk; install compacted clay liner to meet or exceed 95% of a Proctor Test ASTM-D-698 with permeability (hydraulic conductivity) equal or less than 1×10^{-7} cm/sec for containment/isolation of impact.
9. Discuss results/risk assessment with NMOCD for verbal approval to proceed with backfill.
10. Apply to NMOCD for closure of permitted emergency pit site per NMOCD guidelines and site results.



NOTE:
 2 - TANKS ARE
 15'-6" DIA x 16'HT (500BBL)
 FIBERGLASS W/GRADE
 BANDS AND GROUNDING
 ADDITIVES

- A - ANNULUS TANK 110 GAL.
- B - SUMP PIT
- C - CENTRIFUGAL PUMP
- D - ELECTRIC PANEL
- E - PUMP BASE
- F - JCT. BOX 5'x5'
- G - JCT. BOX 4'x5'
- H - JCT. BOX 5'x10'
- I - 15'-6" DIA. X 16' HT METAL STORAGE TANK
- J - 56' x 117' OVERFLOW PIT
- K - JCT. BOX 8'x8'
- L - JCT. BOX 5'x3'
- M - 3 - POWER POLES
- N - 3" UNLOADING VALVE

RICE OPERATING COMPANY
 122 WEST TAYLOR
 HOBBS, NEW MEXICO 88240
 (505) 393-9174

SPCC
 FACILITY IDENTIFICATION

DISPOSAL FACILITY
 BLINEBRY DRINKARD SWD H - 35
 UNIT LITTER H, SEC. 35, T22S, R37E
 LEA COUNTY, NEW MEXICO

0922

Submit 4 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-134
Aug. 1, 1969

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

Permit No. 14-46
(For Division Use Only)

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

**APPLICATION FOR EXCEPTION TO DIVISION ORDER R-8952
FOR PROTECTION OF MIGRATORY BIRDS Rule 8(b), Rule 105(b), Rule 312(h), Rule 313, or Rule 711(I)**

Operator Name: AGUA

Operator Address: PO BOX 1978 HOBBS, NEW MEXICO 88240

Lease or Facility Name BLINEBRY-DRINKARD SWD WELL NO H-³⁵ Location H - 35 - 22S - 371
Size of pit or tank: 115' X 55' X 8' OR 9012 BBLs. Ut. Ltr. Sec. Twp. Rge

Operator requests exception from the requirement to screen, net or cover the pit or tank at the above-described facility.

The pit or tank is not hazardous to migratory waterfowl. Describe completely the reason pit is non-hazardous.

THE PIT IS USED ONLY IN EMERGENCIES (IE: POWER FAILURES, MAJOR
PUMP REPAIRS, MAJOR WELL REMEDIAL WORK, ETC.)

1) If any oil or hydrocarbons should reach this facility give method and time required for removal:

METHOD: VACUUM TRUCK

TIME: WITHIN 48 HOURS OF DISCOVERY

2) If any oil or hydrocarbons reach the above-described facility the operator is required to notify the appropriate District Office of the OCD with 24 hours.

Operator proposes the following alternate protective measures: _____

CERTIFICATION BY OPERATOR: I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature R.W. Abbott Title MANAGER Date SEPTEMBER 15, 1989

Printed Name R.W. ABBOTT Telephone No. 505 393-6188

FOR OIL CONSERVATION DIVISION USE

Date Facility Inspected 7-26-89
Inspected by Eddie W. Seay
Oil & Gas Inspector

Approved by Eddie W. Seay
Oil & Gas Inspector
Title _____
Date OCT 2 1989



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

November 16, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. P 410 425 207

Carolyn Doran Haynes
Rice Operating Company
122 West Taylor
Hobbs, NM 88240

Re: Above-ground Redwood Tank Removal
Salt Water Disposal Facility H-35
Blinebry Drinkard Salt Water Disposal System
Northeast 1/4, Section 35-Ts22s-R37e
Lea County, NM

Dear Ms. Haynes:

The New Mexico Oil Conservation Division (NMOCD) is in receipt of Rice Operating Company's (ROC) letter dated November 10, 1999 requesting closure for the above captioned facility. The NMOCD approves of Rice Operating Company's closure request.

Please be advised that NMOCD approval of this site does not relieve Rice Operating Company 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 approval does not relieve Rice Operating Company of responsibility for compliance with any other federal, state, or local laws and/or regulations.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD Hobbs Office

SENDER:

- Complete items 1 and/or 2 for additional services.
Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee): *wf*

1. Addressee's Address
2. Restricted Delivery

3. Article Addressed to:

RICE OPERATING COMPANY
122 WEST TAYLOR
HOBBS, NM 88240
ATT: CAROLYN HAYNES

4a. Article Number

P 910 425 207

4b. Service Type

- Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery

11/18/99 11/19/99

5. Received By: (Print Name)

✓ Regie Saxe

6. Signature (Addressee or Agent)

✓ Regie Saxe

8. Addressee's Address (Only if requested and fee is paid)

UNITED STATES POSTAL SERVICE

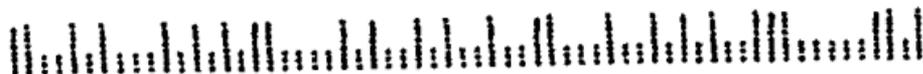


First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Print your name, address, and ZIP Code in this box •

*WP
H-35*

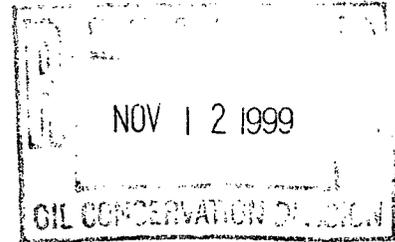
**Environmental Bureau
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505**



RICE Operating Company

122 West Taylor • Hobbs, New Mexico 88240
Phone: (505)393-9174 • Fax: (505) 397-1471

CERTIFIED MAIL
RETURN RECEIPT NO. Z 577 009 525



November 10, 1999

Mr. Wayne Price
State of NM Energy and Minerals Dept.
Oil Conservation Division
2040 South Pacheco St.
Santa Fe, NM 87505

Re: Aboveground Redwood Tank Removal, SWD H-35
Blinebry Drinkard Salt Water Disposal System
NE/4, Section 35-Ts22s-R37e, Lea County, NM

Dear Mr. Price:

In response to your request of September 3, 1999, for further information concerning the H-35 aboveground redwood tank site closure submission, Rice Operating Company addresses each item as follows:

1. The vertical profile of the natural clay layer is three feet thick, as determined by a 6" boring drilled on March 6, 1999. This clay layer is directly beneath the area of impact of the redwood tank. No further delineation of this natural clay layer is planned at this time.
2. Groundwater at this site was estimated to be at 65' BGS due to three wells to the east of H-35 received from the State Engineer's Office and plotted on the topo map where the windmill sites are indicated, elevation approximately 3280'. Due to the H-35 site being approximately 16' higher in elevation, 3296', this difference was added to the average well depth of the wells (46', 48' and 54') to obtain an approximate groundwater depth of 65'. Because of the well indicated in your Sept 3 letter, which was not supplied to ROC by the State Engineer's Office, a search was conducted of the USGS water-well database (of which the state engineers office is a contributor). Of the three wells previously believed to be in Section 36, two are actually in Section 35, and another water well in Sec 35 has been identified. (From the Topo map, their elevation when plotted in Section 35 is estimated to be 3300' and their GW depths are 48', 54', 57.5' for an average of 53'.) In Sec 36, there have been 6 wells in the NW/4 (all in the draw area, about 3280' elevation)

11/10/99

identified with an average depth of 32'. Using these wells, and compensating for elevation differences, the most likely depth to ground water for H-35 site is 48-49'BGS. (See the attached page from the USGS GW database.) ROC regrets this error in estimating groundwater depth and appreciates NMOCD for calling it to ROC's attention and allowing ROC to correct this error.

The horizontal and vertical extent of the contamination impact was determined to be less than the NMOCD guidelines (for the headspace procedure) with the side composite sample of the open excavation. The sample was tested with a PID, on February 20, 1998 and found to be 89.1 ppm. On April 17, 1998, during your visit to the site with Mr. Wes Root, additional samples were collected. TPH results on the composite sample 4' BGS (at the bottom of the excavation) was <10 ppm. A headspace reading was recorded at the site and found to be <1 ppm on a sample pulled from an 11' deep trench, dug immediately prior to sampling.

Later, during a boring operating of March 6, 1999, a clay layer was found to exist 29-32' BGS. At 30'BGS, TPH results indicate 29 ppm and at 34'BGS, the TPH results were 19.8 ppm. OVM readings of samples gathered at 15', 20', 25', 30', 34' all indicated <1 ppm. Chlorides were tested at these depths and were at 111 ppm, clearly below the level to cause concern for groundwater at the site.

3. Existing contamination BGS is well within the NMOCD guidelines of <100 ppm TPH for groundwater at less than 50' depth, being <10 ppm TPH at 4'BGS and <20 ppm TPH at 34'BGS. The source of contamination at the site has been removed (redwood tank), thus eliminating a continual source of percolation moisture. Lea County, NM average yearly rainfall of 16" inches is not adequate to percolate contaminates through this clay layer 29 feet BGS, nor is it adequate to mobilize chloride contaminates residing 4-29' BGS to appreciably move laterally (over 1200') to the Monument Draw. Considering the pond-evaporation rate is around 100" per year, and rainfall consistently ranges 11-16" per year, natural precipitation percolation amounts to a distinctly negative number. (These rainfall/evaporation numbers were researched through the USGS, the NM State Engineer's Office, and the API Brine Remediation Manual.)
4. Natural attenuation will reduce the hydrocarbon impact BGS over the foreseeable future. Chloride contaminates will remain in the 4-29'BGS area, but will not impact groundwater due to the natural clay barrier that is 20' above estimated groundwater depth and due to the removal of the continual source of percolation moisture.
5. Rice Operating Company has no justification to collect a water sample at a private windmill more than 1500 feet from the H-35 site, nor for the Blinebry Drinkard SWD System to pay for a water analysis not associated with the closure of this site. (There is not a down-gradient well or surface water source within 1000' of H-35.) Within that 1500 feet of distance, there are several other potential sources of impact, sources not associated with the H-35 site. The NMOCD site assessment specifications ask for identification of water-wells with 200 feet and all other water sources within 1000 feet. With the TPH levels far, far below 100 ppm (NMOCD's posted guideline for closure

based on <50' to groundwater), and chloride level at 111 ppm (no posted guideline for closure, and far below the WQCC limit for chloride in groundwater), and both of these low levels of impact at 20' above estimated ground water depth, there is no reason for ROC to suspect any ground water impact at this site.

ROC has discussed this September 3, 1999 NMOCD response with the major Blinebry Drinkard SWD System Partners. The System Partners agreed that further delineation of this site is not justified at this time. This facility still has in use an emergency overflow pit (clay lined) that is scheduled to be closed in 2001, after an overflow tank is installed. At that time, for the closure of a permitted emergency overflow pit, further delineation of the facility area may be justified, and will be assessed as necessary.

Rice Operating Company submits this additional information pursuant to NMOCD's request and petitions at this time for closure of the above ground redwood tank formerly located at this facility. The Pit Remediation and Closure form for the redwood tank accompanies this submission. No further work is scheduled to be performed at this site at this time.

If you have any questions, please call.



Carolyn Doran Haynes
Operations Engineer

Enclosures: Pit Remediation and Closure Report
NMOCD letter by Wayne Price dated September 3, 1999
Previously submitted closure plan and site data dated June 29, 1999

Cc: KH, LBG, file,
Ms. Donna Williams
State of NM Energy and Minerals Dept.
Oil Conservation Division
1625 French Drive
Hobbs, NM 88240

District I
 1625 N. French Drive, Hobbs, NM 88240
 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

Submit 1 copy to
 Appropriate District
 Office and 1 copy to
 Santa Fe Office

PIT REMEDIATION AND CLOSURE REPORT

Operator: <u>RICE OPERATING COMPANY</u> Telephone: <u>505-393-9174</u>										
Address: <u>122 West Taylor, Hobbs, NM 88240</u>										
Facility or: <u>Blinebry Drinkard SWD System SWD Well Facility H-35</u> Well Name										
Location: Unit or Qtr/Qtr Sec <u>Unit Letter</u> H <u>Sec</u> <u>35</u> T <u>22S</u> R <u>37E</u> County <u>LEA</u>										
Pit type: Separator _____ Dehydrator _____ Other <u>Above Ground Redwood Tank</u>										
Land Type: BLM _____ State _____ Fee <u>X</u> Other _____										
Pit Location Pit Dimensions: length _____ width <u>28'</u> depth <u>7'</u> (Attach diagram)										
Reference: wellhead <u>yes</u> other _____										
Footage from reference: <u>50' North then 10' East to center of tank (diagram attached)</u>										
Direction from reference: _____ Degrees _____ East North _____ of _____ West South _____										
Depth to Ground Water (Vertical distance from contaminants to seasonal high water elevation of ground water)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Less than 50 feet</td> <td style="width: 20%;">(20 points)</td> <td style="width: 30%;"></td> </tr> <tr> <td>50 feet to 99 feet</td> <td>(10 points)</td> <td></td> </tr> <tr> <td>Greater than 100 feet</td> <td>(0 points)</td> <td style="text-align: right;"><u>20</u></td> </tr> </table>	Less than 50 feet	(20 points)		50 feet to 99 feet	(10 points)		Greater than 100 feet	(0 points)	<u>20</u>
Less than 50 feet	(20 points)									
50 feet to 99 feet	(10 points)									
Greater than 100 feet	(0 points)	<u>20</u>								
Wellhead Protection Area (Less than 200 feet from a private domestic water source, or, less than 1000 feet from all other water sources)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Yes</td> <td style="width: 20%;">(20 points)</td> <td style="width: 30%;"></td> </tr> <tr> <td>No</td> <td>(0 points)</td> <td style="text-align: right;"><u>0</u></td> </tr> </table>	Yes	(20 points)		No	(0 points)	<u>0</u>			
Yes	(20 points)									
No	(0 points)	<u>0</u>								
Distance to Surface Water: (Horizontal distance to perennial lakes, ponds, rivers, streams, creeks, irrigation canals and ditches)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Less than 200 feet</td> <td style="width: 20%;">(20 points)</td> <td style="width: 30%;"></td> </tr> <tr> <td>200 feet to 1000 feet</td> <td>(10 points)</td> <td></td> </tr> <tr> <td>Greater than 1000 feet</td> <td>(0 points)</td> <td style="text-align: right;"><u>0</u></td> </tr> </table>	Less than 200 feet	(20 points)		200 feet to 1000 feet	(10 points)		Greater than 1000 feet	(0 points)	<u>0</u>
Less than 200 feet	(20 points)									
200 feet to 1000 feet	(10 points)									
Greater than 1000 feet	(0 points)	<u>0</u>								
RANKING SCORE (TOTAL POINTS): <u>20</u>										

Date Remediation Started: February 20, 1998 Date Completed: November 10, 1999

Remediation Method: Excavation Yes Approx. cubic yards 276
(Check all appropriate sections) Landfarmed _____ In-situ Bioremediation _____

Other Natural Attenuation

Remediation Location: Onsite _____ Offsite Sundance Parabo, Eunice NM
(ie.: landfarmed onsite, name and location of offsite facility)

General Description of Remedial Action: Excavated the > 100 ppm TPH impacted soil and disposed of it at Sundance Parabo facility. Backfilled excavation with clean caliche fill and graded site.

Ground Water Encountered: No No Yes _____ Depth Estimated to be 48-49'

Final Pit Closure Sampling
(if multiple samples, attach sample results and diagram of sample locations and depths)

Sample location Sample Results Noted on Attached Diagram

All Analytical Results Included in June 29, 1999 Submission, attached

Sample depth Sides, Bottom, also a boring to 34' BGS

Sample date Various Sample time _____

Sample Results

Benzene (ppm) _____

Total BTEX (ppm) _____

Field headspace (ppm) Side: 89.1ppm Bottom: 8.5ppm at 4' BGS

TPH Bottom: <10 ppm at 4' BGS

Ground Water Sample: Yes _____ No NO (If yes, attach sample results)

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

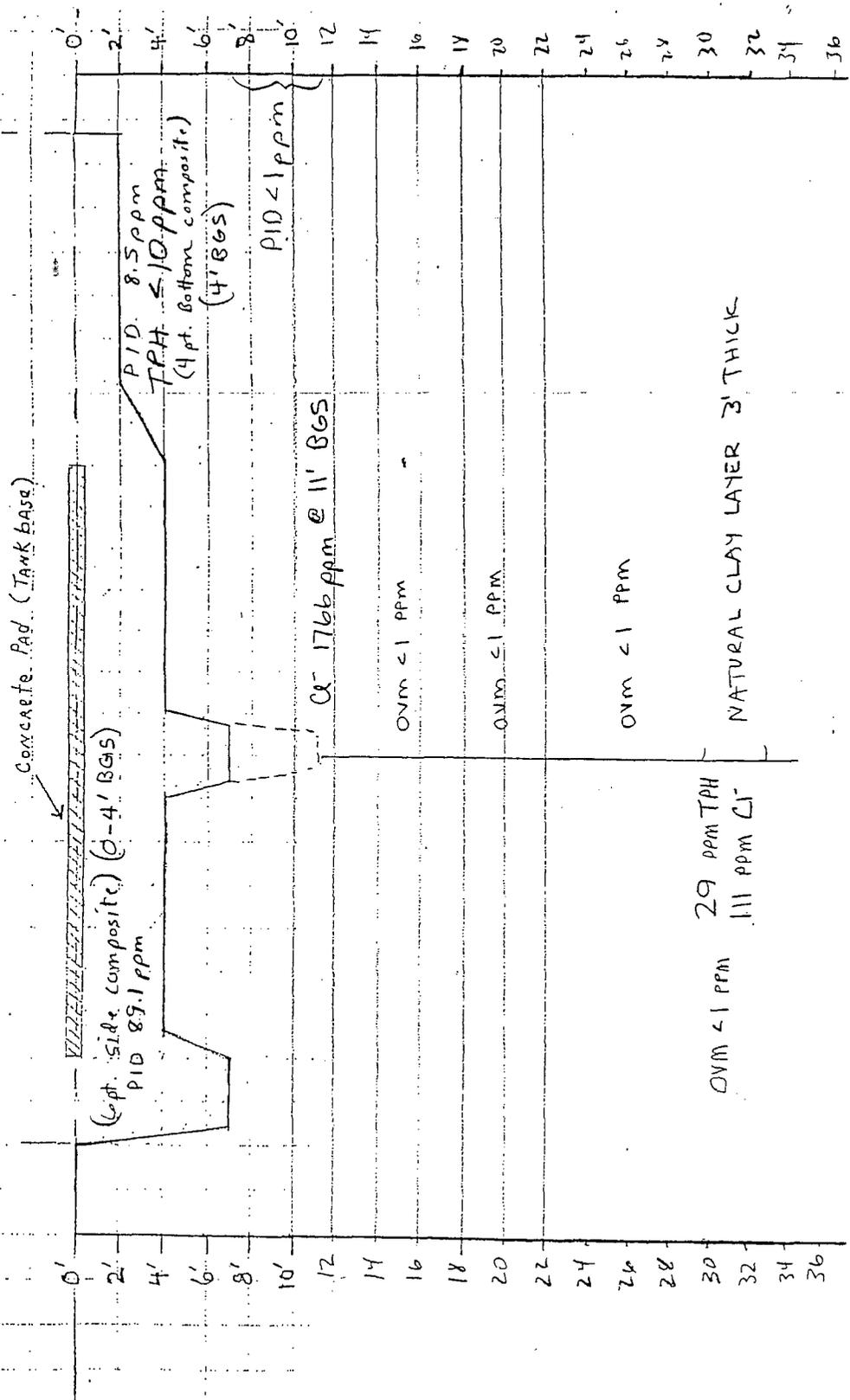
DATE November 10, 1999

PRINTED NAME Carolyn Doran Haynes

SIGNATURE *Carolyn Doran Haynes*

TITLE Operations Engineer

CROSSSECTION



District I - (505) 393-6161
P.O. Box 1900
Hobbs, NM 88241-1900
District II - (505) 748-1203
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Benzon Road
Artesia, NM 87410
District IV - (505) 827-7131

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Originated 6/27/97

Submit Original
Plus 1 Copy
to Santa Fe

PIT INVENTORY FORM

Operator: RICE OPERATING COMPANY

Address: 122 WEST TAYLOR
HOBBS, NEW MEXICO 88240

Phone Number: (505) 393-9174

Previous Operator(s): Agua Operating

Is the pit permitted: Yes No

Unit Letter: H Section: 35 Township: 22S Range: 37E

County: Lea County

Location Name: Blinebry Drinkard Salt Water Disposal Well H-35

Number of wells to the pit: System Terminal Tank (Varies)

Are the wells to the pit operated by one operator or multiple operators

Total daily volume (in barrels) to the pit: 1,300

Pit Type: 1-Below ground redwood terminal tank

(Emergency, Production, Workover, Reserve/Drilling (greater than 6 months old), Flare, Blowdown, Separator, Dehydrator, Line Drip, BSEW/Tank Bottoms, Compressor, Piggings, Washdowns, or other)

What types of wastes are accepted in the pit (Exempt, Non-exempt, Both, None): Exempt (production water)

Pit age (years): 30

Is the pit lined or unlined

Type of liner (None, Synthetic, Clay): Redwood tank resting on concrete pad

Is leak detection present: Yes No Observation boxes around tanks

Is the pit netted: Yes No Covered with redwood top

Pit dimensions (LxWxD): 28'dia X 7' Ht

CERTIFICATION

I hereby certify that the information submitted is true and correct to the best of my knowledge and belief.

