

GENERAL CORRESPONDENCE

YEAR(S): 2006-2005



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor

Joanna Prukop Cabinet Secretary Mark E. Fesmire, P.E. Director Oil Conservation Division

November 17, 2006

Certified Mail Return Receipt #:

Ms. Karen R. Bailor Exxon Mobile Refining & Supply Global Remediation 2800 Decker Drive, Rm. NW-46 Houston, Texas 77520

Re: State ZZ Lease, Lea County, New Mexico (N 32.85060 W –103.50082) Violations of OCD Rule 116.A, B, C, D [19.15.3.116 NMAC] and NMSA 1978, Section 70-2-31(B)

NOTICE OF VIOLATION (1-06-19)

Dear Ms. Bailor:

On Friday, August 18, 2006, New Mexico Oil Conservation Division (hereinafter "OCD") Oil and Gas Inspectors (Carl Chavez and Larry Johnson) visited the Exxon-Mobile Corporation (hereinafter, "Exxon Mobile") ZZ Lease, at the location where an unauthorized pipeline release occurred on July 18, 2003 (hereinafter, "site").

A. Background:

Upon being made aware of this unauthorized release, the OCD contacted Exxon-Mobile. Pursuant to OCD Rule 116.A, B and D, the OCD requested that Exxon-Mobile submit a C-141, i.e., a Release Notification and Corrective Action Form, and a remediation plan to address the July 18, 2003 unauthorized release. In response, Exxon-Mobile submitted a C-141, dated January 28, 2005. The C-144 reported that on July 18, 2003, there had been a release of four barrels of "sweet crude oil" at the site. No remediation plan was provided.

Based on the size of the excavation and the amount of excavated soil at the site, OCD Inspector Larry Johnson disagreed with the volume of the spill as reported by Exxon-Mobile. Inspector Johnson believes the spill to have been much larger than four barrels. In Ms. Karen R. Bailor Exxon-Mobile Corporation November 17, 2006 Page 2

fact, he believed it to be a major spill. Therefore, he denied the C-141 and returned it to Exxon-Mobile, requesting that it be reviewed for accuracy.

Exxon-Mobile returned the C-141 to the OCD, maintaining the amount of the spill was only four barrels. Prior to March 1, 2005, the OCD twice again denied and returned the C-141 to Exxon-Mobile, requesting it review the C-141 for accuracy; each time Exxon-Mobile returned the C-141 without changes. A remediation plan was finally provided to the OCD in November 2005 and conditionally approved by the OCD on January 18, 2006. Even so, the spill is not remediated.

It has now been more than three years since the spill and more than twenty-one months since Exxon-Mobile sent the C-141 to the OCD. On August 18, 2006, OCD Inspector Johnson again visited the site with Carl Chavez, an OCD Environmental Engineer. They found that the excavation site remains open. There are still stained soils beneath the pipeline and large mounds of excavated soil, stained and smelling strongly of hydrocarbons, piled directly on the ground, without a protective lining. Remediation efforts are clearly inadequate and incomplete.

At the time of the August visit, Larry Johnson and Carl Chavez collected surface soil samples from beneath the leaking pipeline. Test results show the soil to be contaminated with petroleum hydrocarbons. *(See Attachment 1, analytical data results.)* Test results show concentrations of diesel and motor oil range organics are as high as 33,000 and 16,000 mg/kg, respectively.

B. OCD Rules and State Statutes:

- 1. OCD Rule 116.A [19.15.3.116 NMAC] requires the operator notify the OCD of any unauthorized release "occurring during the drilling, producing, storing, disposing, injecting, transporting, servicing or processing of crude oil, natural gases ... or other oil field related chemicals, contaminants or mixture thereof."
- 2. Pursuant to OCD Rule 116.B, a major release is defined to be an unauthorized release greater than 25 barrels, or any volume which results in a fire, or will reach a water course, or may, with reasonable probability, endanger public health, or result in substantial damage to property or the environment. A major release must be reported to the OCD by giving both immediate (within 24 hours) verbal notification and timely (within 15 days) written notice to the OCD.

