AP – 84

GENERAL CORRESPONDENCE

YEAR(S): 2007

AP-84
Gen. Cor.
2007

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

2007 JAN 30 AM 11 13

CERTIFIED MAIL
RETURN RECEIPT NO. 7005 3110 0000 2019 6395

January 24, 2007

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
C-16 (2) Release Site
Eunice-Monument-Eumont (EME) SWD System
Unit 'C', Sec. 16, T20S, R37E

Mr. Price:

Rice Operating Company (ROC) notifies the Director of 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.

This site experienced an accidental discharge on January 23, 2006 due to a coupling failure on a 4-inch PVC pipeline, releasing 60 barrels of produced water (30 barrels were recovered). Approximately 2142 ft^2 of the surface was affected. A C-141 form (initial) was submitted to the Hobbs District 1 office the next day. Initial assessments of soil impacts were conducted by ROC. ROC concluded that groundwater investigation was warranted. On January 16, 2004, ROC disclosed this site to OCD as having a potential for groundwater impact and the site was placed on a prioritized list of similar sites.

ROC retained the consultant, L. Peter Galusky Ph.D., of Midland, Texas to address this site. On November 24, 2006 Galusky submitted an Investigation & Characterization Plan to OCD for additional delineation which was approved by OCD on November 29. On December 12, 2006 three monitoring wells were installed at the site. Groundwater was encountered at approximately 15 feet below ground surface. After appropriate development, the wells were sampled pursuant to OCD guidelines by a third party and

Environmental Lab of Texas performed the analysis. Chloride and Total Dissolved Solids (TDS) concentrations exceed New Mexico Water Quality Control Commission standards. Galusky will present a remedy for this site in the submission of a Corrective Action Plan.

ROC is the service provider (agent) for the EME Salt Water Disposal System and has no ownership of any portion of the pipelines, wells, or facilities. The EME 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