Name: Roger Hall Title: Operations Engineer

Signature: Roger Hall Date: 10/30/97

X This was an above-ground redwood tank

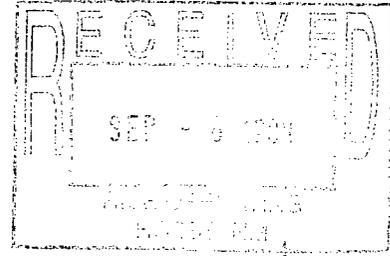


NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 3, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z 357 870 142



Carolyn Doran Haynes
Rice Operating Company
122 West Taylor
Hobbs, NM 88240

Re: Above-ground Redwood Tank Removal
Salt Water Disposal Facility H-35
Blinebry Drinkard Salt Water Disposal System
Northeast 1/4, Section 35-Ts22s-R37e
Lea County, NM

Dear Ms. Haynes:

The New Mexico Oil Conservation Division (NMOCD) is in receipt of Rice Operating Company's (ROC) letter dated June 29, 1999 concerning the above captioned facility. ROC requested an approval to modify its original plan submitted on March 16, 1999 by utilizing an existing natural clay layer (lense) found at 29-32 feet below surface of the site instead of installing the proposed polyethylene liner over the contamination. ROC's report indicates groundwater below the site is at an estimated depth of 60-65 feet, according to the nearest water well identified by the State Engineers' office. The site location map shows there is a windmill located within 400-500 yards east-southeast of the site in Monument Draw, but does not identify if this is the referenced water well from the State Engineer's office. The report indicates that chloride levels as high as 3,750 ppm remain in the soils below the site and above the natural clay layer.

Please note that NMOCD's records indicate there is a windmill in close proximity located in Monument Draw in an area where the Ogallala has been eroded out and the depth to ground water is between 27-30 feet below ground surface (see state engineers record 22-37-35 134434) and was observed during a field trip to the site. The topo map supplied shows there is a natural surface dip toward the windmill located in the draw. NMOCD is concerned about contamination from the site migrating along the clay lense path and entering into Monument Draw and/or entering into groundwater.

Ms. Haynes Z 357 870 142
September 3, 1999
Page 2

In order to properly evaluate ROC's modification request the NMOCD requires the following information:

1. Please provide the vertical and horizontal profile of the clay layer (lense) between the site and Monument Draw.
2. Please provide the horizontal extent of the contamination along the path of the clay lense. If the clay lense is dis-continues down gradient of the site, then provide the vertical extent of the contamination at that point.
3. Please demonstrate how ROC will prevent existing contamination found below the site from entering into surface or sub-surface waters in the foreseeable future.
3. Please demonstrate how natural attenuation will reduce the contaminants (i.e. chlorides) in the foreseeable future as proposed in Item 5. of letter dated 06/29/99.
3. Please collect a water sample from the closest down-gradient water source. Please analyze the sample for general chemistry using approved EPA methods.

Please provide the above information by November 15, 1999. If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,



Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD Hobbs office

RICE Operating Company

122 West Taylor • Hobbs, New Mexico 88240
Phone: (505)393-9174 • Fax: (505) 397-1471

CERTIFIED MAIL
RETURN RECEIPT NO. Z 577 009 518

June 29, 1999

Mr. Wayne Price
State of NM Energy and Minerals Dept.
Oil Conservation Division
2040 South Pacheco St.
Santa Fe, NM 87505

Re: Aboveground Redwood Tank Removal, SWD H-35
Blinebry Drinkard Salt Water Disposal System
NE/4, Section 35-Ts22s-R37e, Lea County, NM

Dear Mr. Price:

In response to your request of May 5, 1999, for further information concerning the H-35 aboveground redwood tank site, Rice Operating Company addresses each item as follows:

1. A topographic plot drawing of the site is attached. A vertical cross-section of the site is attached that denotes the results of chloride and TPH concentrations at the various sample sites. A calculated mass of in-situ contaminates is improbable to ascertain due to the various strata layers and their specific indeterminate densities. ROC is reluctant to stipulate any such mass quantity due to the obvious fallibility of delineation assumptions.
2. After in-depth discussions with various system partners and their environmental departments, it has been decided that at this time, no moisture barrier is needed because, as evidenced by the drilling log, there is an existing, natural clay layer at 29-32 feet BGS. This layer did indeed stop contamination migration, as illustrated by boring sample lab results. This is sufficient substantiation that any future downward or lateral natural moisture migration will be interrupted by this layer before the opportunity to impact ground water. Again the source of contamination has been removed, the TPH impacted soil has been removed, soil in-place tests reveal a level of <10ppm TPH and <100 ppm for PID reading, and 4+ feet of clean cover was used to backfill the excavated area.
3. Lateral moisture migration is addressed in #2 above.

4. The moisture-barrier clay-layer and the in-situ salt contaminates above it will be protected by the four to seven feet of clean over-burden. There is no significant TPH contamination left in place and the salt impact will be significantly below plow-depth, and will not be disturbed by any normal surface activity practiced in the area. The landowner of record, Mrs. Chloe Simms, P. O. Box 922, Eunice, NM 88231, will be sent a copy of this closure plan request and associated plots, logs and laboratory results.
5. Rice Operating Company has no plans to monitor groundwater at this site because groundwater was not impacted. The source of contamination is removed, the three-foot-thick, natural clay-barrier is located at 29 - 32 feet BGS (33-36' above GW) and is positioned to prevent any future percolation of contaminates to groundwater. Natural attenuation will be relied upon to remediate the vadose zone over the foreseeable future.
6. Copies of disposal manifests are attached. All impacted soil that was removed from the site was hauled to the Sundance Parabo facility.
7. The soil boring was plugged with bentonite per Cooper and Harrison Drilling contractors. Chloride delineation was achieved at 30' (111ppm), approximately 35 feet above the estimated top of the water table, according to the State Engineer's Office data for this area. There is evidence of a three feet thick natural red-clay layer at 29-32' BGS.

Rice Operating Company submits this additional information pursuant to NMOCD's request and again petitions for closure plan approval for the redwood tank formerly located at this facility. If this closure plan is acceptable, then the Pit Remediation and Closure form will be completed and submitted. No further work will be performed at this site until the NMOCD responds to this request.

If you have any questions, please call.

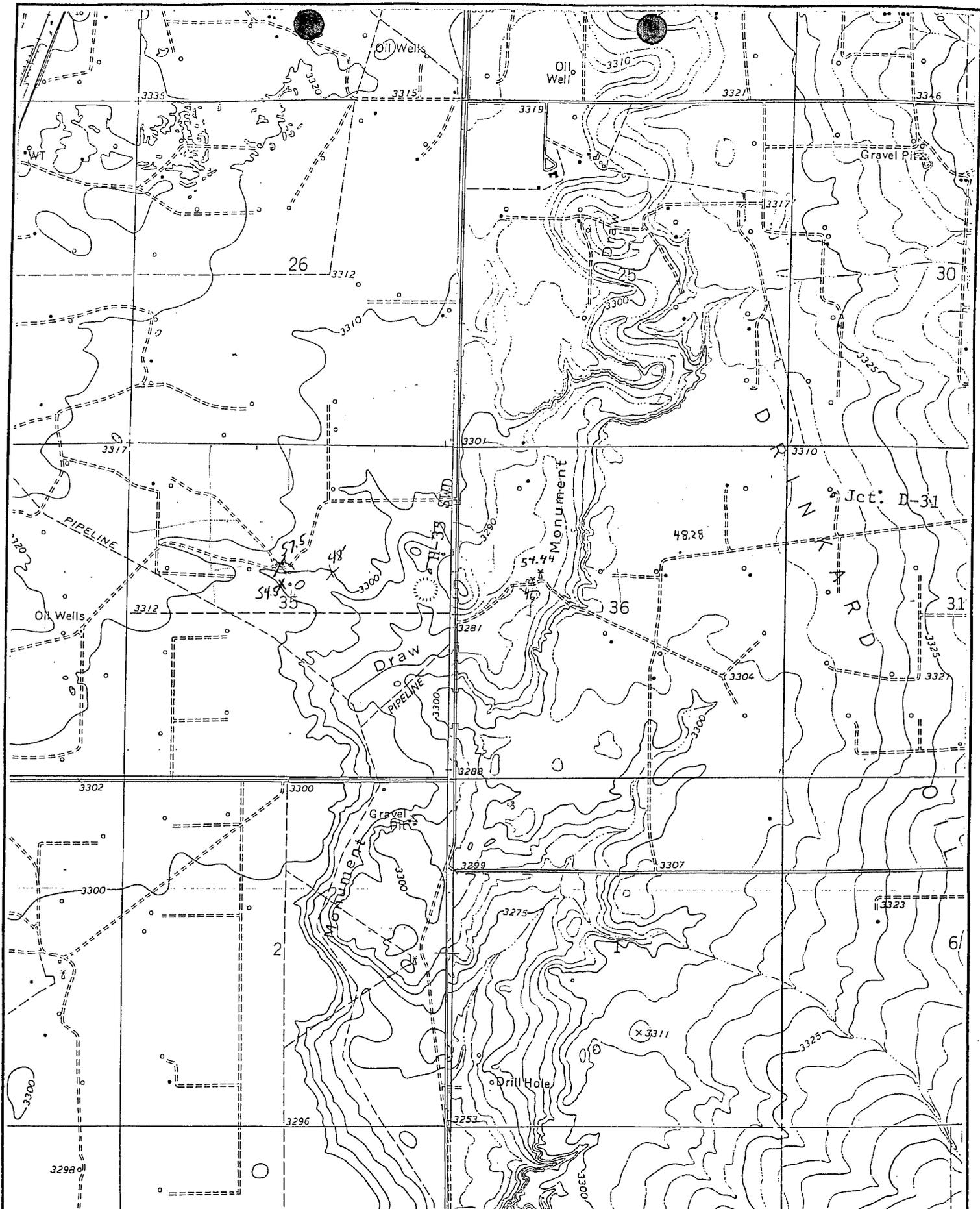


Carolyn Doran Haynes
Operations Engineer

Enclosures: Topographic plot plan of H-35 site
Cross-sectional plot of H-35 site
Boring Log and Associated Lab Analysis
Misc. Sample Analysis (not included w/ previous submissions)
Copy of July 8 Submission by F. Wesley Root
Disposal Manifests

Cc: KH, LBG, file,
Ms. Donna Williams
State of NM Energy and Minerals Dept.
Oil Conservation Division
1625 French Drive
Hobbs, NM 88240

Mrs. Chloe Simms
P. O. Box 922
Eunice, NM 88231

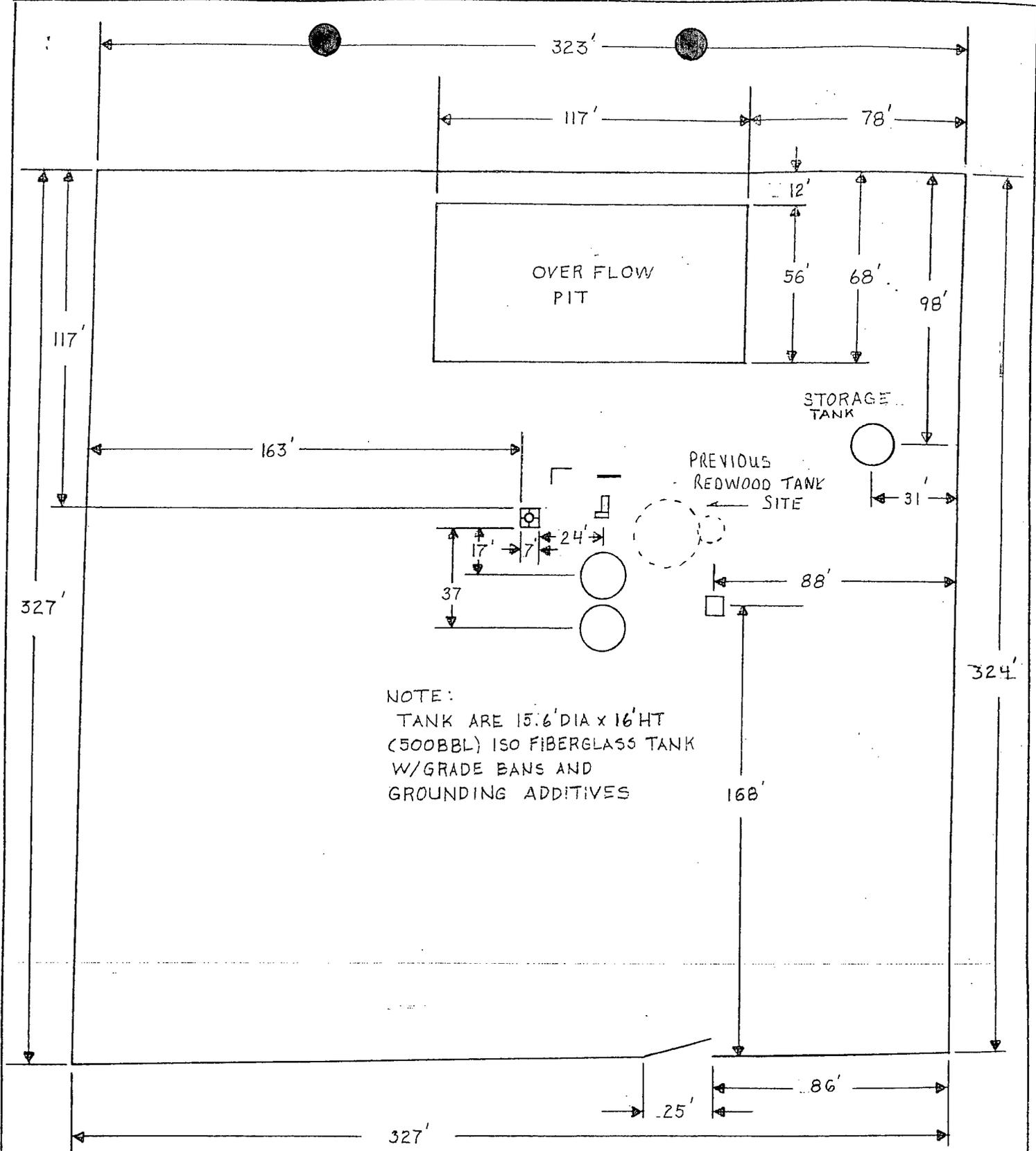


232333

Rice Operating Company
 122 W. Taylor
 Hobbs, NM 88240
 Ph: (505) 393-9174 FAX 397-1471

Map Legend
 REF: USGS Topographic Map
 Scale: 1 inch = 2,000 feet

SITE LOCATION MAP
 Pump Station H-35
 Ltr H, Sec 35-T22S-R37E
 BD SWD System, Lea Co. NM



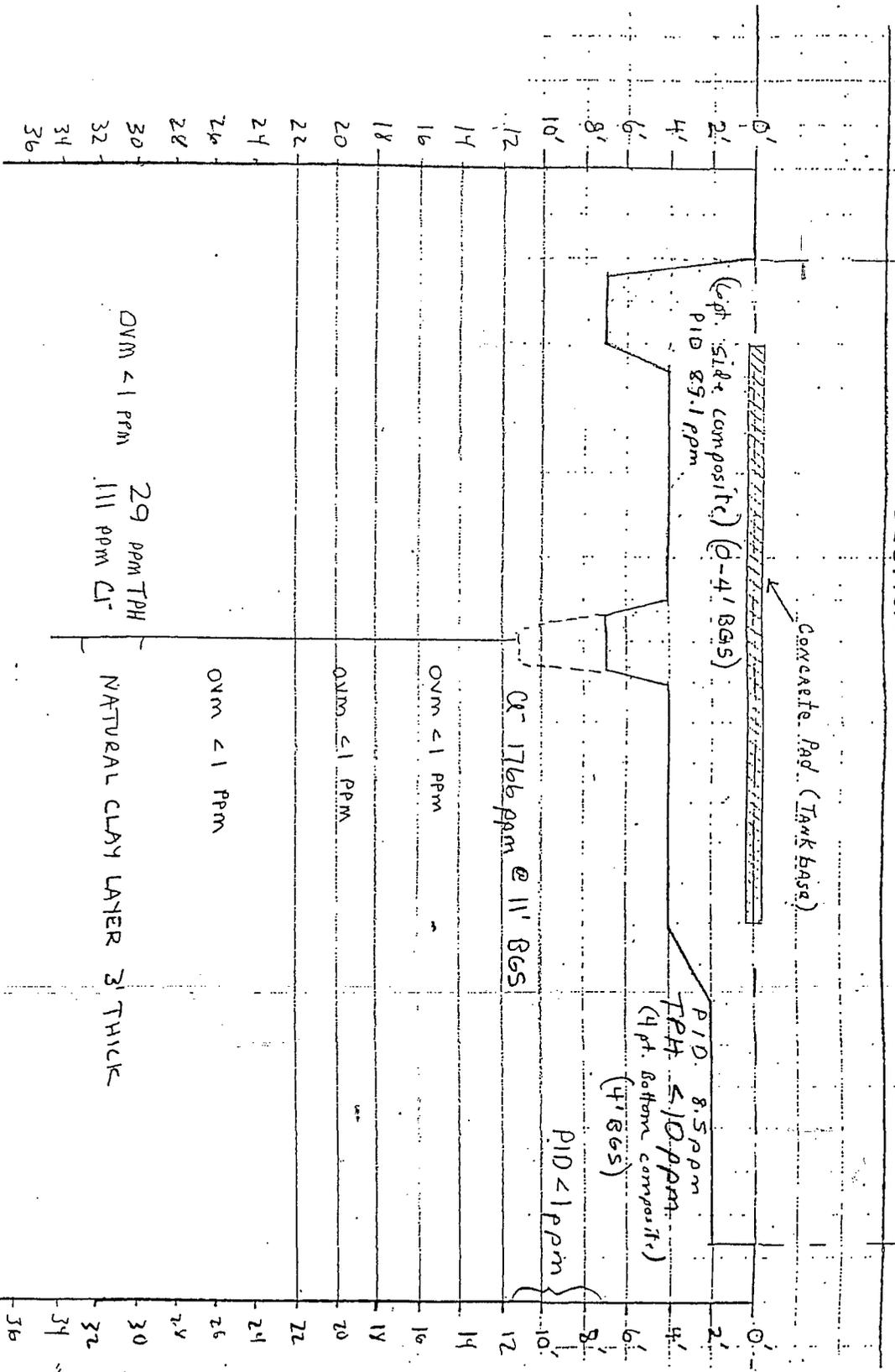
NOTE:
 TANK ARE 15.6' DIA X 16' HT
 (500BBL) ISO FIBERGLASS TANK
 W/GRADE BANS AND
 GROUNDING ADDITIVES

SEC. 35, T22S, R37E
 LEA COUNTY, NM



DWN	SRT	6-16-99	BLINEBRY DRINKARD SWD SYSTEM SWD WELL H-35	SCALE 1" = 50'
				Rice Engineering & Operating, Inc. Hobbs, New Mexico

CROSS SECTION



DRILLING LOG	Site Name / Location SW Facility H-35 35-T22S-R37E Blinbry-Drinkard SWD System Lea Co. New Mexico	Well No.: B-1	Date Drilled: 3-6-99	Driller: C. Harrison	Logged by: FWR
		Well Depth: N/A	Depth: 3	Well Material: N/A	Construction: Plugged boring by filling from total depth to surface with bentonite
		Casing Length: N/A	Boring Diameter: 6"	Casing Size: N/A	
		Screen Length: N/A	Drilling Method: Air Rotary	Slot Size: N/A	

DEPTH (Feet)	SUBSURFACE LITHOLOGY	Sample Type	OVM (ppm)	REMARKS	Boring
0	Ground Surface				
1	Caliche backfill material				
2	Red-bed backfill material				
3	(Light red clayey slightly calcareous sand)				
4	Light brown, fine-grained, calcareous sand (caliche)			♦ TPH < 10 ppm Sample from bottom of excavation created during above-grade tank removal. Collected 3/12/98.	
5					
6					
7					
8	Light gray indurated limestone			♦ Chloride - 1,766 ppm Sample from bottom of trench. Collected 6/16/98.	
9					
10					
11	Gray-brown fine-grained calcareous sand (caliche)				
12					
13					
14					
15		Split-Spoon	<1	• Chloride - 3,500 ppm	
16	Light gray slightly sandy calcareous silt (caliche)				
17					
18					
19		Split-Spoon	<1	• Chloride - 3,750 ppm	
20	Red-brown and white mottled silty fine-grained calcareous sand (caliche)				
21					
22					
23					
24		Split-Spoon	<1	• Chloride - 2,500 ppm	
25	Red-brown silty calcareous clay				
26					
27					
28					
29		Split-Spoon	<1	• Chloride - 240 ppm ♦ Chloride - 111 ppm ♦ TPH - 29 ppm	
30	Light gray fine-grained calcareous sand (caliche)				
31					
32					
33		Split-Spoon	<1	• Chloride - 60 ppm ♦ Chloride - 111 ppm ♦ TPH - 19.8 ppm	
34					
35	Total Depth of Boring @ 34 feet				
36					
37					
38					
39					
40					

- Field Screen
- ♦ Laboratory Result
-  Bentonite Seal

RICE Operating Company
122 West Taylor
Hobbs, New Mexico 88240
Phone: 505-393-9174
Fax: 505-397-1471

ANALYSIS REPORT

FACILITY: Pump Station H-35

DATE: 2-20-98

SYSTEM: BLINEBRY DRINKARD

LOCATION: H-35-T225-R37E

Sample ID	Date	Time	Headspace Reading (ppm)	Description
BH 7'	6-16-98	9:35	< 1	
BH 9'	6-16-98	9:40	< 1	
BH 10'	6-16-98	9:50	< 1	
BH 11'	6-16-98	10:00	< 1	

COMMENTS: _____

Organic vapor readings were obtained using the headspace procedure as described in Guidelines for Remediation of Leaks, Spills, and Releases, New Mexico Oil Conservation Division, August 13, 1993.