Ms. Karen R. Bailor Exxon-Mobile Corporation November 17, 2006 Page 3

- 3. OCD Rule 116.D requires that the operator must also submit a remediation plan to the OCD, which plan is subject to the OCD's review and approval. The spill must then be remediated in accordance with the OCD approved remediation plan.
- 4. NMSA 1978, §70-2-31(A) authorizes penalties of **up to one thousand dollars** (**\$1,000.00**) **per day per violation** for any knowing and willful violation of any provision of the Oil and Gas Act or any rule adopted pursuant to the Act.
- 5. NMSA 1978, Section 70-2-31(B) provides that it is unlawful, subject to a criminal penalty and fine, to knowingly and willfully make any false entry or statement in a report, record or account required by the OCD, or to omit or cause to be omitted from any such record, account or memorandum a full, true and correct entry for the purpose of evading or violating the Oil and Gas Act or any rule, regulation or order of the commission or the division issued pursuant to that act.

C. Violations:

- 1. Exxon-Mobile knowingly and willfully violated OCD Rule 116.B by failing to verbally notify the OCD of a major release that occurred on July 18, 2003. The OCD recommends a penalty of **Three Thousand Dollars** (**\$3,000.00**) for this violation. The penalty is based on \$1,000.00 for each six-month period that Exxon-Mobile failed to report the release and the OCD remained unaware of the release.
- Exxon-Mobile knowingly and willfully violated OCD Rule 116.B by failing to give timely written notification to the OCD of the release occurring on July 18, 2003. The OCD recommends a penalty of **Three Thousand Dollars (\$3,000.00)** for this violation. The penalty is based on \$1,000.00 for each six-month period that Exxon-Mobile failed to report the release and the OCD remained unaware of the release.
- 3. Exxon-Mobile knowingly and willfully violated OCD Rule 116.D by failing to timely submit a remediation plan and to complete remediation in accordance with an OCD approved plan. This constitutes two (2) OCD Rule 116.D violations. The OCD recommends a penalty of **Eleven Thousand Dollars (\$11,000.00)** for these two violations, based on \$1,000.00 for each of the two violations for each six-month period that no remediation plan was submitted or remediation completed.
- 4. In violation of 1978 NMSA, Section 70-2-31(B)(2)(a), Exxon-Mobile knowingly and willfully reported false information on the January 28, 2005 C-141 by reporting a minor four-barrel release instead of a major release. It also reported false remediation actions it claimed to have taken. It twice again reported false information to the OCD in resubmitting the C-141 with the same incorrect information.

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Ns. Karen R. Bailor Eccon-Mobile Corporation November 17, 2006 Pige 4

Based on the above listed violations, the OCD recommends a penalty of Five Thousand Dollars (\$5,000.00) for each knowing and willful underreporting of the volume of the spill and another Five Thousand Dollar (\$5,000.00) penalty for each knowing and willful reporting of false remediation actions on each of the three C-141 forms submitted to the OCD, for a total of a **Thirty Thousand Dollar** (\$30,000.00) penalty for violating 1978 NMSA, Section 70-2-31(B)(2)(a).

Eccon-Mobile Corporation's conduct warrants issuance of this **Notice of Violation** and assessment of civil penalties, pursuant to NMSA 1978, §70-2-31(A) and (B), for violations of the OCD rules and statute, as described above.

Because the rule violations at issue are serious and occurred over a period of time, the OCD Hobbs District Office believes at this time a **Forty-seven Thousand Dollar** (\$47,000.00) civil penalty and a definite commitment to future corrective action is essential. This penalty is based on two violations, assessed every six months, of OCD Rule 116.B (failure to give immediate and timely written notice of the release); two violations, assessed every six months, of OCD Rule 116.D (failure to submit a remediation plan and failure to remediate in accordance with an approved plan); and two violations for each of the three submitted C-141 forms of NMSA 1978, Section 70-2-31(B)(2)(a).

Please contact me within ten (10) days at 505-476-3493 to schedule an administrative conference to discuss this matter. OCD legal counsel may be present by telephone for this conference and you may bring legal counsel if you wish. The purpose of the administrative conference is to discuss the facts surrounding this notice of violation, and to determine if the matter can be resolved administratively through an agreed compliance order.

If the matter cannot be resolved administratively, the OCD may take further enforcement action, which may include an enforcement hearing before an OCD hearing examiner.

Thank you for your assistance in this matter. If you have any questions, please do not hesitate to contact me.

