

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

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-141
Revised October 10, 2003

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

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company: Rice Operating Company	Contact: Jennifer Johnson
Address: 122 West Taylor	Telephone No.: 505-393-9174
Facility Name: BD	Facility Type: Salt Water Gathering System
Surface Owner: D.K. Boyd	Mineral Owner:
	Lease No.:

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	31	22S	38E					Lea

Latitude: _____ Longitude: _____

NATURE OF RELEASE

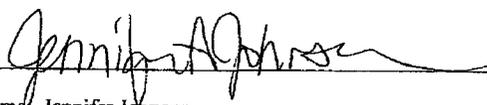
Type of Release: Produced Water	Volume of Release: 7 barrels	Volume Recovered:
Source of Release: PVC pipeline	Date and Hour of Occurrence: 9/26/02 4:30 pm	Date and Hour of Discovery: 9/26/02 4:30 pm
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour:	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse:	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
Due to Tex New Mex pipeline construction ROC's PVC was cracked. A vacuum truck was used to pick up standing fluid.

Describe Area Affected and Cleanup Action Taken.*
1,100 square feet affected. The site has naturally attenuated.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: 	OIL CONSERVATION DIVISION	
Printed Name: Jennifer Johnson	Approved by District Supervisor: 	
Title: Environmental and Field Technician	Approval Date: 9/14/07	Expiration Date: 9/14/07
E-mail Address: jjohnson@riceswd.com	Conditions of Approval:	Attached <input type="checkbox"/>
Date: 7/31/06	Phone: 505-393-9174	

* Attach Additional Sheets If Necessary

RP# 1488
7/17/07

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Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Rice Operating	Contact Tony Grieco
Address 122 W. Taylor St., Hobbs, NM 88240	Telephone No. (505) 393-9174
Facility Name BD	Facility Type Salt Water Gathering System

Surface Owner: D. K. Boyd	Mineral Owner	Lease No.
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
I	31	22S	38E					Lea

Latitude 32° 20.847N Longitude 103° 05.552W

NATURE OF RELEASE

Type of Release: Produced Water	Volume of Release 7 bbls	Volume Recovered :
Source of Release: PVC Pipeline	Date and Hour of Occurrence 9/26/02 4:30 PM	Date and Hour of Discovery 9/26/02 4:30 PM
Was Immediate Notice Given? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Due to Tex New Mex pipeline construction, ROC's PVC line was cracked. A vacuum truck was called in to pick up standing fluid.

Describe Area Affected and Cleanup Action Taken.*

1,100 square feet of pasture was affected. The surface has naturally restored. No disturbance is necessary.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature: <i>Tony Grieco</i>	Approved by District Supervisor: <i>Chris Williams</i>	
Printed Name: Tony Grieco	Approval Date: <i>7/17/07</i>	Expiration Date: <i>10/17/07</i>
Title: Environmental Tech	Conditions of Approval: <i>Augu borehole. #3 look for a pattern in decaying chloride concentration.</i>	
E-mail Address: tgrieco@riceswd.com	Attached <input type="checkbox"/>	
Date: 7/12/07	Phone: (505) 393-9174	

* Attach Additional Sheets If Necessary

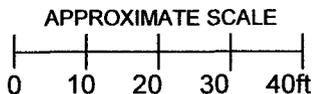
*Conditions were met 9/14/07
CI-240.*



BD I-31 LEAK SITE

UL/I SEC 31 T-22-S R-38-E

GW 100+ft



✦ AUGER POINT
 CI PPM FIELD
 CL PPM LAB

TO JCT G-31

ROC 2" PVC LINE

AUGER PT 1 CI	
SURFACE	59
1 FT	90
1.5 FT	CALICHE
LAB RESULTS CI	
1 FT	< 16

AUGER PT 3 CI	
SURFACE	59
1 FT	713
1.5 FT	CALICHE
LAB RESULTS CI	
1 FT	1024
FURTHER AUGER	
DEPTH	CI PPM
1.5 FT	714
2 FT	936
2.5 FT	868
3 FT	588
3.5 FT	301
LAB RESULTS CI	
3.5 FT	240

AUGER PT 2 CI	
SURFACE	59
1 FT	119
1.5 FT	CALICHE
LAB RESULTS CI	
1 FT	64

TO JCT L-32-2

NOTE: MAP REVISED TO REFLECT COMPLIANCE WITH OCD CLOSURE CONDITIONS OF 7/17/07



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: HACK CONDER
122 W. TAYLOR
HOBBS, NM 88240
FAX TO: (505) 397-1471**

Receiving Date: 07/18/07
Reporting Date: 07/19/07
Project Number: NOT GIVEN
Project Name: BD I-31 LEAK
Project Location: NOT GIVEN

Sampling Date: 07/17/07
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: NF
Analyzed By: BC/HM

LAB NUMBER	SAMPLE ID	GRO (C ₆ -C ₁₀) (mg/Kg)	DRO (>C ₁₀ -C ₂₈) (mg/Kg)	Cl* (mg/Kg)
ANALYSIS DATE		07/18/07	07/18/07	07/18/07
H12919-1	AUGER POINT 3 3 1/2 FT	<10.0	<10.0	240
Quality Control		748	735	500
True Value QC		800	800	500
% Recovery		93.4	91.9	100
Relative Percent Difference		1.4	2.4	4.1

METHODS: TPH GRO & DRO: EPA SW-846 8015 M; Cl: Std. Methods 4500-ClB

*Analysis performed on a 1:4 w:v aqueous extract.

Bernard A. Cook

Chemist

7/19/07

Date

H12919 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.

