AP - 121

ABATEMENT PLAN

10/01/2015



Certified Mail #7014 1820 0001 7489 1829

October 1, 2015

Mr. Glenn von Gonten New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

RE: Submittal of New Mexico Oil Conservation Division Abatement Plan No. AP-121 Western Refining Southwest, Inc. – Wingate Plant – Gallup, New Mexico

Dear Mr. von Gonten:

On August 31, 2015, the New Mexico Oil Conservation Division submitted correspondence to Western Refining Southwest, Inc. (Western) notifying that ConocoPhillip's Abatement Plan No. AP-117 had been closed. The Wingate Plant was assigned new Abatement Plan No. AP-121. Western was instructed to submit any appropriate revisions to all remediation and/or monitoring plans by October 1, 2015.

Attached please find a copy of Abatement Plan No. AP-121. If there are any questions regarding the enclosed plan please contact Mr. Ed Riege at (505) 722-0217.

Sincerely,

Mr. William Carl McClain

Vice President and Refinery Manager

Western Refining Southwest, Inc. - Gallup Refinery

William Cal mc Clarp

cc: Ed Riege, Western Refining – Gallup Refinery Allen Hains, Western Refining - El Paso

Abatement Plan AP-121



Western Refining Southwest, Inc. Wingate Plant Gallup, New Mexico

OCTOBER 2015



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Appendix A Correspondence

Section 1 Introduction

On May 14, 2015 ConocoPhillips submitted correspondence to the New Mexico Oil Conservation Division (NMOCD) requesting the Rescission of Abatement Plan AP-117. The request was based on Western Refining Southwest, Inc. (Western Refining) purchasing the ConocoPhillips Wingate Fractionator Gas Plant, which is located two miles east of Gallup, New Mexico (Figure 1). On June 12, 2015, Western Refining requested a separate Abatement Plan number for the remediation activities at the Wingate Plant. The new Abatement Plan number (AP-121) was assigned to Western by NMOCD on August 31, 2015. The correspondence requested the appropriate revisions to all remediation and/or monitoring plans by October 1, 2015. Copies of the above referenced correspondence are submitted with this plan as Appendix A – Correspondence.

Section 2 of this plan discusses the groundwater monitoring wells at the Wingate Plant. Section 3 discusses the annual groundwater monitoring. Section 4 discusses the agency notifications. Section 5 summarizes the annual groundwater monitoring reporting requirements.

Section 2 Monitor Wells

The Wingate Plant consists of process equipment, product storage tanks and vessels, truck and rail loading facilities, a flare and associated piping.

Monitor well WMW-8 is located to the north of the Wingate Plant on Navajo Nation Land and is covered by long-term leases with Kinder Morgan/El Paso Natural Gas. All other monitor wells are located on Western Refining property. Figure 2 depicts the locations of the eight monitor wells.

2.1 Plant Perimeter

WMW-3 – Installed in 1990 to evaluate previously detected hydrocarbons in surface water samples. This monitor well is located approximately 250 feet north of the Main Plant perimeter fence.

WMW-6 – Installed in 2003 to evaluate potential up-gradient background groundwater to determine the potential location of chloride concentrations entering the site from off-site sources from the southeast. This monitor well is located at the southeast corner of the property.

WMW-7 – Installed in 2003 to evaluate potential down-gradient (west) groundwater impact from WMW-2 contaminated area. This monitor well was installed as a condition of the 2004 Ground Water Discharge Permit approval, and is located at the southwest corner of the property.

WMW-8 – Installed in 2003 to evaluate the potential for down-gradient and side-gradient groundwater impact, from WMW-3 area; and potential down-gradient groundwater impact, from the center of the Plant. This monitor well was installed as a condition of the 2004 Ground Water Discharge Permit approval.

