

1R - 425-87

WORKPLANS

Date:

5-2-11

L. Peter Galusky, Jr., Ph.D., P.G.

Texerra

2011 MAY 13 A 11:49

75 Wuthering Hts Drive Colorado Springs, CO 80921

Tel: 917-339-6791 E-mail: lpg@texerra.com

May 2nd, 2011

Mr. Edward Hansen

New Mexico Energy, Minerals, & Natural Resources

Oil Conservation Division, Environmental Bureau

1220 S. St. Francis Drive

Santa Fe, New Mexico 87505

**RE: INVESTIGATION & CHARACTERIZATION PLAN (ICP)
Rice Operating Company – Vacuum SWD System
Vacuum Jct N-28-1: UL/N, Sec. 28, T17S, R35E (formerly Vacuum Jct K-28-1)
NMOCD Case Number: 1R425-87**

Sent via Certified U.S. Mail w/ Return Receipt No. 7011 0110 0001 5863 8132

Mr. Hansen:

RICE Operating Company (ROC) has retained Texerra to address potential environmental concerns at the above-referenced site in the Abandoned Vacuum Salt Water Disposal (SWD) system. This site was previously referred to as Vacuum Jct K-28-1. The name is being changed to Vacuum Jct N-28-1 to reflect the geographical location of the site. All future correspondence will be addressed as Vacuum Jct. N-28-1. ROC is the service provider (agent) for the Vacuum SWD System and has no ownership of any portion of the pipeline, well, or facility. The system is owned by a consortium of oil producers, System Parties, who provide all operating capital on a percentage/usage basis. Environmental projects of this nature require System Party AFE approval prior to work commencing at the site. In general, project funding is not forthcoming until NMOCD approves the work plan. Therefore, your timely review of this submission is greatly appreciated.

For all such environmental projects, ROC will choose the path forward that:

- Protects public health,
- Provides the greatest net environmental benefit,
- Complies with NMOCD Rules, and
- Is supported by good science.

Each site shall generally have three submissions:

1. This Investigation and Characterization Plan (ICP) is proposed for gathering data and site characterization and assessment.
2. Upon evaluating the data and results from the ICP, a recommended remedy will be submitted in a Corrective Action Plan (CAP) if warranted.
3. Finally, after implementing the remedy, a Termination Request with final documentation will be submitted.

Background and Previous Work

This site is located approximately 2.5 miles east of Buckeye, New Mexico in UL/N, Sec. 28, T17S, R35E as shown on the Site Location Map (Figure 1). NM OSE records indicate that groundwater will likely be encountered at a depth of approximately 68 +/- feet.

In 2009 ROC initiated work on the former Vacuum N-28-1 junction as part of the system abandonment. An initial evaluation of residual soil chlorides and petroleum hydrocarbons was made using an air-rotary drill, analyzing samples taken at the former junction box location from the ground surface to 12 ft bgs. (Field and laboratory results are summarized in the attached Junction Box Disclosure Report). Diesel range organics (DRO) and gasoline range organics (GRO) both tested below 100 mg/kg and residual chlorides tested 7,400 mg/kg in the 12 ft bgs grab sample. The entire borehole was plugged with bentonite to the ground surface. NMOCD was notified of potential groundwater impact on November 16th, 2009.

ROC proposes additional investigative and characterization work at the site to determine if there is potential for groundwater degradation from residual chlorides at the site.

Proposed Work Elements

1. Summarize information and data collected by ROC to date.
2. Summarize additional, publicly available regional and local hydrological information.
3. Conduct vertical and lateral delineation of residual soil chlorides from samples taken using a drill rig, hand auger and/or backhoe.
 - a. Vertical sampling will be conducted until the following criteria are met in the field.
 - i. Three samples in which the chloride concentration decreases and the third sample has a chloride concentration of ≤ 250 ppm; and,
 - ii. Three samples in which PID readings decrease and the third sample has a PID reading of ≤ 100 ppm; or,
 - iii. The sampling reaches the capillary fringe.
 - b. Lateral sampling will be conducted until the following criteria are met in the field.
 - i. A decrease is observed in chloride concentrations between lateral bores at similar depths; and,
 - ii. A chloride concentration of ≤ 250 ppm is observed in a lateral surface sample; or,
 - iii. Safety concerns impede further lateral delineation.
4. If warranted, install a monitor well to provide a direct measurement of potential groundwater impact. (All monitoring wells will be constructed per EPA, NMOCD, and industry standards).
5. Evaluate the risk of groundwater impact in light of the information obtained.

VAC Jct N-28-1

If the evaluation demonstrates that residual constituents pose no threat to ground water quality, then only a surface restoration plan will be proposed to OCD. If this work indicates that there is a present or future risk of impacting groundwater quality from past operations at this location, then a corrective action plan (CAP) will be developed and proposed to OCD.