RICE Operating Company
122 West Taylor
Hobbs, New Mexico 88240
Phone: 505-393-9174
Fax: 505-397-1471

ANALYSIS REPORT

FACILITY: Pump Station H-35

DATE: 2-20-98

SYSTEM: BLINEBAY DRINKARD

LOCATION: H-35-T22.5-R37E

Sample ID	Date	Time	Headspace Reading (ppm)	Description
B-1	2-20-98	14:00	20.2	
B-2	2-20-98	14:10	81.4	
BC	2-20-98	14:20	8.5	
5C	2-20-98	14:30	89.1	

COMMENTS: _____

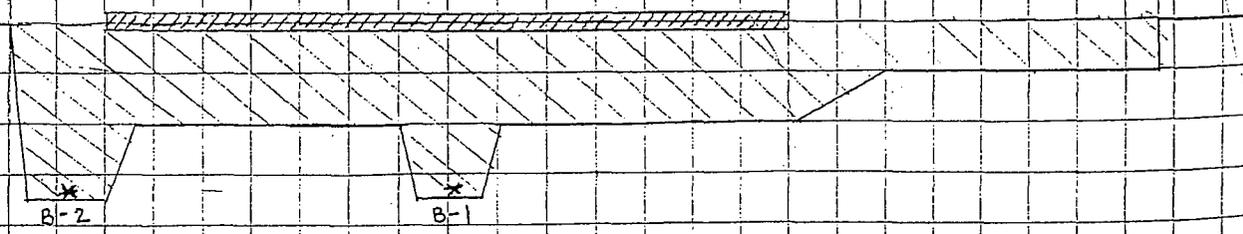
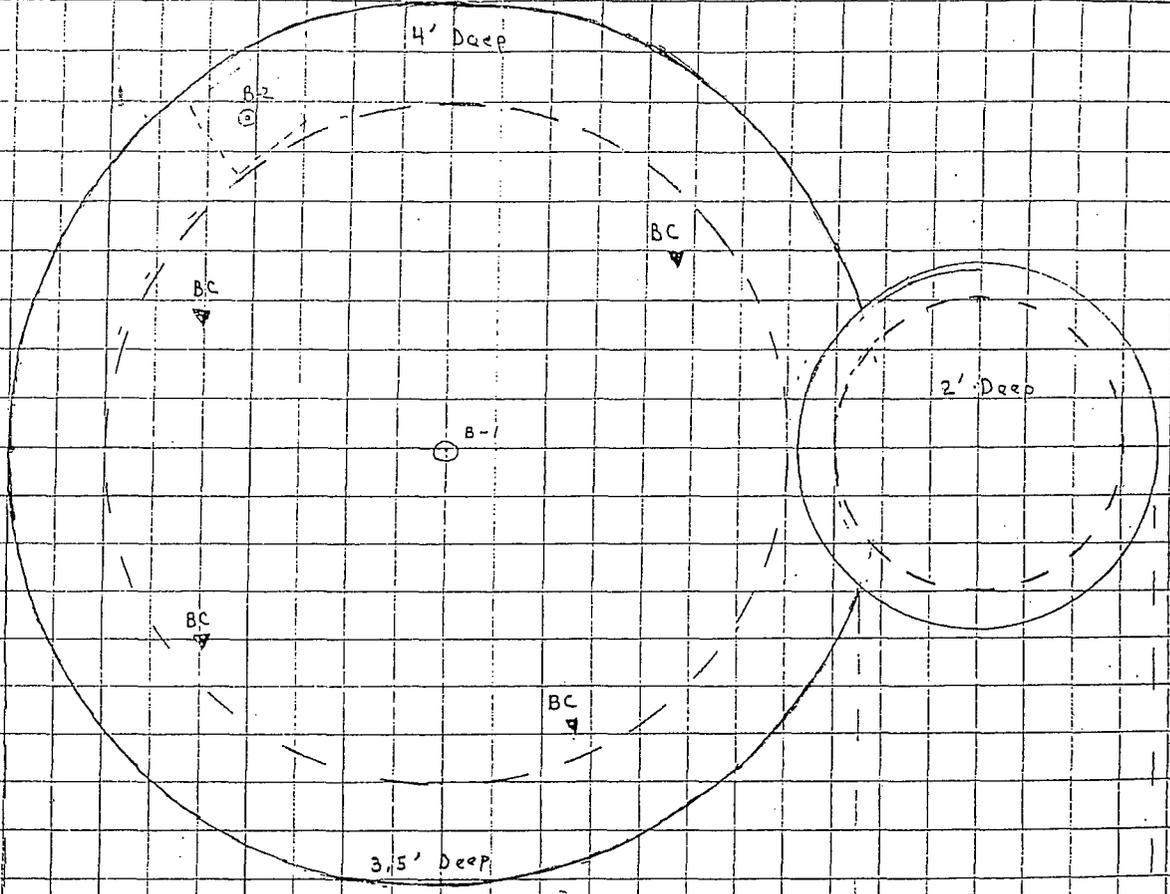
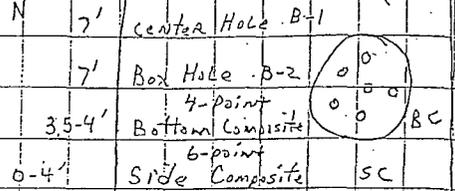
Organic vapor readings were obtained using the headspace procedure as described in Guidelines for Remediation of Leaks, Spills, and Releases, New Mexico Oil Conservation Division, August 13, 1993.

SWD H-35

36" dia Excavation

36" dia rod

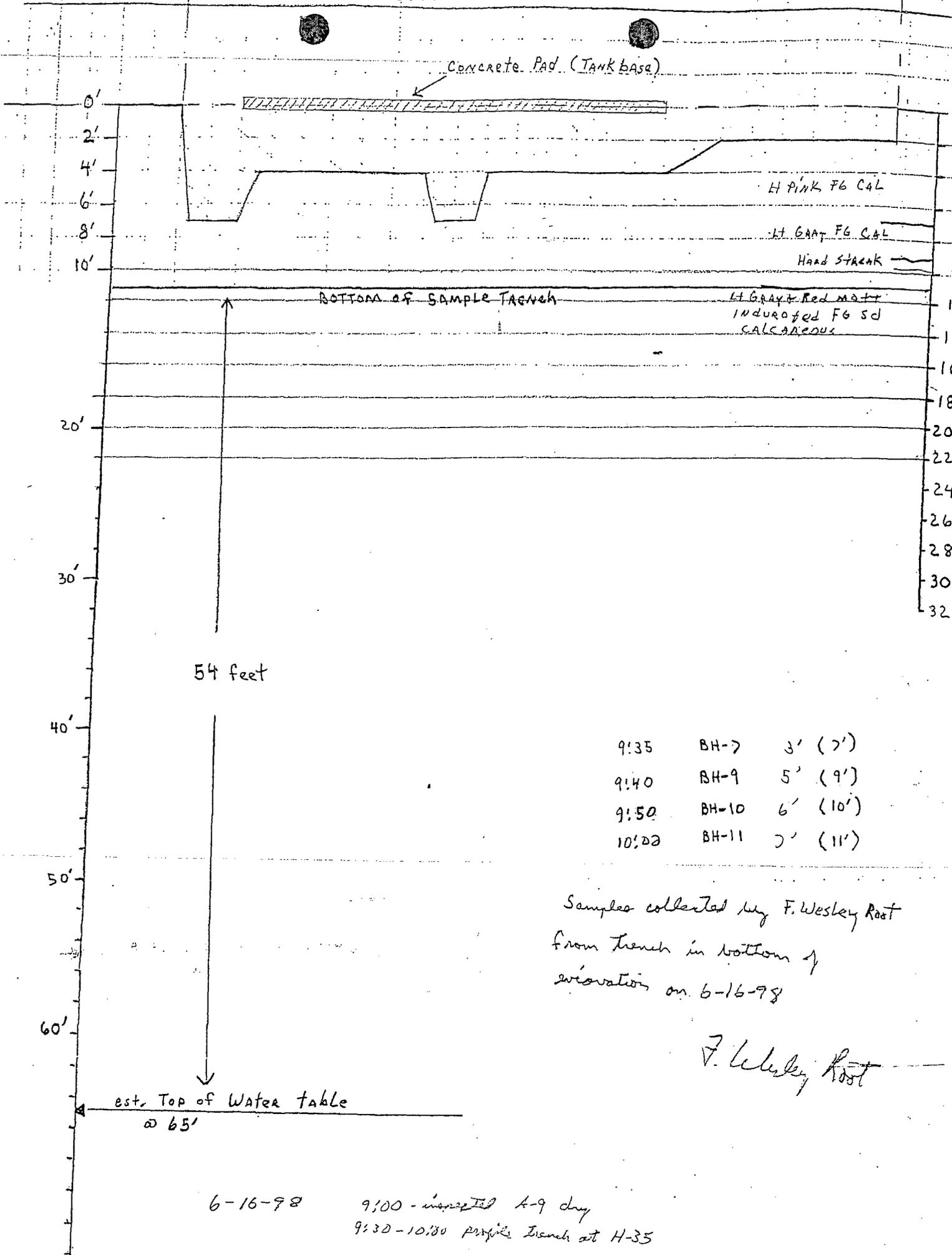
		BKGd	High	
14:00	B-1	1.7 ppm	20.3 ppm	2-20-98
14:10	B-2	1.8 ppm	81.4 ppm	2-20-98
14:20	BC	2.2 ppm	8.5 ppm	2-20-98
14:30	SC	2.1 ppm	89.1 ppm	2-20-98



Date: 2-20-98
 J. Wesley Root

SWD WELL H-35
 BD SWD SYSTEM
 H-35-T225-R37E

CROSSSECTION



Concrete Pad (TANK BASE)

H PINK FG CAL

H GRAY FG CAL

Hard STRAK

BOTTOM OF SAMPLE TRENCH

H GRAY & Red matt
INDURATED FG SD
CALCARIOUS

54 feet

est. Top of Water table
@ 65'

9:35	BH-7	3' (7')
9:40	BH-9	5' (9')
9:50	BH-10	6' (10')
10:22	BH-11	7' (11')

Samples collected by F. Wesley Root
from trench in bottom of
excavation on 6-16-98

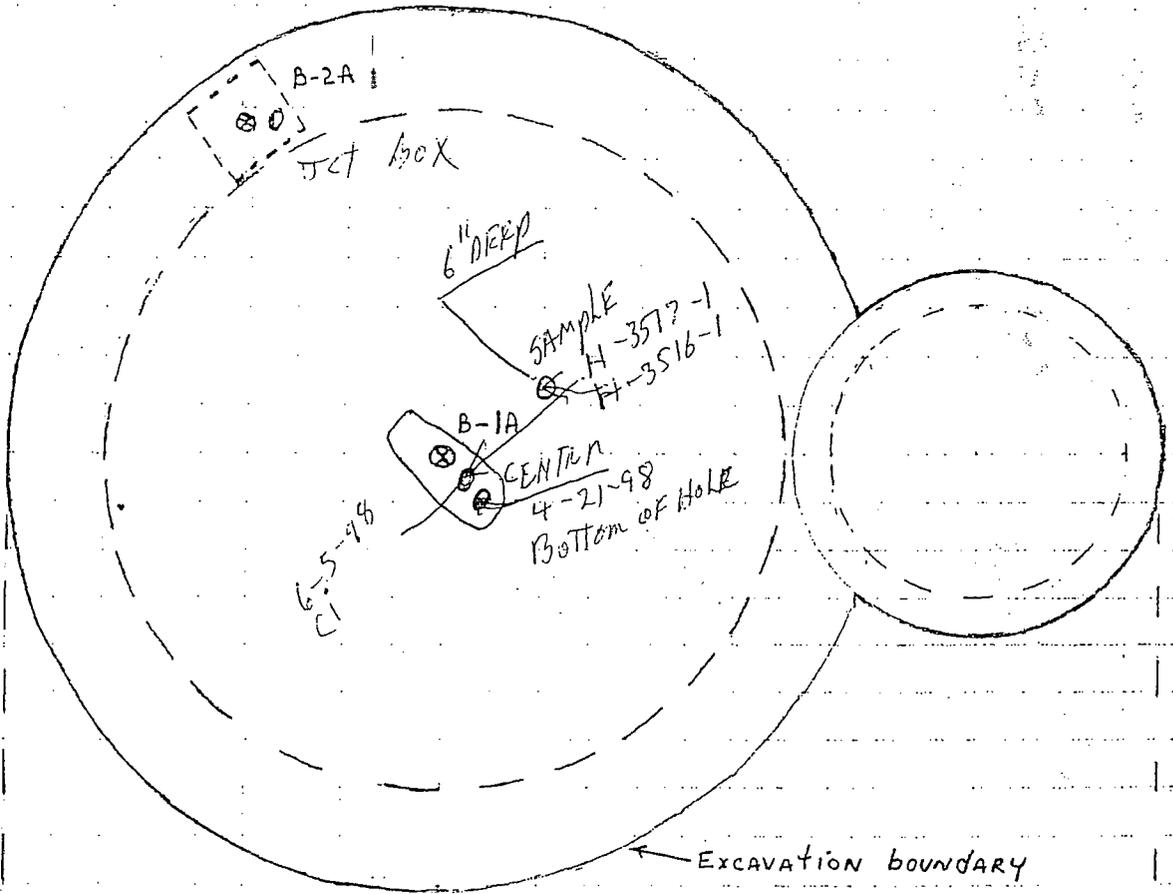
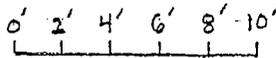
F. Wesley Root

6-16-98

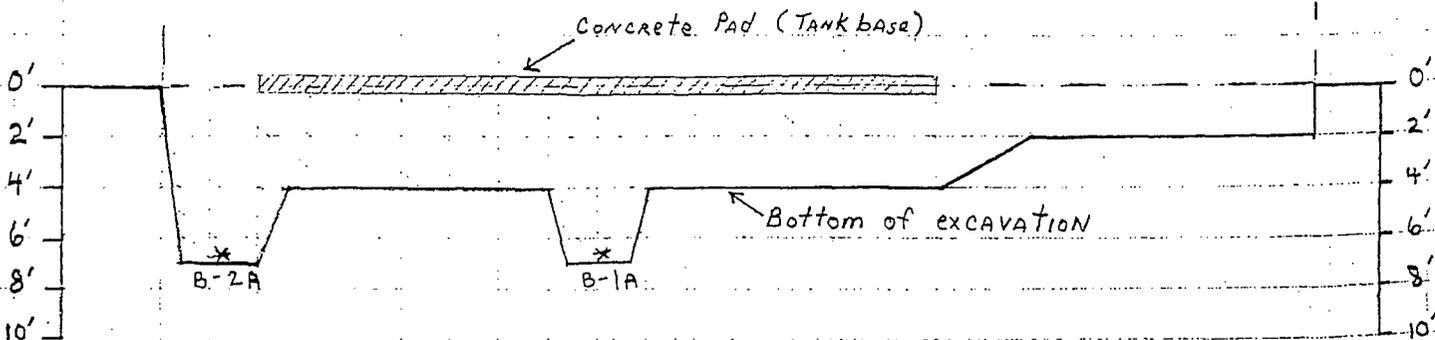
9:00 - inserted 4-9 day
9:30-10:30 Profile Trench at H-35



MAP VIEW



CROSSSECTION



SWD Well H-35
BD SWD System
H-35-T225-R37E

 **RICE** *Operating Company* 

122 West Taylor
HOBBS, NEW MEXICO 88240
(505) 393-9174

July 8, 1998

Mr. Wayne Price
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240

**Re: Above-ground Redwood Tank Removal
Salt Water Disposal Facility H-35
Blinebry Drinkard Salt Water Disposal System
Northeast 1/4, Section 35 of T22S R37E, Lea County, New Mexico**

Mr. Price:

Rice Operating Company (ROC) has completed the removal of the redwood tank formerly located at the above-referenced facility. The work was performed during the course of normal maintenance operations when ROC replaced the tank with two above-ground fiberglass tanks. This report was prepared to document our actions as you requested during your site visit on April 17, 1998.

The redwood tank was used to store produced water prior to disposal by subsurface well injection. The 850 barrel tank was 28 feet in diameter and 8 feet tall. Once the tank had been removed from the location, the area was visually inspected for evidence of significantly contaminated soil and this material was dug out with a backhoe. The resulting excavation was approximately 36 feet in diameter and 4 feet deep. The excavated material, approximately 240 lcys (loose cubic yards), was staged within a bermed area located on the northwest corner of the site.

Samples of the material from the floor and sides of the excavation were collected to document the vertical extent of adverse impact, if present. The samples were field screened for volatile organic compounds (VOCs) with a HNU DL-101 photoionizer detector (PID) using the NMOCD (New Mexico Oil Conservation Division) headspace method. Field screening results recorded VOC levels of less than 1 ppm (part per million) in all samples. Since the PID results were well below 100 ppm (typical NMOCD recommended remediation action level), no samples were submitted for BTEX (benzene, toluene, ethylbenzene, and total xylenes) analysis.

The sample collected from the deepest point of the excavation was submitted to Cardinal Laboratories for total petroleum hydrocarbon (TPH) analysis using EPA Method 418.1. Sample Onsite-1 was obtained from a depth of 4 feet below ground surface and recorded a TPH level of less than 10 ppm. The PID and TPH results confirmed our original estimate that we had delineated and removed any hydrocarbon-impacted soils during excavation.

Eight random samples (ES-1 through ES-8) were collected from the staged material to establish baseline conditions and determine treatment/disposal options. The samples were field screened for VOCs with a PID using the NMOCD headspace method. The PID results ranged from 25 ppm to 230 ppm with the calculated average for the material equal to 124 ppm.

Since one of the treatment options we were evaluating was to landfarm the material on-site, three of the random samples (ES-3, ES-5, and ES-8) were submitted to Cardinal Laboratories for chloride analysis. Samples ES-3, ES-5, and ES-8 recorded chloride levels of 4,960 ppm, 4,150 ppm, and 4,960 ppm, respectively.

In addition, a sample was collected from the center of the excavation at a depth of 7 feet below ground surface and submitted for chloride analysis to document soil concentrations. Sample Onsite-2 recorded a chloride level of 2,600 ppm and a PID reading of less than 1 ppm.

In order to develop a vertical profile of chloride levels, a trench was dug in the bottom of the excavation using a backhoe. Work was stopped when indurated caliche was encountered at a depth of 11 feet below ground surface. A soil sample was collected at this point for headspace screening and chloride analysis. Sample BH-11 recorded a chloride level of 1,766 ppm and a PID reading of less than 1 ppm.

Due to the limited surface area available, treatment options such as landfarming or blending the impacted soil with clean dirt were determined to be uneconomical solutions for the site. The most practical method to clean up the site was to haul the impacted material to a NMOCD permitted facility for disposal and backfill the excavation with select material purchased from a commercial pit.

A total of 276 lcys of impacted soil and concrete debris was transported to the Parabo Disposal Facility operated by Sundance Services, Inc.. The former tank location was backfilled with select material and the ground surface contoured to match the existing location pad.

Summary

1. The source of soil contamination was the redwood tank and this source has been eliminated.
2. The maximum vertical extent of hydrocarbon-impact was 4 feet below ground surface. In-place soil below this depth recorded PID readings less than 1 ppm and TPH levels less than 10 ppm. The impacted soil was removed during the excavation of all significantly contaminated soil based on visual identification.
3. Chloride levels decreased rapidly with depth from approximately 4,700 ppm in the excavated soil to less than 1,800 ppm at a depth of 11 feet below ground surface.
4. A total of 276 lcy of impacted soil and concrete debris was transported to the Parabo Disposal Facility operated by Sundance Services, Inc. for disposal.
5. The excavation was backfilled with select material and the former tank location was shaped to grade.

If you have any questions please feel free to call.