2.2 Loading and Storage

2.2.1 Tank Farm Area

WMW-1R – Installed in 2012 to continue evaluation of potential tank or pipeline leaks in the area. This monitor well is installed at the east end of the property, northwest of the Tank Farm Area, and is used to evaluate down-gradient groundwater from the Tank Farm Area. This monitor well replaced

WMW-1, installed in 1990, which was plugged and abandoned in 2012 due to damage subsequent to pad work in the area.

2.2.2 Truck Loading Area

WMW-5 – Installed in 1993-1994 to evaluate potential impacts from a closed brine pit, located to the north, and underground gasoline lines from a decommissioned gasoline truck loading rack, located to the south. This monitor well is located within the Main Plant Area, north of the Truck Loading Area.

2.2.3 Railroad Car Loading Area

WMW-2 – Installed in 1990 to evaluate potential railroad car spillage. Hydrocarbon contamination was detected in the form of odors in soil samples beginning at a depth of three feet. It is believed this contamination is the result of a rail rack fire that occurred during the 1979/1980 time frame.

WMW-4 – Installed in 1990 to evaluate the potential for down-gradient groundwater impacts from the hydrocarbon contamination detected at the WMW-2 location.

Section 3 **Groundwater Monitoring**

All monitor wells are gauged, purged and sampled annually. Samples collected are analyzed for the following:

- Volatile Organic Compounds Method 8260;
- Semi-Volatile Organic Compounds Method 8270;
- Dissolved Metals Method 3010/6010
 - 1. Arsenic
 - 2. Barium
 - 3. Cadmium
 - 4. Calcium
 - 5. Chromium
 - 6. Lead
 - 7. Selenium
 - 8. Silver
 - 9. Sodium
- Mercury Method 7470;
- Alkalinity, Total as CaCO3 Method SM2320B;
- Total Dissolved Solids Method SM2540C;
- pH EPA Method 9040;
- Chloride, Nitrogen, Nitrate and Sulfate EPA Method 300.0; and
- Total Uranium EPA Method 200.8.

Sampling and analytical work will be performed pursuant to the EPA approved methods and Quality Assurance/Quality Control procedures. Quality assurance samples will be collected during the collection of groundwater samples. The following samples will be collected:

- Duplicate Sample A duplicate groundwater sample will be collected from one monitor well and analyzed for the full analytical suite.
- Trip Blank A trip blank will be provided by the laboratory for each cooler and will be maintained in the cooler at all times. Trip blanks are not opened. The trip blanks for each

cooler consist of two distilled water-filled 40-ml glass vials with Teflon-lined septum caps and hydrochloric acid preservative (VOA vials). The trips blanks will be analyzed for volatile organic compounds.

• Equipment Blank – One equipment blank will be collected on the first day of groundwater sampling and analyzed for the full analytical suite.

Section 4 Agency Notifications

4.1 Exceedance

Wingate Plant personnel will notify the NMOCD within 15 days of the discovery of phase-separated hydrocarbons or the exceedance of a WQCC standard in any down gradient monitoring well where separate-phase hydrocarbons were not present or where contaminant concentrations did not exceed WQCC standards during the preceding monitoring event.

4.2 Annual Monitoring

Wingate Plant personnel will notify the NMOCD, Santa Fe and local district offices, at least two weeks in advance of all scheduled activities such that the NMOCD has the opportunity to witness the events and split samples.

4.3 Repairs and Modifications

Wingate Plant personnel will secure approval from the NMOCD, Santa Fe and local district offices, prior to implementation of repairs or modifications to the groundwater monitoring systems.

4.4 Facility Closure Remediation

Remediation of groundwater and vadose zone contamination will be addressed upon closure of the facility, or at any time upon discovery the contamination begins to migrate away from the area. At that time, Wingate Plant personnel will submit a corrective action plan to the NMOCD for approval and this Abatement Plan will be revised or replaced, as necessary.

