

CORRESPONDENCE

MISC.



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

September 17, 1997

CERTIFIED MAIL
RETURN RECEIPT NO. P-410-431-222

Mr. Mike Warren
Apache Corporation
3300 N. A, Suite 8220
Midland, Texas 79705

RE: FINAL PIT CLOSURE REPORTS

Dear Mr. Warren:

The New Mexico Oil Conservation Division (OCD) has completed a review of Apache Corporation's (AC) May 30, 1997 "PIT CLOSURE REPORTS" which were received by the OCD Santa Fe Office on September 16, 1997. These documents, which were submitted on behalf of AC by their consultant Indian Environmental Services, contain the results of the closure activities for 4 unlined oil and gas production pits in Lea County, New Mexico.

The OCD's review of the above referenced document is addressed below:

- A. The pit remedial activities conducted at the sites listed below are satisfactory. However, according to the reports, onsite remediation of contaminated soil is still continuing at the sites. Therefore, the OCD cannot issue final closure approval and approval of closure actions at these sites is denied. Please resubmit final closure reports for these sites upon completion of the landfarming activities. The final reports will include the results of the soil remediation levels achieved, the laboratory analyses and associated quality assurance/quality control data and the disposition of the remediated soils.
- | | | |
|----|---------------------------------------|-----------------------------|
| 1. | South Jal Langlie Unit (Overflow pit) | Unit ?, Sec. 17, T25S, R37E |
| 2. | State It (Overflow pit) | Unit F, Sec. 16, T26S, R33E |
- B. The final pit remedial contaminant levels at the sites listed below are in excess of the OCD's recommended remediation levels. Consequently, the OCD cannot issue final closure approval and approval of closure actions at these sites is denied. The OCD requires that AC submit

Mr. Mike Warren
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a work plan to determine the extent of and remediate the remaining contamination at these sites. The work plan will be submitted to the OCD Santa Fe Office by October 17, 1997 with a copy provided to the OCD Hobbs District Office.

1. Skelly Penrose A Unit (Overflow pit) Unit ?, Sec. 03, T23S, R37E
2. New Mexico BZ State (Overflow) Unit ?, Sec. 16, T23S, R37E

- C. The OCD has noted some serious errors in reporting the depth to ground water on the pit closure reports. The report forms for each site list the depth to ground water as greater than 100 feet. However, a review of readily available ground water information in the vicinity of these sites shows that the depth to ground water at all of the sites, except the "State It" site, is between 50-100 feet. This error causes the remediation levels for these sites to be greatly in excess of what the true recommended remediation levels should be under the OCD's "SURFACE IMPOUNDMENT CLOSURE GUIDELINES". Please correct this information when the forms are resubmitted.
- D. In order for the OCD to enter pit closure data into a database system, the OCD requires that an OCD "PIT REMEDIATION AND CLOSURE REPORT" form (attached) be submitted for each pit closed. Please provide these completed OCD forms, including appropriate 1/4, 1/4 section locations, when resubmitting the pit closure actions for approval.

To simplify the approval process for both AC and OCD, the OCD requests that AC submit all future pit closure reports only upon completion of all closure activities including onsite landfarming or composting of contaminated soils. The reports will include a completed OCD "PIT REMEDIATION AND CLOSURE REPORT" form and all pertinent information related to the extent of contamination, the results of the soil remediation levels in the pits and landfarms, all laboratory analyses and associated quality assurance/quality control data and the disposition of all remediated soils.

If you have any questions, please call me at (505) 827-7154.

Sincerely,



William C. Olson
Hydrogeologist
Environmental Bureau

attachment

xc: OCD Hobbs District Office
 David Deardorff, New Mexico State Land Office
 Fred Holmes, Indian Environmental Services

P 410 431 222

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Form 3800, April 1995

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SEP 16 1997

Environmental Bureau
Oil Conservation Division

NMOCD INTER-OFFICE CORRESPONDENCE

TO: Bill Olson-Environmental Bureau, Santa Fe, NM

From: Wayne Price-Environmental Engineer

Date: September 11, 1997

Reference: Apache Corporation

Subject: Pit Closures:

Skelly Penrose A unit: 3-23s-37e.
NM BZ State: 16-Ts23s-R37e.
South Jal Langlie Unit: sec 7-Ts25s-R37e.
State IT Lease (W. Of Jal): F-16-26s-33e.

Comments:

Dear Bill,

Enclosed are the original pit closure forms submitted by Apache. Apparently the originals came to the Hobbs office. Please refer to my field report letter dated June 26, 1996 (attached) for discrepancies that I found in the closure reports. I have also included the results of the most recent sampling event taken by Apache and witness by me.

We took bottom hole samples for locations at Skelly Penrose, NMBZ, and State IT Lease. The analyticals for these soil samples were supplied to me by Apache. For comparison please note I took field samples using the PID and obtained the following results.

Skell Penrose A Unit (SPAU); 11' deep, sampled soil using PID BTEX 460 ppm, medium to strong hydrocarbon odors, visual contamination.

NM BZ State: 16-Ts23s-R37e; 11' deep, sampled soil using PID BTEX 15.5 ppm, none to very slight hydrocarbon odor, no visual contamination.

State IT Lease (W. Of Jal): F-16-26s-33e; 8' deep, sampled soil using PID 43 ppm, no hydrocarbon odor, had earth smell of organic

material, no visual contamination.

After reviewing the pit closure reports I recommend approval for the following three sites;

NM BZ State: 16-Ts23s-R37e.

South Jal Langlie Unit: sec 7-Ts25s-R37e.

State IT Lease (W. Of Jal): F-16-26s-33e.

As for the Skelly Penrose A unit: 3-23s-37e, I recommend that Apache install a monitor well in the center of the pit to determine if ground water has been impacted.

cc: Chris Williams-NMOCD District I Supervisor

attachments-pit closure reports, analyticals.



3703 Oakridge Ct.
Midland, Texas 79707
Tele: (915) 520-2984
Fax: (915) 520-3172

INDIAN
Environmental Services

May 30, 1996

State of New Mexico
Oil Conservation Division
District I
P.O. Box 1980
Hobbs, New Mexico 88241

*FORWARD TO
STATE FC
9/11/97
JL*

JUN 11 1996

JUD HUBBS
OFFICE

Re: Pit Closure Reports

To Whom it May Concern:

Please find enclosed two (2) copies of the Pit Closure Reports and required attachments for the following locations that are operated by APACHE Corporation:

1. State IT Lease
2. State BZ Lease
3. Penrose Battery A#1
4. South Jal Langley Unit

As indicated on the routing header, a second copy has been forwarded to the OCD office in Santa Fe, NM.

Once received, would you please execute one copy and return to the address indicated above to acknowledge receipt of the document.

Thank you for your attention to this matter. Should you have any questions, please contact me at (915) 520-2968.

Sincerely

Fred Holmes
Consultant

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SEP 16 1997

Environmental Bureau
Oil Conservation Division