Sincerely,

F. Wesley Root

F. Wesley Root
Projects Manager

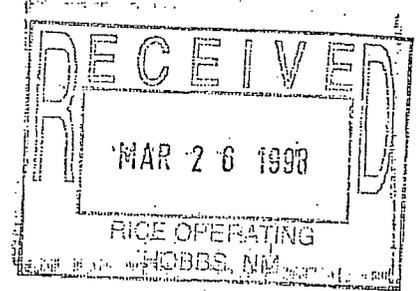
Enclosures: Laboratory Analytical Results
Chains-of-Custody

cc. KH, JM, File



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

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



ANALYTICAL RESULTS FOR
 RICE OPERATING CO.
 ATTN: JOHN L. MOODY, JR.
 112 W. TAYLOR
 HOBBS, NM 88240
 FAX TO: 505-397-1471

Receiving Date: 03/19/98
 Reporting Date: 03/24/98
 Project Number: NOT GIVEN
 Project Name: B.D. REDWOOD
 Project Location: SEC 35-22-37

Analysis Date: 03/24/98
 Sampling Date: 03/12/98
 Sample Type: SOIL
 Sample Condition: COOL, INTACT
 Sample Received By: BC
 Analyzed By: BC

LAB NUMBER SAMPLE ID TPH
 (mg/Kg)

LAB NUMBER	SAMPLE ID	TPH (mg/Kg)
H3517-1	ON SITE 1	<10
Quality Control		194
True Value QC		200
% Recovery		97.0
Relative Percent Difference		2.1

METHOD: EPA 418.1, 3510, 3540, or 3550; Infrared Spectroscopy

Burgess J. Cook
 Chemist

30-9-98
 Date

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CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

CARDINAL LABORATORIES, INC.
 2111 Beechwood, Abilene, TX 79603 (915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

101 East Marland, Hobbs, NM 88240
 (505) 393-2326 Fax (505) 393-2476

Page of

ANALYSIS REQUEST											
Company Name: <u>RICE OPERATING</u>		BILITIO PO #:									
Project Manager: <u>John A. Moody Jr</u>		Company: <u>SAME</u>									
Address: <u>122 W TAYLOR</u>		Attn:									
City: <u>Hobbs</u>		Address:									
Phone #: <u>893-9174</u>		City:									
Fax #: <u>397-1471</u>		State:									
Project #: <u> </u>		Phone #:									
Project Name: <u>B.D. REDWOOD</u>		Fax #:									
Project Location: <u>SEC 35-22-37</u>											
FOR LAB USE ONLY											
LAB I.D.		Sample I.D.		MATRIX		PRES.		SAMPLING			
<u>H3572-1 ON SITE 1</u>		<u> </u>		WASTEWATER		ICE / COOL		OTHER:		DATE TIME	
				GROUNDWATER		ACID:		OTHER:		<u>3-12-98 10:AM</u>	
				SLUDGE		OTHER:		OTHER:			
				OIL		SLUDGE		OTHER:			
				SOIL		OTHER:		OTHER:			
				X		OTHER:		OTHER:			
				# CONTAINERS		OTHER:		OTHER:			
				(G) RAB OR (C)OMP.		OTHER:		OTHER:			

PLEASE NOTE: Liability and Damages. Cardinal's facility 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. 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 profit 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.

Phone Result Yes No
 Fax Result Yes No
 Additional Fax #:

REMARKS: RESULTS ON SEPARATE SHEET

Sampler Relinquished: <u>John A. Moody Jr</u>	Received By: <u> </u>
Date: <u>3-19-98</u>	Time: <u>2:10</u>
Relinquished BY:	Received By: (Lab Staff)
Delivered By: (Circle One)	Sample Condition Checked BY: <u> </u>
Sampler - UPS - Bus - Other:	Cool Contact <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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



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

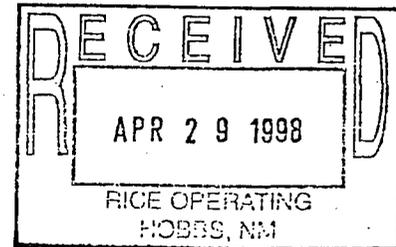
ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: JOHN L. MOODY, JR.
122 W. TAYLOR
HOBBS, NM 88240
FAX TO: 505-397-1471

Receiving Date: 04/22/98
Reporting Date: 04/24/98
Project Number: H-35 (B.D. SWD)
Project Name: REDWOOD REMOVAL
Project Location: H-35-22-37

Analysis Date: 04/24/98
Sampling Date: 04/21/98
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3597-1	ON SITE 2	2600
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8

METHOD: Std. Methods	4500 Cl ⁻ B
----------------------	------------------------



NOTE: Analysis performed on an aqueous extract.

Burjess J. Coakley
Chemist

4/24/98
Date

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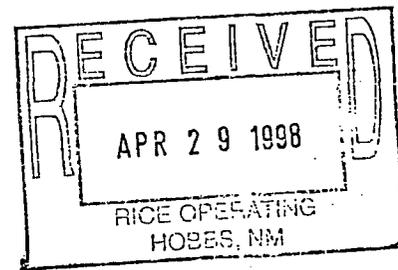
ANALYTICAL RESULTS FOR
RICE OPERATING CO.
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HOBBS, NM 88240
FAX TO: 505-397-1471

Receiving Date: 04/22/98
Reporting Date: 04/24/98
Project Number: H-35 (B.D. SWD)
Project Name: REDWOOD REMOVAL
Project Location: H-35-22-37

Analysis Date: 04/24/98
Sampling Date: 04/21/98
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3599-1	ES-3	4960
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8

METHOD: Std. Methods	4500 Cl ⁻ B
----------------------	------------------------



NOTE: Analysis performed on an aqueous extract.

Benjamin R. Cooke
Chemist

4/24/98
Date

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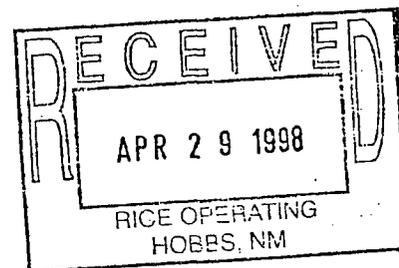
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 RICE OPERATING CO.
 ATTN: JOHN L. MOODY, JR.
 122 W. TAYLOR
 HOBBS, NM 88240
 FAX TO: 505-397-1471

Receiving Date: 04/22/98
 Reporting Date: 04/24/98
 Project Number: H-35 (B.D. SWD)
 Project Name: REDWOOD REMOVAL
 Project Location: H-35-22-37

Analysis Date: 04/24/98
 Sampling Date: 04/21/98
 Sample Type: SOIL
 Sample Condition: INTACT
 Sample Received By: GP
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3598-1	ES-5	4150
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8
METHOD: Std. Methods		4500 Cl B



NOTE: Analysis performed on an aqueous extract.

Berry [Signature]
 Chemist

4/24/98
 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.



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

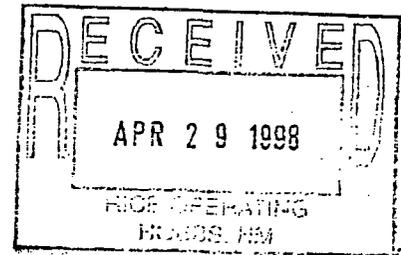
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
RICE OPERATING CO.
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Reporting Date: 04/24/98
Project Number: H-35 (B.D. SWD)
Project Name: REDWOOD REMOVAL
Project Location: H-35-22-37

Analysis Date: 04/24/98
Sampling Date: 04/21/98
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3600-1	ES-8	4960
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.

Burgess J. Cook
Chemist

4/24/98
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. There shall be no liability on the part of 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.



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

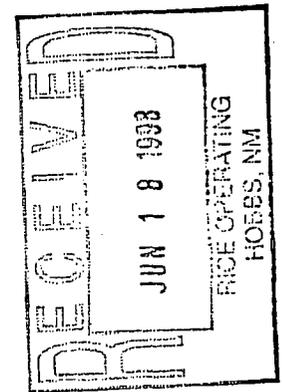
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 RICE OPERATING CO.
 ATTN: F. WESLEY ROOT
 122 W. TAYLOR
 HOBBS, NM 88240
 FAX TO: 505-397-1471

Receiving Date: 06/16/98
 Reporting Date: 06/16/98
 Project Number: H-35
 Project Name: REDWOOD REMOVAL
 Project Location: H-35-22-37

Analysis Date: 06/16/98
 Sampling Date: 06/16/98
 Sample Type: SOIL
 Sample Condition: COOL & INTACT
 Sample Received By: AH
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3690-2	BH 11	1766
Quality Control		1334
True Value QC		1355
% Recovery		98.4
Relative Percent Difference		1.6
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.

Gayle A. Potter
 Gayle A. Potter, Chemist

06/17/98
 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.

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Binsky Drinfeld #35

TRANSPORTER COMPANY: Ramirez TIME: _____ AM/PM

DATE: 6-22-98 VEHICLE NO.: _____ DRIVER NO.:

CHARGE TO: Ramirez (Rice)

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content: _____
- Completion Fluids
- C-117 No.: _____

Description: oil dist

VOLUME OF MATERIAL BBLs _____ : 17 YARD 12 : _____

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: _____ (SIGNATURE)

FACILITY REPRESENTATIVE: _____ (SIGNATURE)

Sundance Services, Inc. No 13962
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: *Rice*

LEASE NAME: *Blinley H-35*

TRANSPORTER COMPANY: *Ramirez* TIME: AM/PM

DATE: *6-27-92* VEHICLE NO.: DRIVER NO.:

CHARGE TO: *Ramirez*

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: *city dirt*

VOLUME OF MATERIAL [] BBL. : *17* YARD *12* : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFOERD DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]* (SIGNATURE)
 FACILITY REPRESENTATIVE: *[Signature]* (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE PARTY SHIPD # 2576

Sundance Services, Inc. No 13965
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: *Rice*

LEASE NAME: *Blinley H-35*

TRANSPORTER COMPANY: *RAMIREZ* TIME: AM/PM

DATE: *6-22-92* VEHICLE NO.: DRIVER NO.:

CHARGE TO: *Ramirez*

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: *city dirt*

VOLUME OF MATERIAL [] BBL. : *17* YARD *12* : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFOERD DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]* (SIGNATURE)
 FACILITY REPRESENTATIVE: *[Signature]* (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE PARTY SHIPD # 2576

Sundance Services, Inc. No 13966
P.O. Box 1737 * Eunice, NM 88231
(505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: River By #35

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-22-98 VEHICLE NO.: E-1 DRIVER NO.:

CHARGE TO: Ramirez

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: oily dirt

VOLUME OF MATERIAL BLS. : 1 YARD 12 :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]* (SIGNATURE)

FACILITY REPRESENTATIVE: *[Signature]* (SIGNATURE)

White-Sundance Canary-Sundance Acc#1 Pink-Sundance Acc#2 Gold-Transporter
Revised 12/27/95

THIS CHECK NUMBER # 2576

Sundance Services, Inc. No 13970
P.O. Box 1737 * Eunice, NM 88231
(505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: River By H-35

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-22-98 VEHICLE NO.: 2 DRIVER NO.:

CHARGE TO: Ramirez

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: oily dirt

VOLUME OF MATERIAL BLS. : 1 YARD 12 :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]* (SIGNATURE)

FACILITY REPRESENTATIVE: *[Signature]* (SIGNATURE)

White-Sundance Canary-Sundance Acc#1 Pink-Sundance Acc#2 Gold-Transporter
Revised 12/27/95

THIS CHECK NUMBER # 2576

Sundance Services, Inc. No 13971
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinco by H-35

TRANSPORTER COMPANY: Ramirez TIME: _____ AM/PM

DATE: 6-22-98 VEHICLE NO.: E-1 DRIVER NO.:

CHARGE TO: Ramirez

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content: _____
- Completion Fluids
- C-117 No.: _____

Description: Oil/dirt

VOLUME OF MATERIAL BBLs. _____ : LYARD 12 :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: Blum Eugene
 (SIGNATURE)

FACILITY REPRESENTATIVE: George S. Marshall
 (SIGNATURE)

White-Sundance Canary-Sundance Act#1 Pink-Sundance Act#2 Gold-Transporter
 Revised 12/27/95

Sundance Services, Inc. No 13974
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinco by H-35

TRANSPORTER COMPANY: Ramirez TIME: _____ AM/PM

DATE: 6-22-98 VEHICLE NO.: E-2 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content: _____
- Completion Fluids
- C-117 No.: _____

Description: Oil/dirts

VOLUME OF MATERIAL BBLs. _____ : LYARD 12 :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

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DRIVER: Blum Eugene
 (SIGNATURE)

FACILITY REPRESENTATIVE: George S. Marshall
 (SIGNATURE)

White-Sundance Canary-Sundance Act#1 Pink-Sundance Act#2 Gold-Transporter
 Revised 12/27/95

Sundance Services, Inc. No 13975
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Bivinsky H35

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-22-98 VEHICLE NO.: 1 DRIVER NO.:

CHARGE TO: Ramirez

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: Oil Drift

VOLUME OF MATERIAL [] BBLs. : 17 YARD 12 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: Juan Espinoza (SIGNATURE)

FACILITY REPRESENTATIVE: (SIGNATURE)

White-Sundance Canary-Sundance Act#1 Pink-Sundance Act#2 Gold-Transporter
 Revised 12/27/95

THIS JOB TICKET # 2576

Sundance Services, Inc. No 13979
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Bivinsky H35

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-22-98 VEHICLE NO.: 2 DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: Oil Drift

VOLUME OF MATERIAL [] BBLs. : 17 YARD 12 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: Manuel Lopez (SIGNATURE)

FACILITY REPRESENTATIVE: (SIGNATURE)

White-Sundance Canary-Sundance Act#1 Pink-Sundance Act#2 Gold-Transporter
 Revised 12/27/95

THIS JOB TICKET # 2576

Sundance Services, Inc. No 13980
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice
 LEASE NAME: Slinsby H-35
 TRANSPORTER COMPANY: Ranier TIME: _____ AM/PM
 DATE: 6-22-98 VEHICLE NO.: _____ DRIVER NO.: _____
 CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content: _____
- Completion Fluids
- C-117 No.: _____

Description: oily dirt

VOLUME OF MATERIAL [] BBLs. _____ : _____ TYARD 12 : [] _____

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: _____ (SIGNATURE)
 FACILITY REPRESENTATIVE: _____ (SIGNATURE)
 White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

FORM 12/27/95 # 2576

Sundance Services, Inc. No 13984
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice
 LEASE NAME: Blanchly H-35
 TRANSPORTER COMPANY: Ranier TIME: _____ AM/PM
 DATE: 6-22-98 VEHICLE NO.: 2 DRIVER NO.: _____
 CHARGE TO: Ranier

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content: _____
- Completion Fluids
- C-117 No.: _____

Description: oily dirt

VOLUME OF MATERIAL [] BBLs. _____ : _____ TYARD 12 : [] _____

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: _____ (SIGNATURE)
 FACILITY REPRESENTATIVE: _____ (SIGNATURE)
 White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

FORM 12/27/95 # 2576

Sundance Services, Inc.

P.O. Box 1737 * Eunice, NM 88231
(505) 394-2511

Ne 13985

LEASE OPERATOR/SHIPPER/COMPANY: Picc

LEASE NAME: Blindley H-35

TRANSPORTER COMPANY: Panier

DATE: 6-22-98 VEHICLE NO.: 1

CHARGE TO: Panier

TIME: AM/PM

DRIVER NO.:

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content: _____
- Completion Fluids
- C-117 No.: _____

Description: oil dr

VOLUME OF MATERIAL [] BBLs. : 14 YARD 12 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature]
(SIGNATURE)

FACILITY REPRESENTATIVE: [Signature]
(SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
Revised 12/27/95

THE TRAVEL SHOP # 2576

Sundance Services, Inc.

P.O. Box 1737 * Eunice, NM 88231
(505) 394-2511

Ne 13991

LEASE OPERATOR/SHIPPER/COMPANY: Picc

LEASE NAME: Blindley H-35

TRANSPORTER COMPANY: Panier

DATE: 6-22-98 VEHICLE NO.: 2

CHARGE TO: Panier

TIME: AM/PM

DRIVER NO.:

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content: _____
- Completion Fluids
- C-117 No.: _____

Description: Oil dr

VOLUME OF MATERIAL [] BBLs. : 14 YARD 12 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature]
(SIGNATURE)

FACILITY REPRESENTATIVE: [Signature]
(SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
Revised 12/27/95

THE TRAVEL SHOP # 2576

Sundance Services, Inc. No 14007
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinck by HSS

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-23-98 VEHICLE NO.: DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: oily dirt

VOLUME OF MATERIAL [] BLS. : 17 YARD 22 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: (SIGNATURE) *[Signature]*

FACILITY REPRESENTATIVE: (SIGNATURE) *[Signature]*

White-Sundance Canary-Sundance Acc#1 Pink-Sundance Acc#2 Gold-Transporter
 Revised 12/27/95

FORM PRINT NUMBER # 2576

Sundance Services, Inc. No 14008
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinck by HSS

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-23-98 VEHICLE NO.: DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: oily dirt

VOLUME OF MATERIAL [] BLS. : 17 YARD 22 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: (SIGNATURE) *[Signature]*

FACILITY REPRESENTATIVE: (SIGNATURE) *[Signature]*

White-Sundance Canary-Sundance Acc#1 Pink-Sundance Acc#2 Gold-Transporter
 Revised 12/27/95

FORM PRINT NUMBER # 2576

Sundance Services, Inc.

P.O. Box 1737 * Eunice, NM 88231
(505) 394-2511

Ne 14016

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blincberg - Dinkard

TRANSPORTER COMPANY: Ramer's Truck TIME: AM/PM

DATE: 8-23-88 VEHICLE NO.: #1 DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- Completion Fluids
- C-117 No.:

Description: oil/gel

VOLUME OF MATERIAL BBLs. : YARD 1200

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: John (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White-Sundance Canary-Sundance Act#1 Pink-Sundance Act#2 Gold-Transporter
Revised 12/21/95

THE OIL & GAS INDUSTRY # 2576

Sundance Services, Inc.

P.O. Box 1737 * Eunice, NM 88231
(505) 394-2511

Ne 14017

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blincberg - Dinkard

TRANSPORTER COMPANY: Ramer's Truck TIME: AM/PM

DATE: 8-23-88 VEHICLE NO.: #2 DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- Completion Fluids
- C-117 No.:

Description: oil/gel

VOLUME OF MATERIAL BBLs. : YARD 1200

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White-Sundance Canary-Sundance Act#1 Pink-Sundance Act#2 Gold-Transporter
Revised 12/21/95

THE OIL & GAS INDUSTRY # 2576

Sundance Services, Inc. No 14021
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: *Rice*

LEASE NAME: *Blinn H-35*

TRANSPORTER COMPANY: *Rammeriz* TIME: AM/PM

DATE: *6-23-98* VEHICLE NO.: *2* DRIVER NO.:

CHARGE TO: *Rice*

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content:
- Completion Fluids
- C-117 No.:

Description: *oil slick*

VOLUME OF MATERIAL BBLs : *17* YARD *18* :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]* (SIGNATURE)

FACILITY REPRESENTATIVE: *[Signature]* (SIGNATURE)

White-Sundance Canary-Sundance Act#1 Pink-Sundance Act#2 Gold-Transporter
 Revised 12/27/95

THE GREAT SUNDANCE # 2576

Sundance Services, Inc. No 14024
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: *Rice*

LEASE NAME: *Blinnberry - Dinkard*

TRANSPORTER COMPANY: *Rammeriz* TIME: AM/PM

DATE: *6-23-98* VEHICLE NO.: *#1* DRIVER NO.:

CHARGE TO: *Rice*

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content:
- Completion Fluids
- C-117 No.:

Description: *oil slick*

VOLUME OF MATERIAL BBLs : YARD *22* :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]* (SIGNATURE)

FACILITY REPRESENTATIVE: *[Signature]* (SIGNATURE)

White-Sundance Canary-Sundance Act#1 Pink-Sundance Act#2 Gold-Transporter
 Revised 12/27/95

THE GREAT SUNDANCE # 2576

Sundance Services, Inc. No 14025
P.O. Box 1737 * Eunice, NM 88231
(505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blineberry - Drinkard

TRANSPORTER COMPANY: Rawirec

DATE: 6-23-98 VEHICLE NO.: #1

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- Completion Fluids
- C-117 No.:
- BS&W Content:

Description: oilfield

VOLUME OF MATERIAL BBLs. : YARD 12465

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White Sundance Canary Sundance Acct#1 Pink Sundance Acct#2 Gold Transporter
Revised 12/27/95

THE WASTE TEND # 2576

Sundance Services, Inc. No 14027
P.O. Box 1737 * Eunice, NM 88231
(505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blineberry - Drinkard

TRANSPORTER COMPANY: Rawirec

DATE: 6-23-98 VEHICLE NO.: #2

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- Completion Fluids
- C-117 No.:
- BS&W Content:

Description: oilfield

VOLUME OF MATERIAL BBLs. : YARD 12465

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White Sundance Canary Sundance Acct#1 Pink Sundance Acct#2 Gold Transporter
Revised 12/27/95

THE WASTE TEND # 2576

Sundance Services, Inc. No 14032
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinley H-35

TRANSPORTER COMPANY: Ramirez

DATE: 6-23-98 VEHICLE NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: oil slick

VOLUME OF MATERIAL BBLs. 1 YARD 12 : 1

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature]
(SIGNATURE)

FACILITY REPRESENTATIVE: [Signature]
(SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE CHEEK SHIELD # 2576

Sundance Services, Inc. No 14034
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinley H-35

TRANSPORTER COMPANY: Ramirez

DATE: 6-23-98 VEHICLE NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: oil slick

VOLUME OF MATERIAL BBLs. 1 YARD 12 : 1

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature]
(SIGNATURE)

FACILITY REPRESENTATIVE: [Signature]
(SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE CHEEK SHIELD # 2576



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 3, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z 357 870 142

Carolyn Doran Haynes
Rice Operating Company
122 West Taylor
Hobbs, NM 88240

Re: Above-ground Redwood Tank Removal
Salt Water Disposal Facility H-35
Blinebry Drinkard Salt Water Disposal System
Northeast 1/4, Section 35-Ts22s-R37e
Lea County, NM

Dear Ms. Haynes:

The New Mexico Oil Conservation Division (NMOCD) is in receipt of Rice Operating Company's (ROC) letter dated June 29, 1999 concerning the above captioned facility. ROC requested an approval to modify its original plan submitted on March 16, 1999 by utilizing an existing natural clay layer (lense) found at 29-32 feet below surface of the site instead of installing the proposed polyethylene liner over the contamination. ROC's report indicates groundwater below the site is at an estimated depth of 60-65 feet, according to the nearest water well identified by the State Engineers's office. The site location map shows there is a windmill located within 400-500 yards east-southeast of the site in Monument Draw, but does not identify if this is the referenced water well from the State Engineer's office. The report indicates that chloride levels as high as 3,750 ppm remain in the soils below the site and above the natural clay layer.