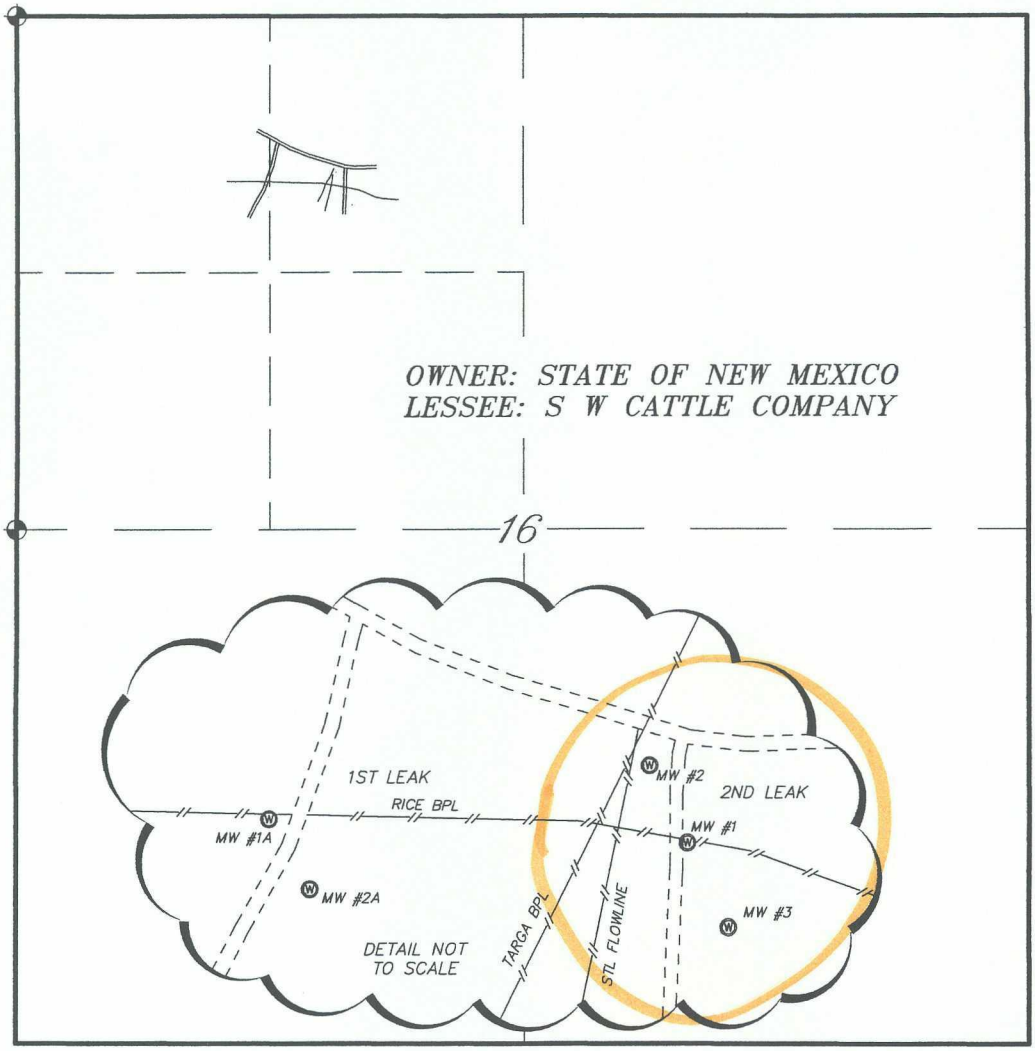
Kristin Farris Pope

Kristin Farris Pope
Project Scientist

enclosures: water analyses, well logs, map

cc: SC, CDH, Galusky, file, Mr. Chris Williams
NMOCD, District 1 Office
1625 N. French Drive
Hobbs, NM 88240

SECTION 16, TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



NOTE:
ELEVATIONS ARE ON BLACK MARK ON NORTH SIDE OF PVC CASING.

		NEW MEXICO STATE PLANE COORDINATES (NAD83)					
WELL	NORTHING	EASTING	LATITUDE	LONGITUDE	ELEV. PVC	ELEV. CON.	ELEV. GRND
MW-1	575666.5	872122.9	N 32°34'40.7"	W 103°15'34.2"	3533.08'	3530.73'	3530.51'
MW-2	575745.9	872081.9	N 32°34'41.5"	W 103°15'34.7"	3535.87'	3533.72'	3533.48'
MW-3	575580.2	872167.1	N 32°34'39.9"	W 103°15'33.7"	3535.32'	3532.89'	3532.62'
MW-1A	575687.5	871686.7	N 32°34'41.0"	W 103°15'39.3"	3532.06'	3529.85'	3529.68'
MW-2A	575616.0	871730.2	N 32°34'40.3"	W 103°15'38.8"	3534.79'	3532.49'	3532.28'

1000 0 1000 2000 FEET

SCALE: 1" = 1000'

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

GARY L. JONES N.M. P.S. No. 7977
TEXAS P.L.S. No. 5074

NEW MEXICO 7977 REGISTERED PROFESSIONAL LAND SURVEYOR

BASIN SURVEYS P.O. BOX 1786 HOBBS, NEW MEXICO

RICE OPERATING COMPANY

REF: LEAKS AT EME C-16 SITE

MONITOR WELLS LOCATED IN

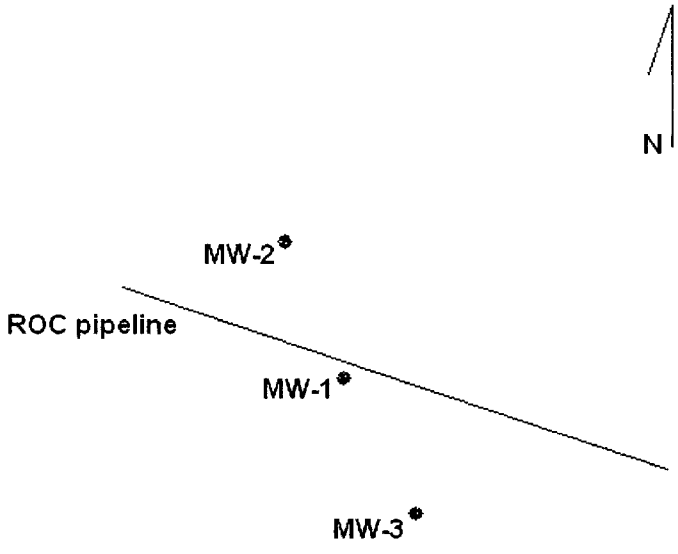
SECTION 16, TOWNSHIP 20 SOUTH, RANGE 37 EAST,

N.M.P.M., LEA COUNTY, NEW MEXICO.

