

1R - 423-07

REPORTS

DATE:

9-18-13

RECEIVED OGD

RICE *Operating Company*

122 West Taylor • Hobbs, New Mexico 88240

Phone: (575) 393-9174 • Fax: (575) 397-1471

CERTIFIED MAIL

RETURN RECEIPT NO. 7008 1140 0001 3070 5986

September 18, 2013

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: CAP Report and Termination Request
Justis E-26 (1R423-07): Unit Letter E, Section 26, T24S, R37E
RICE Operating Company – Justis SWD System

Mr. Hansen:

Rice Operating Company (ROC) submits the following CAP Report and Termination Request for the Justis E-26 site, located in Unit Letter E, Section 26, T24S, R37E in Lea County, New Mexico. See Figure 1 for site location. Rice Operating Company (ROC) is the service provider (agent) for the Justis Saltwater Disposal (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 ownership/usage basis.

Background

On June 27, 2003, as part of the Junction Box Upgrade Workplan for the Justis E-26 site, the junction box was removed and a new, watertight junction box was installed 25 feet south of the former junction box. The former junction box was excavated to a depth of 12 feet with a backhoe. Photo-ionization detector (PID) readings and chloride field tests were conducted at regular intervals. Based on the field PID readings and the chloride field tests, both the total petroleum hydrocarbon (TPH) and chloride concentrations did not exhibit a decrease with depth. Upon completion of the excavation, the site was backfilled with clean imported soils and brought up to surface grade. In March 2004, ROC submitted a Junction Box Disclosure Report to the New Mexico Oil Conservation Division (NMOCD).

In order to determine the vertical extent of hydrocarbon and chloride impacts, on March 18, 2004, a soil boring (SB-1) was drilled in the former junction box location to a depth of 67 feet below ground surface (bgs). Analytical results from the drilling indicate the TPH concentrations decreased with depth, while the chloride concentrations did not exhibit a significant decline with depth. The chloride concentration was 587 milligrams per kilograms (mg/kg) at 67 feet bgs. Upon completion of the drilling, the soil boring was plugged with bentonite to the ground surface.

Between March 18 and 22, 2010, six additional soil borings (SB-2 through SB-7) and one monitor well (MW-1) were installed in the vicinity of the former junction box in order to delineate the chlorides/TPH within the soil and determine if groundwater was impacted. In the six soil borings, chloride readings decreased with depth. See Figure 3 for boring locations and analytical results. Groundwater chloride concentrations in monitor well MW-1 were elevated ranging from 1,560 to 2,200 mg/L. Groundwater at the site is located at a depth of approximately 68 feet below ground surface. See attached Tables for groundwater analytical results.

On October 24, 2011, an up-gradient monitor well (MW-2) was installed northwest of the former junction box. Since the MW-2 monitor well installation, chloride analytical results have ranged from 1,460 to 1,580 mg/L, which is comparable with results found in monitor well MW-1 indicating there is an up-gradient source contributing to the degradation of groundwater quality.

In order to complete delineation of the soils at the site, two additional soil borings (SB-8 and SB-9) were installed north of SB-7 on April 24, 2012. See Appendix A for Boring Logs. The chloride concentration of the soil in SB-8 decreased from 4,960 mg/kg at 10 feet bgs to 1,920 mg/kg at 60 feet bgs. In addition, the chloride concentration of the soil in SB-9 decreased from 2,920 mg/kg at 20 feet bgs to 96 mg/kg at 40 feet bgs.

On August 7, 2012, monitor well MW-1 was plugged and replaced with a 4 inch recovery well (RW-1). The 2-inch PVC casing was removed and the wellbore was filled from 76 feet bgs to 3 feet bgs with a 1% to 3% bentonite slurry mixture. A concrete cap was placed from 3 feet to the surface to complete the capping of the well. RW-1 was installed approximately 10 ft southeast of MW-1.

On October 24, 2012, a CAP was submitted to the NMOCD, and a subsequent Addendum was submitted on November 26, 2012. The CAP and Addendum proposed removing a chloride mass of 861 kg from RW-1. Also proposed was the installation of a 113 ft by 43 ft, 20-mil reinforced liner at a depth of 4-5 ft bgs. The excavation would be backfilled with soil containing a chloride concentration <500 mg/kg and a field PID reading <100 ppm. Then the backfilled site would be seeded with a blend of native vegetation. NMOCD approved the CAP and Addendum on November 27, 2012.