Very truly yours,

Daniel Sanchez OCD Compliance Manager

Ms. Karen R. Bailor Exxon-Mobile Corporation November 17, 2006 Page 5

cc: Gail MacQuesten, OCD Assistant General Counsel Cheryl O'Connor, OCD Assistant General Counsel Carl Chavez, OCD Environmental Engineer Chris Williams, District I Supervisor Larry Johnson, District I Inspector



September 28, 2006

2135 S. Loop 250V/esi Midland, Texas 79705 Telephone. (432) 686-0086 Flax. (432) 686-0186 https://www.energono.cs/th

Reference No. 041687

Mr. Larry Johnson New Mexico Oil Conservation Division, District 1 1625 North French Drive Hobbs, New Mexico 88240 Via Certified USPS Mail

Re: Re-submittal of August 9, 2006 Correspondence
Request for Extension - Remediation Plan Approval
Mobil State ZZ
Crude Oil Pipeline Release Site
Section 7, T-17-S, R-35-E
Lea County, New Mexico

Dear Mr. Johnson:

This is a follow up and re-submittal of an August 9, 2006 correspondence that was submitted to your office. As of this date, ExxonMobil Refining & Supply - Global Remediation (EMGR) has not had any response from the landowner since that letter of August. We are concerned about progress, and are requesting formal extension and help with landowner from your agency.

The Remediation Plan Proposal submitted to the New Mexico Oil Conservation Division (OCD) by Conestoga-Rovers & Associates (CRA) on behalf of EMGR for the subject property was approved for 90 days in an OCD correspondence dated January 18, 2006 (attached). A chronology summarizing project events and landowner contact activities pertaining to the Mobil State ZZ site is also attached to this correspondence.

Repeated attempts by EMGR to obtain access from the landowner to implement OCD-approved remedial activities have not been successful. Consequently, CRA, on behalf of EMGR would like to request the assistance of your department in implementing the remediation of the Mobil State ZZ site. Specifically, ExxonMobil respectfully requests that the department consider: (1) Granting an extension to the timeframe to complete the Remediation Plan Proposal, and (2) Preparing a written request to Eidson Ranch (property landowner) to participate in negotiations allowing EMGR access to the Mobil State ZZ site. The landowner representative is Mr. tack Ward whose telephone number is 432-684-8003 and address is 1031 Andrews Highway, Suite 425c, Midland, Texas, 79701.

CRA is prepared to move forward on this Remediation Plan Proposal pending resolution of the aforementioned site issues. I am available to discuss this matter with you in greater detail at 432-686-0086 or via email at <u>tlarson@craworld.com</u> or contact Deb Edwards, EMCR project manager at 281-834-8963.

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Worldwide Engineering, Environmental, Construction, and IT Services $\widetilde{T}^{\rm Con} = V \odot V \widetilde{T}$



CONESTOGA-ROVERS & ASSOCIATES 2135 S. Loop 250V/est Midland Texes 79705 Tetephone: (432) 686 0086 Imp⁻⁷www.sraapid.co

Fax. (432)686-0186

Respectfully Submitted, Conestoga-Rovers & Associates

M. Christer, C Lucie Clores

Thomas C. Larson Midland Branch Manager

Attachments: NMOCD Correspondence dated January 18, 2006 Site Chronology – Mobil State ZZ

Cc: Ms. Deb Edwards – EMGR Mr. Brian Magruder – ExxonMobil Pipeline Company Mr. Terry James – ExxonMobil Pipeline Company

September 28, 2006 Mobil State ZZ Request for Exension - Remediation Plan Approval Page 2

PACE COF 5

Site Chronology

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ExxonMobil ZZ State Pipeline Release Site NW/4 Section 7, T-17-S; R-35-E Lea County, New Mexico-CRA Job Number 041687

July 18, 2003	Pipeline release occurred on EMPCo 4-mch gathering time - Initial excavation and pipeline repair activities performed at site by unknown third party.
December 2003 to January 2004	Remedial activities including soil excavation and stockpiling performed at site by B&H Construction on behalf of EMPCo. Collected soil samples to exhibit concentrations above 5,000 mg7kg TPH – Approximately 2- 3,000 cy of materials stockpiled onsite. Remedial excavation dimensions approximately 90-feet by 75-feet with a maximum depth of 5.5 feet.
Summer 2004	Soil Assessment Workplan generated by CRA to investigate soil impacts. Negotiated and executed site access agreement with landowners to perform soil assessment activities (only).
November 2004	Wet weather postpones scheduled soil assessment (drilling) event.
January 12, 2005	CRA installs eight soil borings at site. Groundwater was not encountered in any of the soil borings. Vertical and horizontal extent of hydrocarbon impacts effectively assessed.
January 28, 2005	NMOCD Form C-141 submitted to agency. Release reported as a four barrel spill.
March 3, 2005	Soil Assessment Report by CRA submitted to Exxon, NMOCD, Centurion and landowners.
November 14, 2005	Final Soil Remediation Workplan submitted to Exson. NMOCD, Centurion and landowners.
January 18, 2006	NMOCD conditionally approves Soil Remediation Workplan for 50 day period (to April 18, 2006).
February 16, 2006	Site meeting with Exxon. CRA, Centurion and landowner to review proposed remedial activities.
March 27, 2006	Exxon (Terry James) correspondence to Lewis (attorney representing landowners) presenting "access and damage agreement" for proposed remedial actions.
March 30, 2006	Lewis correspondence to Exxon (James) listing six comments to workplan, damages/material replacement costs and activities, etc. Lewis did not directly comment on "access and damage agreement".
April 14, 2006	Exxon (James) correspondence to Lewis in response to March 30 letter commenting on selected items relating to damages and proposed work activities.
April 18, 2006	NMOCD approval deadline for Soil Remediation Workplan activities.