W.O. Number: 17641	Drawn By: J. M. SMALL		
Date: 01-08-2007	Disk: JMS 17641MW	Survey Date: 01-17-2007	Sheet 1 of 1 Sheets

Rice Operating Company
EME SWD System
C-16 (2) Leak

EME C16(2) Approx. Monitor Well Locations



approx. scale: 100 ft

Soil Boring Log
Rice Operating Company
EME SWD System
C-16 (2) Leak

Identification:	**MW-1**
Location:	approx. 5 ft south of center of release
Date:	12/12/2006
Driller:	Ken Cooper (Harrison and Cooper, Inc.)
Drill method:	Air Rotary
Logged by:	L. Peter Galusky, Jr.
Total depth:	28 ft below ground surface
Screened interval:	13 to 28 ft below ground surface
Pipe diameter:	4 inches

Depth (ft BGS)	Field Chloride (ppm)	Lab Chloride (ppm)	Field OVM (ppm)	Lab BTEX (ppm)	Cutting Description	Well Schematic
0					brown sand	solid pipe
5	85		1.8		olive brown sand	
10	142		1.5		light olive brown sand	
15	113	<16	1.0	ND	light olive brown sand	
20					light olive brown sand	screen
25					light olive brown sand	
30						

Soil Boring Log
Rice Operating Company
EME SWD System
C-16 (2) Leak

Identification:	**MW-2**
Location:	approx. 5 ft south of center of release
Date:	12/12/2006
Driller:	Ken Cooper (Harrison and Cooper, Inc.)
Drill method:	Air Rotary
Logged by:	L. Peter Galusky, Jr.
Total depth:	28 ft below ground surface
Screened interval:	13 to 28 ft below ground surface
Pipe diameter:	2 inches

Depth (ft BGS)	Field Chloride (ppm)	Lab Chloride (ppm)	Field OVM (ppm)	Lab BTEX (ppm)	Cutting Description	Well Schematic
0					tan sand	solid pipe
5	114		0		tan sand	
10	149		0		light tan sand	
15	192		0		light olive brown sand	
20	175	176	0		light olive brown sand	screen
25					light olive brown sand	
30						

Soil Boring Log
Rice Operating Company
EME SWD System
C-16 (2) Leak

Identification:	**MW-3**
Location:	approx. 5 ft south of center of release
Date:	12/12/2006
Driller:	Ken Cooper (Harrison and Cooper, Inc.)
Drill method:	Air Rotary
Logged by:	L. Peter Galusky, Jr.
Total depth:	29 ft below ground surface
Screened interval:	14 to 29 ft below ground surface
Pipe diameter:	2 inches

Depth (ft BGS)	Field Chloride (ppm)	Lab Chloride (ppm)	Field OVM (ppm)	Lab BTEX (ppm)	Cutting Description	Well Schematic
0					light tan sand	
5	92		0.3		light tan sand	solid pipe
10	243		0.4		light olive brown sand	
15	463		0.3		light olive brown sand	
20	266	224	0.3		light olive brown sand	
25					light olive brown sand	screen
30						

ENVIRONMENTAL 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: EME C-16 (2) Leak

Project Number: None Given

Location: T20S-R37E-Sec16C, Lea County NM

Lab Order Number: 6L27021

Report Date: 01/05/07

Rice Operating Co.	Project: EME C-16 (2) Leak	Fax: (505) 397-1471
122 W. Taylor	Project Number: None Given	
Hobbs NM, 88240	Project Manager: Kristin Farris-Pope	

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
MW #1	6L27021-01	Water	12/22/06 11:55	12-27-2006 15:45
MW #2	6L27021-02	Water	12/22/06 11:00	12-27-2006 15:45
MW #3	6L27021-03	Water	12/22/06 10:20	12-27-2006 15:45