Thank you for your time and consideration on this project. Please call Hack Conder at (575) 393-9174 or myself if you have any questions or wish to discuss this project.

Sincerely,

A handwritten signature in black ink, appearing to be 'L. Peter Galusky, Jr.', written in a cursive style.

L. Peter Galusky, Jr. Ph.D., P.G.

Copy: Rice Operating Company

Attachments: Junction Box Disclosure Report

VAC Jct N-28-1

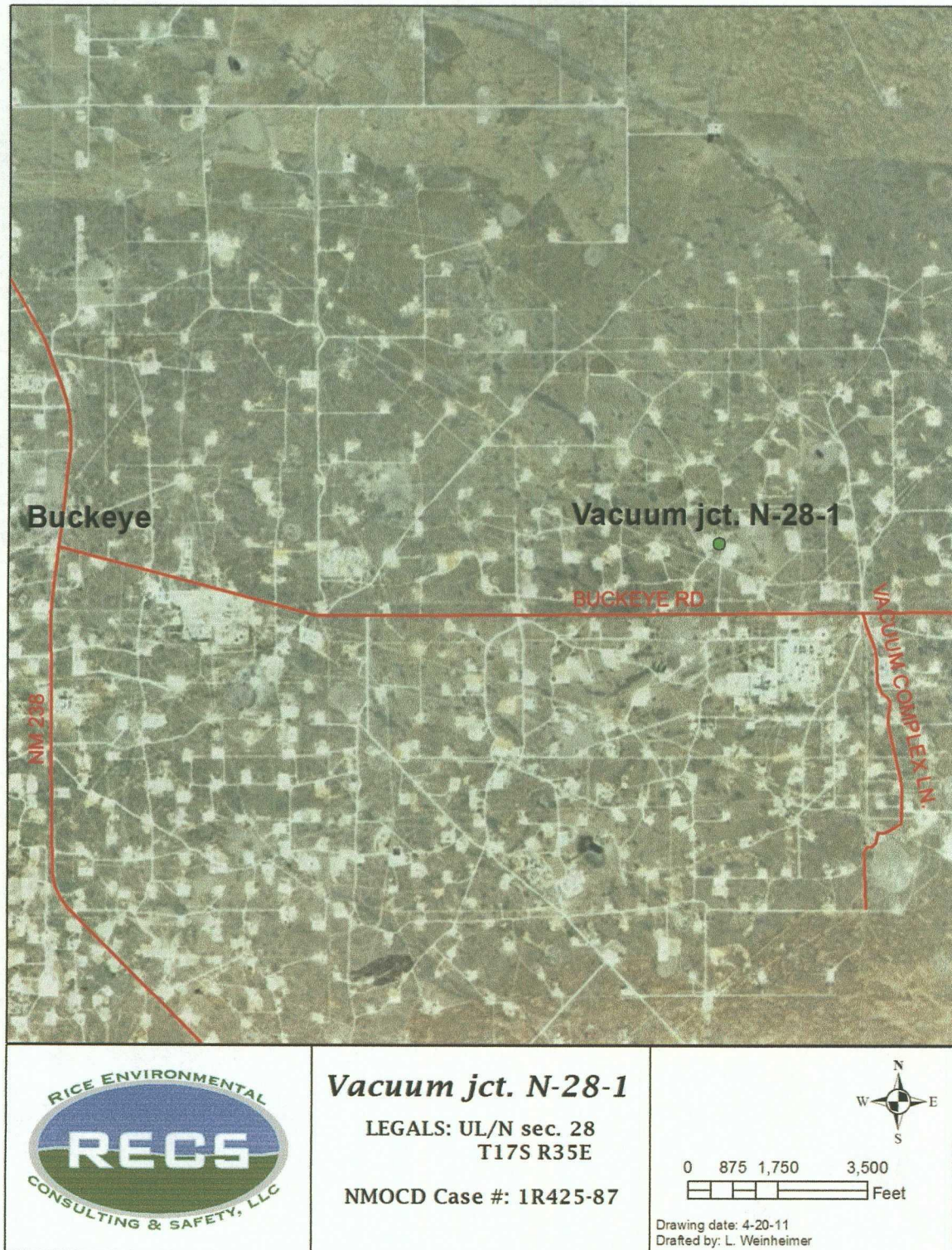


Figure 1 – Site location map.

