

GW - 004

2013 GEN COR

07 / 11 / 2013



Kegan W. Boyer, P.G.
Project Manager

Upstream Business Unit
Environmental Management
Company
1400 Smith Street
Room 07076
Houston, Texas 77002
Tel 713-372-7705
kegan.boyer@chevron.com

July 11, 2013

Mr. Glenn von Gonten
Senior Hydrologist
Environmental Bureau
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Via Certified Mail

7013 0600 0401 7631 5035

Re: Former Chevron North Eunice Gas Plant
Discharge Permit GW-004
Proposed Monitor Well Plugging

Dear Mr. Von Gonten,

As Operator of the remediation program at the Former Chevron North Eunice Gas Plant, Chevron Environmental Management Company (CEMC), is submitting this well plugging and abandonment (P&A) request as required by the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department (NMOCD) Discharge Permit GW-004 for the above-referenced site. This request is pursuant to Permit Condition 2.G.3 (GW-004) that specifies that the 'Owner/Operator shall request [approval] by certified mail'.

CEMC was recently informed that the operator of the facility, Targa Resources, plans to construct two new compressors at the facility within a short time frame. Monitor well MW-22A, located along the northern facility boundary, is within the planned footprint of these new compressors and must be removed to facilitate the installation of the compressors. Targa has requested that CEMC remove well MW-22A in an expeditious manner to avoid interference with their planned construction.

This well is a deep zone monitor well and had a hexavalent chromium concentration of 0.058 milligrams per liter (mg/L) in October 2012, just above the New Mexico Water Quality Control Commission (NMWQCC) Standard (20.6.2.3103.A) of 0.050 mg/L, with all other analyzed constituents at concentrations below NMWQCC standards. Hexavalent chromium concentrations in this well have been below NMWQCC standards in two of the prior four semi-annual monitoring events. Although well MW-22A must be removed, deep zone hexavalent chromium concentrations are adequately monitored in nearby wells MW-002A, MW-024A, and MW-046A that are located within approximately 200 ft to 400 ft from the location of MW-22A.

As of the date of this letter, CEMC currently has a drilling crew onsite at the Former North Eunice Gas Plant conducting soil boring activities. This drill crew has the capability to plug and abandon MW-22A. Due to resource limitations in the Permian Basin area, a licensed driller may not be available again to plug and abandon MW-22A in

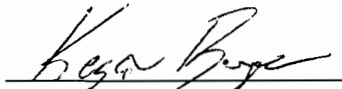
July 11, 2013

Page 2

advance of Targa's planned compressor installation. To ensure that the well is properly plugged and abandoned, and to avoid the potential for the well to be destroyed without proper plugging during construction activities, Chevron plans to initiate plugging of the well on July 12 or July 13, 2013 with the available drill crew currently on-site in accordance with your conditional approval provided in an e-mail communication to Mr. Mike Wisniowiecki of Conestoga-Rovers & Associates (CRA) on July 11, 2013.

Chevron appreciates your continued support of our remediation efforts at the Former North Eunice Gas Plant. Should you have any questions, please do not hesitate to contact me by phone at 713-372-7705 or via e-mail at kegan.boyer@chevron.com.

Sincerely,



Kegan W. Boyer, P.G.
Environmental Project Manager

cc: Mike Wisniowiecki, CRA

RECEIVED
OCD
2013 JUL 15 P 2:16