

State of New Mexico
Energy, Minerals and Natural Resources Department

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Division Director (Acting)
Oil Conservation Division



May 20, 2025

Becky Hesslen – Program Manager
Phillips 66 Company
411 S. Keeler Ave. 207 Adams Bldg.
Bartlesville, OK 74003

RE: Denial of Technical Infeasibility Report: Phillips 66 East Hobbs Junction Site (Abatement Plan ID: AP-15; Facility ID: fAB00000000197; Incident #: nAUTOfAB000142; Application ID: 444301)

Ms. Hesslen,

The Oil Conservation Division (OCD) received a 2024 Groundwater Monitoring, Remediation and Technical Infeasibility Closure Report dated March 19, 2025, on behalf of Phillips 66 by GHD Services Inc. (GHD), detailing monitoring, abatement, and includes a demonstration for closure based on technical infeasibility per Subsection E of 19.15.30.9 NMAC. This document was submitted on March 20, 2025, through OCD's online permitting in the groundwater abatement portal.

Specifically, the technical infeasibility report proposed that compliance with the abatement standard for benzene (0.01 mg/L, per 20.6.2 NMAC, referencing the 1996 NMWQCC standard cited in the report) set forth in 19.15.30.9.A and B NMAC is technically infeasible. The OCD has reviewed the report and determined that Phillips 66 has not met the requirements per Paragraphs 1 and 2 of Subsection E of 19.15.30.9 NMAC.

- Paragraph 1: While Sections 5 and 5.1 of the report claim eight quarters of data (Q1 2023 – Q4 2024) were collected and used, the Executive Summary description of the extrapolation presented in Appendix B appears to reference only four quarters of monitoring data from **2024**.
- Based on the information presented linking the extrapolation (Appendix B) to the 2024 data, the statistical demonstration does not meet the minimum data period requirement of eight consecutive quarters mandated in the rule.
- Based on the information provided, Natural Attenuation is not a Technical Infeasibility option. Phillips 66 has the potential to meet the abatement standards set forth in Subsections A and B of 19.15.30.9 NMAC using commercially accepted abatement technology pursuant to their OCD approved Stage 2 abatement plan.
- Paragraph 2: As these reported benzene concentrations exceed 200 percent of the abatement standard, the Technical Infeasibility for benzene cannot be approved under 19.15.30.9.E(2) NMAC.

If you have any questions, please contact Jackie Burdine (505)-629-9597, Jackie.burdine@emnrd.nm.gov

Respectfully,

Rosa M. Romero

Rosa Romero
Environmental Bureau Chief

Date: 5/20/2025

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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CONDITIONS

Action 465251

CONDITIONS

Operator: PHILLIPS PETROLEUM CO 4001 Penbrook Odessa, TX 79762	OGRID: 17643
	Action Number: 465251
	Action Type: [IM-SD] Facility File Support Doc (ENV) (IM-BFF)

CONDITIONS

Created By	Condition	Condition Date
jburdine	Technical infeasibility report denied, letter sent to operator and uploaded for facility file.	5/20/2025