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May 14, 2006	FXXon (Terry James) correspondence to Lewis as a Johnwrup to April 14 inquiry regarding damages and access agreement submitted for consideration.
hune 12, 2006	Exxon (Terry James) correspondence to Lewis as a follow up to May 11 inquiry regarding damages and access agreement submitted for consideration.
1 <i>ab</i> , 13, 2006 -	Exxon (ferry James) correspondence to Lewis as follow up to have D inquiry regarding damages and access agreement submitted for consideration.
Juiv 25, 2008	Exxon (Terry James) phone call thessage) as follow up to July 13, correspondence regarding damages and access agreement submitted for consideration.
, August ⁹ , 2006	Correspondence sent to NMOCD District 1 in Holebs via certified non- (from CRA on behalf of ExxonMobil), detailing unsuccessful efforts to obtain site access from landowner. Also requested agency to consider extension of timetrame to complete Remediation Plan Proposal and assistance by preparing written request to landowners to participate in access negotiations.
September 28, 2006	Correspondence to NMOCD (second submittal) as follow up to August 9, 2006 submittal.

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NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Juanna Prukop

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Mark E. Fesmire, P.E. Ducetor Oil Conservation Division

January 18, 2006

Ms. Deborah Edwards <u>deborah a.edwardsrif exponenceil.com</u> ExxonMobil R&F GR 2800 Decker Dr. Room NW 46 Houston, TX, 77520

 Remediation Work Plan Approval: Mobil State ZZ Site Reference: Sec-7 T-17S R-35E Initial C-141 Dated: January 28, 2005 Reported Spill Occurrence Date: July 18, 2003 Request Plan Dated: November 14, 2005

Dear Ms. Edwards.

The Remediation Plan Proposal submitted to the New Mexico Oil Conservation Division (OCD) by Conestoga-Rovers & Associates (CRA) for ExxonMobil R&F GR (EM) is hereby approved for 90 days with the following considerations:

- Immediate letter of confirmation to OCD designating CRA as agent for EM regarding this site
- 48 hour notification to OCD prior to initiation of work activity
- 48 hour notification to OCD prior to final sampling events
 - Report to OCD lab tests of the current stockpiles for TPH and chlorides prior to having
- Backfill material will be tested for chlorides, submitted to OCD for approval prior to commencing backfill operation

Please be advised that OCD approval of this plan does not relieve EM Pipeline of responsibility should their operations fail to adequately investigate contaminants that threaten ground water, surface water, human health or the environment. Additionally, OCD approval does not relieve EM of responsibility for compliance with any other federal, state, or local laws and/or regulations.

If you have any questions or need assistance please call (505) 393-6161, x111 or e-mail lwjohnson@state.nm.us

Sincerely.

- The Harrison

Larry Johnson - Environmental Engineer

Cc: Roger Anderson – Environmental Bureau Chief Chris Williams - District I Supervisor Paul Sheeloy – Environmental Engineer

> Oil Conservation Division * 1625 N. French Drive * Hobbs, New Mexico 88/340 Phone: (505) 393-6161 * Eax (505) 393-0720 * http://wyscienturgl.dule.phons

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Formerly BNC Environmental Services

November 14, 2005

2135 South Loop 250 West Midland, Texas 79703 Telephone: (432) 686-0086 Fax: http://www.craworld.com

Fax: (432) 686-0186

Reference No. 041687

Mt. Deb Edwards **ExonMobil Refining and Supply Global Remediation** 2800 Decker Dr., Room NW-46 Houston, Texas 77520

