From: Patterson, Heather, EMNRD

To: "Chase Settle"

Cc: Bob Asher; Katie Parker; Bratcher, Mike, EMNRD; Billings, Bradford, EMNRD; Griswold, Jim, EMNRD

Subject: RE: Dayton Water Line (Gushwa DX #1) Work Plan Part 1 of 3

Date: Friday, September 04, 2015 1:07:00 PM

RE: Yates * Dayton Water Line (Gushwa DX #1) * 31-015-21703 * 2RP-2824

Mr. Settle,

Thank you for the water well information. The reason I requested a 1500 foot radius was mainly because the contamination from this release spans an area of over 1200 feet. Rather than try to evaluate 200' around the outer edge of the whole site, I figured it would be simpler to radiate from the center of the release. Also, we get a better picture of the depth to groundwater with a greater radius. Your investigation showed that the depth to groundwater is possibly greater than 100 feet, which is great news all around, but unfortunately the presence of a domestic water well within the 200 foot setback will add 20 points to your site ranking.

My original request for a groundwater quality baseline was based primarily on the unknown amount of contamination left in place due to the railroad setback. In lieu of this new depth to groundwater information, I will ask that the OCD District 2 hydrologist review the information and determine whether that is still necessary.

As for the request for a chloride delineation to 250mg/kg, that is per a directive from the OCD Environmental Bureau in Santa Fe.

Heather Patterson Environmental Specialist NMOCD District II Office (575)748-1283 ext.101 Cell (575)703-0228

From: Chase Settle [mailto:CSettle@yatespetroleum.com]

Sent: Friday, August 28, 2015 2:00 PM

To: Patterson, Heather, EMNRD

Cc: Bob Asher; Katie Parker; Bratcher, Mike, EMNRD

Subject: RE: Dayton Water Line (Gushwa DX #1) Work Plan Part 1 of 3

Mrs. Patterson,

Yates Petroleum Corporation reviewed your request on behalf of OCD for a full water well investigation, but has found no merit for such a request when it is not believed that chlorides from this release have had any effect on ground water quality. Yates Petroleum Corporation also does not understand why wells within a 1500 foot radius would be an issue considering that the Guidelines for Remediation of Spills, Leaks, and Releases (1993) lists a wellhead protection area of <200 feet to be considered in site ranking with regards to private domestic water sources. However, we do agree that the site ranking needs to be adjusted. After performing a search of well log information on the New Mexico Office of the State Engineer (attached), it was determined that depth to groundwater is 136 to 140 feet within a 1500 foot radius from the center of the release. Therefore, the site ranking needs to be adjusted from a ten (10) to a site ranking zero (0).

While I am glad that my projection chart was appreciated, it was included to serve a purpose. During a meeting held at the NMOCD District II office on February 4, 2015, between Yates Environmental Department (Katie Parker, Bob Asher, Amber Griffin, and myself) and representatives from OCD (Jim Griswold, Bradford Billings, and Mike Bratcher) it was made very clear by Jim Griswold that projection charts were absolutely acceptable in lieu of lab verification for the delineation of chlorides when at least the last 3 lab verified samples showed a continually decreasing pattern. And in the case of the S1 area of this release, there were 5 consecutive decreases in chlorides that were used to form the projection line.

If contestation of this work plan is to continue, then Yates Petroleum requests that NMOCD respond in writing with the rejection of this work plan with justification on the requested 250 mg/kg delineation goal, as well as the justification for the wellhead protection area to be within 1500 feet of private domestic water sources when it is listed as less than 200 feet in the Guidelines for Remediation of Leaks, Spills, and Releases (1993). We also request to know when these changes were adopted as a Rule or incorporated in the new Guidelines for Remediation of Leaks, Spills, and Releases (since it does not exist in the August 13, 1993 version), where the new Rule or Guidelines of Remediation of Leaks, Spills, and Releases has been published for public record, and where scientific data used to determine these levels can be previewed.

Thanks,

Chase Settle, M.S.

Environmental Regulatory Agent Yates Petroleum Corporation 105 S. 4th Street Artesia, NM 88210 575-748-4171 (Office) 575-703-6537 (Cell)

From: Patterson, Heather, EMNRD [mailto:Heather.Patterson@state.nm.us]

Sent: Tuesday, August 25, 2015 12:44 PM

To: Chase Settle

Cc: Bob Asher; Katie Parker; Bratcher, Mike, EMNRD

Subject: RE: Dayton Water Line (Gushwa DX #1) Work Plan Part 1 of 3

RE: Yates * Dayton Water Line (Gushwa DX #1) * 30-015-21703 * **2RP-2824**

Chase,

The OCD would like to request some additional information before this work plan is approved. Because of the large amount of contamination that must be left in place due to the railroad ROW, the OCD is requesting a full water well investigation. Please include all wells within a 1500 foot radius from the center of the release. This information should be included in the site ranking, and may potentially increase your site ranking score. We would also like to review some baseline water quality information. The OCD also requests further chloride delineation in the area of S1. While we appreciate your chloride projection chart, we do need lab verification. The target delineations goal is 250mg/kg or at depth background, whichever is greater.

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground

water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

If you have any questions or concerns, and for notification, please contact me.

Heather Patterson Environmental Specialist NMOCD District II Office (575)748-1283 ext.101 Cell (575)703-0228

From: Chase Settle [mailto:CSettle@yatespetroleum.com]

Sent: Monday, August 17, 2015 11:54 AM

To: Bratcher, Mike, EMNRD; Patterson, Heather, EMNRD

Cc: Bob Asher; Katie Parker

Subject: Dayton Water Line (Gushwa DX #1) Work Plan Part 1 of 3

Re: Dayton Water Line (Gushwa DX #1)

30-015-21703

Section 21, T18S-R26E Eddy County, New Mexico

2RP-2824

Mr. Bratcher/Mrs. Patterson,

Yates Petroleum Corporation is submitting the attached work plan for the above captioned well. The plan is being submitted in response to the C-141 report dated February 18, 2015.

If there are no objections with the scope of work described in the plan, Yates will have a contractor begin work on or after September 1, 2015.

If you have any questions, feel free to call me at (575) 748-4171

Thank you.

Chase Settle, M.S.

Environmental Regulatory Agent Yates Petroleum Corporation 105 S. 4th Street Artesia, NM 88210 575-748-4171 (Office) 575-703-6537 (Cell) This message may contain confidential information and is intended for the named recipient only. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. E-mail transmission cannot be guaranteed to be secure or errorfree as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version.

This message may contain confidential information and is intended for the named recipient only. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. E-mail transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version.