1R - 427-15

Quarterly REPORTS

DATE: 12-8-08

Hansen, Edward J., EMNRD

From: L. Peter Galusky, Jr. [lpg@texerra.com]
Sent: Monday, December 08, 2008 8:39 PM
To: Hansen, Edward J., EMNRD
Cc: Hack Conder; Lara Weinheimer
Subject: Rice Operating Company - Quarterly Report for NMOCD # 1R427-15
Attachments: EME State H EOL 3rd qtr 2008 graphic 1.pdf

Edward,

Given below is an update for the third quarter of 2008 for the above-referenced Rice Operating Company Project, EME State H EOL

Rice has continued to monitor groundwater chloride concentrations, per the OCD approved Monitoring Plan for this project. Data collected to date indicates that groundwater chloride concentrations in the near source monitor well (which is located approximately 35 ft down-gradient from the release) are gradually declining, most recently measuring 700 ppm (Figure 1 in attached graphic). Soil chloride concentrations are given below (Figure 2) as a point of reference, where samples were taken at the release location and from the well bore of the down-gradient well.

Rice will continue to monitor and report groundwater chloride concentrations on a quarterly basis, and will revisit the path forward with NMOCD during the second quarter of 2009.

Please contact me if you have any questions or need additional information.

Sincerely,

Pete G.

L. Peter Galusky, Jr. Ph.D.
Principal
Texerra
Energy Square
505 N. Big Spring, Suite 404
Midland, Texas 79701
E-mail: lpg@texerra.com
Web: www.texerra.com

Office Telephone/Fax: 877-534-9001

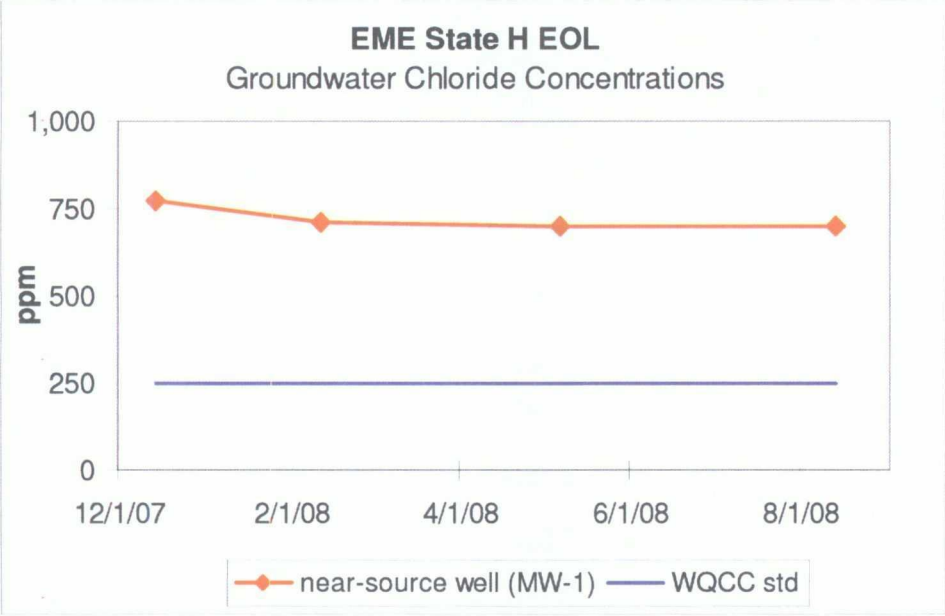

Figure 1 – EME State H EOL groundwater chloride concentrations from a near-source monitor well, located approximately 35 ft down-gradient (southeast) of the release site.

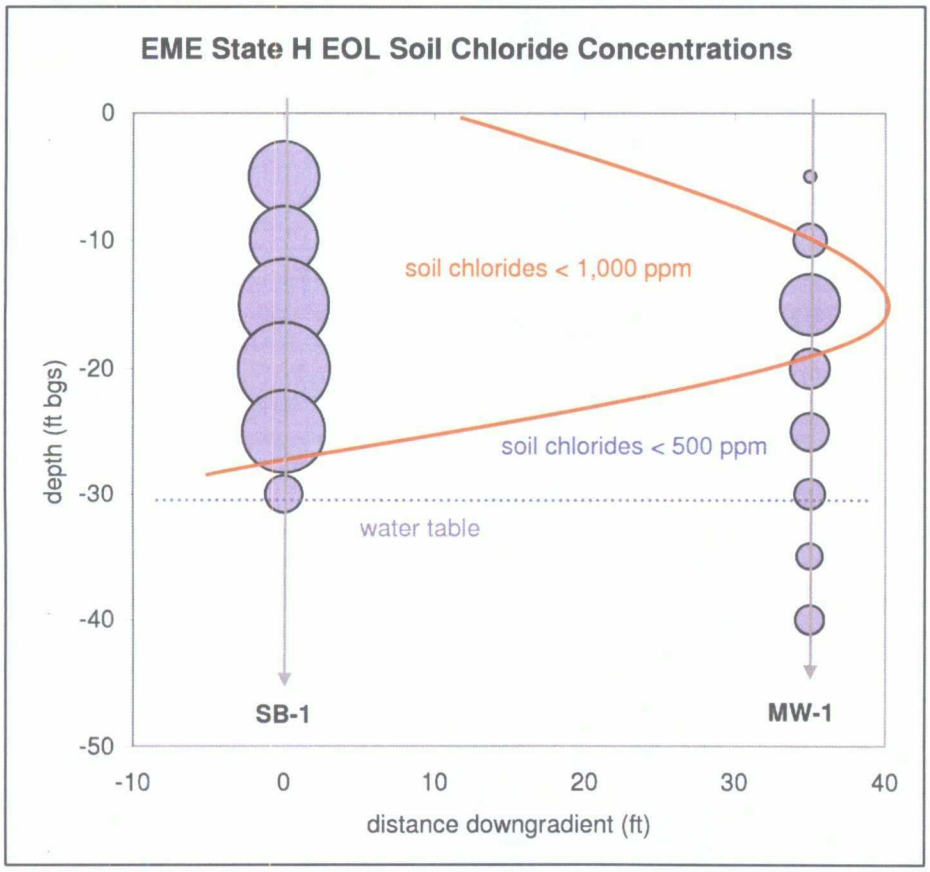

Figure 2– Field titrated soil chloride concentrations, measured on 11-28-07. Red line illustrates approximate (visually interpolated) area containing soil chlorides values between 500 and 1,000 ppm.