Re Soil Remediation Workplan Mobil State ZZ Crude Oil Pipeline Release Site Section 7, T-17-S, R-35-E Lea County, New Mexico

Ms. Edwards:

Enclosed are two final copies of the Soil Remediation Workplan for the Mobil State ZZ site in Lea County, New Mexico prepared by Conestoga-Rovers & Associates (CRA) on behalf of ExxonMobil Refining and Supply Company – Global Remediation (EMGR). The extra copy may be utilized by others, at your discretion, to facilitate anticipated negotiations with the landowner. Note we are sending copies to the NMOCD, Centurion Pipeline L.P. and Eidson Ranch under separate cover.

Also enclosed is an electronic version of the document for your records.

If you have any questions, please contact the CRA Midland office at (432) 686-0086.

Yours truly,

CONESTOGA-ROVERS & ASSOCIATES

Thomas Clayon

Thomas C. Larson Senior Project Geologist

11/14/05 Encl.

> Equal Employment Opportunity Employer

Worldwide Engineering, Environmental, Construction, and IT Services

SOIL REMEDIATION WORKPLAN

MOBIL STATE ZZ CRUDE OIL PIPELINE RELEASE SITE SECTION 7, T-17-S, R-35-E LEA COUNTY, NEW MEXICO

Prepared For:

Ms. Deb Edwards **EXXONMOBIL REFINING AND SUPPLY GLOBAL REMEDIATION** 2800 Decker Dr., Room NW-46 Baytown, Texas 77520

> Prepared by: Conestoga-Rovers & Associates

(Formerly BNC Environmental Services, Inc.)

2135 S. Loop 250 West Midland, TX 79705

Office: (432) 686-0086 Fax: (432) 686-0186

web: http://www.CRAworld.com

NOVEMBER 14, 2005 Ref. no. 041687

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1.0 INTRODUCTION

This Soil Remediation Workplan presents site remediation and restoration activities for the former ExxonMobil Pipeline Company (EMPCo) Mobil State ZZ pipeline release site. The proposed activities are based on the findings of a soil assessment conducted by Conestoga-Rovers & Associates (CRA; formerly BNC Environmental Services, Inc.) on January 12 and 13, 2005. The soil assessment activities were performed on behalf of ExxonMobil Refining and Supply – Global Remediation (EMGR).

The Mobil State ZZ crude oil pipeline release site (hereafter referred to as the "Site") is located in eastern Lea County, New Mexico and the legal description of the Site is the NW/4 of Section 7, T-17-S, R-35-E (FIGURE 1). The surface property is owned by Eidson Ranch, Incorporated. The gathering pipeline was operated by EMPCo until its purchase by Trojan Pipeline L.P. (Trojan) in February, 2004. Trojan subsequently changed their name to Centurion Pipeline L.P. (Centurion) in July, 2004. The gathering pipeline is currently operated by Centurion. A crude oil release from the 4-inch gathering line occurred on July 18, 2003. The release information is documented in a correspondence dated January 28, 2005 from EMPCo to Mr. Larry Johnson of the New Mexico Oil Conservation Division (NMOCD) District 1 office. Initial excavation, pipeline repair, and soil assessment activities performed at the Site were presented in the *Soil Assessment Report* prepared by CRA, dated March 3, 2005. The document was submitted to the appropriate NMOCD, landowner and Centurion representatives.

Initial excavation activities and pipeline repair activities were performed at the Site by an unknown third party. Previous investigations included excavation activities initiated by B&H Environmental Services (B&H) on December 22, 2003, on behalf of EMPCo. On January 8, 2004, B&H ceased excavation activities at the request of EMPCo. The resulting excavation measured 90-feet by 75-feet with a maximum depth of 5.5-feet. B&H collected two composite soil samples from the excavated area and three composite soil samples from stockpiled soils at the Site. All samples exhibited total petroleum hydrocarbon concentrations (TPH) above 5,000 milligrams per kilogram (mg/Kg) and NMOCD soil remediation standards. Approximately 2,000 to 3,000 cubic yards of soil were stockpiled onsite.

