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**GENERAL
CORRESPONDENCE**

2011



New Mexico Energy, Minerals and Natural Resources Department

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Cabinet Secretary-Designate

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Division Director
Oil Conservation Division



MAY 26, 2011

Mr. James Read
New Mexico Salt Water Disposal Company
P. O. Box 1518
Roswell, NM 88202

**RE: SITE INVESTIGATION REPORT AND REMEDIATION PLAN
NEW MEXICO SALT WATER DISPOSAL COMPANY, INC.
SECTION 15, TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM
LEA COUNTY, NEW MEXICO**

Mr. Read:

The Oil Conservation Division (OCD) has reviewed the *Site Investigation Report and Remediation Plan* submitted on behalf of New Mexico Salt Water Disposal, Inc. (NMSWDCo.) by Whole Earth Environmental dated May 17, 2011. This document discusses a produced water release on State Land (Johnson Lease) and the initial response, presents the results of soil and ground water investigations taken at that site, and proposes a remediation plan.

OCD has briefly reviewed the report and proposal, but is not accepting the document as final. OCD has some concerns that the remediation program presented at the technical meeting on May 20, 2011 does not match the May 17, 2011 proposal. Specifically, Section V.C. (page 14) indicates that NMSWDCo. will treat hydrocarbon contaminated soil; however, Whole Earth indicated on May 20, 2011 that the hydrocarbon remediation would not occur until a later date. OCD conditionally approves the remediation procedures specified in Section V.C. NMSWDCo. must concurrently address the hydrocarbon contamination as well as the produced water contamination. NMSWDCo. must also install an additional monitor well in a background location. The well should test both the "perched" water at approximately 40' to 50' bgs as well as the deeper interval. The replacement well should off-set the monitor well sometimes referred to as MW #3, or Down Gradient Well, or South Background Well. The objective of this well is to determine whether the "perched" water and/or deeper interval contain protectable ground water.



NMSWDCo. should submit an abbreviated workplan to OCD by June 10, 2011, that addresses three items: (1) the remediation of the soil contaminated by the produced water using "Desalt Plus"; (2) the remediation of the soil contaminated by hydrocarbon; and, (3) the installation of a monitor well to determine the presence of protectable water. When preparing its workplan, NMSWDCo. should be aware that OCD does not accept "drag-down cross-contamination." Proper installation and sampling will minimize the possibility of "cross-contamination." OCD presumes that the data presented is valid and will not lightly accept a "drag-down" explanation. In addition, the abbreviated workplan must propose a post-implementation monitoring program that will enable NMSWDCo. to demonstrate, through data, that the proposed remediation is occurring in a timely manner. NMSWDCo. should be prepared to immediately implement its revised workplan.

OCD is only conditionally approving the investigation and remediation items in NMSWDCo.'s proposal. Certain items, such as fencing, must be dealt with by the State Land Office. Also, OCD defers approval on all recovery wells until the issue of whether protectable water is present at the site has been resolved. After the results from the new monitor well are reviewed, OCD will determine whether to require ground water remediation or additional investigation. OCD will allow other interested persons the opportunity to review and comment on the abbreviated workplan.

If you have any question, please contact me at (505) 476-3488.

Sincerely,

Glenn von Gonten
Acting Environmental Bureau Chief

GvG/gvg

Cc: Jami Bailey, OCD
Daniel Sanchez, OCD
Buddy Hill, OCD Hobbs
John Romero, SLO
Mike Griffin, Whole Earth
Justin Johnson, Dime and a Half Ranch
Patrick McMahon; Heidel, Samberson, Newell, Cox & McMahon