From:	Smith, Cory, EMNRD
То:	<u>"jdeal@hilcorp.com"</u>
Cc:	"Josh Adams"; "Ashley Ager"; Powell, Brandon, EMNRD
Subject:	RE: Salty Dog Water Gathering System (NCSI1916853082)
Date:	Monday, February 17, 2020 1:39:00 PM
Attachments:	image001.png image002.png image003.png image004.png

Mrs. Deal,

OCD received the Site Characterization and Remediation plan for the Salty Dog Water Gathering System incident# nCS1916853082 on November 18, 2019 and has approved the plan with the following conditions of approval.

• HEC will submit a Stage 1 or Stage 1 &2 Abatement plan per 19.15.30 NMAC no later than April 1, 2020

The incident# has been assigned to AP#139 please include this tracking number in all future submittals/communication along with the incident#.

Cory Smith Environmental Specialist Oil Conservation Division Energy, Minerals, & Natural Resources 1000 Rio Brazos, Aztec, NM 87410 (505)334-6178 ext 115 cory.smith@state.nm.us

From: Smith, Cory, EMNRD
Sent: Tuesday, October 1, 2019 3:52 PM
To: jdeal@hilcorp.com
Cc: Josh Adams <jadams@ltenv.com>; Ashley Ager <aager@ltenv.com>; Powell, Brandon, EMNRD
<Brandon.Powell@state.nm.us>
Subject: RE: Salty Dog Water Gathering System (NCSI1916853082)

Mrs. Deal,

OCD received the following extension request On July 19, 2019 "...Hilcorp is requesting an extension to the 90-day requirement for site characterization or closure reporting required in 19.15.29.11.A NMAC. The 90-day deadline is July 28th, 2019. Hilcorp requests an extension until September 27th, 2019. **Hilcorp will provide a remediation work plan or closure report by that date**." Communication between HEC and OCD determined the Date of Discovery to be May 29, 2019 making the 90-day deadline to be August 29, 2019.

HEC received the results of delineation drilling on September 9, 2019 and did not contact the OCD to discuss the concern of not meeting the required delineation dead line. It wasn't until September 17, 2019 when OCD contacted HEC about the status of ground water samples, placement of monitor wells and preliminary delineation data that any action was taken from HEC in regards to not meeting the deadline.

Reviewing the provided data, MW 3,5, and 6 without additional monitor wells do not provide reliable data showing ground water impacts. Because the wells have little to no offset and the provided ground water gradient is not reliable it makes it difficult to determine if the ground water sampling results are natural or are a results of impacts from Oil and Gas activities. Since there are no confirmed ground water impacts HEC is not required to abate ground water as is not subject to the requirements of 19.15.30 NMAC.

OCD grants HEC request for additional time to perform site characterization and submit a remediation plan no later than November 18, 2019 with the following conditions of approval:

- HEC must fully delineate all soil impacts per 19.15.29 NMAC both vertically and horizontally.
- Since there is a concern that ground water may be impacted HEC must at a minimum must complete 3 monitor wells, one at/near the source, one cross gradient of the source, one in the suspected up gradient from source(outside of the impact zone is preferable so this well can be used for background data)

IF HEC confirms that ground water impacts are from Oil and Gas activities an acceptable remediation plan in the required report would be to submit a Stage 1 Abatement plan per 19.15.30 NMAC, please include a date in which the Stage 1 plan would be submitted by.

If you have any additional questions please give me a call.

Cory Smith Environmental Specialist Oil Conservation Division Energy, Minerals, & Natural Resources 1000 Rio Brazos, Aztec, NM 87410 (505)334-6178 ext 115 cory.smith@state.nm.us

From: Ashley Ager <<u>aager@ltenv.com</u>>
Sent: Friday, September 27, 2019 12:18 PM
To: Smith, Cory, EMNRD <<u>Cory.Smith@state.nm.us</u>>
Cc: jdeal@hilcorp.com; Josh Adams <<u>jadams@ltenv.com</u>>
Subject: [EXT] Salty Dog Water Gathering System (NCSI1916853082)

Cory,

As I discussed on the phone with you on September 23, 2019, LTE, on behalf of Hilcorp, is requesting an extension for delineation of soil impacts at the Salty Dog Water Gathering System. The release occurred on April 29, 2019. Hilcorp recovered fluids and excavated approximately 925 cubic yards of soil. Based on the size of the excavation, Hilcorp contracted LTE to delineate the site on June 24, 2019 and evaluate alternative remediation options. Due to lack of drill rig availability, Hilcorp requested an extension to the 90-day requirement for site characterization and proposed a new deadline of September 27, 2019 (today). I have attached a report detailing the subsurface investigation activities conducted in August and September for your review. Seven boreholes and three monitoring wells were installed and sampled. Due to auger refusal in cobbles that restricted vertical progress in some borings and access issues to the north (topographical barriers consisting of a dry wash, a berm from a former gravel pit, and lack of road/access on private property), LTE was unable to fully characterize the site during one drilling window. There are elevated chloride concentrations in soil and groundwater and elevated TDS in groundwater samples. Additional delineation of soil is required to complete site characterization, understand background groundwater quality, and determine an appropriate remediation approach.

We have initiated scheduling with drilling contractors who have the ability to penetrate the cobbles. Hilcorp proposes to begin additional site work by the third week of October (no later than October 23, 2019). LTE will notify NMOCD immediately once the work is scheduled and will provide advanced 48-hour notification in writing prior to starting work. LTE will provide a verbal notification of findings to NMOCD and then submit a report (remediation work plan or Stage 1 Abatement Plan) 30 days after receipt of laboratory analytical results. We formally request an extension for full site characterization or Abatement Plan submittal until November 27, 2019.

Thank You, Ashley



Ashley Ager Senior Geologist/Vice President of Regional Offices 970.946.1093 *cell* 970.385.1096 *office* 848 East Second Avenue, Durango, CO 81301 www.ltenv.com