On January 12, 2005, CRA mobilized to the Site and conducted soil assessment activities including the installation of eight soil borings (SB-1 through SB-8) as presented in FIGURE 2. Of the eight borings advanced at the Site, only the two borings situated within the remedial excavation exhibited hydrocarbon concentrations above the NMOCD recommended remediation action levels (RRALs; see Section 2.0). The 9- to 10-foot sample in SB-1 exceeded TPH gasoline range organics/diesel range organics (GRO/DRO) RRAL with a concentration of 130.62 mg/Kg. The 9- to 10-foot and 14- to 15-foot samples in SB-2 exceeded TPH (GRO/DRO) and total benzene, toluene, ethylbenzene and xylene (BTEX) RRAL with concentrations ranging from 1,260 to 4,700 mg/Kg and 83.550 to 250.300 mg/Kg, respectively. The bottom 10-feet (at a minimum) of each boring did not exhibit BTEX or TPH (GRO/DRO) concentrations above laboratory detection levels. The results of the soil assessment activities performed at the Site demonstrated that the vertical and horizontal extent of the hydrocarbon-impacted soils has been delineated at the sampled locations. In addition, groundwater was not encountered in the eight soil borings advanced at the Site.

2.0 REGULATORY FRAMEWORK AND SITE CLASSIFICATION

The NMOCD has regulatory jurisdiction over oil and gas production operations including crude oil pipeline spills and closure activities in the State of New Mexico. This project is conducted under the regulatory jurisdiction of the NMOCD, which requires the vadose zone shall be abated so that water contaminants in the vadose zone will not, with reasonable probability, contaminate groundwater or surface water (toxic pollutants as defined in 20.6.2.7 New Mexico Administration Code (NMAC) shall not be present) through leaching, percolation, or other transport mechanisms (19.15.1.19 NMAC, Subsection B, Paragraphs 1 and 2). The NMOCD hydrocarbon soil remediation levels are determined by ranking criteria on a site-by-site basis, which is outlined in the NMOCD *Guidelines for Remediation of Spills, Leaks, and Releases*, dated August 13, 1993. The ranking criteria are based on three site characteristics: depth to groundwater, wellhead protection, and distance to surface water.

Groundwater information obtained from the New Mexico State Engineer's Office and a water well search presented in the *Soil Assessment Report* (March 3, 2005) indicated that the depth-to-groundwater at the Site is approximately 60-feet below ground surface (bgs). Information collected as part of the soil assessment illustrated that the base of hydrocarbon impacts above regulatory levels is approximately 15- to 20-feet bgs. Based on these Site characteristics and associated NMOCD-ranking criteria presented in the table below, the following soil hydrocarbon remediation levels are applicable at the Site: benzene- 10 parts-per-million (ppm), BTEX - 50 ppm and TPH- 100 ppm. Analytical results for soil data are reported in mg/Kg, which are equivalent to the ppm reporting units. Note that the depth to groundwater characteristic is defined by the NMOCD as "the vertical distance from the lowermost contaminants to the seasonal high water elevation of the groundwater."

CHARACTERISTIC	SELECTION	SCORE
Depth to Groundwater	<50 feet	20
Wellhead Protection Area	>1,000 feet	0
Distance to Surface Water	>1,000 feet	0

Ranking Criteria and Scoring

Γ	0	tal	Score=	20
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Contaminant of Concern	>19 Score	10-19 Score	0-9 Score
Benzene (mg/Kg)	10	10	10
Total BTEX (mg/Kg)	50	50	50
TPH (mg/Kg)	100	1,000	5,000

Soil Recommended Remediation Action Levels

3.0 SOIL REMEDIATION WORKPLAN

This Soil Remediation Workplan proposes tasks to remove hydrocarbon-affected soils and perform restoration activities at the Site. The workplan is based upon existing Site conditions and associated NMOCD guidance documents.

The soil assessment activities performed by CRA effectively delineated the horizontal and vertical extent of hydrocarbon-affected soils in accordance to NMOCD regulatory guidance. Analytical results indicate that the majority of affected soils at the Site are concentrated in a 70-foot by 130-foot area surrounding a 4-inch gathering pipeline. The vertical extent of affected soils at that location generally ranges from approximately 10- to 15-feet bgs. Soil boring cross-sections presented in this workplan (FIGURES 3, 4 and 5) illustrate the nature and extent of vertical and horizontal hydrocarbon-affected soil at the Site. The figures also present proposed excavation areas based on the soil boring data. The soil assessment activities demonstrated that hydrocarbon-affected soils did not extend to groundwater at the sampled locations.