Liner Installation

Beginning March 6, 2013, field personnel were onsite to excavate this site to dimensions of 113 ft by 43 ft, to a depth of 5 ft bgs, as shown on the attached Figure 2. Approximately 1,376 yards of excavated soil was properly disposed of at a NMOCD approved facility, and approximately 164 yards of blow sand was imported to serve as padding for the liner. A composite sample of the imported blow sand was field tested for hydrocarbons, resulting in a PID reading of 0.0 ppm. The sample was subsequently sent to commercial laboratory for analysis of chloride, resulting in a chloride concentration of 48 mg/kg. Six inches of blow sand were placed in the bottom of the excavation to serve as padding, and a 20-mil reinforced liner was properly seated at a depth of 4.5 ft bgs. An additional six inches of blow sand were placed above the liner. Approximately 936 yards of top soil were imported to serve as backfill for the excavation. A composite sample of the imported topsoil was field tested for hydrocarbons, resulting in a PID reading of 0.0 ppm. The sample was sent to commercial laboratory for analysis of chloride, resulting in a concentration of <16 mg/kg. The excavation was backfilled to ground surface, contoured to the surrounding area, and silt net fencing was placed around the site. On May 30, 2013, amendments were added to the soil, and the site was seeded with a blend of native vegetation. Lab results and a PID sheet for the imported soil, revegetation form, and photographs are attached in Appendix A.

Chloride Mass Removal

Groundwater recovery began from RW-1 on April 22, 2013 and continued through August 2, 2013. During that time, 1,500 barrels of chloride impacted groundwater were removed. With a chloride concentration of 4,200 mg/L, this equates to 1,002 kg of chloride removed. Removed groundwater was utilized for pipeline and well maintenance. A Groundwater withdrawal log and the most recent laboratory result for RW-1 is included in Appendix B.

Based on the completion activities performed at the site, ROC acknowledges they have met the requirements of 19.15.29 NMAC for this project. Upon NMOCD approval, the recovery well (RW-1) and monitor well (MW-2) will be plugged and abandoned using a cement grout with 1 to 3% bentonite and a 3-foot cap of cement to the surface. The groundwater recovery system has been dismantled and the area will be seeded, if necessary. Upon completion of these activities, a Monitor Well Plugging Report will be submitted to the NMOCD.

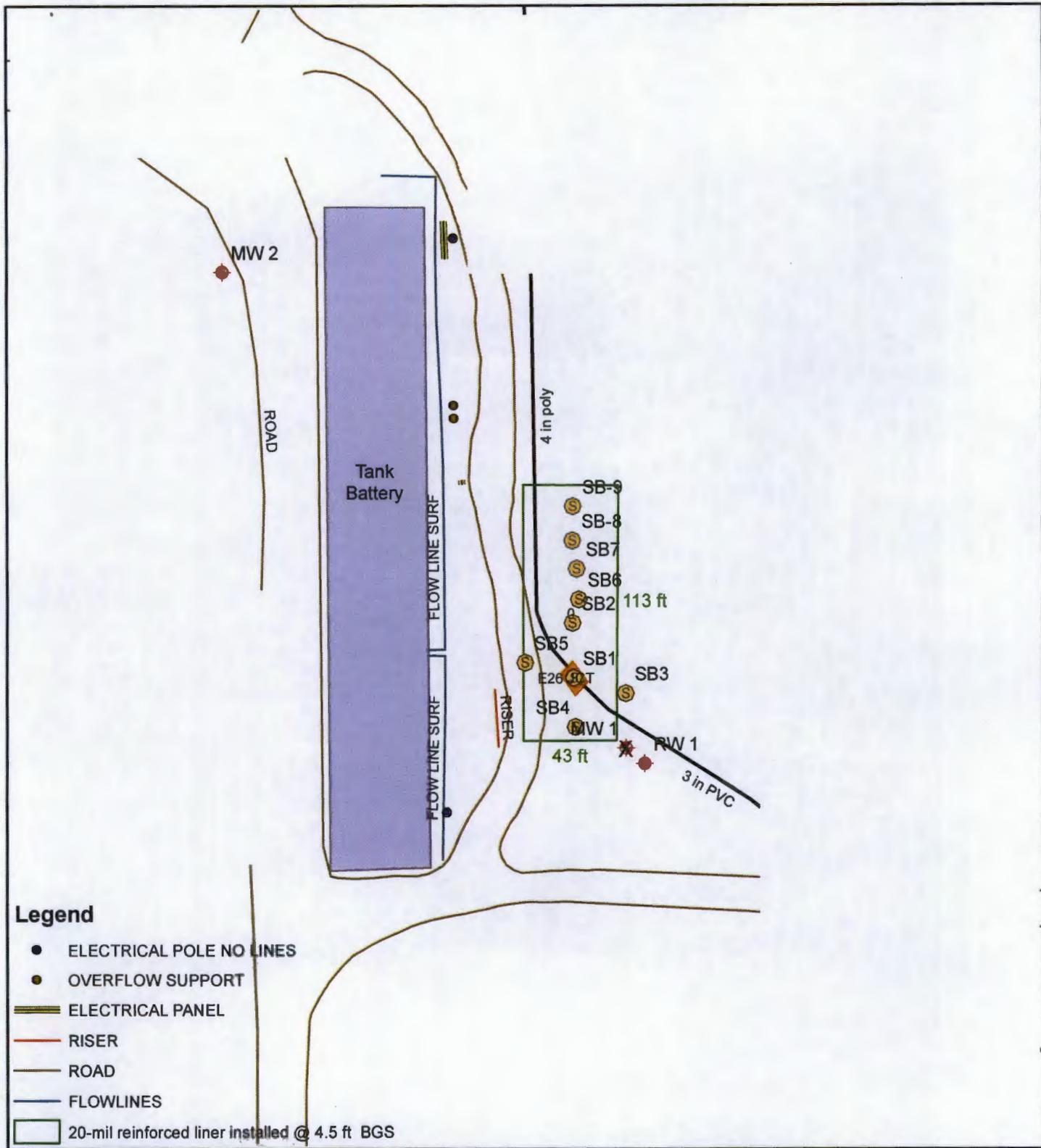
Please contact me at (575) 631-6432 if you have any questions or wish to discuss this site. Thank you for your time and consideration.

