

Jason Michelson Project Manager Chevron Environmental Management Company 1500 Louisiana Street, #38116

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July 18, 2019

New Mexico Oil Conservation Division, District II 811 S. First St Artesia, NM 88210

Re: Amoco Federal 11 Well No. 1 Site Status Letter Inspection No. iTM1734133661 Eddy County, New Mexico

Dear whom it concerns,

Please find enclosed for your files, copies of the following report:

• Amoco Federal 11 Well No. 2 – July 18, 2019 Site Status Letter

The Site Status Letter was prepared by Arcadis U.S., Inc. (Arcadis) on behalf of Chevron Environmental Management Company (CEMC). CEMC is respectfully requesting a 12-month extension to address the violation. Please do not hesitate to call Rebecca Andresen with Arcadis at 206-726-4717 or myself at 832-854-5601, should you have any questions.

Sincerely,

Jason Michelson

Jan Mila

Encl. Amoco Federal 11 Well No. 2 - Site Status Letter

C.C. Brett Krehbiel, Arcadis



Mr. Rob Hamlet New Mexico Oil Conservation Division – District II Environmental Specialist 811 S. First St. Artesia, NM 88210

Subject:

Site Status Letter Amoco Federal 11 Well No. 2 Inspection No. iTM1734133384 Eddy County, New Mexico

Dear Mr. Hamlet:

On behalf of Chevron Environmental Management Company (CEMC), Arcadis U.S., Inc. (Arcadis) prepared this Site Status Letter (Letter) for the Amoco Federal 11 Well No. 2, API No. 30-015-26540, located in Eddy County, New Mexico. Rockcliff Operating New Mexico LLC (Rockcliff), the previous owner of this well, was notified by the New Mexico Oil Conservation District (NMOCD) of a violation dated December 7, 2017 during an inspection (iTM1734133384) by NMOCD. No response to this violation has been located. The purpose of this letter is to respectfully request a written NMOCD approval for a 12-month extension to address the violation.

SITE DESCRIPTION AND BACKGROUND

The Site is located approximately two (2) miles east of Loving, New Mexico. The site is in Unit O, Section 11, Township 23S, Range 28E, Eddy County, New Mexico, on private land.

On December 7, 2017, during a routine inspection (iTM1734133661) conducted by NMOCD. Staining was observed around the well head and a letter of violation was issued to Rockcliff (Attachment 1). No response to this violation has been located.

Chevron acquired the lease for this well in October 2018 and is currently evaluating this well for ongoing production. Work to address this violation will be coordinated with other maintenance work at this well. We are respectfully

Arcadis U.S., Inc. 630 Plaza Drive Suite 100 Highlands Ranch Colorado 80129 Tel 720 344 3500 Fax 720 344 3535 www.arcadis.com

ENVIRONMENT

Date:

July 18, 2019

Contact:

Rebecca Andresen

Phone:

206-726-4717

Email

Rebecca.Andresen@arcadis .com

Our ref:

B0049810.0000

requesting a 12-month extension to address the violation. If you have any questions or comments, please contact Rebecca Andresen at 206.726.4717 or by email at rebecca.andresen@arcadis.com.

Sincerely,

Arcadis U.S., Inc.

Rebecca Andresen Vice President

Copies:

Jason Michelson, Chevron/ CEMC Brett Krehbiel, Arcadis

Enclosures:

Attachments

1 December 7, 2017 Letter of Violation

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer

Deputy Cabinet Secretary

David CatanachDivision Director



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

07-Dec-17

ROCKCLIFF OPERATING NEW MEXICO LLC

1301 McKinney Suite 1300 Houston TX 77010-7010

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

		INSPECTIO	N DETAIL	SECTION		
AMOCO FI Inspection Date	EDERAL 11 Type Inspection	No.001 Inspector	Violation?	I-11-23S-28E *Significant Non-Compliance?	30-015-22975-00-0 Corrective Action Due By:	0 Inspection No.
12/07/2017	Routine/Period Violations General Housekee		Yes	No	3/12/2018	iTM1734133661
Comments		OK. All Equipment and Location in 19.15.10.8 TANK BATTERY NO			AROUND WELLHEA	D
AMOCO Finspection Date	EDERAL 11 Type Inspection	No.004 Inspector	Violation?	J-11-23S-28E *Significant Non-Compliance?	30-015-26495-00-0 Corrective Action Due By:	0 Inspection No.
12/07/2017	Routine/Period Violations General Housekee		Yes	No	3/12/2018	iTM1734133839
Comments	on Inspection:	OK. All Equipment and Location in 19.15.10.8	n Good Shape	. PJO. STAINING	AROUND WELLHEA	D

AMOCO FI Inspection Date	EDERAL 11 N Type Inspection		Inspector	Violation?	B-11-23S-28E *Significant Non-Compliance?	30-015-26496-00-Corrective Action Due By:	Inspection No.
12/07/2017	Routine/Perio Violations General Houseke	eping (Rule 114)	Tony Morales	Yes	No	3/12/2018	iTM1734135541
Comments	on Inspection:	OK. All Equips 19.15.10.8	nent and Location in	Good Shape.	PJO. STAINING	AROUND WELLHEA	AD
	EDERAL 11 N	o.007			P-11-23S-28E	30-015-26512-00-0	00
Inspection Date	Type Inspection	n	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
12/07/2017	Routine/Perio	eping (Rule 114)	Tony Morales	Yes	No	3/12/2018	iTM1734132985
Comments	on Inspection:	OK. All Equipo 19.15.10.8	ment and Location in	Good Shape.	PJO. STAINING	AROUND WELLHEA	AD PJ
AMOCO FI Inspection Date	EDERAL 11 N Type Inspection		Inspector	Violation?	G-11-23S-28E *Significant Non-Compliance?	30-015-26527-00-0 Corrective Action Due By:	00 Inspection No.
12/07/2017	Routine/Perio	eeping (Rule 114)	Tony Morales	Yes	No	3/12/2018	iTM1734134083
Comments	on Inspection:	OK. All Equipo 19.15.10.8	ment and Location in	Good Shape.	PJO. STAINING	AROUND WELLHEA	A D
AMOCO FI	EDERAL 11	_	No.002		O-11-23S-28E *Significant	30-015-26540-00- Corrective	
Date 12/07/2017	Type Inspectio Routine/Perio		Inspector Tony Morales	Violation? Yes	Non-Compliance? No	Action Due By: 3/12/2018	Inspection No. iTM1734133384
12/0//201/	Violations	eeping (Rule 114)	Tony Morales	168	110	3/12/2018	111111/34133304
Comments	on Inspection:		ment and Location ir	GoodShape.	PJO. STAINING	AROUND WELLHEA	AD.

AMOCO FEDERAL 11 N

B-11-23S-28E

30-015-33916-00-00

*Significant Corrective Inspection Inspection No. **Type Inspection** Inspector Violation? Non-Compliance? Action Due By: Date No 3/12/2018 iTM1734135291 12/07/2017 Routine/Periodic **Tony Morales** Yes

Violations

General Housekeeping (Rule 114)

Comments on Inspection: OK. All Ed

OK. All Equipment and Location in Good Shape. PJO. STAINING AROUND WELLHEAD

19.15.10.8

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Divison Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Artesia OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.