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Rice Operating Co.	Project: EME C-16 (2) Leak	Fax: (505) 397-1471
122 W. Taylor	Project Number: None Given	
Hobbs NM, 88240	Project Manager: Kristin Farris-Pope	

Organics by GC

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
MW #1 (6L27021-01) Water									
Benzene	ND	0.00100	mg/L	1	EL63102	12/31/06	01/01/07	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		*80.5 %*		*80-120*		"	"	"	
Surrogate: 4-Bromofluorobenzene		*102 %*		*80-120*		"	"	"	
MW #2 (6L27021-02) Water									
Benzene	ND	0.00100	mg/L	1	EL63102	12/31/06	01/01/07	EPA 8021B	
Toluene	ND	0.00100	"	"	"	"	"	"	
Ethylbenzene	**J [0.000710]**	0.00100	"	"	"	"	"	"	
Xylene (p/m)	**0.00108**	0.00100	"	"	"	"	"	"	
Xylene (o)	**J [0.000734]**	0.00100	"	"	"	"	"	"	
Surrogate: a,a,a-Trifluorotoluene		*80.2 %*		*80-120*		"	"	"	
Surrogate: 4-Bromofluorobenzene		*94.2 %*		*80-120*		"	"	"	
MW #3 (6L27021-03) Water									
Benzene	ND	0.00100	mg/L	1	EL63102	12/31/06	01/02/07	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		*91.2 %*		*80-120*		"	"	"	
Surrogate: 4-Bromofluorobenzene		*91.2 %*		*80-120*		"	"	"	

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Rice Operating Co.	Project: EME C-16 (2) Leak	Fax: (505) 397-1471
122 W. Taylor	Project Number: None Given	
Hobbs NM, 88240	Project Manager: Kristin Farris-Pope	

General Chemistry Parameters by EPA / Standard Methods

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
MW #1 (6L27021-01) Water									
Total Alkalinity	**330**	20.0	mg/L	10	EL62804	12/28/06	12/28/06	EPA 310.1M	B
Chloride	**2490**	50.0	"	100	EL62904	12/29/06	12/29/06	EPA 300.0	
Total Dissolved Solids	**6990**	10.0	"	1	EL62801	12/28/06	01/04/07	EPA 160.1	O-08
Sulfate	**2260**	50.0	"	100	EL62904	12/29/06	12/29/06	EPA 300.0	
MW #2 (6L27021-02) Water									
Total Alkalinity	**450**	20.0	mg/L	10	EL62804	12/28/06	12/28/06	EPA 310.1M	B
Chloride	**2260**	50.0	"	100	EL62904	12/29/06	12/29/06	EPA 300.0	
Total Dissolved Solids	**6740**	10.0	"	1	EL62801	12/28/06	01/04/07	EPA 160.1	
Sulfate	**3240**	50.0	"	100	EL62904	12/29/06	12/29/06	EPA 300.0	
MW #3 (6L27021-03) Water									
Total Alkalinity	**430**	20.0	mg/L	10	EL62804	12/28/06	12/28/06	EPA 310.1M	B
Chloride	**1910**	50.0	"	100	EL62904	12/29/06	12/29/06	EPA 300.0	
Total Dissolved Solids	**5560**	10.0	"	1	EL62801	12/28/06	01/04/07	EPA 160.1	
Sulfate	**2310**	50.0	"	100	EL62904	12/29/06	12/29/06	EPA 300.0	

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122 W. Taylor	Project Number: None Given	
Hobbs NM, 88240	Project Manager: Kristin Farris-Pope	

