

RICE Operating Company

122 West Taylor • Hobbs, New Mexico 88240
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June 20, 2001

Mr. Chris Williams
NMOCD Hobbs Office
1625 N. French Drive
Hobbs, NM 88240

Re: Mechanical Integrity Tests (MIT) Requirements
SWD Disposal Wells Operated by Rice Operating Company
Hobbs East SWD Well F-30
Sec. 30, T18S, R39E, Lea County, NM

Dear Mr. Williams:

Pursuant to the NMOCD UIC Director, David Catanach, ordering the installation of plastic-lined tubing and packers in the SWD wells presently utilizing an oil-blanket, Rice Operating Company (ROC) would like to submit for approval the final C-103 form for Hobbs East SWD Well F-30. This well required casing-liner repair and at completion of cement squeeze, passed the MIT (not witnessed by NMOCD). Well F-30 has been returned to injection.


ROC has now completed the installations of injection packers for the SWD wells utilizing oil blankets. The remaining SWD well, Hobbs SWD Well E-15 is scheduled for P&A this fall after the Hobbs SWD System is closed and into abandonment activity. The P&A procedure for Well E-15 has been approved by the NMOCD.

ROC is the service provider (operator) for Seven Salt Water Disposal Systems in Lea County, NM: Eunice-Monument-Eumont (EME) SWD System, Blinbry Drinkard (BD) SWD System, Justis SWD System, Abo SWD System, Vacuum SWD System, Hobbs SWD System, and Hobbs East SWD System. ROC has no ownership of any portion of pipelines, wells, equipment or facilities. Each System is owned by a unique consortium of oil producers called System Partners, who provide all operating capital on a percentage ownership/usage basis.

If ROC can be of any further service, please don't hesitate to call.

Sincerely,

RICE OPERATING COMPANY



Carolyn Doran Haynes
Operations Engineer

Cc: LG, file;

Mr. David Catanach
OIL CONSERVATION DIVISION - UIC
1220 S. St. Frances Drive
Santa Fe, NM 87504