AP - 71

GENERAL CORRESPONDENCE

YEAR(S): 2006



2006 JUN 29 PM 12 11

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

Subject:

Delineation Activities, BD H-35 Emergency Overflow Pit, Unit "H", Sec. 35, T22S, R37E, NMOCD Case #1R0216

Sent Certified Mail return Receipt # 7002 2410 0001 5812 9695

Dear Mr. Price:

On behalf of Rice Operating Company (ROC) I want to inform you of our intent to conduct further soil and groundwater investigation at the above-referenced site. Per the approved investigation workplan a monitor well was drilled at this site on December 21, 2005. The groundwater sample collected from the monitor well exhibited an elevated chloride concentration (1,880 milligrams per liter). Based on the groundwater analytical results and on previously conducted soil sampling it is our intent to delineate chloride impacts to soil and groundwater.

Our investigation will consist of the drilling of two monitor wells and several soil borings (as needed). One monitor well will be installed at the northwest corner of the site immediately outside the former pit and one monitor well will be installed approximately 150 feet east-southeast of the existing monitor well. The monitor wells will be constructed, developed and sampled in accordance with Environmental Protection Agency and NMOCD standards. A groundwater sample will be collected from each monitor well and submitted for laboratory analysis for chlorides, BTEX, sulfates and total dissolved solids.

Several soil borings will be drilled outside of the former pit area. Soil boring number and locations will be selected based on field chloride analytical results. 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 per boring or well, the sample collected at total depth, will be submitted for laboratory analysis as confirmation of the field sampling.

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ARCADIS G&M, Inc. 1004 North Big Spring Street Suite 300 Midland Texas 79701 Tel 432 687 5400 Fax 432 687 5401 www.arcadis-us.com

ENVIRONMENTAL

Date: 27 June 2006

Contact: Sharon E. Hall

Phone: 432 687-5400

Email: shall@arcadis-us.com

Our ref: MT000846

ARCADIS

Recipient Day Month Year

It is our intent to schedule this work as soon after July 17th as a driller is available. We will contact you and the district office in Hobbs a minimum of 48 hours prior to drilling. If you have any questions or comments please contact me (432 687-5400) or Kristin Farris Pope ((505 393-9174) or via e-mail.

Very truly yours,

ARCADIS G&M, Inc.

Sham E. Hall

Sharon E. Hall Site Evaluation Department Manager

Copies: Kristin Farris Pope