

1R - 340

APPROVALS

YEAR(S):

2003



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

March 03, 2003

Lori Wrotenbery

Director

Oil Conservation Division

Mr. Rick Massey
Chevron U.S.A.
P.O. Box 1949
Eunice, NM 88231

Re: CDU Tract 19 OCD Case # 1R0340

Dear Mr. Massey:

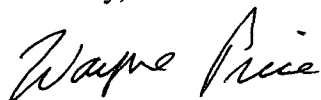
The New Mexico Oil Conservation Division (OCD) hereby approves of the
"Remediation/Clean-up Work Plan dated May 24, 2002 with the following conditions:

1. **OCD hereby approves excavation of the pit area to begin immediately.**
All Highly Contaminated/Saturated soils as defined in (OCD Pit Closure Guidelines) will be removed and disposed of at an OCD approved site. Sidewall and bottom hole soil samples shall be collected and analyzed by third party for TPH, BTEX and Chlorides, and reported to OCD.
2. Provide for OCD approval information pertaining to the liner, location, type, specifications, and installation design, including top and side view drawings of the proposed liner installation. The liner design shall incorporate an additional 10 feet laterally beyond any on-site contamination found. Backfill and cover soils shall be deemed clean and properly compacted to industry standards.
3. Please re-evaluate the groundwater direction at the site. Using simple graphic vector analysis the gradient appears to have more of a southerly direction than what was indicated in the May 25, 2002 submittal "Additional Site Investigation CDU Tract 19".
4. OCD feels the on-site monitor well #2 is too close to the pit to be deemed an up gradient well. Install an up gradient monitor well at least 300 feet up gradient from the site. Install, construct, develop, purge and sample pursuant to previously approved EPA methods and procedures.

5. Please provide in greater detail how the liner will be protected in the foreseeable future. Include detail tangible and institutional long-term controls.
6. The vertical extent of the contamination was not totally defined. The investigation report indicates that contamination (TPH 12,900 mg/kg) was found at a depth of 70 feet below ground level. OCD is concerned that groundwater may be impacted below the site. Please determine the total extent of contamination after the pit source material has been removed.
7. Notify the OCD Santa Fe office and the OCD District office at least 72 hours in advance of all scheduled activities such that the OCD has the opportunity to witness the events and/or split samples during OCD's normal business hours.
8. Model Information Request: Please provide additional simulations to estimate chloride concentrations accounting for saturated aquifer depth or well screen depth below the water table.

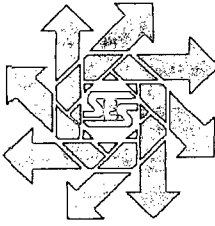
If you have any questions please do not hesitate to contact me at 505-476-3487 or E-mail WPRICE@state.nm.us.

Sincerely,



Wayne Price- Engineer

cc: OCD Hobbs Office
Mr. Leo V. Sims II



P.O. Box 1613
703 E. Clinton Suite 102
Hobbs, New Mexico 88240
505/397-0510
Fax 505/393-4388
www.sesi-nm.com

Safety & Environmental Solutions, Inc.

June 7, 2002

Mr. Wayne Price
Engineer
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RECEIVED
JUN 10 2002
Environmental Bureau
Oil Conservation Division

Dear Wayne:

Enclosed please find the report of Additional Investigation and Revised Work Plan for the CDU Tract 19 being submitted on behalf of Chevron Texaco.

The report details the installation of additional monitor wells and the associated sampling as well as the background chlorides sampling. The Revised Work Plan details the procedure Chevron Texaco would like to employ to gain closure on the subject site.

If you have any questions, or I can be of further assistance please contact me at (505) 397-0510.

Sincerely,

Bob Allen CHMM, REM, CET, CES
President

Price, Wayne

From: Price, Wayne
Sent: Tuesday, February 25, 2003 1:14 PM
To: Bob Allen (E-mail)
Subject: Chevron CDU TRACT 19 1R0340

Dear Bob:

Can you tell me the status of this project? I have reviewed the documents and I am concerned that the up-gradient well is too close to the site to actually call it an up-gradient or background well. Also have you excavated and removed any waste material yet?

Sincerely:



Wayne Price
New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505
505-476-3487
fax: 505-476-3462
E-mail: WPRICE@state.nm.us

Price, Wayne

From: Price, Wayne
Sent: Tuesday, January 22, 2002 10:19 AM
To: 'Bob Allen'
Cc: Sheeley, Paul; Johnson, Larry
Subject: RE: CDU Tract 19

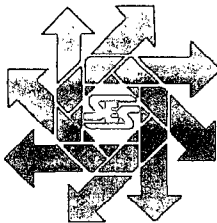
The OCD approves of the submitted plan dated January 18, 2002 with the following condition(s).

1. Notify the OCD Santa Fe office and the OCD District office at least 72 hours in advance of all scheduled activities such that the OCD has the opportunity to witness the events and/or split samples during OCD's normal business hours.
2. The monitor well(s) shall be constructed, developed and sampled as previously approved. At a minimum the initial sampling shall include BTEX, WQCC metals and General Chemistry all per EPA methods.
3. Provide the revised work plan by March 22, 2002.