Please note that NMOCD's records indicate there is a windmill in close proximity located in Monument Draw in an area where the Ogallala has been eroded out and the depth to ground water is between 27-30 feet below ground surface (see state engineers record 22-37-35 134434) and was observed during a field trip to the site. The topo map supplied shows there is a natural surface dip toward the windmill located in the draw. NMOCD is concerned about contamination from the site migrating along the clay lense path and entering into Monument Draw and/or entering into groundwater.

Ms. Haynes Z 357 870 142
September 3, 1999
Page 2

In order to properly evaluate ROC's modification request the NMOCD requires the following information:

1. Please provide the vertical and horizontal profile of the clay layer (lense) between the site and Monument Draw.
2. Please provide the horizontal extent of the contamination along the path of the clay lense. If the clay lense is dis-continues down gradient of the site, then provide the vertical extent of the contamination at that point.
3. Please demonstrate how ROC will prevent existing contamination found below the site from entering into surface or sub-surface waters in the foreseeable future.
3. Please demonstrate how natural attenuation will reduce the contaminants (i.e. chlorides) in the foreseeable future as proposed in Item 5. of letter dated 06/29/99.
3. Please collect a water sample from the closest down-gradient water source. Please analyze the sample for general chemistry using approved EPA methods.

Please provide the above information by November 15, 1999. If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,



Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD Hobbs office

SENDER:

- Complete items 1 and/or 2 for additional services.
 Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee): *wp*

1. Addressee's Address
2. Restricted Delivery

3. Article Addressed to:

RICE OPERATING CO.
 122 WEST TAYLOR
 HOBBS, NM 88240
 Attn: CAROLYN DORAN HAYNES

5. Received By: (Print Name)

✓ Bojje State

6. Signature (Addressee or Agent)

✓ Bojje State

4a. Article Number

Z 357 870 142

4b. Service Type

- Registered Certified
- Express Mail Insured
- Return Receipt for Merchandise COD

7. Date of Delivery

9/8/99

8. Addressee's Address (Only if requested and fee is paid)

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Print your name, address, and ZIP Code in this box •

*WP
H-35*

**Environmental Bureau
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505**



RICE Operating Company

122 West Taylor • Hobbs, New Mexico 88240
Phone: (505)393-9174 • Fax: (505) 397-1471

CERTIFIED MAIL
RETURN RECEIPT NO. Z 577 009 518



June 29, 1999

Mr. Wayne Price
State of NM Energy and Minerals Dept.
Oil Conservation Division
2040 South Pacheco St.
Santa Fe, NM 87505

Re: Aboveground Redwood Tank Removal, SWD H-35
Blinebry Drinkard Salt Water Disposal System
NE/4, Section 35-Ts22s-R37e, Lea County, NM

Dear Mr. Price:

In response to your request of May 5, 1999, for further information concerning the H-35 aboveground redwood tank site, Rice Operating Company addresses each item as follows:

1. A topographic plot drawing of the site is attached. A vertical cross-section of the site is attached that denotes the results of chloride and TPH concentrations at the various sample sites. A calculated mass of in-situ contaminates is improbable to ascertain due to the various strata layers and their specific indeterminate densities. ROC is reluctant to stipulate any such mass quantity due to the obvious fallibility of delineation assumptions.
2. After in-depth discussions with various system partners and their environmental departments, it has been decided that at this time, no moisture barrier is needed because, as evidenced by the drilling log, there is an existing, natural clay layer at 29-32 feet BGS. This layer did indeed stop contamination migration, as illustrated by boring sample lab results. This is sufficient substantiation that any future downward or lateral natural moisture migration will be interrupted by this layer before the opportunity to impact ground water. Again the source of contamination has been removed, the TPH impacted soil has been removed, soil in-place tests reveal a level of <10ppm TPH and <100 ppm for PID reading, and 4+ feet of clean cover was used to backfill the excavated area.
3. Lateral moisture migration is addressed in #2 above.

4. The moisture-barrier clay-layer and the in-situ salt contaminates above it will be protected by the four to seven feet of clean over-burden. There is no significant TPH contamination left in place and the salt impact will be significantly below plow-depth, and will not be disturbed by any normal surface activity practiced in the area. The landowner of record, Mrs. Chloe Simms, P. O. Box 922, Eunice, NM 88231, will be sent a copy of this closure plan request and associated plots, logs and laboratory results.
5. Rice Operating Company has no plans to monitor groundwater at this site because groundwater was not impacted. The source of contamination is removed, the three-foot-thick, natural clay-barrier is located at 29 – 32 feet BGS (33-36' above GW) and is positioned to prevent any future percolation of contaminates to groundwater. Natural attenuation will be relied upon to remediate the vadose zone over the foreseeable future.
6. Copies of disposal manifests are attached. All impacted soil that was removed from the site was hauled to the Sundance Parabo facility.
7. The soil boring was plugged with bentonite per Cooper and Harrison Drilling contractors. Chloride delineation was achieved at 30' (111ppm), approximately 35 feet above the estimated top of the water table, according to the State Engineer's Office data for this area. There is evidence of a three feet thick natural red-clay layer at 29-32' BGS.

Rice Operating Company submits this additional information pursuant to NMOCD's request and again petitions for closure plan approval for the redwood tank formerly located at this facility. If this closure plan is acceptable, then the Pit Remediation and Closure form will be completed and submitted. No further work will be performed at this site until the NMOCD responds to this request.

If you have any questions, please call.

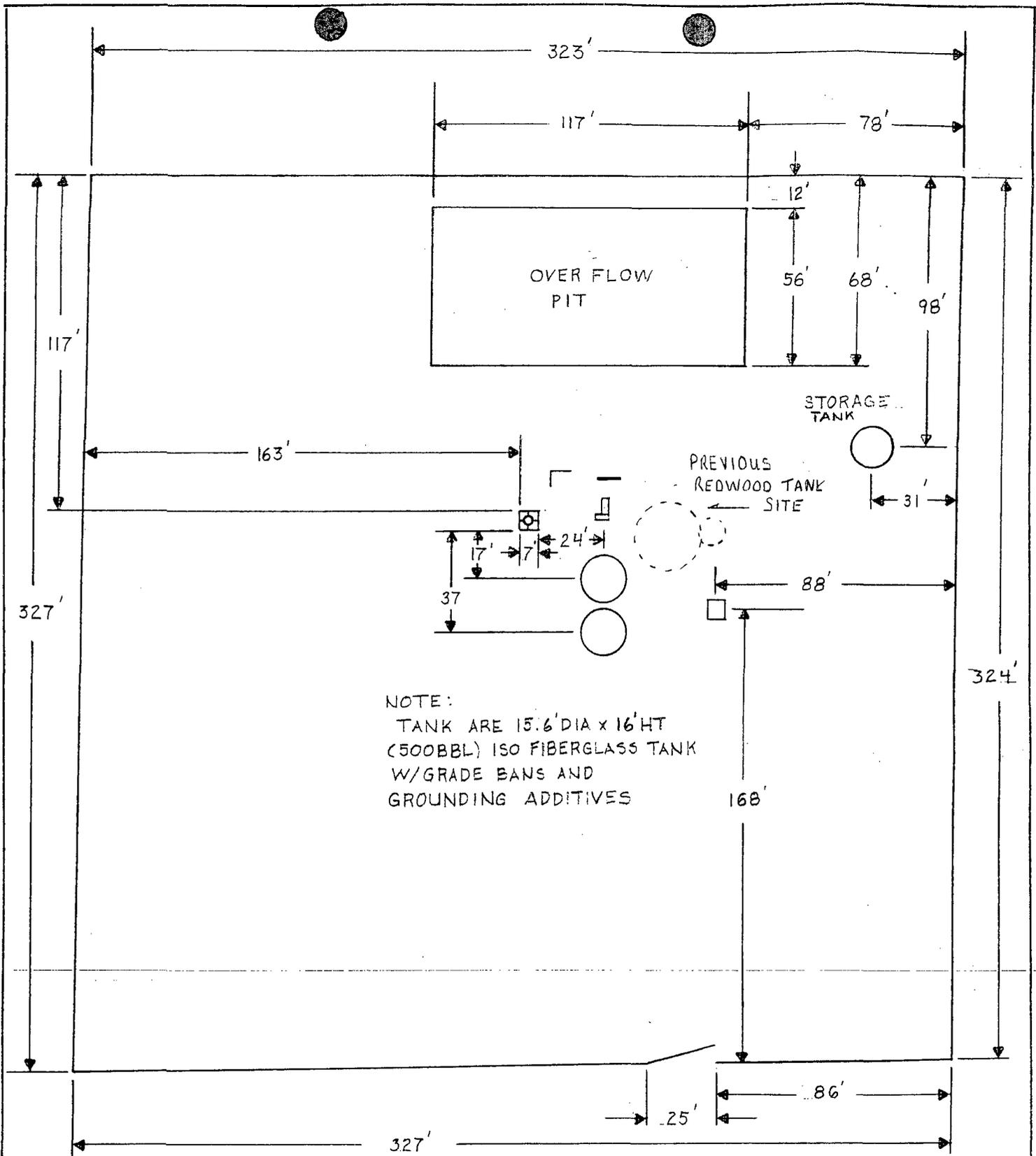


Carolyn Doran Haynes
Operations Engineer

Enclosures: Topographic plot plan of H-35 site
Cross-sectional plot of H-35 site
Boring Log and Associated Lab Analysis
Misc. Sample Analysis (not included w/ previous submissions)
Copy of July 8 Submission by F. Wesley Root
Disposal Manifests

Cc: KH, LBG, file,
Ms. Donna Williams
State of NM Energy and Minerals Dept.
Oil Conservation Division
1625 French Drive
Hobbs, NM 88240

Mrs. Chloe Simms
P. O. Box 922
Eunice, NM 88231



NOTE:
 TANK ARE 15.6'DIA X 16'HT
 (500BBL) ISO FIBERGLASS TANK
 W/GRADE BANS AND
 GROUNDING ADDITIVES

SEC. 35, T22S, R37E
 LEA COUNTY, NM



DWN	SRT	6-16-99	BLINEBRY DRINKARD SWD SYSTEM SWD WELL H-35	SCALE 1" = 50'
				Rice Engineering & Operating, Inc. Hobbs, New Mexico

DRILLING LOG	Site Name / Location SWD Facility H-35 35-T22S-R37E Blinebry-Drinkard SWD System Lea Co. New Mexico	Well No. B-1	Date Drilled: 3-6-99	Driller: C. Harrison	Logged by: FWR
		Well Depth: N/A	Boring Depth: 34'	Well Material: N/A	Construction: Plugged boring by filling from total depth to surface with bentonite
		Casing Length: N/A	Boring Diameter: 6"	Casing Size: N/A	
		Screen Length: N/A	Drilling Method: Air Rotary	Slot Size: N/A	

DEPTH (Feet)	SUBSURFACE LITHOLOGY	Sample Type	OMV (ppm)	REMARKS	Boring
0	Ground Surface				
1	Caliche backfill material				
2	Red-bed backfill material				
3	(Light red clayey slightly calcareous sand)				
4				♦ TPH < 10 ppm	
5	Light brown, fine-grained, calcareous sand (caliche)			Sample from bottom of excavation created during above-grade tank removal. Collected 3/12/98.	
6					
7					
8					
9					
10					
11	Light gray indurated limestone			♦ Chloride - 1,766 ppm	
12				Sample from bottom of trench. Collected 6/16/98.	
13					
14	Gray-brown fine-grained calcareous sand (caliche)				
15					
16		Split-Spoon	<1	• Chloride - 3,500 ppm	
17					
18	Light gray slightly sandy calcareous silt (caliche)				
19					
20					
21		Split-Spoon	<1	• Chloride - 3,750 ppm	
22					
23	Red-brown and white mottled silty fine-grained calcareous sand (caliche)				
24					
25					
26		Split-Spoon	<1	• Chloride - 2,500 ppm	
27					
28					
29				• Chloride - 240 ppm	
30				♦ Chloride - 111 ppm	
31	Red-brown silty calcareous clay	Split-Spoon	<1	♦ TPH - 29 ppm	
32					
33				• Chloride - 60 ppm	
34	Light gray fine-grained calcareous sand (caliche)	Split-Spoon	<1	♦ Chloride - 111 ppm ♦ TPH - 19.8 ppm	
35					
36	Total Depth of Boring @ 34 feet				
37					
38					
39					
40					

- Field Screen
- ♦ Laboratory Result
- Bentonite Seal

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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

ANALYSIS REQUEST																																																									
<p>Company Name: <u>Rise Operating Co.</u></p> <p>Project Manager: <u>F. Wesley Root</u></p> <p>Address: <u>122 West Taylor</u></p> <p>City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u></p> <p>Phone #: <u>505-393-9124</u></p> <p>Fax #: <u>505-397-1471</u></p> <p>Project #: _____ Project Owner: _____</p> <p>Project Name: <u>SWD H-35</u></p> <p>Project Location: <u>Lea Co. NM</u></p>	<p style="text-align: center;">BILL TO PO #:</p> <p>Company: _____</p> <p>Attn: _____</p> <p>Address: _____</p> <p>City: _____ State: _____ Zip: _____</p> <p>Phone #: _____</p> <p>Fax #: _____</p>																																																								
<p>FOR LAB USE ONLY</p> <p>LAB I.D. Sample I.D.</p> <p><u>M4050-1</u> <u>B-1 (30-31')</u></p> <p><u>-2</u> <u>B-1 (33-34')</u></p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">MATRIX</th> <th rowspan="2">PRES.</th> <th rowspan="2">DATE</th> <th rowspan="2">TIME</th> <th colspan="2">SAMPLING</th> </tr> <tr> <th>ICE / COOL</th> <th>OTHER:</th> </tr> </thead> <tbody> <tr> <td>GROUNDWATER</td> <td></td> <td>3-6-99</td> <td>10:30</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>WASTEWATER</td> <td></td> <td>3-6-99</td> <td>11:00</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>WASTEWATER</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>SLUDGE</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>SOIL</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>SOIL</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>ACID:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>OTHER:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p style="text-align: right; margin-top: 10px;">TPH H181 Chloride</p>	MATRIX	PRES.	DATE	TIME	SAMPLING		ICE / COOL	OTHER:	GROUNDWATER		3-6-99	10:30	<input checked="" type="checkbox"/>		WASTEWATER		3-6-99	11:00	<input checked="" type="checkbox"/>		WASTEWATER						SLUDGE						SOIL						SOIL						ACID:						OTHER:					
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ACID:																																																									
OTHER:																																																									

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.

Sampler Relinquished: Date: 3-8-99 Time: 12:05

Relinquished By: F. Wesley Root

Received By: Date: _____ Time: _____

Received By: (Lab Staff) [Signature]

Delivered By: (Circle One) Bus

Sampler - UPS - Bus - Other:

Sample Condition Checked By: [Signature] (Initials)

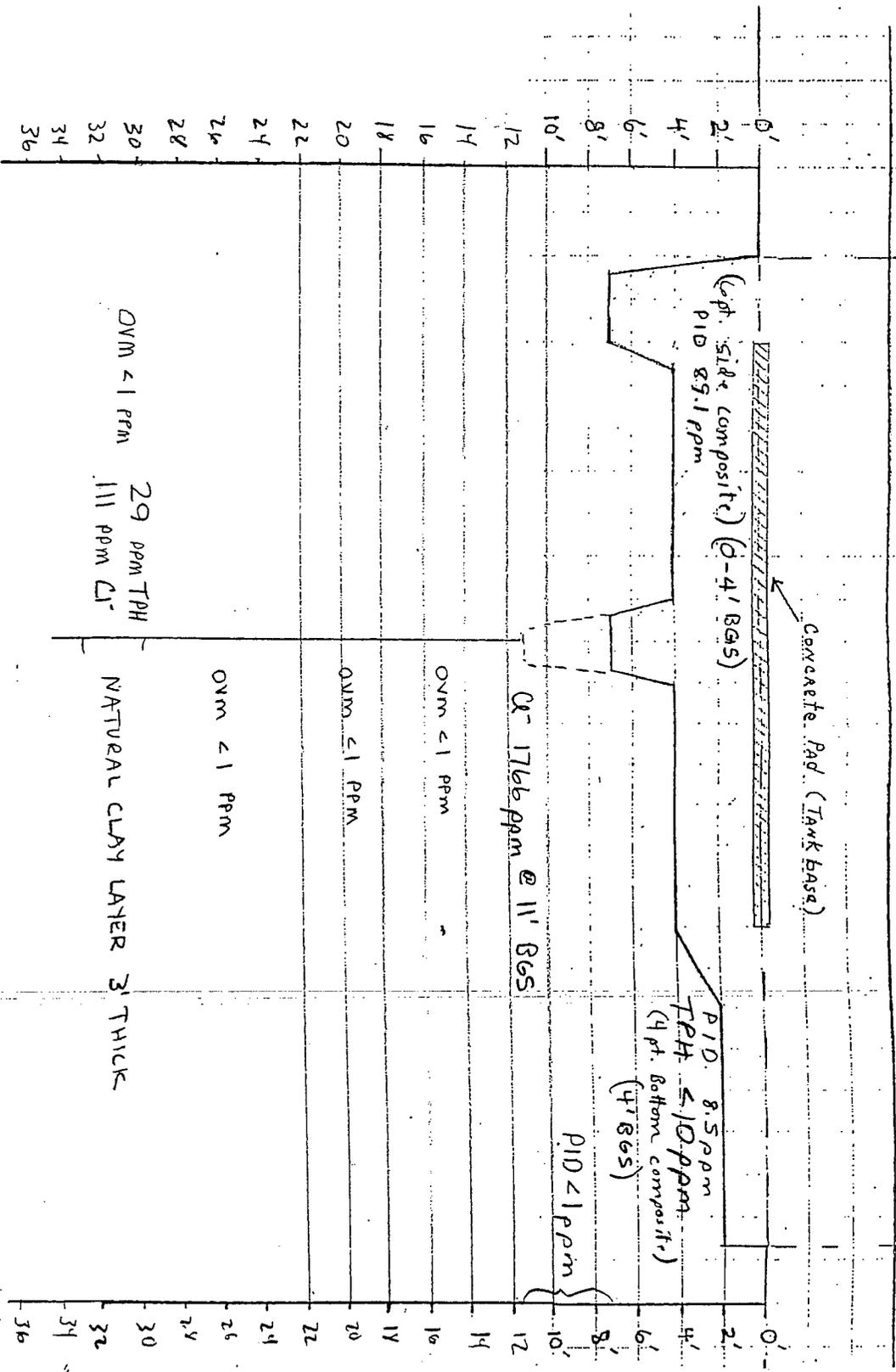
Cool Intact Yes No

Phone Result: Yes No Additional Fax #: _____

Fax Result: Yes No

REMARKS:

CROSS SECTION



RICE Operating Company
122 West Taylor
Hobbs, New Mexico 88240
Phone: 505-393-9174
Fax: 505-397-1471

ANALYSIS REPORT

FACILITY: Pump Station H-35

DATE: 2-20-98

SYSTEM: BLINEBRY DRINKARD

LOCATION: H-35-T225-R37E

Sample ID	Date	Time	Headspace Reading (ppm)	Description
BH 7'	6-16-98	9:35	< 1	
BH 9'	6-16-98	9:40	< 1	
BH 10'	6-16-98	9:50	< 1	
BH 11'	6-16-98	10:00	< 1	

COMMENTS: _____

Organic vapor readings were obtained using the headspace procedure as described in Guidelines for Remediation of Leaks, Spills, and Releases, New Mexico Oil Conservation Division, August 13, 1993.

RICE Operating Company
122 West Taylor
Hobbs, New Mexico 88240
Phone: 505-393-9174
Fax: 505-397-1471

ANALYSIS REPORT

FACILITY: Pump Station H-35

DATE: 2-20-98

SYSTEM: Blindery Drinkard

LOCATION: H-35-T22.5-R37E

Sample ID	Date	Time	Headspace Reading (ppm)	Description
B-1	2-20-98	14:00	20.3	
B-2	2-20-98	14:10	81.4	
BC	2-20-98	14:20	8.5	
SC	2-20-98	14:30	89.1	

COMMENTS: _____

Organic vapor readings were obtained using the headspace procedure as described in Guidelines for Remediation of Leaks, Spills, and Releases, New Mexico Oil Conservation Division, August 13, 1993.