Sincerely,
RICE Operating Company



Hack Conder
Environmental Manager

enclosures



Justis E-26

LEGALS: UL/E sec. 26
T24S R37E

NMOCD Case #: 1R423-07

Figure 2

0 15 30 60

 Feet

Drawing date: 5/16/12
 Drafted by: L. Weinheimer
 DGW = 68 ft

APPENDIX A



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

April 04, 2013

Hack Conder
Rice Operating Company
112 W. Taylor
Hobbs, NM 88240

RE: JUSTIS JUNCTION E-26

Enclosed are the results of analyses for samples received by the laboratory on 04/01/13 9:25.

Cardinal Laboratories is accredited through Texas NELAP under certificate number T104704398-11-3. Accreditation applies to drinking water, non-potable water and solid and chemical materials. All accredited analytes are denoted by an asterisk (*). For a complete list of accredited analytes and matrices visit the TCEQ website at www.tceq.texas.gov/field/qa/lab_accred_certif.html.

Cardinal Laboratories is accredited through the State of Colorado Department of Public Health and Environment for:

Method EPA 552.2	Haloacetic Acids (HAA-5)
Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Celey D. Keene". The signature is written in a cursive, flowing style.

Celey D. Keene
Lab Director/Quality Manager

Analytical Results For:

 Rice Operating Company
 Hack Conder
 112 W. Taylor
 Hobbs NM, 88240
 Fax To: (575) 397-1471

Received:	04/01/2013	Sampling Date:	03/28/2013
Reported:	04/04/2013	Sampling Type:	Soil
Project Name:	JUSTIS JUNCTION E-26	Sampling Condition:	Cool & Intact
Project Number:	NOT GIVEN	Sample Received By:	Jodi Henson
Project Location:	T24S-R37E-SEC26 E - LEA CTY., NM		

Sample ID: BLOW SAND (H300757-01)

Chloride, SM4500CI-B	mg/kg	Analyzed By: DW							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	48.0	16.0	04/02/2013	ND	432	108	400	0.00	
TPH 8015M	mg/kg	Analyzed By: MS							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	04/02/2013	ND	191	95.5	200	2.72	
DRO >C10-C28	<10.0	10.0	04/02/2013	ND	198	99.2	200	7.84	
<i>Surrogate: 1-Chlorooctane</i>		88.9 %	65.2-140						
<i>Surrogate: 1-Chlorooctadecane</i>		108 %	63.6-154						

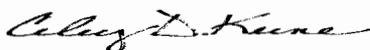
Sample ID: TOP SOIL (H300757-02)

Chloride, SM4500CI-B	mg/kg	Analyzed By: DW							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride	<16.0	16.0	04/02/2013	ND	416	104	400	7.41	
TPH 8015M	mg/kg	Analyzed By: MS							
Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
GRO C6-C10	<10.0	10.0	04/02/2013	ND	191	95.5	200	2.72	
DRO >C10-C28	<10.0	10.0	04/02/2013	ND	198	99.2	200	7.84	
<i>Surrogate: 1-Chlorooctane</i>		80.7 %	65.2-140						
<i>Surrogate: 1-Chlorooctadecane</i>		104 %	63.6-154						

Cardinal Laboratories

* = Accredited Analyte

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 the 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.