The primary objective of this Soil Remediation Workplan is to remove the affected soils from the Site that exhibit hydrocarbon concentrations above NMOCD regulatory guidelines and obtain written acknowledgement from the NMOCD regarding the implemented soil remediation workplan activities warrant no further action at the Site. Hydrocarbon-affected surficial soils stockpiled at various locations are also targeted for removal from the Site. The proposed excavation area, soil staging area, and site details are presented on FIGURE 6. Excavated soils are scheduled for transportation to the J & L Landfarm in Hobbs, New Mexico (J&L).

This Remedial Workplan includes the following tasks:

- Task 1 Site Preparation
- Task 2 Excavation Plan
- Task 3 Soil-Staging Activities
- Task 4 Confirmation Soil Sampling Plan
- Task 5 Waste Management
- Task 6 Site Restoration
- Task 7 Site Closure Report

The following sections outline the general tasks proposed for this Remedial Workplan. The findings of the remediation activities will be presented in a Site Closure Report for the Mobil State ZZ site.

Task 1 – Site Preparation

Several Site preparation activities will be required in advance of the removal of affected soils from the Site. Upon notification to proceed with the Soil Remediation Workplan activities by EMGR, CRA will mobilize the appropriate equipment to the Site and initiate site preparation and remedial activities.

Access Agreement

A *Site Access and Damage Assessment Agreement* was presented to the property owner representatives on August 19, 2004. The representatives submitted the agreement to EMRS on September 13, 2004 (via BNC). CRA understands that the agreement was limited to soil assessment activities and an additional access and damage assessment agreement will be required for the current soil remediation activities.

Health and Safety Plan

The project specific Health and Safety Plan (HASP) will be refined by CRA prior to conducting the soil excavation, removal, and backfilling activities. Safety and health issues associated with this project include working around excavations, heavy equipment, hydrocarbon-affected soils, and crude oil pipelines. The CRA representative will implement the HASP in the field. Tailgate safety meetings will be implemented each morning prior to beginning work activities in accordance with HASP objectives.

In addition to HASP tasks, Site work will be performed according to EMGR Operations and Integrity Management System (OIMS) requirements. OIMS requirements include: project start notification, contractor orientation meetings, pre-start safety review, job safety analysis (JSA) form generation, and completion of waste shipment documentation forms.

Pipeline Re-route

CRA will be responsible for utility notification and coordination of activities with EMGR, landowner, NMOCD, and Centurion relating to the site activities. The work area currently includes an active gathering pipeline operated by Centurion. Based on the location of the pipeline and conversations with Centurion personnel, CRA understands that engineering controls will be necessary to provide adequate protection of the 4-inch pipeline prior to excavation activities. CRA proposes to re-route the pipeline north of the proposed remedial excavation (FIGURE 6). CRA will discuss any modification to the proposed pipeline re-route with the aforementioned persons prior to performing any field work.

If the pipeline can not be re-routed, alternative remedial approaches including engineering controls (i.e. pipeline braces) will be evaluated. Consequently, soil removal/backfilling activities may be designed to access remedial excavation and soil-staging areas from either side (north/south). The exact specifications will be reconfirmed with Centurion prior to commencing work. Excavation walls will be sloped or benched in accordance to the Occupational Safety and Health Administration (OSHA) guidelines.

Waste Characterization

The proposed waste characterization activities (sample location and analyses) are based on conversations with Mr. Ed Martin of the NMOCD regarding this project. The results of the soil assessment activities performed at the Site demonstrated that the area located at SB-2 exhibited the highest hydrocarbon concentrations. The 9- to 10-foot sample in SB-2 exceeded TPH (GRO/DRO) and total BTEX RRALs with concentrations of 4,700 mg/Kg and 250.300 mg/Kg, respectively. Prior to soil remediation activities, CRA proposes to excavate down to this interval exhibiting the highest hydrocarbon concentrations and collect a soil sample from the SB-2 (9- to 10-foot) location for waste characterization purposes. The soil sample will be submitted under proper chain-of-custody to TestAmerica, Inc. in Nashville,

Tennessee for waste profiling analyses including TCLP RCRA (8) Metals, BTEX, and TPH (GRO/DRO) analyses in coordination with the NMOCD to obtain appropriate waste characterization for soil disposal at a NMOCD-permitted facility. Subsequently, a NMOCD-Request for Approval to Accept Solid Waste Form C-138 and Certificate of Waste Status Form (APPENDIX A) will be submitted to the NMOCD along with the waste characterization analytical data in order to obtain pre-approval of the proposed waste shipments to the NMOCD-permitted J&L facility.