SWD H-35

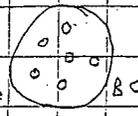
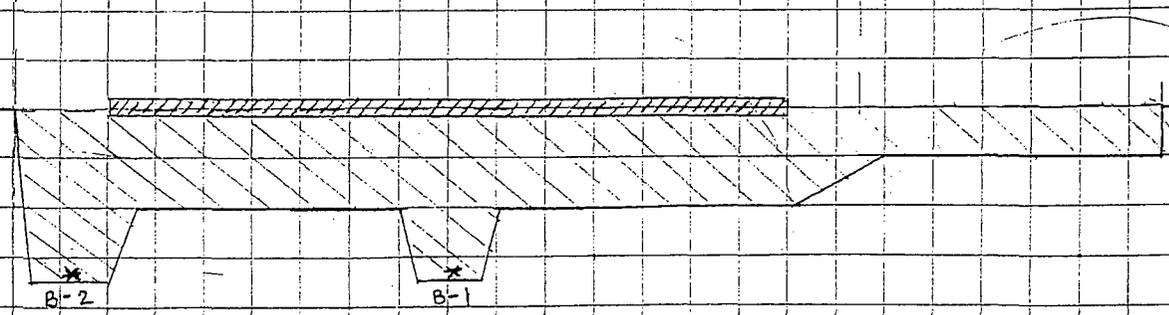
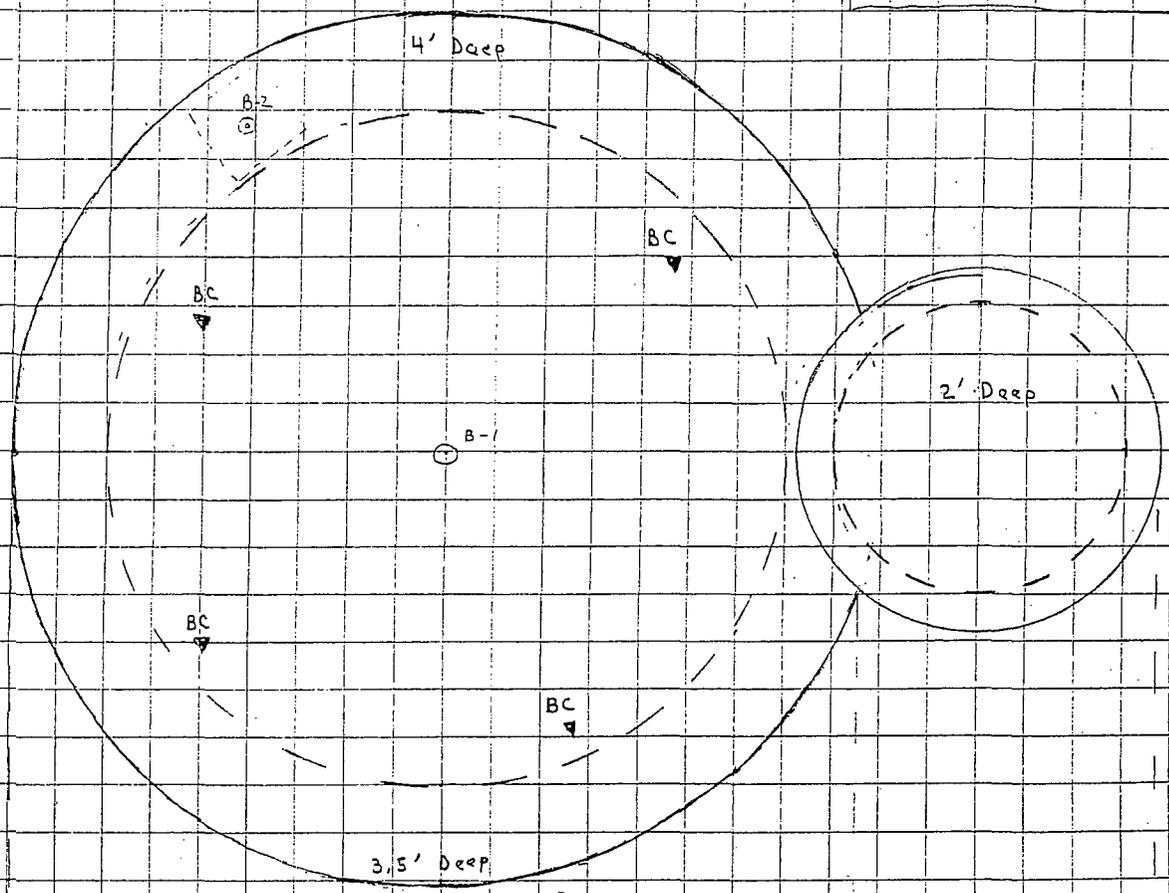
dia Excavation

28' dia RAD

N

		BKGD	High	
14:00	B-1	1.7 PPM	20.3 PPM	2-20-98
14:10	B-2	1.8 PPM	81.4 PPM	2-20-98
14:20	BC	2.2 PPM	8.5 PPM	2-20-98
14:30	SC	2.1 PPM	89.1 PPM	2-20-98

7' center Hole B-1
 7' Box Hole B-2
 4-point
 3.5-4' Bottom Composite BC
 6-point
 0-4' Side Composite SC

Date: 2-20-98

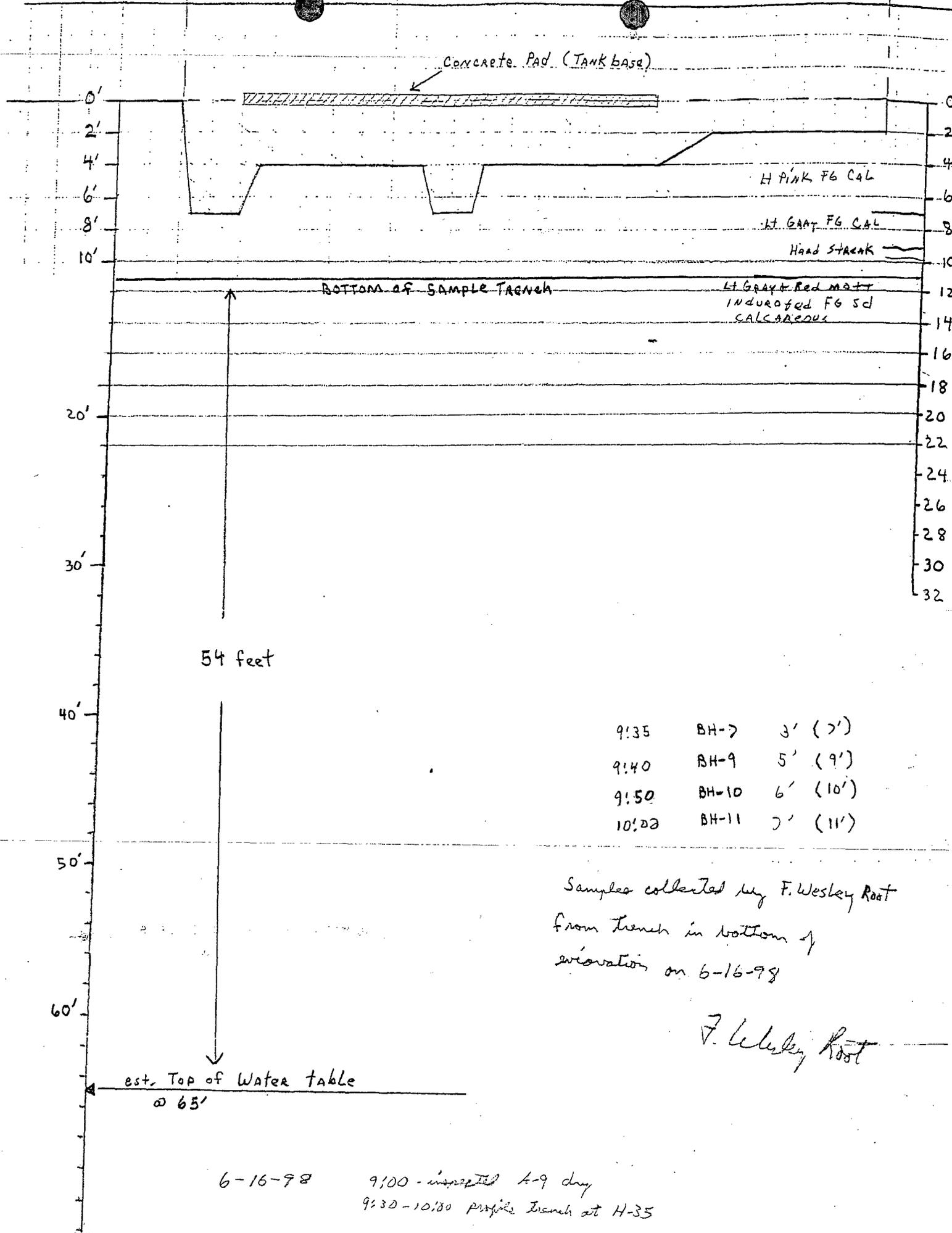
F. Wesley Root

SWD WELL H-35

BD SWD SYSTEM

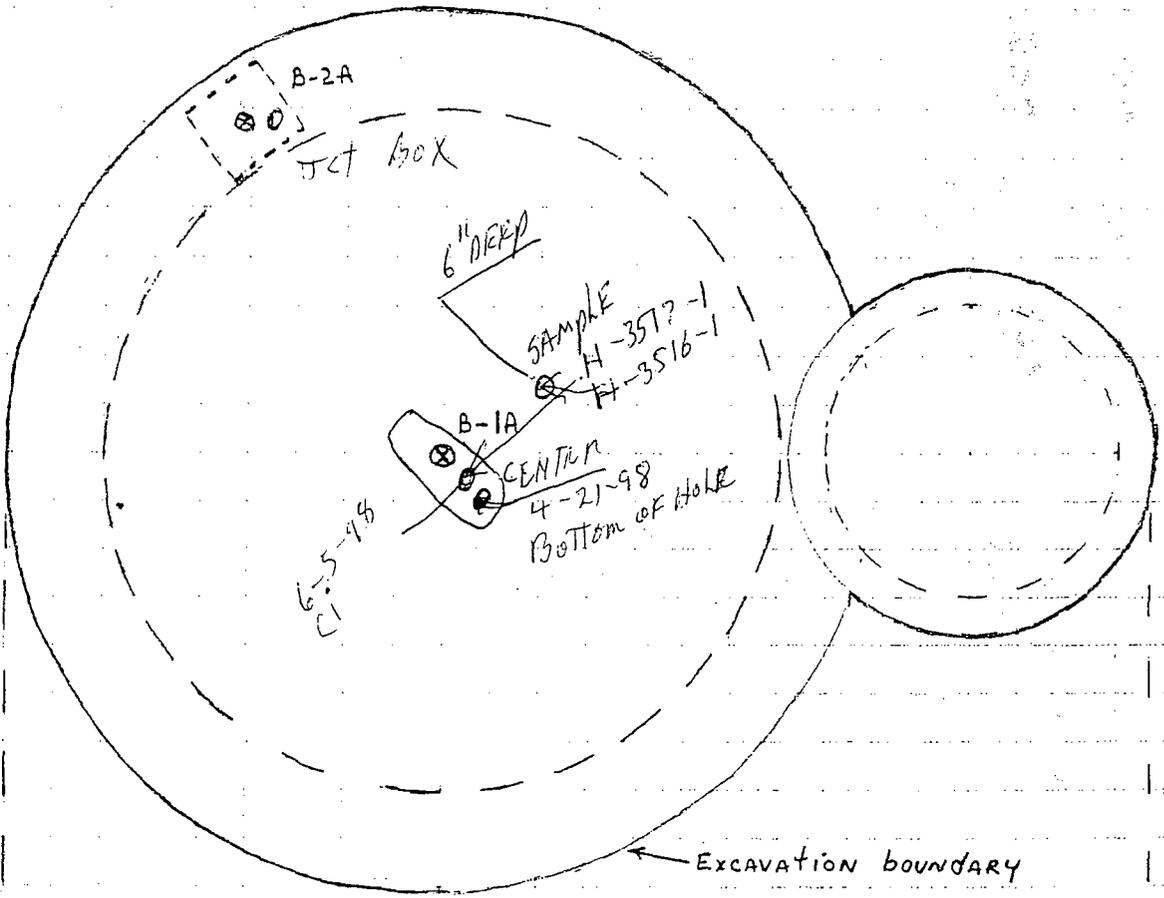
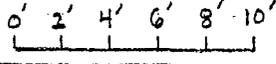
H-35-T225-A37E

CROSS SECTION

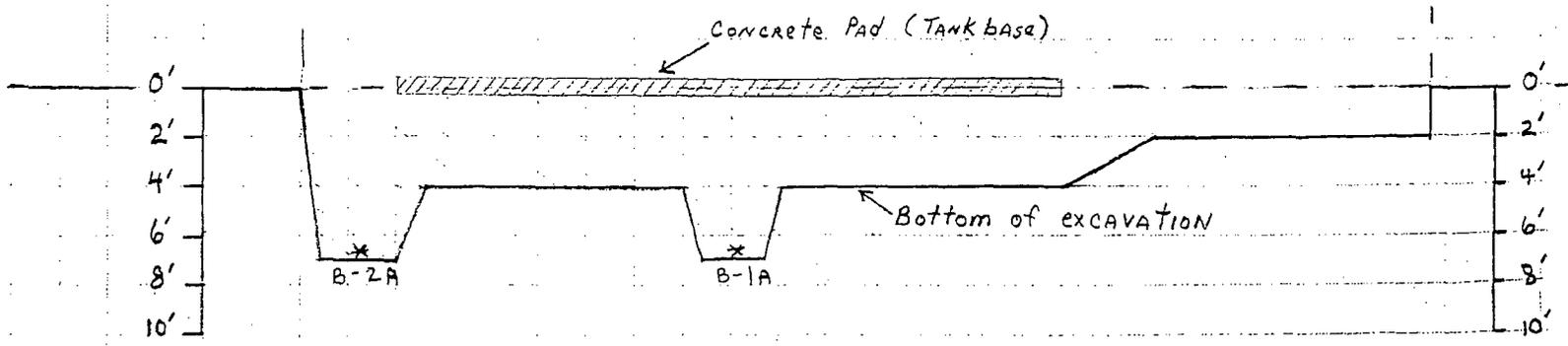




MAP VIEW



CROSSSECTION



SWD Well H-35
BD SWD System
H-35-T225-R37E

RICE *Operating Company*

122 West Taylor
HOBBS, NEW MEXICO 88240
(505) 393-9174

July 8, 1998

Mr. Wayne Price
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240

**Re: Above-ground Redwood Tank Removal
Salt Water Disposal Facility H-35
Blinebry Drinkard Salt Water Disposal System
Northeast 1/4, Section 35 of T22S R37E, Lea County, New Mexico**

Mr. Price:

Rice Operating Company (ROC) has completed the removal of the redwood tank formerly located at the above-referenced facility. The work was performed during the course of normal maintenance operations when ROC replaced the tank with two above-ground fiberglass tanks. This report was prepared to document our actions as you requested during your site visit on April 17, 1998.

The redwood tank was used to store produced water prior to disposal by subsurface well injection. The 850 barrel tank was 28 feet in diameter and 8 feet tall. Once the tank had been removed from the location, the area was visually inspected for evidence of significantly contaminated soil and this material was dug out with a backhoe. The resulting excavation was approximately 36 feet in diameter and 4 feet deep. The excavated material, approximately 240 lcy (loose cubic yards), was staged within a bermed area located on the northwest corner of the site.

Samples of the material from the floor and sides of the excavation were collected to document the vertical extent of adverse impact, if present. The samples were field screened for volatile organic compounds (VOCs) with a HNU DL-101 photoionizer detector (PID) using the NMOCD (New Mexico Oil Conservation Division) headspace method. Field screening results recorded VOC levels of less than 1 ppm (part per million) in all samples. Since the PID results were well below 100 ppm (typical NMOCD recommended remediation action level), no samples were submitted for BTEX (benzene, toluene, ethylbenzene, and total xylenes) analysis.

The sample collected from the deepest point of the excavation was submitted to Cardinal Laboratories for total petroleum hydrocarbon (TPH) analysis using EPA Method 418.1. Sample Onsite-1 was obtained from a depth of 4 feet below ground surface and recorded a TPH level of less than 10 ppm. The PID and TPH results confirmed our original estimate that we had delineated and removed any hydrocarbon-impacted soils during excavation.

Eight random samples (ES-1 through ES-8) were collected from the staged material to establish baseline conditions and determine treatment/disposal options. The samples were field screened for VOCs with a PID using the NMOCD headspace method. The PID results ranged from 25 ppm to 230 ppm with the calculated average for the material equal to 124 ppm.

Since one of the treatment options we were evaluating was to landfarm the material on-site, three of the random samples (ES-3, ES-5, and ES-8) were submitted to Cardinal Laboratories for chloride analysis. Samples ES-3, ES-5, and ES-8 recorded chloride levels of 4,960 ppm, 4,150 ppm, and 4,960 ppm, respectively.

In addition, a sample was collected from the center of the excavation at a depth of 7 feet below ground surface and submitted for chloride analysis to document soil concentrations. Sample Onsite-2 recorded a chloride level of 2,600 ppm and a PID reading of less than 1 ppm.

In order to develop a vertical profile of chloride levels, a trench was dug in the bottom of the excavation using a backhoe. Work was stopped when indurated caliche was encountered at a depth of 11 feet below ground surface. A soil sample was collected at this point for headspace screening and chloride analysis. Sample BH-11 recorded a chloride level of 1,766 ppm and a PID reading of less than 1 ppm.

Due to the limited surface area available, treatment options such as landfarming or blending the impacted soil with clean dirt were determined to be uneconomical solutions for the site. The most practical method to clean up the site was to haul the impacted material to a NMOCD permitted facility for disposal and backfill the excavation with select material purchased from a commercial pit.

A total of 276 lcys of impacted soil and concrete debris was transported to the Parabo Disposal Facility operated by Sundance Services, Inc.. The former tank location was backfilled with select material and the ground surface contoured to match the existing location pad.

Summary

1. The source of soil contamination was the redwood tank and this source has been eliminated.
2. The maximum vertical extent of hydrocarbon-impact was 4 feet below ground surface. In-place soil below this depth recorded PID readings less than 1 ppm and TPH levels less than 10 ppm. The impacted soil was removed during the excavation of all significantly contaminated soil based on visual identification.
3. Chloride levels decreased rapidly with depth from approximately 4,700 ppm in the excavated soil to less than 1,800 ppm at a depth of 11 feet below ground surface.
4. A total of 276 lcys of impacted soil and concrete debris was transported to the Parabo Disposal Facility operated by Sundance Services, Inc. for disposal.
5. The excavation was backfilled with select material and the former tank location was shaped to grade.

If you have any questions please feel free to call.

Sincerely,

F. Wesley Root

F. Wesley Root
Projects Manager

Enclosures: Laboratory Analytical Results
Chains-of-Custody

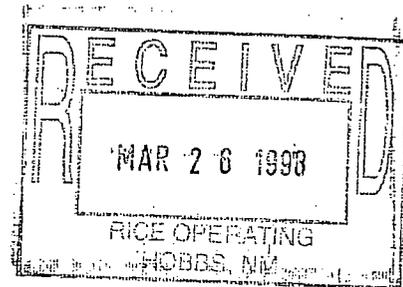
cc. KH, JM, File



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

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

ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: JOHN L. MOODY, JR.
112 W. TAYLOR
HOBBS, NM 88240
FAX TO: 505-397-1471



Receiving Date: 03/19/98
Reporting Date: 03/24/98
Project Number: NOT GIVEN
Project Name: B.D. REDWOOD
Project Location: SEC 35-22-37

Analysis Date: 03/24/98
Sampling Date: 03/12/98
Sample Type: SOIL
Sample Condition: COOL, INTACT
Sample Received By: BC
Analyzed By: BC

LAB NUMBER	SAMPLE ID	TPH (mg/Kg)
H3517-1	ON SITE 1	<10
Quality Control		194
True Value QC		200
% Recovery		97.0
Relative Percent Difference		2.1

METHOD: EPA 418.1, 3510, 3540, or 3550; Infrared Spectroscopy

Benjamin J. Cook
Chemist

3/24/98
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.



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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

Page _____ of _____

Company Name: <u>RICE OPERATORIES</u>		BILL TO PO #:	
Project Manager: <u>John A. Moody Jr</u>		Company: <u>SAME</u>	
Address: <u>122 W TAYLOR</u>		Attn:	
City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>88240</u>		Address:	
Phone #: <u>393-9174</u>		City:	
Fax #: <u>397-1491</u>		State:	
Project #: _____		Phone #:	
Project Name: <u>B.D. REDWOOD</u>		Fax #:	
Project Location: <u>SEC 35-22-37</u>		Project Owner:	

LAB I.D.	Sample I.D.	FOR LAB USE ONLY			DATE	TIME
		MATRIX	PRES.	SAMPLING		
<u>H3577-1</u>	<u>ON SITE 1</u>	GROUNDWATER			<u>3-12-98</u>	<u>10:AM</u>
		WASTEWATER				
		SLUDGE				
		OIL				
		SOIL				
		OTHER:				
		ACID:				
		ICE / COOL				
		OTHER:				
		# CONTAINERS				
		(GRAB OR (C)OMP.				

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. 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: John A. Moody Jr Date: 3-12-98 Time: 2:10
 Received By: _____ Date: _____ Time: _____
 Relinquished By: _____ Date: 3-12-98 Time: 2:10
 Delivered By: (Circle One) _____
 Sampler - UPS - Bus - Other: _____

Checked By: _____ (Initials)
 Sample Condition: Cool Yes No
 Contact Yes No

Phone Result: Yes No Additional Fax #: _____
 Fax Result: Yes No

REMARKS: RESULTS ON SEPARATE SHEET

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



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

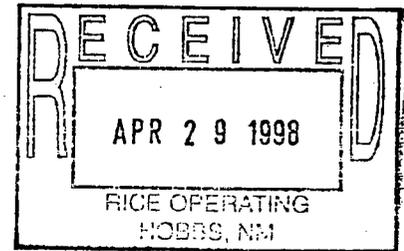
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 RICE OPERATING CO.
 ATTN: JOHN L. MOODY, JR.
 122 W. TAYLOR
 HOBBS, NM 88240
 FAX TO: 505-397-1471

Receiving Date: 04/22/98
 Reporting Date: 04/24/98
 Project Number: H-35 (B.D. SWD)
 Project Name: REDWOOD REMOVAL
 Project Location: H-35-22-37

Analysis Date: 04/24/98
 Sampling Date: 04/21/98
 Sample Type: SOIL
 Sample Condition: INTACT
 Sample Received By: GP
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3597-1	ON SITE 2	2600
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.