Please be advised that NMOCD approval of this plan does not relieve Chevron of liability should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve Chevron of responsibility for compliance with any other federal, state, or local laws and/or regulations.

-----Original Message-----

From: Bob Allen [mailto:ballen@sesi-nm.com]
Sent: Friday, January 18, 2002 9:39 AM
To: wprice@state.nm.us
Subject: CDU Tract 19



P.O. Box 1613
703 E. Clinton Suite 102
Hobbs, New Mexico 88240
505/397-0510
Fax 505/393-4388
www.sesi-nm.com

Safety & Environmental Solutions, Inc.

January 18 2002

Mr. Wayne Price
Engineer
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Wayne:

This letter is in response to your letter to Chevron USA of December 28, 2001.
In that letter, you requested information regarding the following issues:

1. Vertical Extent
2. Chloride levels exceeding standard
3. Conflicting work plans
4. No defining levels for material to be left in place
5. Protection for the liner
6. Need for a drawing detailing liner installation and further delineation of chlorides outside the area

Vertical Extent – Bore hole #7 was drilled to a depth of only 70' because of auger refusal. Given the depth to groundwater at the site, the best course may not be to drill deeper within the confines of the bermed area. The risk of contamination of groundwater by drilling appears to be a consideration. The alternative would be to install two (2) monitor wells, one due north of the site and one to the southwest of the site. This procedure will enable us to ascertain the direction of flow for the groundwater under the site and yield contamination information which will help determine if this site is a cause of any contamination in the groundwater.

Chloride levels – the installation of the additional monitor wells will yield appropriate information to evaluate the groundwater under the site.

Conflicting work plans – we are aware of the conflicting recommendations that were submitted, however, Chevron will submit a more complete work plan along with the appropriate sampling results indicating groundwater quality under the site after installation of the additional monitor wells.

No defining levels for material to be left in place – the plan which will be submitted after the additional investigation, will include defining levels of contamination that may be left in place, if any.

Protection for the liner – a permanent marker may be placed on the site to warn of the underground liner after installation.

Need for a drawing detailing liner installation and further delineation of chlorides outside the area – detailed drawings will be generated and submitted to satisfy this requirement. Also, we will attempt to solicit information regarding the useable life of the liner from the manufacturer. Additional shallow testing will be performed on the surrounding area further delineate the chloride contamination outside the pit area. .

Chevron is prepared to install the additional monitor wells immediately and submit the revised work plan in order for you to continue your evaluation of this project. During this evaluation, please note that the Vadsat modeling runs for chlorides indicate that the levels encountered in the bore holes will not migrate to groundwater within the next 200 years.

Thank you for your prompt attention to this matter. If you have any questions, or I can be of further assistance please contact me at (505) 397-0510.

Sincerely,

Bob Allen CHMM, REM, CET, CES
President



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

December 28, 2001

Lori Wrotenbery
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 5357 7270

Mr. Rick Massey
Chevron U.S.A.
P.O. Box 1949
Eunice, NM 88231

Re: CDU Tract 19 OCD Case # 1R0340

Dear Mr. Massey:

The New Mexico Oil Conservation Division (OCD) is in receipt of the Site Investigation, including an extensive Vadsat Modeling of Contaminant Movement program results, and Remediation/Cleanup Work Plans for the above captioned site. In order for OCD to continue the evaluation of the submitted plans please address the following issues:

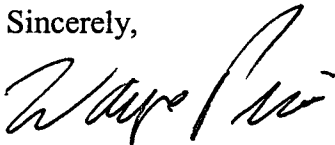
1. The vertical extent of the contamination was not totally defined. The investigation report indicates that contamination was found as deep as 70 feet below ground level. OCD is concerned that groundwater may be impacted directly below the site.
2. The groundwater analytical results from the installed monitor well exceeds the groundwater standard for chlorides. The plan addressed regional groundwater issues, but did not address the groundwater more specific to the site. OCD is concerned that only one monitor well may not adequately define the groundwater conditions beneath and/or around the site.
3. The Investigation report (FEB 09, 2001) Section V. recommends installation of a liner with clean back-fill to be placed on top of the liner. Work Plan (Feb 19, 2001) changes the plan and proposes that stabilized source material will be backfilled on top of the liner. The plan does not define what "stabilized source material" consists of, or how possible contaminants from the source material above the liner will be controlled from leaching up or off of the liner.
4. The Work Plan (Feb 19, 2001) section VI. Action Plan – Closure: "Indicated the site will be excavated both horizontally and vertically for the removal of the most highly contaminated oily soils (source material)." What rational will be used to determine when excavation will cease? The plan does not provide delineation levels for TPH, BTEX or Chlorides during excavation.

Mr. Rick Massey
December 28, 2001
Page 2

5. The plan did not address how the buried liner will be protected in the future.
6. The final work plan did not have a figure or scaled drawing showing where the excavation will take place or detail drawing of liner type or installation. In addition, OCD is concerned that chloride contamination may be outside of the proposed liner area.

If you have any questions please do not hesitate to contact me at 505-476-3487 or E-mail WPRICE@state.nm.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Wayne Price". The signature is fluid and cursive, with the first name "Wayne" being more prominent than the last name "Price".

Wayne Price- Engineer

cc: OCD Hobbs Office
Mr. Leo V. Sims II