Total Metals by EPA / Standard Methods

Environmental Lab of Texas

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
MW #1 (6L27021-01) Water									
Calcium	**452**	20.2	mg/L	250	EL62806	12/28/06	12/28/06	EPA 200.7	
Magnesium	**244**	1.80	"	50	"	"	"	"	
Potassium	**43.9**	3.00	"	"	"	"	"	"	
Sodium	**1860**	21.5	"	500	"	"	"	"	
MW #2 (6L27021-02) Water									
Calcium	**263**	4.05	mg/L	50	EL62806	12/28/06	12/28/06	EPA 200.7	
Magnesium	**192**	1.80	"	"	"	"	"	"	
Potassium	**45.0**	3.00	"	"	"	"	"	"	
Sodium	**2320**	21.5	"	500	"	"	"	"	
MW #3 (6L27021-03) Water									
Calcium	**240**	4.05	mg/L	50	EL62806	12/28/06	12/28/06	EPA 200.7	
Magnesium	**158**	1.80	"	"	"	"	"	"	
Potassium	**53.4**	0.600	"	10	"	"	"	"	
Sodium	**1680**	21.5	"	500	"	"	"	"	

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Rice Operating Co.	Project: EME C-16 (2) Leak	Fax: (505) 397-1471
122 W. Taylor	Project Number: None Given	
Hobbs NM, 88240	Project Manager: Kristin Farris-Pope	

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 EL63102 - EPA 5030C (GC)										
Blank (EL63102-BLK1)				Prepared: 12/31/06 Analyzed: 01/01/07						
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	*32.5*		*ug/l*	*40.0*		*81.2*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*35.2*		*"*	*40.0*		*88.0*	*80-120*			
LCS (EL63102-BS1)				Prepared: 12/31/06 Analyzed: 01/01/07						
Benzene	0.0421	0.00100	mg/L	0.0500		84.2	80-120			
Toluene	0.0413	0.00100	"	0.0500		82.6	80-120			
Ethylbenzene	0.0424	0.00100	"	0.0500		84.8	80-120			
Xylene (p/m)	0.0832	0.00100	"	0.100		83.2	80-120			
Xylene (o)	0.0410	0.00100	"	0.0500		82.0	80-120			
Surrogate: a,a,a-Trifluorotoluene	*32.0*		*ug/l*	*40.0*		*80.0*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*44.0*		*"*	*40.0*		*110*	*80-120*			
Calibration Check (EL63102-CCV1)				Prepared: 12/31/06 Analyzed: 01/02/07						
Benzene	46.4		ug/l	50.0		92.8	80-120			
Toluene	47.2		"	50.0		94.4	80-120			
Ethylbenzene	47.9		"	50.0		95.8	80-120			
Xylene (p/m)	91.8		"	100		91.8	80-120			
Xylene (o)	45.2		"	50.0		90.4	80-120			
Surrogate: a,a,a-Trifluorotoluene	*43.2*		*"*	*40.0*		*108*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*33.1*		*"*	*40.0*		*82.8*	*80-120*			
Matrix Spike (EL63102-MS1)	**Source: 6L22002-44**			Prepared: 12/31/06 Analyzed: 01/02/07						
Benzene	0.0468	0.00100	mg/L	0.0500	ND	93.6	80-120			
Toluene	0.0489	0.00100	"	0.0500	ND	97.8	80-120			
Ethylbenzene	0.0468	0.00100	"	0.0500	ND	93.6	80-120			
Xylene (p/m)	0.108	0.00100	"	0.100	ND	108	80-120			
Xylene (o)	0.0517	0.00100	"	0.0500	ND	103	80-120			
Surrogate: a,a,a-Trifluorotoluene	*44.1*		*ug/l*	*40.0*		*110*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*39.0*		*"*	*40.0*		*97.5*	*80-120*			

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Rice Operating Co. 122 W. Taylor Hobbs NM, 88240	Project: EME C-16 (2) Leak Project Number: None Given Project Manager: Kristin Farris-Pope	Fax: (505) 397-1471

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 EL63102 - EPA 5030C (GC)										
Matrix Spike Dup (EL63102-MSD1)	**Source: 6L22002-44**			Prepared: 12/31/06 Analyzed: 01/02/07						
Benzene	0.0587	0.00100	mg/L	0.0500	ND	117	80-120	22.2	20	R
Toluene	0.0598	0.00100	"	0.0500	ND	120	80-120	20.4	20	R
Ethylbenzene	0.0579	0.00100	"	0.0500	ND	116	80-120	21.4	20	R
Xylene (p/m)	0.120	0.00100	"	0.100	ND	120	80-120	10.5	20	
Xylene (o)	0.0596	0.00100	"	0.0500	ND	119	80-120	14.4	20	
Surrogate: a,a,a-Trifluorotoluene	*46.9*		*ug/l*	*40.0*		*117*	*80-120*			
Surrogate: 4-Bromofluorobenzene	*46.7*		*"*	*40.0*		*117*	*80-120*			

