

1R - 426-150

REPORTS

DATE:

6-24-10

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

Texerra

**505 N Big Spring, Suite 404 Midland, Texas 79701
Tel: 432-634-9257 E-mail: lpg@texerra.com**

June 24th, 2010

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: Monitor Well Plugging & Abandonment Report
NMOCD Case Number: 1R426-150
Rice Operating Company - BD P-35-1 Jct
UL P Sec 35 T 21S R 37E

Sent via E-mail and U.S. Mail

Mr. Hansen:

Please be advised that Rice Operating Company has plugged and abandoned the monitor well (MW-1) at their BD P-35-1 Jct site per the specifications given in the NMOCD notice of termination sent via e-mail on April 29th, 2010. The monitor well was plugged on June 7th, 2010 with cement grout containing between 1% to 3% bentonite; (see attached driller's report and photographs). With this action we understand that Rice Operating Company has fulfilled their requirements under 19.15.29 NMAC for this project.

Rice Operating Company is the service provider (agent) for the BD Salt Water Disposal (SWD) System and has no ownership of any portion of pipeline, well or facility. The BD SWD System is owned by a consortium of oil producers, System Parties, who provide all operating capital on a percentage ownership/usage basis.

Thank you for your consideration.

Sincerely,



L. Peter Galusky, Jr. Ph.D.

Copy: Rice Operating Company

**HARRISON &
COOPER, INC.**

Drilling & Pump Professionals

7414 85th Street, Lubbock, Texas 79424-4951

P.O. Box 96, Wolfforth, Texas 79382-0096

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harrisoncooper-drilling.com

Plugging Report

Client	Rice Operating
Contractor	Harrison & Cooper
Date Completed	6/7/2010
Site	BD P-35-1
Well ID	MW-1
Casing Diameter	4"
Well Depth	55'
Casing Material	PVC
Plugging Material	Portland/Bentonite Slurry
Slurry Interval	3'-55'
Cement Interval	0'-3'

Copies: File

Email (Lara Weinheimer, Jordan Woodfin; Hack Conder)
Mail (Rice-Hobbs)

Regulated by: Texas Dept. of Licensing & Regulation, Water Well Division, P.O. Box 12157, Austin, TX 78711, (800) 803-9202

BD jct. P-35-1

Unit P, Section 35, T21S, R37E



Pulling the monitor well



Plugging with a bentonite/concrete slurry



Completed plugging