Burjess J. Cooke
 Chemist

4/24/98
 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.



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

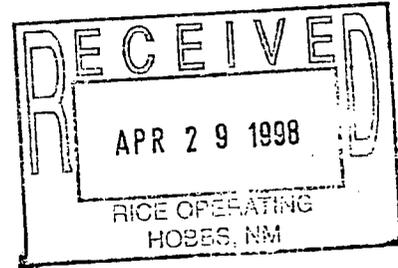
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: JOHN L. MOODY, JR.
122 W. TAYLOR
HOBBS, NM 88240
FAX TO: 505-397-1471

Receiving Date: 04/22/98
Reporting Date: 04/24/98
Project Number: H-35 (B.D. SWD)
Project Name: REDWOOD REMOVAL
Project Location: H-35-22-37

Analysis Date: 04/24/98
Sampling Date: 04/21/98
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3599-1	ES-3	4960
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.

Benjamin A. Cook
Chemist

4/24/98
Date

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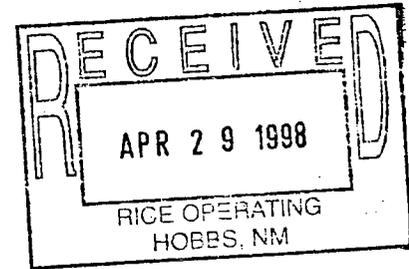
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: JOHN L. MOODY, JR.
122 W. TAYLOR
HOBBS, NM 88240
FAX TO: 505-397-1471

Receiving Date: 04/22/98
Reporting Date: 04/24/98
Project Number: H-35 (B.D. SWD)
Project Name: REDWOOD REMOVAL
Project Location: H-35-22-37

Analysis Date: 04/24/98
Sampling Date: 04/21/98
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3598-1	ES-5	4150
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.

Burgess A. Cash
Chemist

4/24/98
Date

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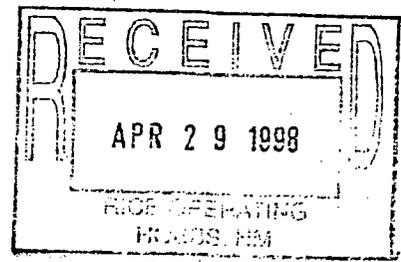
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: JOHN L. MOODY, JR.
122 W. TAYLOR
HOBBS, NM 88240
FAX TO: 505-397-1471

Receiving Date: 04/22/98
Reporting Date: 04/24/98
Project Number: H-35 (B.D. SWD)
Project Name: REDWOOD REMOVAL
Project Location: H-35-22-37

Analysis Date: 04/24/98
Sampling Date: 04/21/98
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3600-1	ES-8	4960
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.

Burgess A. Cook
Chemist

4/24/98
Date



CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

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

Page _____ of _____

Company Name: <u>RICE OPERATING</u>		BILL TO PO #:	
Project Manager: <u>John A. Moody JR</u>		Company: <u>SAME</u>	
Address: <u>122 W TAYLOR</u>		Attn:	
City: <u>Hobbs</u> State: <u>NM</u> Zip: <u>78240</u>		Address:	
Phone #: <u>393-9174</u>		City:	
Fax #: <u>397-1471</u>		State:	
Project #: <u>H-35</u> Project Owner: <u>B.O. SWD</u>		Phone #:	
Project Name: <u>REWOOD REMOVAL</u>		Fax #:	
Project Location: <u>H-35-22-37</u>			
FOR LAB USE ONLY			
LAB I.D. <u>Sample I.D.</u>		MATRIX	
<u>H3500-1</u> <u>ES-8</u>		# CONTAINERS	
		(G) RAB OR (COMP)	
		GROUNDWATER	
		WASTEWATER	
		SOIL	
		OIL	
		SLUDGE	
		OTHER:	
		ACID:	
		ICE / COOL	
		OTHER:	
		PRES.	
		SAMPLING	
		DATE	
		TIME	
		<u>4-21-98</u> <u>2:30</u>	
		<u>X</u>	
		<u>Chloride</u>	
		<u>600/4-79-020</u>	

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 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: John A. Moody Jr Date: 4-22-98
 Relinquished By: John A. Moody Jr Time: 9:56 AM
 Received By: [Signature] Date: 4-22-98
 Received By: (Lab Staff) Time: 9:56 AM
 Delivered By: (Circle One) UPS Bus Other:
 Checked By: (Initials) [Signature]
 Sample Condition: Cool Intact Yes No

Phone Result: Yes No Additional Fax #: Yes No
 Fax Result: Yes No
 REMARKS:

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



ARDINAL
LABORATORIES

PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

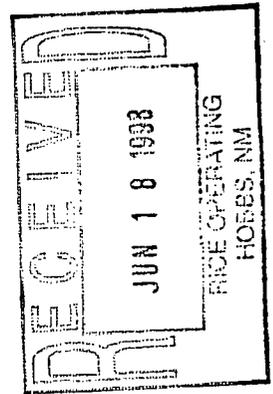
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: F. WESLEY ROOT
122 W. TAYLOR
HOBBS, NM 88240
FAX TO: 505-397-1471

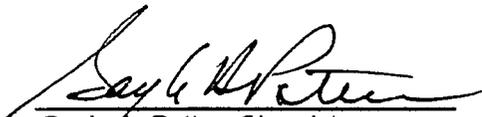
Receiving Date: 06/16/98
Reporting Date: 06/16/98
Project Number: H-35
Project Name: REDWOOD REMOVAL
Project Location: H-35-22-37

Analysis Date: 06/16/98
Sampling Date: 06/16/98
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3690-2	BH 11	1766
Quality Control		1334
True Value QC		1355
% Recovery		98.4
Relative Percent Difference		1.6
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.


Gayle A. Potter, Chemist

06/17/98
Date

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Binkley Drinfeld #35

TRANSPORTER COMPANY: Ramirez TIME: _____ AM/PM

DATE: 6-22-98 VEHICLE NO.: _____ DRIVER NO.:

CHARGE TO: Ramirez (Rice)

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content: _____
- Completion Fluids
- C-117 No.:

Description: oil dist

VOLUME OF MATERIAL BBLs _____ : 17 YARD 12 : _____

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: [Signature]
 (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature]
 (SIGNATURE)

Sundance Services, Inc. No 13962
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: *Rice*

LEASE NAME: *Blinckey H-35* TIME: AM/PM

TRANSPORTER COMPANY: *Ramirez* DRIVER NO.:

DATE: *6-22-98* VEHICLE NO.: DRIVER NO.:

CHARGE TO: *Ramirez* TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content:
- Completion Fluids
- C-117 No.:

Description: *oil dirt*

VOLUME OF MATERIAL [] BBLs : *1* YARD *12* : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *Juan Espino* (SIGNATURE)
 FACILITY REPRESENTATIVE: *[Signature]* (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE DRIVE SHIP # 2576

Sundance Services, Inc. No 13965
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: *Rice*

LEASE NAME: *Blinckey H-35* TIME: AM/PM

TRANSPORTER COMPANY: *RAMIREZ* DRIVER NO.:

DATE: *6-22-98* VEHICLE NO.: DRIVER NO.:

CHARGE TO: *Ramirez* TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content:
- Completion Fluids
- C-117 No.:

Description: *oil dirt*

VOLUME OF MATERIAL [] BBLs : *1* YARD *12* : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]* (SIGNATURE)
 FACILITY REPRESENTATIVE: *[Signature]* (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE DRIVE SHIP # 2576

Sundance Services, Inc. No 13966
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Bliver By #35

TRANSPORTER COMPANY: Ramirez TIME: DRIVER NO.: AM/PM

DATE: 6-22-98 VEHICLE NO.: E-1

CHARGE TO: Ramirez TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content:
- Completion Fluids
- C-117 No.:

Description: oil dirt

VOLUME OF MATERIAL [] BBLs. : [] YARD 12 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE WYOMING STATE # 2576

Sundance Services, Inc. No 13970
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Bliver By H-35

TRANSPORTER COMPANY: Ramirez TIME: DRIVER NO.: AM/PM

DATE: 6-22-98 VEHICLE NO.: 2

CHARGE TO: Ramirez TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content:
- Completion Fluids
- C-117 No.:

Description: oil dirt

VOLUME OF MATERIAL [] BBLs. : [] YARD 12 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE WYOMING STATE # 2576

Sundance Services, Inc. No 13971
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinckley H-35

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-22-98 VEHICLE NO.: E-1 DRIVER NO.:

CHARGE TO: Ramirez

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content:
- Completion Fluids
- C-117 No.:

Description: *Oil/dirt*

VOLUME OF MATERIAL [] BBLs. : LYARD 12 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *Blum Eugene*
 (SIGNATURE)
 FACILITY REPRESENTATIVE: *George A. Bell*
 (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE PRIVATE SIGN # 2576

Sundance Services, Inc. No 13974
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinckley H-35

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-22-98 VEHICLE NO.: E-2 DRIVER NO.:

CHARGE TO:

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content:
- Completion Fluids
- C-117 No.:

Description: *Air dirts*

VOLUME OF MATERIAL [] BBLs. : LYARD 12 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

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DRIVER: *Almond Paul Sr*
 (SIGNATURE)
 FACILITY REPRESENTATIVE: *George A. Bell*
 (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE PRIVATE SIGN # 2576

Sundance Services, Inc. No 13975
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blively H35

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-22-98 VEHICLE NO.: 2 DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content:
- Completion Fluids
- C-117 No.:

Description: Oil/Dirt

VOLUME OF MATERIAL [] BBLs : [] TYARD 12 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: Juan Lopez (SIGNATURE)
 FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)
 White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter Revised 12/27/95

THE PEAK GROUP # 2378

Sundance Services, Inc. No 13979
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blively H35

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-22-98 VEHICLE NO.: 2 DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content:
- Completion Fluids
- C-117 No.:

Description: Oil/Dirt

VOLUME OF MATERIAL [] BBLs : [] TYARD 12 : []

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)
 FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)
 White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter Revised 12/27/95

THE PEAK GROUP # 2378

Sundance Services, Inc. No 13980
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Stinckley H-35

TRANSPORTER COMPANY: Ramirez TIME: _____ AM/PM

DATE: 6-22-98 VEHICLE NO.: _____ DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content: _____
- Completion Fluids
- C-117 No.: _____

Description: oil dirt

VOLUME OF MATERIAL BBLs. _____ : 17 YARD 12 : _____

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: _____ (SIGNATURE)

FACILITY REPRESENTATIVE: _____ (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE PRINX SHIP # 2576

Sundance Services, Inc. No 13984
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blawie H-35

TRANSPORTER COMPANY: Ramirez TIME: _____ AM/PM

DATE: 6-22-98 VEHICLE NO.: 2 DRIVER NO.:

CHARGE TO: Ramirez

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSAW Content: _____
- Completion Fluids
- C-117 No.: _____

Description: oil dirt

VOLUME OF MATERIAL BBLs. _____ : 17 YARD 12 : _____

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: _____ (SIGNATURE)

FACILITY REPRESENTATIVE: _____ (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE PRINX SHIP # 2576

Sundance Services, Inc. **№** 13985
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Picco

LEASE NAME: Blindley H-35

TRANSPORTER COMPANY: Pantera TIME: _____ AM/PM

DATE: 6-22-98 VEHICLE NO.: 1 DRIVER NO.:

CHARGE TO: Pantera

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material: oil cut
- Drilling Fluids
- Contaminated soil
- BS&W Content: _____
- Completion Fluids
- C-117 No.: _____

VOLUME OF MATERIAL BBLs : 14 YARD 12 :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFOREFD DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)
 FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White-Sundance Canary-Sundance Acc#1 Pink-Sundance Acc#2 Gold-Transporter
 Revised 12/27/95

THE WYOM. STAT. # 2576

Sundance Services, Inc. **№** 13991
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Picco

LEASE NAME: Blindley H-35

TRANSPORTER COMPANY: _____ TIME: _____ AM/PM

DATE: 6-22-98 VEHICLE NO.: 2 DRIVER NO.:

CHARGE TO: Pantera

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material: Oil cut
- Drilling Fluids
- Contaminated soil
- BS&W Content: _____
- Completion Fluids
- C-117 No.: _____

VOLUME OF MATERIAL BBLs : 14 YARD 12 :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFOREFD DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)
 FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White-Sundance Canary-Sundance Acc#1 Pink-Sundance Acc#2 Gold-Transporter
 Revised 12/27/95

THE WYOM. STAT. # 2576

Sundance Services, Inc.
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511
 No 14007

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinc by H-35

TRANSPORTER COMPANY: Rommers TIME: _____ AM/PM

DATE: 6-23-98 VEHICLE NO.: _____ DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content: _____
- Completion Fluids
- C-117 No.:

Description: oil did

VOLUME OF MATERIAL BLS. : 1 YARD 22 :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE FACT SHEET # 2576

Sundance Services, Inc.
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511
 No 14008

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinc by H-35

TRANSPORTER COMPANY: Rommers TIME: _____ AM/PM

DATE: 6-23-98 VEHICLE NO.: _____ DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content: _____
- Completion Fluids
- C-117 No.:

Description: oil did

VOLUME OF MATERIAL BLS. : 1 YARD 22 :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE FACT SHEET # 2576

Sundance Services, Inc. No 14016
P.O. Box 1737 * Eunice, NM 88231
(505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinberg - Diward

TRANSPORTER COMPANY: Hammer's Fld. TIME: AM/PM

DATE: 6-23-88 VEHICLE NO.: #1 DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSS&W Content: _____
- Completion Fluids
- C-117 No.: _____

Description: oilfield

VOLUME OF MATERIAL BBLs : YARD 1296

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]* (SIGNATURE)

FACILITY REPRESENTATIVE: *[Signature]* (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
Revised 12/27/95

THE DRIVE SHIELD # 2576

Sundance Services, Inc. No 14017
P.O. Box 1737 * Eunice, NM 88231
(505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blinberg - Diward

TRANSPORTER COMPANY: Ramirez TIME: AM/PM

DATE: 6-23-88 VEHICLE NO.: #2 DRIVER NO.:

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BSS&W Content: _____
- Completion Fluids
- C-117 No.: _____

Description: oilfield

VOLUME OF MATERIAL BBLs : YARD 1296

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]* (SIGNATURE)

FACILITY REPRESENTATIVE: *[Signature]* (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
Revised 12/27/95

THE DRIVE SHIELD # 2576

Sundance Services, Inc.
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511
 No. 14021

LEASE OPERATOR/SHIPPER/COMPANY: *Fico*
 LEASE NAME: *Blinnery H-35*
 TRANSPORTER COMPANY: *RAMMIZ*
 DATE: *6-23-98* VEHICLE NO.: *2* DRIVER NO.:
 CHARGE TO: *Fico*

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: *oilfield*

VOLUME OF MATERIAL BLS. : *17* YARD *12* :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFORESAID DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]*
 FACILITY REPRESENTATIVE: *[Signature]*
 White-Sundance Canary-Sundance Acc#1 Pink-Sundance Acc#2 Gold-Transporter
 Revised 12/27/95

Sundance Services, Inc.
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511
 No. 14024

LEASE OPERATOR/SHIPPER/COMPANY: *Pice*
 LEASE NAME: *Blinnery - Dintard*
 TRANSPORTER COMPANY: *RAMMIZ*
 DATE: *6-23-98* VEHICLE NO.: *#1* DRIVER NO.:
 CHARGE TO: *Pice*

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material:
- Drilling Fluids
- Contaminated soil
- BS&W Content:
- Completion Fluids
- C-117 No.:

Description: *oilfield*

VOLUME OF MATERIAL BLS. : *12* YARD *22* :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFORESAID DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: *[Signature]*
 FACILITY REPRESENTATIVE: *[Signature]*
 White-Sundance Canary-Sundance Acc#1 Pink-Sundance Acc#2 Gold-Transporter
 Revised 12/27/95

Sundance Services, Inc. No 14025
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice
 LEASE NAME: Blineberry - Drinkard
 TRANSPORTER COMPANY: Rawirec TIME: _____ AM/PM
 DATE: 6-23-98 VEHICLE NO.: #1 DRIVER NO.: _____
 CHARGE TO: Rice

TYPE OF MATERIAL

Production Water Drilling Fluids Completion Fluids
 Tank Bottoms Contaminated soil C-117 No.: _____
 Other Material: BS&W Content: _____
 Description: oil/disk

VOLUME OF MATERIAL BLS. _____ : YARD 12 yds _____

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)
 FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)
 White-Sundance Canary-Sundance Acc#1 Pink-Sundance Acc#2 Gold-Transporter
 Revised 12/27/95

THE PRAY SHOP # 2576

Sundance Services, Inc. No 14027
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice
 LEASE NAME: Blineberry - Drinkard
 TRANSPORTER COMPANY: Rawirec TIME: _____ AM/PM
 DATE: 6-23-98 VEHICLE NO.: #2 DRIVER NO.: _____
 CHARGE TO: Rice

TYPE OF MATERIAL

Production Water Drilling Fluids Completion Fluids
 Tank Bottoms Contaminated soil C-117 No.: _____
 Other Material: BS&W Content: _____
 Description: oil/disk

VOLUME OF MATERIAL BLS. _____ : YARD 12 yds _____

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: [Signature] (SIGNATURE)
 FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)
 White-Sundance Canary-Sundance Acc#1 Pink-Sundance Acc#2 Gold-Transporter
 Revised 12/27/95

THE PRAY SHOP # 2576

Sundance Services, Inc. No 14032
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blind by H-35 TIME: _____ AM/PM

TRANSPORTER COMPANY: Ramirez DRIVER NO.: _____

DATE: 6-23-98 VEHICLE NO.: _____

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material: _____
- Drilling Fluids
- Contaminated soil
- BSAW Content: _____
- Completion Fluids
- C-117 No.: _____

Description: oil dirt

VOLUME OF MATERIAL BBLs. : 1 YARD 12 :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

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DRIVER: [Signature] (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE PAPER SHED # 2576

Sundance Services, Inc. No 14034
 P.O. Box 1737 * Eunice, NM 88231
 (505) 394-2511

LEASE OPERATOR/SHIPPER/COMPANY: Rice

LEASE NAME: Blind by H-35 TIME: _____ AM/PM

TRANSPORTER COMPANY: Ramirez DRIVER NO.: _____

DATE: 6-23-98 VEHICLE NO.: _____

CHARGE TO: Rice

TYPE OF MATERIAL

- Production Water
- Tank Bottoms
- Other Material: _____
- Drilling Fluids
- Contaminated soil
- BSAW Content: _____
- Completion Fluids
- C-117 No.: _____

Description: oil dirt

VOLUME OF MATERIAL BBLs. : 1 YARD 12 :

AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, OPERATOR/SHIPPER REPRESENTS AND WARRANTS THAT THE WASTE MATERIAL SHIPPED HEREWITH IS MATERIAL EXEMPT FROM THE RESOURCE, CONSERVATION AND RECOVERY ACT OF 1976, AS AMENDED FROM TIME TO TIME, 40 U.S.C. § 6901, et seq., THE NM HEALTH AND SAF. CODE § 361.001, et seq., AND REGULATIONS RELATED THERETO, BY VIRTUE OF THE EXEMPTION AFFORDED DRILLING FLUIDS, PRODUCED WATERS, AND OTHER WASTE ASSOCIATED WITH THE EXPLORATION, DEVELOPMENT OR PRODUCTION OF CRUDE OIL OR NATURAL GAS OR GEOTHERMAL ENERGY.

ALSO AS A CONDITION TO SUNDANCE SERVICES, INC.'S ACCEPTANCE OF THE MATERIALS SHIPPED WITH THIS JOB TICKET, TRANSPORTER REPRESENTS AND WARRANTS THAT ONLY THE MATERIAL DELIVERED BY OPERATOR/SHIPPER TO TRANSPORTER IS NOW DELIVERED BY TRANSPORTER TO SUNDANCE SERVICES, INC.'S FACILITY FOR DISPOSAL.

THIS WILL CERTIFY that the above Transporter loaded the material represented by this Transporter Statement at the above described location, and that it was tendered by the above described shipper. This will certify that no additional materials were added to this load, and that the material was delivered without incident.

DRIVER: [Signature] (SIGNATURE)

FACILITY REPRESENTATIVE: [Signature] (SIGNATURE)

White-Sundance Canary-Sundance Acct#1 Pink-Sundance Acct#2 Gold-Transporter
 Revised 12/27/95

THE PAPER SHED # 2576



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

May 5, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z 559 573 593

Carolyn Doran Haynes
Rice Operating Company
122 West Taylor
Hobbs, NM 88240

Re: Above-ground Redwood Tank Removal
Salt Water Disposal Facility H-35
Blinebry Drinkard Salt Water Disposal System
Northeast 1/4, Section 35-Ts22s-R37e
Lea County, NM

Dear Ms. Haynes:

The New Mexico Oil Conservation Division (NMOCD) is in receipt of Rice Operating Company's (ROC) letter dated March 16, 1999 concerning the above captioned facility requesting approval to install a liner to prevent future infiltration from leaching remaining vadose zone water contaminants into under-lying shallow ground water. In order to properly evaluate ROC's request the NMOCD requires the following information:

1. Please provide a topographic plot plan drawing of the site defining the areal extent of the contamination and vertical cross-sections showing the isoconcentration values of the remaining salts in the vadose zone. Please calculate the estimated remaining mass of contamination and report this value in pounds (lbs).
2. Please provide to NMOCD the engineering data sheets or product bulletins for the proposed liner. Please provide the engineering design, the effective life of the liner, installation drawing and selection criteria for the liner.
3. Please explain how ROC will address lateral migration of moisture under the liner. NMOCD's concern is that possible horizontal infiltration (absorption) may occur due to moisture run-on/off.