Vacuum Jet K-28-1
2009

DISCLOSURE

**RICE OPERATING COMPANY
JUNCTION BOX DISCLOSURE* REPORT**

BOX LOCATION

SWD SYSTEM	JUNCTION	UNIT	SECTION	TOWNSHIP	RANGE	COUNTY	BOX DIMENSIONS - FEET		
Vacuum	Jct. K-28-1	K	28	17S	35E	Lea	Length	Width	Depth
							eliminated		

LAND TYPE: BLM _____ STATE X FEE LANDOWNER _____ OTHER _____

Depth to Groundwater 68 feet NMOCD SITE ASSESSMENT RANKING SCORE: 10

Date Started 6/18/2009 Date Completed 6/18/2009 OCD Witness no

Soil Excavated n/a cubic yards Excavation Length n/a Width n/a Depth n/a feet

Soil Disposed 0 cubic yards Offsite Facility n/a Location n/a

FINAL ANALYTICAL RESULTS: Sample Date 6/18/2009 Sample Depth 12 ft

TPH and Chloride laboratory test results completed by using an approved lab and testing procedures pursuant to NMOCD guidelines.

CHLORIDE FIELD TESTS

Sample Location	PID (field) ppm	GRO mg/kg	DRO mg/kg	Chloride mg/kg
SB #1 12' GRAB	0.7	<10.0	<10.0	7,400

LOCATION	DEPTH	mg/kg
background	6"	183
vertical delineation at the junction (source)	3'	581
	4'	688
	5'	1,906
	6'	5,498
	7'	5,628
	8'	6,249
	9'	6,224
	10'	8,182
	11'	7,635
	12'	6,958

General Description of Remedial Action: This junction was addressed during the Vacuum SWD System abandonment. Clean, imported soil was used to backfill the former junction box site to allow a drilling rig access to the site. An investigation was conducted at the former junction box site using a air-rotary drilling rig to collect soil samples at regular intervals. Chloride field tests were performed on each sample which yielded elevated concentrations. Organic vapors were measured using a PID which yielded low concentrations. The deepest sample, 12 ft BGS, was sent to a commercial laboratory for analysis of chloride and TPH. Laboratory analysis confirmed elevated concentrations of chloride and low concentrations of TPH. The entire bore hole was plugged with bentonite to the ground surface. NMOCD was notified of potential groundwater impact on 11/16/2009.

ADDITIONAL EVALUATION IS MEDIUM PRIORITY

enclosures: photos, lab results, PID (field) screenings, chloride curve

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

SITE SUPERVISOR Jordan Woodfin SIGNATURE *Jordan Woodfin* COMPANY RICE OPERATING COMPANY

REPORT ASSEMBLED BY Katie Jones INITIAL KJ

PROJECT LEADER Larry Bruce Baker Jr. SIGNATURE *Larry Bruce Baker Jr.* DATE 11-19-09

*This site is a "DISCLOSURE." It will be placed on a prioritized list of similar sites for further consideration.

Vacuum Jct. K-28-1

Unit K, Section 28, T17S, R35E



backfilling the former junction box site

5/29/2009



drilling SB #1 at the former junction box site

6/18/2009



collecting a soil sample

6/18/2009



plugging SB #1 with bentonite

6/18/2009



PHONE (575) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
RICE OPERATING COMPANY
ATTN: DARNELL MITCHELL
122 W. TAYLOR
HOBBS, NM 88240

COPY

Receiving Date: 06/19/09
Reporting Date: 06/22/09
Project Number: NOT GIVEN
Project Name: SB#1 @ 12'
Project Location: VACUUM JCT K-28-1

Sampling Date: 06/18/09
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: ML
Analyzed By: AB/HM

LAB NUMBER	SAMPLE ID	GRO (C ₈ -C ₁₀) (mg/kg)	DRO (C ₁₀ -C ₂₃) (mg/kg)	CI* (mg/kg)
		06/20/09	06/20/09	06/19/09
H17671-1	SB #1 @ 12'	<10.0	<10.0	7,400
Quality Control		514	551	500
True Value QC		500	500	500
% Recovery		103	110	100
Relative Percent Difference		4.0	5.7	<0.1

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

Chemist

Date

H17671 TCL RICE

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise. Results relate only to the samples identified above. This report shall not be reproduced except in full with written approval of Cardinal Laboratories.