Celey D. Keene, Lab Director/Quality Manager

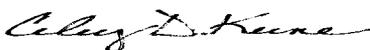
Notes and Definitions

- ND Analyte NOT DETECTED at or above the reporting limit
- RPD Relative Percent Difference
- ** Samples not received at proper temperature of 6°C or below.
- *** Insufficient time to reach temperature.
- Chloride by SM4500Cl-B does not require samples be received at or below 6°C
Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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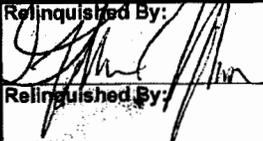
Celey D. Keene, Lab Director/Quality Manager

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

101 East Marland, Hobbs, NM 88240
(575) 393-2326 FAX (575) 393-2476

Company Name: RICE Operating				BILL TO				ANALYSIS REQUEST																								
Project Manager: Hack Conder				P.O. #:																												
Address:				Company:																												
City:		State:		Zip:		Attn:																										
Phone #:		Fax #:		Address:																												
Project #:		Project Owner:		City:																												
Project Name:				State:				Zip:																								
Project Location: Justis Jet E-26				Phone #:																												
Sampler Name:				Fax #:																												
FOR LAB USE ONLY.																																
Lab I.D.		Sample I.D.				(G)RAB OR (C)OMP.	# CONTAINERS	MATRIX				PRESERV.		SAMPLING																		
								GROUNDWATER	WASTEWATER	SOIL	OIL	SLUDGE	OTHER:	ACID/BASE:	ICE / COOL	OTHER:	DATE	TIME														
H300757		Blow sand				G	1			1							3/28/13	3:30	✓	✓												
2		Top Soil				G	1										3/28/13	3:35	✓	✓												

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.

Relinquished By: 		Date: 4/1/13	Received By: Jodi Nenson	Phone Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Phone #:
		Time: 9:25		Fax Result: <input type="checkbox"/> Yes <input type="checkbox"/> No	Add'l Fax #:
Relinquished By:		Date:	Received By:	REMARKS: Hack Conder Lara W Zack Conder Laura Pena Bruce Baker Katie Jones	
Delivered By: (Circle One)		Time:	Sample Condition		
Sampler - UPS - Bus - Other:			<input type="checkbox"/> Cool <input type="checkbox"/> Intact <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No		

† Cardinal cannot accept verbal changes. Please fax written changes to (575) 393-2326

#712



PO Box 5630
 Hobbs, NM 88241
 Phone: (575) 393-4411
 Fax: (575) 393-0293

REVEGETATION FORM

1. General Information

Site name: Justis Jct. E-26						
U/L E	Section 26	Township T24S	Range R37E	County LEA	Latitude N32*11.350'	Longitude W103*08.345'
Contact Name: Hack Conder						
Email: hconder@rice-ecs.com						
100 X 110'		sq ft 11.000		Map detail of site attached <input type="checkbox"/>		
Additional information:						

2. Soils

**Do not rip caliche subsoils: caliche rocks brought to the surface by ripping shall be removed.*

Salvaged from site <input type="checkbox"/>	Bioremediated <input type="checkbox"/>	Imported <input checked="" type="checkbox"/>	Blended <input checked="" type="checkbox"/>	Depth (in):
Texture: Sand	Describe soil & subsoil: Blow Sand			
Soil prep methods: Rip <input type="checkbox"/>	Depth(in):	Disc <input checked="" type="checkbox"/>	Depth (in): 3"	Rollerpack <input type="checkbox"/>
Date completed: 3/28/2013				

3. Bioremediation

Fertilizer <input type="checkbox"/>	Hay <input type="checkbox"/>	Other <input checked="" type="checkbox"/> 22 Bags Restore
Type:		Describe: Nhance/2 Bags Manure/ 12 Bags Potting Soil
Lbs/acre:		

4. Seeding

**Attach seed bag tags to this form. Seed bag tags shall contain the site name and S-T-R.*

Custom seed mix <input checked="" type="checkbox"/>	Prescribed mix <input type="checkbox"/>	Seed mix name: 11 lbs. of Doom mix seed	Seeding date: 5/30/13
Broadcast <input checked="" type="checkbox"/>			
Method: Mechanical Seeder			
Soil conditions during seeding: Dry <input checked="" type="checkbox"/> Damp <input type="checkbox"/> Wet <input type="checkbox"/>			
Photos attached <input type="checkbox"/>	Observations:		
Number of photos:	The seed was tilled into the ground.		