Section 5 Annual Reporting

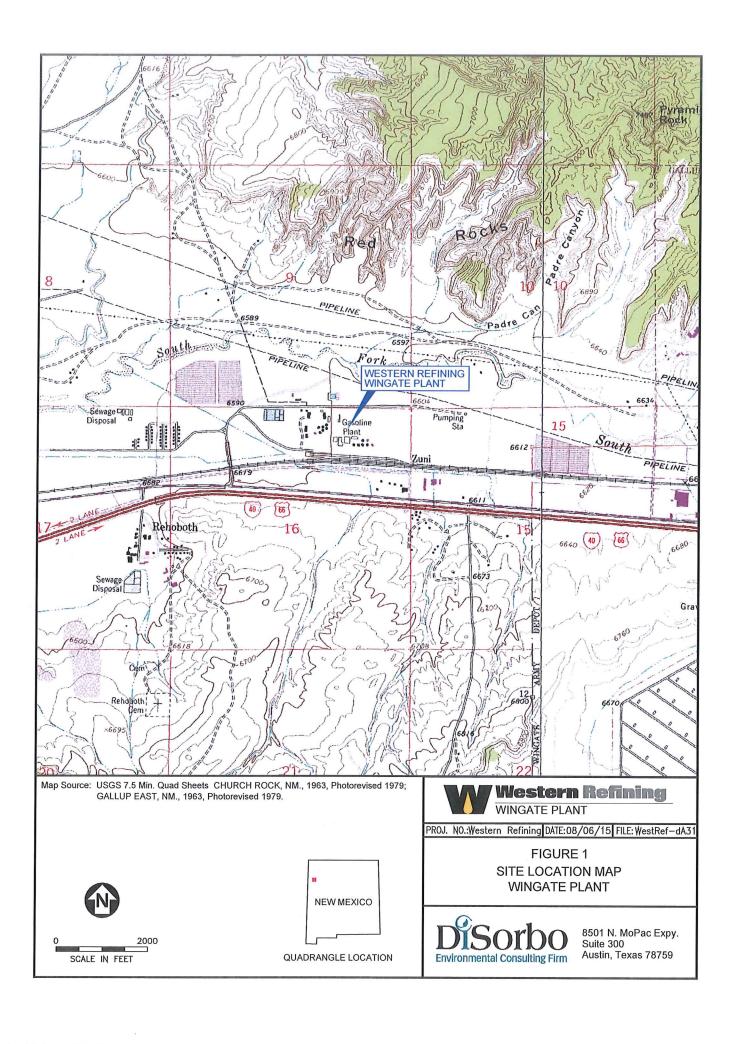
Groundwater contamination monitoring activities are reported to the NMOCD by September 15th of each year. Reports, filed in an NMOCD acceptable electronic format, contain:

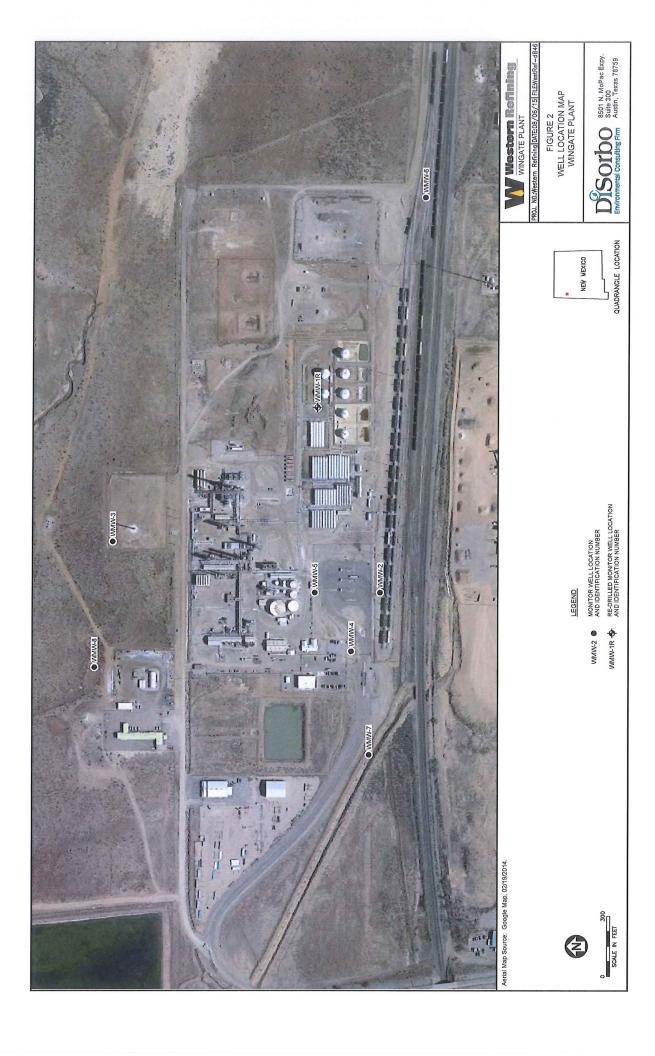
- A description of the monitoring and remediation activities that occurred during the year, including conclusions and recommendations;
- Summary tables listing laboratory analytical results of all water quality sampling for each monitoring point;
- Plots of concentration versus time for contaminants of concern from each monitoring point;
- Copies of the most recent years laboratory analytical data sheets;
- An annual water table potentiometric elevation map using the water table elevation of the groundwater in all facility monitoring wells;
- A corrected water table elevation for all wells containing phase-separated hydrocarbons;
- A map showing monitor well locations, pertinent site features, and the direction and magnitude of hydraulic gradient;
- Plots of the water table elevation versus time for each groundwater monitoring point; and
- Any WQCC constituent found to exceed the groundwater standard is highlighted and noted.

Figures

Figure 1 Site Location Map

Figure 2 Well Location Map





Appendix A Correspondence



San Juan Business Unit 3401 E. 30th Street Farmington, NM 87402-4289 (505) 326-9700

May 14, 2015

Mr. Glenn von Gonten Environmental Bureau Oil Conservation Division Energy, Minerals and natural Resources Department 1220 South St. Francis Drive Santa Fe, NM 87505

Re: Wingate Fractionator Disposition to Western Refining and Rescission of Abatement Plan No. 117 (AP-117)

Dear Mr. Glenn von Gonten,

ConocoPhillips Company (COPC) would like to inform the New Mexico Oil Conservation Division (NMOCD) that in October 2014 Western Refining Southwest, Inc. (Western Refining) purchased the ConocoPhillips Wingate Fractionator Gas Plant (Plant) which is located in McKinley County, New Mexico.

During COPC's ownership, the Plant consisted of fractionator equipment, product storage tanks and vessels, truck and rail loading facilities, two evaporation ponds, a candlestick flare, and associated piping.

The Plant was previously covered under NMOCD Groundwater Discharge permit (GW-054). In 2012, NMOCD determined that the Plant does not require a Groundwater Discharge permit and allowed the permit to expire on August 17, 2012 (see attached April 2, 2012 NMOCD letter to COPC). Due to groundwater contamination and ongoing groundwater remedial activities at the Plant, NMOCD's April 2, 2012 letter instructed COPC to continue to abate pollution of groundwater at the Plant, and assigned the Plant abatement plan case number AP-117.

Under the Purchase and Sales Agreement (PSA), Western Refining assumed responsibility for the remediation and/or monitoring activities at the Plant (including the aforementioned groundwater remedial activities under AP-117), with the exception of certain assets excluded from the October 2014 sale. Specifically, the two aforementioned evaporation ponds previously associated with the Plant were excluded in the sale to Western Refining. These two ponds are located on a separate parcel of land in relation to the rest of the Plant, and they are no longer connected to the Plant nor part its current operations. The now stand-alone evaporation ponds are completely located on Navajo Nation Tribal Trust lands and COPC is working with the Navajo Nation on the appropriate, sampling, reporting and closure requirements for the evaporation ponds.