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

Project: EME C-16 (2) Leak
Project Number: None Given
Project Manager: Kristin Farris-Pope

Fax: (505) 397-1471

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 EL62801 - Filtration Preparation										
Blank (EL62801-BLK1)				Prepared: 12/28/06 Analyzed: 12/29/06						
Total Dissolved Solids	ND	10.0	mg/L							
Duplicate (EL62801-DUP1)	**Source: 6L27020-01**			Prepared: 12/28/06 Analyzed: 12/29/06						
Total Dissolved Solids	26600	10.0	mg/L		22700			15.8	20	
Batch EL62804 - General Preparation (WetChem)										
Blank (EL62804-BLK1)				Prepared & Analyzed: 12/28/06						
Total Alkalinity	6.00	4.00	mg/L							B
LCS (EL62804-BS1)				Prepared & Analyzed: 12/28/06						
Total Alkalinity	180	4.00	mg/L	200		90.0	85-115			B
Bicarbonate Alkalinity	180	4.00	"	200		90.0	85-115			B
Duplicate (EL62804-DUP1)	**Source: 6L27020-01**			Prepared & Analyzed: 12/28/06						
Total Alkalinity	510	20.0	mg/L		480			6.06	20	B
Reference (EL62804-SRM1)				Prepared & Analyzed: 12/28/06						
Total Alkalinity	244	4.00	mg/L	250		97.6	90-110			B
Batch EL62904 - General Preparation (WetChem)										
Blank (EL62904-BLK1)				Prepared & Analyzed: 12/29/06						
Chloride	ND	0.500	mg/L							
Sulfate	ND	0.500	"							

Rice Operating Co.	Project: EME C-16 (2) Leak	Fax: (505) 397-1471
122 W. Taylor	Project Number: None Given	
Hobbs NM, 88240	Project Manager: Kristin Farris-Pope	

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 EL62904 - General Preparation (WetChem)										
LCS (EL62904-BS1)				Prepared & Analyzed: 12/29/06						
Sulfate	10.1	0.500	mg/L	10.0		101	80-120			
Chloride	10.0	0.500	"	10.0		100	80-120			
Calibration Check (EL62904-CCV1)				Prepared & Analyzed: 12/29/06						
Sulfate	12.0		mg/L	10.0		120	80-120			
Chloride	9.07		"	10.0		90.7	80-120			
Duplicate (EL62904-DUP1)	**Source: 6L27006-01**			Prepared & Analyzed: 12/29/06						
Sulfate	241	25.0	mg/L		234			2.95	20	
Chloride	750	25.0	"		730			2.70	20	
Duplicate (EL62904-DUP2)	**Source: 6L27017-09**			Prepared & Analyzed: 12/29/06						
Chloride	66.0	5.00	mg/L		68.0			2.99	20	
Sulfate	76.7	5.00	"		77.7			1.30	20	
Matrix Spike (EL62904-MS1)	**Source: 6L27006-01**			Prepared & Analyzed: 12/29/06						
Chloride	1320	25.0	mg/L	500	730	118	80-120			
Sulfate	765	25.0	"	500	234	106	80-120			
Matrix Spike (EL62904-MS2)	**Source: 6L27017-09**			Prepared & Analyzed: 12/29/06						
Chloride	175	5.00	mg/L	100	68.0	107	80-120			
Sulfate	178	5.00	"	100	77.7	100	80-120			

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Rice Operating Co.	Project: EME C-16 (2) Leak	Fax: (505) 397-1471
122 W. Taylor	Project Number: None Given	
Hobbs NM, 88240	Project Manager: Kristin Farris-Pope	