Carolyn Haynes Z 559 573 593

May 5, 1999

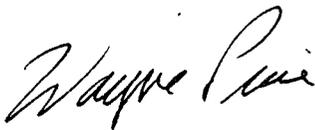
Page 2

4. Please provide a plan describing how the buried liner and contaminated soils below the liner will be protected in the foreseeable future. Please include a plan as to how future owners of the property will be advised of the buried material, i.e. deed recording, permanent markers, etc. Please provide proof of ownership of the property.
5. Please include a plan to describe how ROC will monitor the buried contamination in order to ensure that contaminants will not cause the groundwater standards to be exceeded in the foreseeable future.
6. Please provide verification of all waste disposed of off-site, such as disposal manifest, etc.
7. Please provide information concerning the plugging of the soil boring.

Please submit the above information to the NMOCD by June 30, 1999.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,



Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD Hobbs Office

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

wp

1. Addressee's Address
 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

RICE OPERATING CO.
 122 WEST TAYLOR
 HOBBS, NM 88240

ATTN: CAROLYN HAYNES

4a. Article Number
 Z 559 573 593

4b. Service Type

Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery
 5/12/99

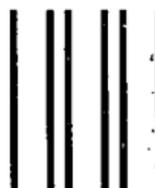
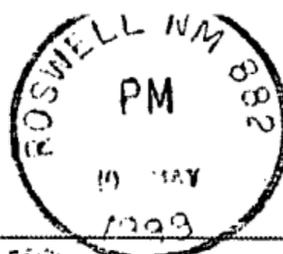
5. Received By: (Print Name)
 J. A. DONNELLY

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)
 X [Signature]

Thank you for using Return Receipt Service.

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Print your name, address, and ZIP Code in this box •

*WP
H-35
ROC*

**Environmental Bureau
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505**



RICE Operating Company

122 West Taylor • Hobbs, NM 88240

Phone: (505) 393-9174 • Fax: (505) 397-1471

March 16, 1999

Mr. Wayne Price
State of NM Energy and Minerals Dept.
Oil Conservation Division
2040 South Pacheco St.
Santa Fe, NM 87505

MAR 18 1999

Re: Aboveground Redwood Tank Removal, SWD H-35
Blincy Drinkard Salt Water Disposal System
NE/4, Section 35-Ts22s-R37e, Lea County, NM

Mr. Price:

Upon your request of January 23, 1999, Rice Operating Company prepared a work plan to determine the vertical extent of chloride impact to the vadose zone at the above referenced facility. On March 6, 1999, the chloride concentration of soil was delineated in the vadose zone that was directly beneath the redwood tank (removed March, 1998.) The Hobbs District 1 Office of OCD was notified 48 hours in advance, but no representative came to the site while boring and sampling operations were in progress.

The ground water in this area is 60-65' deep, according to the nearest water well identified by the State Engineer's Office. Attached is the March 6, 1999, drilling log with applicable subsurface lithology, analyticals, and remarks. The total boring depth was 34 feet. Chloride levels were field tested, with levels below 250ppm verified by laboratory testing. At 30 feet, the chloride level was 240ppm (field), 111 ppm (lab); TPH 29ppm. At 34 feet, the chloride level was 60ppm (field), 111ppm (lab); and TPH was 19.8ppm. Laboratory results are attached.

Considering the concentration of chlorides in the vadose zone:

- A. > 250ppm chlorides within 50 feet of groundwater
- B. Normal rainfall level could conceivably afford the possibility of chlorides leaching 40 feet deeper and into the groundwater during the next 10,000 years.
- C. Rice Operating proposes to eliminate the progression of moisture and therefore chlorides to groundwater by installing a buried, impervious layer of 40-mil polyethylene fabric over the affected area (50' X 50'). The fabric will be graded to allow moisture flow away from the area.
- D. The surface above the liner will be defined by concrete markers at the center and corners, with an identification etched in the center marker.

Rice Operating Company submits this additional information pursuant to NMOCD's request and again petitions for closure plan approval for the redwood tank formerly located at this facility. Attached is a copy of the initial closure request made by F. Wesley Root, including the previously submitted analytical data.

If this closure plan is acceptable, the impenetrable layer will be installed and then the Pit Remediation and Closure form will be completed and submitted. No further work will be performed at this site until the NMOCD responds to this request.

If you have any questions, please call.



Carolyn Doran Haynes
Operations Engineer

Enclosures: Drilling Log
Laboratory Results and Chains-of-Custody
Pit Inventory Form

Cc: KH, file,
Ms. Donna Williams
State of NM Energy and Minerals Dept.
Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240

DRILLING LOG	Site Name/Location	Well No. B-1	Date Drilled 3-6-98	Driller: C. Harrison	Logged by: FWR	
	RICE Operating Company 122 West Taylor Hobbs, New Mexico 88240 Phone: (505) 393-9174 Fax: (505) 397-1471	SWD Facility H-35 35-T22S-R37E Blinebry-Drinkard SWD System Lea Co. New Mexico	Well Depth: N/A	Boring Depth: 34'	Well Material: N/A	Construction: Plugged boring by filling from total depth to surface with bentonite
		Casing Length: N/A	Boring Diameter: 6"	Casing Size: N/A		
		Screen Length: N/A	Drilling Method: Air Rotary	Slot Size: N/A		

DEPTH (Feet)	SUBSURFACE LITHOLOGY	Sample Type	OVM (ppm)	REMARKS	Boring
0	Ground Surface				
1	Caliche backfill material				
2	Red-bed backfill material				
3	(Light red clayey slightly calcareous sand)				
4				◆ TPH < 10 ppm	
5	Light brown, fine-grained, calcareous sand (caliche)			Sample from bottom of excavation created during above-grade tank removal. Collected 3/12/98.	
6					
7					
8					
9					
10					
11	Light gray indurated limestone			◆ Chloride - 1,766 ppm	
12				Sample from bottom of trench. Collected 6/16/98.	
13					
14	Gray-brown fine-grained calcareous sand (caliche)				
15					
16		Split-Spoon	<1	• Chloride - 3,500 ppm	
17					
18	Light gray slightly sandy calcareous silt (caliche)				
19					
20					
21		Split-Spoon	<1	• Chloride - 3,750 ppm	
22					
23	Red-brown and white mottled silty fine-grained calcareous sand (caliche)				
24					
25					
26		Split-Spoon	<1	• Chloride - 2,500 ppm	
27					
28					
29				• Chloride - 240 ppm	
30				◆ Chloride - 111 ppm	
31	Red-brown silty calcareous clay	Split-Spoon	<1	◆ TPH - 29 ppm	
32					
33				• Chloride - 60 ppm	
34	Light gray fine-grained calcareous sand (caliche)	Split-Spoon	<1	◆ Chloride - 111 ppm ◆ TPH - 19.8 ppm	
35					
36	Total Depth of Boring @ 34 feet				
37					
38					
39					
40					

• Field Screen
 ◆ Laboratory Result
 Bentonite Seal

District I - (505) 393-6161
P.O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. Park
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Boscon Road
Aztec, NM 87410
District IV - (505) 827-7131

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Originated 6/27/97

Submit Original
Plus 1 Copy
to Santa Fe

PIT INVENTORY FORM

Operator: RICE OPERATING COMPANY

Address: 122 WEST TAYLOR
HOBBS, NEW MEXICO 88240

Phone Number: (505) 393-9174

Previous Operator(s): Agua Operating

Is the pit permitted: Yes No

Unit Letter: H Section: 35 Township: 22S Range: 37E

County: Lea County

Location Name: Blinebry Drinkard Salt Water Disposal Well H-35

Number of wells to the pit: System Terminal Tank (Varies)

Are the wells to the pit operated by one operator or multiple operators

Total daily volume (in barrels) to the pit: 1,300

Pit Type: ~~1-Below ground redwood terminal tank~~ 1-ABOVE GROUND REDWOOD TANK CDH
(Emergency Production, Workover Reserve/Drilling (greater than 6 months old), Flare, Blowdown, Separator, Dehydrator,
Line Drip, BS&W/Tank Bottoms, Compressor, Pigging, Washdown, or other)

What types of wastes are accepted in the pit (Exempt, Non-exempt, Both, None): Exempt (production water)

Pit age (years): 30

Is the pit lined or unlined

Type of liner (None, Synthetic, Clay): Redwood tank resting on concrete pad

Is leak detection present: Yes No Observation boxes around tanks

Is the pit netted: Yes No Covered with redwood top

Pit dimensions (LxWxD): 28'dia X 7' Ht

CERTIFICATION

I hereby certify that the information submitted is true and correct to the best of my knowledge and belief.

Name: Roger Hall Title: Operations Engineer

Signature: Roger Hall Date: 10/30/97



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

January 23, 1999

Mr. Wesley Root
Rice Operating Company
122 West Taylor
Hobbs, New Mexico 88240

Re: Above-ground Redwood Tank Removal
Salt Water Disposal Facility H-35
Blinebry Drinkard Salt Water Disposal System
Northeast 1/4, Section 35-Ts22s-R37e
Lea County, NM

Dear Mr. Root:

New Mexico Oil Conservation Division (NMOCD) is in receipt of the closure plan for the above referenced facility. After reviewing the plan it appears the remaining concentration of chlorides in the vadose below the site are high (i.e. 1766 ppm). Since there is shallow groundwater in the area please determine the vertical extent of the chlorides below the site.

Please submit this information by March 22, 1999.

Please notify the OCD Hobbs office 48 hours in advance of any significant investigation activity.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

A handwritten signature in cursive script, appearing to read "Wayne Price".

Wayne Price-Environmental Bureau

cc: OCD Hobbs

file: O/envr../word/wa../riceh35

RICE *Operating Company*

122 West Taylor

HOBBS, NEW MEXICO 88240

(505) 393-9174

July 8, 1998

Mr. Wayne Price
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240

**Re: Above-ground Redwood Tank Removal
Salt Water Disposal Facility H-35
Blinebry Drinkard Salt Water Disposal System
Northeast 1/4, Section 35 of T22S R37E, Lea County, New Mexico**

Mr. Price:

Rice Operating Company (ROC) has completed the removal of the redwood tank formerly located at the above-referenced facility. The work was performed during the course of normal maintenance operations when ROC replaced the tank with two above-ground fiberglass tanks. This report was prepared to document our actions as you requested during your site visit on April 17, 1998.

The redwood tank was used to store produced water prior to disposal by subsurface well injection. The 850 barrel tank was 28 feet in diameter and 8 feet tall. Once the tank had been removed from the location, the area was visually inspected for evidence of significantly contaminated soil and this material was dug out with a backhoe. The resulting excavation was approximately 36 feet in diameter and 4 feet deep. The excavated material, approximately 240 lcs (loose cubic yards), was staged within a bermed area located on the northwest corner of the site.

Samples of the material from the floor and sides of the excavation were collected to document the vertical extent of adverse impact, if present. The samples were field screened for volatile organic compounds (VOCs) with a HNU DL-101 photoionizer detector (PID) using the NMOCD (New Mexico Oil Conservation Division) headspace method. Field screening results recorded VOC levels of less than 1 ppm (part per million) in all samples. Since the PID results were well below 100 ppm (typical NMOCD recommended remediation action level), no samples were submitted for BTEX (benzene, toluene, ethylbenzene, and total xylenes) analysis.

The sample collected from the deepest point of the excavation was submitted to Cardinal Laboratories for total petroleum hydrocarbon (TPH) analysis using EPA Method 418.1. Sample Onsite-1 was obtained from a depth of 4 feet below ground surface and recorded a TPH level of less than 10 ppm. The PID and TPH results confirmed our original estimate that we had delineated and removed any hydrocarbon-impacted soils during excavation.

Eight random samples (ES-1 through ES-8) were collected from the staged material to establish baseline conditions and determine treatment/disposal options. The samples were field screened for VOCs with a PID using the NMOCD headspace method. The PID results ranged from 25 ppm to 230 ppm with the calculated average for the material equal to 124 ppm.

Since one of the treatment options we were evaluating was to landfarm the material on-site, three of the random samples (ES-3, ES-5, and ES-8) were submitted to Cardinal Laboratories for chloride analysis. Samples ES-3, ES-5, and ES-8 recorded chloride levels of 4,960 ppm, 4,150 ppm, and 4,960 ppm, respectively.

In addition, a sample was collected from the center of the excavation at a depth of 7 feet below ground surface and submitted for chloride analysis to document soil concentrations. Sample Onsite-2 recorded a chloride level of 2,600 ppm and a PID reading of less than 1 ppm.

In order to develop a vertical profile of chloride levels, a trench was dug in the bottom of the excavation using a backhoe. Work was stopped when indurated caliche was encountered at a depth of 11 feet below ground surface. A soil sample was collected at this point for headspace screening and chloride analysis. Sample BH-11 recorded a chloride level of 1,766 ppm and a PID reading of less than 1 ppm.

Due to the limited surface area available, treatment options such as landfarming or blending the impacted soil with clean dirt were determined to be uneconomical solutions for the site. The most practical method to clean up the site was to haul the impacted material to a NMOCD permitted facility for disposal and backfill the excavation with select material purchased from a commercial pit.

A total of 276 lcys of impacted soil and concrete debris was transported to the Parabo Disposal Facility operated by Sundance Services, Inc.. The former tank location was backfilled with select material and the ground surface contoured to match the existing location pad.

Summary

1. The source of soil contamination was the redwood tank and this source has been eliminated.
2. The maximum vertical extent of hydrocarbon-impact was 4 feet below ground surface. In-place soil below this depth recorded PID readings less than 1 ppm and TPH levels less than 10 ppm. The impacted soil was removed during the excavation of all significantly contaminated soil based on visual identification.
3. Chloride levels decreased rapidly with depth from approximately 4,700 ppm in the excavated soil to less than 1,800 ppm at a depth of 11 feet below ground surface.
4. A total of 276 lcs of impacted soil and concrete debris was transported to the Parabo Disposal Facility operated by Sundance Services, Inc. for disposal.
5. The excavation was backfilled with select material and the former tank location was shaped to grade.

If you have any questions please feel free to call.

Sincerely,

F. Wesley Root

F. Wesley Root
Projects Manager

Enclosures: Laboratory Analytical Results
Chains-of-Custody

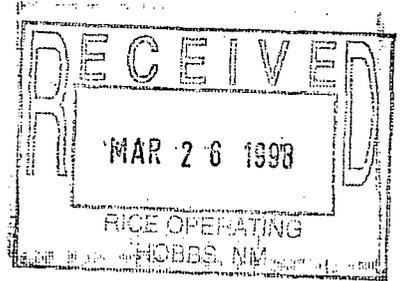
cc. KH, JM, File



ARDINAL
LABORATORIES

PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

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



ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: JOHN L. MOODY, JR.
112 W. TAYLOR
HOBBS, NM 88240
FAX TO: 505-397-1471

Receiving Date: 03/19/98
Reporting Date: 03/24/98
Project Number: NOT GIVEN
Project Name: B.D. REDWOOD
Project Location: SEC 35-22-37

Analysis Date: 03/24/98
Sampling Date: 03/12/98
Sample Type: SOIL
Sample Condition: COOL, INTACT
Sample Received By: BC
Analyzed By: BC

LAB NUMBER	SAMPLE ID	TPH (mg/Kg)
H3517-1	ON SITE 1	<10
Quality Control		194
True Value QC		200
% Recovery		97.0
Relative Percent Difference		2.1

METHOD: EPA 418.1, 3510, 3540, or 3550; Infrared Spectroscopy

Burgess J. Cook
Chemist

3/24/98
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.



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

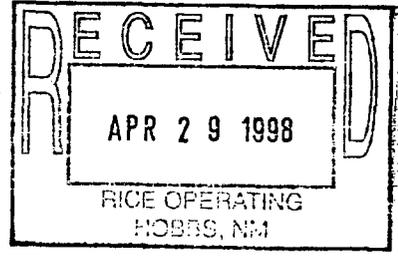
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 RICE OPERATING CO.
 ATTN: JOHN L. MOODY, JR.
 122 W. TAYLOR
 HOBBS, NM 88240
 FAX TO: 505-397-1471

Receiving Date: 04/22/98
 Reporting Date: 04/24/98
 Project Number: H-35 (B.D. SWD)
 Project Name: REDWOOD REMOVAL
 Project Location: H-35-22-37

Analysis Date: 04/24/98
 Sampling Date: 04/21/98
 Sample Type: SOIL
 Sample Condition: INTACT
 Sample Received By: GP
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3597-1	ON SITE 2	2600
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.

Burjess J. Cooke
 Chemist

4/24/98
 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.



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

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

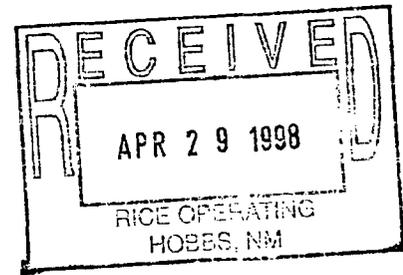
ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: JOHN L. MOODY, JR.
122 W. TAYLOR
HOBBS, NM 88240
FAX TO: 505-397-1471

Receiving Date: 04/22/98
Reporting Date: 04/24/98
Project Number: H-35 (B.D. SWD)
Project Name: REDWOOD REMOVAL
Project Location: H-35-22-37

Analysis Date: 04/24/98
Sampling Date: 04/21/98
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3599-1	ES-3	4960
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8

METHOD: Std. Methods	4500 Cl ⁻ B
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NOTE: Analysis performed on an aqueous extract.

Burgess R. Cooke
Chemist

4/24/98
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.



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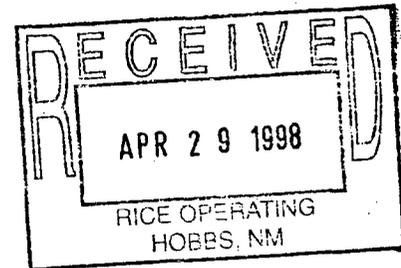
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 RICE OPERATING CO.
 ATTN: JOHN L. MOODY, JR.
 122 W. TAYLOR
 HOBBS, NM 88240
 FAX TO: 505-397-1471

Receiving Date: 04/22/98
 Reporting Date: 04/24/98
 Project Number: H-35 (B.D. SWD)
 Project Name: REDWOOD REMOVAL
 Project Location: H-35-22-37

Analysis Date: 04/24/98
 Sampling Date: 04/21/98
 Sample Type: SOIL
 Sample Condition: INTACT
 Sample Received By: GP
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3598-1	ES-5	4150
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.

Benjamin A. Cash
 Chemist

4/24/98
 Date

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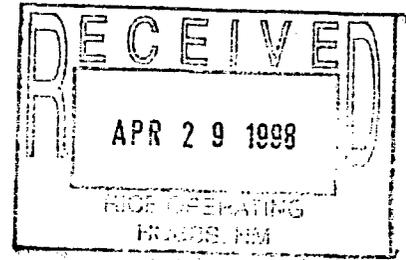
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ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: JOHN L. MOODY, JR.
122 W. TAYLOR
HOBBS, NM 88240
FAX TO: 505-397-1471

Receiving Date: 04/22/98
Reporting Date: 04/24/98
Project Number: H-35 (B.D. SWD)
Project Name: REDWOOD REMOVAL
Project Location: H-35-22-37

Analysis Date: 04/24/98
Sampling Date: 04/21/98
Sample Type: SOIL
Sample Condition: INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3600-1	ES-8	4960
Quality Control		476
True Value QC		500
% Recovery		95.0
Relative Percent Difference		0.8
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.

Buyers J. Moody
Chemist

4/24/98
Date

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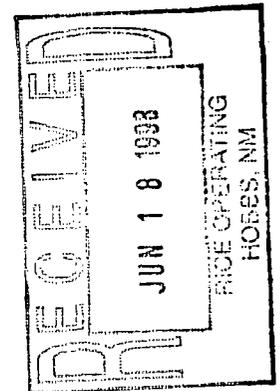
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ANALYTICAL RESULTS FOR
RICE OPERATING CO.
ATTN: F. WESLEY ROOT
122 W. TAYLOR
HOBBS, NM 88240
FAX TO: 505-397-1471

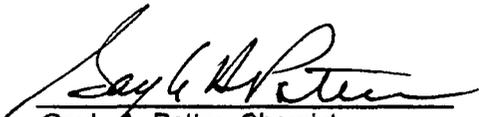
Receiving Date: 06/16/98
Reporting Date: 06/16/98
Project Number: H-35
Project Name: REDWOOD REMOVAL
Project Location: H-35-22-37

Analysis Date: 06/16/98
Sampling Date: 06/16/98
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3690-2	BH 11	1766
Quality Control		1334
True Value QC		1355
% Recovery		98.4
Relative Percent Difference		1.6
METHOD: Std. Methods		4500 Cl ⁻ B



NOTE: Analysis performed on an aqueous extract.


Gayle A. Potter, Chemist

06/17/98
Date

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