Since COPC no longer owns or operates the Plant and is diligently working with the Navajo Nation on the appropriate closure of the Plant's former evaporation ponds, ConocoPhillips Company requests that NMOCD rescind or otherwise close AP-117. Western Refining will apply for a separate NMOCD Abatement Plan number under Western's name concerning the remedial activities and responsibilities for assets transferred to Western Refining. Finally, please note that COPC will no longer submit annual groundwater monitoring reports or evaporation pond monitoring reports to NMOCD as previously reported under AP-117.

If you have any questions or need additional information from ConocoPhillips, please contact Mr. Rick Greiner at 281-293-3264. Please also feel free to contact Mr. Allen S. Hains, Western Refining; as needed. I have provided his contact information below.

Allen S. Hains Manager Remediation Projects

Western Refining 123 W. Mills Ave. El Paso, Texas 79901 915 534-1483 915 490-1594 (cell)

Sincerery,

ConocoPhillips Company

Attachment:

1) NMOCD GW-054 letter

Cc: Allen S. Hains – Western Refining Clara Cardoza, ConocoPhillips Company



CALLUD

June 12, 2015

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

RE:

REQUEST FOR ABATEMENT PLAN NUMBER WESTERN REFINING SOUTHWEST, INC. WINGATE PLANT GALLUP, NEW MEXICO

Dear Mr. von Gonten:

Western Refining Southwest, Inc. (Western) purchased the Wingate Plant from ConocoPhillips Company (ConocoPhillips) on October 1, 2014. As part of the Purchase and Sales Agreement (PSA), Western is responsible for remediation/monitoring activities for the transferred assets.

Western requests a separate Abatement Plan (AP) number for the remediation activities at the Wingate Plant. Western will adopt portions of the Abate Plan (AP-117) dated April 30, 2014 that pertain to the transferred assets. Under the new AP number, Western will report remediation/monitoring activities in the "Annual Groundwater Monitoring Report".

If you have any questions, please contact Ed Riege at (505) 722-0217.

Sincerely,

William Carl McClain

Refinery Manager

Western Refining Southwest, Inc.

William Carl me Clans

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary David Catanach, Division Director Oil Conservation Division



AUGUST 31, 2015

Mr. William Carl McClain Refinery Manager Western Refining Southwest, Inc. 92 Giant Crossing Road Gallup, NM 87301-3833

RE: AP-121 - FORMER CONOCOPHILLIPS WINGATE FRACTIONATOR GAS PLANT

Mr. McClain:

On May 14, 2015, Ms. Clara Cardoza submitted a letter to the Oil Conservation Division (OCD) informing OCD that Western Refining Southwest, Inc. (Western Refining) had purchased the ConocoPhillips (CoP) Wingate Fractionator Gas Plant located in McKinley County, New Mexico. You informed OCD on that Western Refining had assumed responsibility for the remediation and/or monitoring activities at the Plant (including the groundwater remedial activities under AP-117), with the exception of two evaporation ponds that are located on Navajo Nation Tribal Trust land. CoP is pursuing closure with the Navajo Nation. OCD requested that CoP provide it with a copy of any closure and/or remediation plans.

On June 12, 2015, you submitted a letter that also stated that Western Refining is responsible for environmental issues at the former ConocoPhillips (CoP) Wingate Fractionator Gas Plant. Accordingly, OCD has closed CoP's AP-117 and hereby assigns AP-121 to Western. Please submit any appropriate revisions to all remediation and/or monitoring plans by October 1, 2015.

If your have any questions, please contact Glenn von Gonten at 505-476-3488.

Sincerely,

Jim Griswold

Environmental Bureau Chief

JG/gvg

Cc: Clara Cardoza, ConocoPhillips