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
Batch EL62806 - 6010B/No Digestion										
Blank (EL62806-BLK1)				Prepared & Analyzed: 12/28/06						
Calcium	ND	0.0810	mg/L							
Magnesium	ND	0.0360	"							
Potassium	ND	0.0600	"							
Sodium	ND	0.0430	"							
Calibration Check (EL62806-CCV1)				Prepared & Analyzed: 12/28/06						
Calcium	2.00		mg/L	2.00		100	85-115			
Magnesium	2.11		"	2.00		106	85-115			
Potassium	1.72		"	2.00		86.0	85-115			
Sodium	1.89		"	2.00		94.5	85-115			
Duplicate (EL62806-DUP1)	**Source: 6L27020-01**			Prepared & Analyzed: 12/28/06						
Calcium	515	20.2	mg/L		569			9.96	20	
Magnesium	302	9.00	"		337			11.0	20	
Potassium	238	1.20	"		228			4.29	20	
Sodium	13100	215	"		13900			5.93	20	

12600 West I-20 East - Odessa, Texas 79705 - (432) 563-1800 - Fax (432) 563-1713

Rice Operating Co.	Project: EME C-16 (2) Leak	Fax: (505) 397-1471
122 W. Taylor	Project Number: None Given	
Hobbs NM, 88240	Project Manager: Kristin Farris-Pope	

Notes and Definitions

R	The RPD exceeded the method control limit. The individual analyte QA/QC recoveries, however, were within acceptance limits.
O-08	The original extraction of this sample yielded QC recoveries outside acceptance criteria. It was re-extracted after the recommended maximum hold time.
B	Analyte is found in the associated blank as well as in the sample (CLP B-flag).
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: Raland K Tuttle Date: 1/5/2007

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.

Environmental Lab of Texas

CHAIN OF CUSTODY RECORD AND ANALYSIS REQUEST

12600 West I-20 East
Odessa, Texas 79765

Phone: 432-563-1800
Fax: 432-563-1713

Project Manager: Kristin Farris Pope kpope@riceswd.com

Project Name: EME C-16 2nd Leak

Company Name: RICE Operating Company

Project #:

Company Address: 122 W. Taylor Street

Project Loc: T20S-R37E-Sec16 C ~ Lea County New Mexico

City/State/Zip: Hobbs, New Mexico 88240

PO #:

Telephone No: (505) 393-9174 Fax No: (505) 397-1471

Report Format: [X] Standard [ ] TRRP [ ] NPDES

Sampler Signature: Rozanne Johnson (505)631-9310 e-mail: rozanne@valornet.com

(lab use only)

ORDER #: 6L27021

LAB # (lab use only)	FIELD CODE	Beginning Depth	Ending Depth	Date Sampled	Time Sampled	Field Filtered	Total # of Containers	Preservation & # of Containers: Ice	HNO_3	HCl (2) 40 ml glass vials	H_2SO_4	NaOH	$Na_2S_2O_3$	None (1) 1 Liter HDPE	Other (Specify)	Matrix: DW=Drinking Water SL=Sludge	GW = Groundwater S=Soil/Solid	NP=Non-Potable Specify Other	Analyze For: TCLP: TPH: 8015M	TOTAL: 8015B	TPH: 418.1	TPH: TX 1005	TX 1006	Cations (Ca, Mg, Na, K)	Anions (Cl, SO4, Alkalinity)	SAR / ESP / CEC	Metals: As Ag Ba Cd Cr Pb Hg Se	Volatiles	Semivolatiles	BTEX 8021B/5030	RCI	N.O.R.M.	Total Dissolved Solids			RUSH TAT (Pre-Schedule) 24, 48, 72 hrs	Standard TAT
01	Monitor Well #1			12/22/2006	11:55		3	X		2				1		GW								X	X					X			X				X
02	Monitor Well #2			12/22/2006	11:00		3	X		2				1		GW								X	X					X			X				X
03	Monitor Well #3			12/22/2006	10:20		3	X		2				1		GW								X	X					X			X				X

Special Instructions:

Please email to : kpope@riceswd.com mfranks@riceswd.com rozanne@valornet.com

Relinquished by:	Date	Time	Received by:	Date	Time
Rozanne Johnson	12-27-06	1545			
Relinquished by:	Date	Time	Received by:	Date	Time
Relinquished by:	Date	Time	Received by ELOT:	Date	Time
			Roxanne M Munn	12-27-06	1545

Laboratory Comments:

Sample Containers Intact?	Y	N
VOCs Free of Headspace?	Y	N
Labels on container(s)	Y	N
Custody seals on container(s)	Y	N
Custody seals on cooler(s)	Y	N
Sample Hand Delivered by Sampler/Client Rep. ?	Y	N
by Courier? UPS DHL FedEx Lone Star		

Temperature Upon Receipt: 2.0 °C

Environmental Lab of Texas

Variance/ Corrective Action Report- Sample Log-In

Client: Rice Operating

Date/ Time: 12-27-06 / 1545

Lab ID #: 10L20027021

Initials: MT

Sample Receipt Checklist

					Client Initials
#1	Temperature of container/ cooler?	(Yes)	No	2.0 °C	
#2	Shipping container in good condition?	(Yes)	No		
#3	Custody Seals intact on shipping container/ cooler?	(Yes)	No	Not Present	
#4	Custody Seals intact on sample bottles/ container?	(Yes)	No	Not Present	
#5	Chain of Custody present?	(Yes)	No		
#6	Sample instructions complete of Chain of Custody?	(Yes)	No		
#7	Chain of Custody signed when relinquished/ received?	(Yes)	No		
#8	Chain of Custody agrees with sample label(s)?	(Yes)	No	ID written on Cont./ Lid	
#9	Container label(s) legible and intact?	(Yes)	No	Not Applicable	
#10	Sample matrix/ properties agree with Chain of Custody?	(Yes)	No		
#11	Containers supplied by ELOT?	(Yes)	No		
#12	Samples in proper container/ bottle?	(Yes)	No	See Below	
#13	Samples properly preserved?	(Yes)	No	See Below	
#14	Sample bottles intact?	(Yes)	No		
#15	Preservations documented on Chain of Custody?	(Yes)	No		
#16	Containers documented on Chain of Custody?	(Yes)	No		
#17	Sufficient sample amount for indicated test(s)?	(Yes)	No	See Below	
#18	All samples received within sufficient hold time?	(Yes)	No	See Below	
#19	Subcontract of sample(s)?	(Yes)	No	Not Applicable	
#20	VOC samples have zero headspace?	(Yes)	No	Not Applicable	

Variance Documentation

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

Regarding: _____

Corrective Action Taken: _____

Check all that Apply:

- ☐ See attached e-mail/ fax
- ☐ Client understands and would like to proceed with analysis
- ☐ Cooling process had begun shortly after sampling event

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- 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:

Kristin Farris Pope
Rice Operating Company
122 West Taylor
Hobbs, NM 88240

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X [signature] ☐ Agent ☑ Addressee

B. Received by (Printed Name) MARLA HARRINGTON

C. Date of Delivery 3/29/07

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7001 1940 0004 3929 4432

PS Form 3811, August 2001 Domestic Return Receipt 102595-01-M-2509

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 4432

March 26, 2007

Kristin 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 six sites:

1) Rice EME Sarah Phillips EOL
Unit K, Section 33, T19S, R37E
Lea County, New Mexico
OCD Case #1R0427-17

2) Rice EME A-2
Unit A, Section 2, T20S, R36E
Lea County, New Mexico
OCD Case #1R0427-62

3) Rice EME Jct. A-2-1
Unit A, Section 2, T20S, R36E
Lea County, New Mexico
OCD Case #1R0427-177

4) Rice BD K-4
Unit K, Section 4, T18S, R38E
Lea County, New Mexico
OCD Case #1R0459

5) Rice EME C-16 (1)
Unit C, Section 16, T20S, R37E
Lea County, New Mexico
OCD Case #1R0476

6) Rice EME C-16 (2)
Unit C, Section 16, T20S, R37E
Lea County, New Mexico
OCD Case #1R0477

that the Rice Operating Company (ROC) must submit for each of the six 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