CARDINAL LABORATORIES

101 East Marland, Houns, NM 88240

(575) 393-2326 Fax (575) 393-2476

Page 1 of 1

BILL TO		ANALYSIS REQUEST									
Company Name: <u>Rice Operations</u>		P.O. #:									
Project Manager: <u>Darrell Mitchell</u>		Company: <u>SAME</u>									
Address: <u>123 W. Taylor</u>		Attn:									
City: <u>Hobbs</u>		Address:									
State: <u>NM</u>		City:									
Zip: <u>88240</u>		State:									
Phone #: <u>575-397-1471</u>		Phone #:									
Fax #: <u>575-397-1471</u>		Fax #:									
Project #:		Project Owner:									
Project Name: <u>SB #1012</u>											
Project Location: <u>VACUUM K-28-1</u>											
Inquirer Name: <u>Darrell Mitchell</u>											
Lab I.D.	Sample I.D.	MATRIX	PRESERV.	SAMPLING	DATE	TIME					
H17671-1	SB #1012	GROUNDWATER	✓	✓	6-15-01	2:08pm					
		WASTEWATER									
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RICE OPERATING COMPANY

122 West Taylor Hobbs, NM 88240
 PHONE: (575) 393-9174 FAX: (575) 397-1471
 PID METER CALIBRATION & FIELD REPORT FORM

COPY

<input checked="" type="checkbox"/>	Model: PGM 7300	Serial No: 590-000183	<input type="checkbox"/>	Model: PGM 7600	Serial No: 110-023920
<input type="checkbox"/>	Model: PGM 7300	Serial No: 590-000508	<input type="checkbox"/>	Model: PGM 7600	Serial No: 110-013744
<input type="checkbox"/>	Model: PGM 7300	Serial No: 590-000504	<input type="checkbox"/>	Model: PGM 7600	Serial No: 110-013676

GAS COMPOSITION: ISOBUTYLENE 100PPM / AIR: BALANCE

LOT NO: 3004	EXPIRATION DATE: 10-9-10
FILL DATE: 4-9-09	METER READING ACCURACY: 100

ACCURACY: +/- 2%

SYSTEM	JUNCTION	UNIT	SECTION	TOWN SHIP	RANGE
Vacuum	K-28-1	K	28	175	35E

SAMPLE ID	PID	SAMPLE ID	PID
3'	120.6	Background	
4'	53.7	6"	0.1
5'	12.5		
6'	3.7		
7'	2.9		
8'	8.1		
9'	1.5		
10'	1.2		
11'	0.5		
12'	0.7		

I verify that I have calibrated the above instrument in accordance to the manufacture operation manual.

SIGNATURE: *Jordan W. Wolf*

DATE: 6-18-09

CHLORIDE CONCENTRATION CURVE

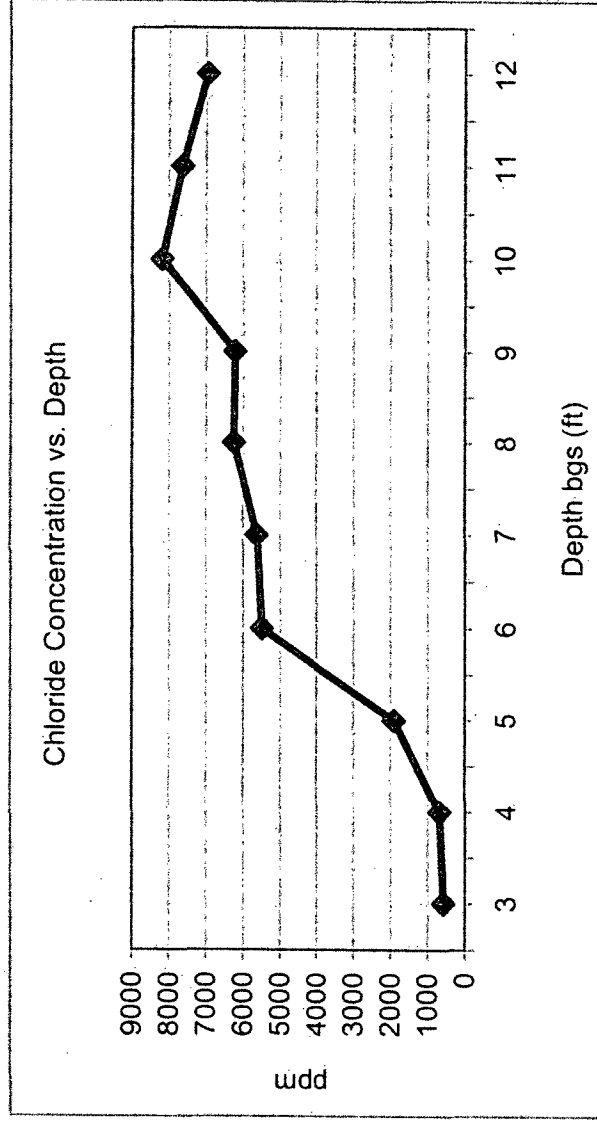
RICE Operating Company

Vacuum Jct. K-28-1

Unit 'K', Sec. 28, T17S, R35E

Soil Boring samples at the junction. (source)

Depth bgs (ft)	[Cl] ppm
3	581
4	688
5	1906
6	5498
7	5628
8	6249
9	6224
10	8182
11	7635
12	6958



Groundwater = 68 ft