5. Certification

I hereby certify that the information in this form and attachments is true and complete to the best of my knowledge and belief.

Name: Roderick Williams	Title: Environmental Tech	Date: 5/30/13
Signature: 5-30-13		

**Justis E-26 (1R423-07)
Unit E, Section 26, T24S, R37E**



Site prior, facing west 6/21/2012



Excavating, facing south 3/8/2013



Hauling off spoil pile, facing east 3/13/2013



Padding the completed excavation, facing northwest 3/21/2013



Hauling in blow sand, facing south 3/25/2013



Padding excavation, facing west 3/25/2013



Installing the 20-mil, reinforced liner at approximately 4.5 ft bgs, facing northwest
3/27/2013



Backfilling, facing east
3/27/2013



Silt net installed, facing south
4/11/2013



Spreading amendments, facing north
5/30/2013



Seeding, facing north
5/30/2013



Site complete with vegetation starting to grow, facing west
7/31/2013

APPENDIX B

Record of Groundwater Withdrawal
Site Name: Justis E-26 (1R423-07)

Date	Fluid Hauled (bbls)	Lab Chloride Conc (ppm)	Remarks
4/1/2013		6,100	RW-1
4/22/2013			Started Pumping
4/26/2013	130		
Total For April	130	bbls	
	5460	gallons	
5/10/2013	100		
5/14/2013		5,400	RW-1
5/17/2013	130		
5/30/2013	130		
Total For May	360	bbls	
	15120	gallons	
6/14/2013	130	4,450	RW-1
6/21/2013	130		
6/28/2013	130		
Total For June	390	bbls	
	16380	gallons	
7/8/2013	130		
7/12/2013	110		
7/19/2013	100	4,200	RW-1
7/25/2013	110		
Total For July	450	bbls	
	18000	gallons	
8/1/2013	130		
8/2/2013	40		
Total For August	170	bbls	
	6800	gallons	
		Total kg of Cl- Removed	1,002
Total For Project	1500	bbls	
	60000	gallons	

September 09, 2013

KATIE JONES

Rice Operating Company

112 W. Taylor

Hobbs, NM 88240

RE: JUSTIS E-26 (24/37)

Enclosed are the results of analyses for samples received by the laboratory on 07/19/13 14:30.

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Method EPA 524.2	Total Trihalomethanes (TTHM)
Method EPA 524.4	Regulated VOCs (V1, V2, V3)

Accreditation applies to public drinking water matrices.

This report meets NELAP requirements and is made up of a cover page, analytical results, and a copy of the original chain-of-custody. If you have any questions concerning this report, please feel free to contact me.

Sincerely,



Celey D. Keene

Lab Director/Quality Manager

Analytical Results For:

 Rice Operating Company
 KATIE JONES
 112 W. Taylor
 Hobbs NM, 88240
 Fax To: (575) 397-1471

Received:	07/19/2013	Sampling Date:	07/19/2013
Reported:	09/09/2013	Sampling Type:	Water
Project Name:	JUSTIS E-26 (24/37)	Sampling Condition:	** (See Notes)
Project Number:	NONE GIVEN	Sample Received By:	Jodi Henson
Project Location:	NOT GIVEN		

Sample ID: RW-1 (H301704-01)

Chloride, SM4500Cl-B

mg/L

Analyzed By: DW

Analyte	Result	Reporting Limit	Analyzed	Method Blank	BS	% Recovery	True Value QC	RPD	Qualifier
Chloride*	4200	4.00	07/22/2013	ND	100	100	100	0.00	

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

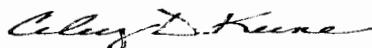
Notes and Definitions

ND	Analyte NOT DETECTED at or above the reporting limit
RPD	Relative Percent Difference
**	Samples not received at proper temperature of 6°C or below.
***	Insufficient time to reach temperature.
-	Chloride by SM4500Cl-B does not require samples be received at or below 6°C Samples reported on an as received basis (wet) unless otherwise noted on report

Cardinal Laboratories

*=Accredited Analyte

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Celey D. Keene, Lab Director/Quality Manager