Work Area Preparation

Access road, pipeline crossing, excavation, staging, and other work area locations will be staked out prior to performing site activities. Appropriate notification to the landowner and the NMOCD will be performed in advance of the planned site work.

Task 2 – Excavation Plan

Subsequent to the completion of the Site preparation task (including the proposed pipeline rerouting), excavation activities will be implemented. FIGURE 6 presents the proposed soil staging areas and the location and depths of the excavation areas planned for the Site. The deepest hydrocarbon-impact encountered during the soil assessment was in soil boring SB-2 at approximately 15 feet. The remedial excavation is not anticipated to exceed 20-feet bgs. Heavy equipment will be utilized to remove affected soils to the affected soil-staging area (ASSA). Due to the anticipated depths of the excavation, the northern and southern edges will be sloped and will include the access and egress areas.

Soil samples will periodically be collected within the excavations at various depths and locations based on the judgment of CRA field personnel to assess the completeness of the soil removal activities. The soil samples will be field screened utilizing a photo-ionization detector (PID) calibrated to a 100-ppm isobutylene standard. Each soil sample will be placed in resealable plastic bags leaving a headspace for volatile organic compounds (VOCs) to collect. After sufficient time has passed to allow for volatilization, the headspace in each bagged sample will be measured using the PID. Visual observation of soil conditions will also be utilized to determine the limits of the excavation. Areas exhibiting excessive VOC concentrations and/or visual impacts will be over-excavated and re-sampled until reduced concentrations and/or limited visual impacts are documented.

Task 3 – Soil-Staging and Hauling Activities

Hydrocarbon-affected soils removed from the remedial excavation area will be staged at the ASSA shown in FIGURE 6. The waste materials are identified for offsite transport to the J&L Landfarm facility (see Task 5 - Waste Management). The materials will be loaded into trailer and dump trucks at the prescribed ASSA. Materials deemed appropriate for backfill, whether it be overburden material generated during excavation activities or material imported in from an agreed upon location for the express purpose of backfilling, will be stockpiled adjacent to the excavation areas. Appropriate documentation including manifests and/or bills-of-lading will be maintained for all soils transported offsite and onsite.

Task 4 - Confirmation Soil Sampling Plan

Excavation sidewall/floor areas and ASSA locations are identified for confirmation soil sampling activities. The grab sample locations will be based on the geometry of the remedial excavation and ASSA. For planning purposes, 16 sidewall/floor samples in the remedial excavation and 13 samples from the ASSA are planned. Site-specific NMOCD ranking criteria cleanup levels of 10 mg/Kg benzene, 50 mg/Kg total BTEX and 100 mg/Kg TPH are adopted for remedial and closure activities at the Site. Soil samples will also be collected from any materials deemed appropriate for backfill including but not limited to overburden material generated during excavation activities and material imported into the Site for the purpose of backfilling. Five-part composite soil samples in 100-and 500-cubic yard increments are proposed for the overburden and imported materials, respectively. Soils exhibiting concentrations below NMOCD RRALs will be utilized for backfilling purposes.

The soil samples will be delivered to TestAmerica, Inc. in Nashville, Tennessee for TPH (GRO/DRO) analysis by EPA Method 8015 (modified) and BTEX analyses by EPA Method 8021B. Each container will be labeled, placed on ice in an insulated cooler, and chilled to a temperature of approximately 40°F (4°C). The cooler will be sealed for shipment to the laboratory. Proper chain-of-custody documentation will accompany the samples to the laboratory.

Task 5 - Waste Management

Waste characterization analytical data and the submittal and approval of NMOCD Form C-138 and Certificate of Waste Status will be obtained prior to the offsite removal of the affected soils. Hydrocarbon-affected soils removed from the Site are identified for offsite disposal/treatment at the J&L Landfarm facility located south of Hobbs, New Mexico. J&L currently holds Permit NM-01-0023 from the New Mexico Energy, Minerals, and Natural Resources Department – (NMOCD), to operate a commercial surface waste management facility. CRA understands that J&L is an EMGR-approved facility. The estimated volume of soils targeted for transport to the J&L facility is approximately 4,000-to-5,000 cubic yards. Manifests and bills-of-lading documentation will be maintained to track the actual amount of soil removed from the Site.

Task 6 – Site Restoration

Stockpiled overburden material generated during excavation activities exhibiting TPH (GRO/DRO) and BTEX concentrations below NMOCD regulatory levels will initially be utilized to backfill the lower portions of the remedial excavation. Subsequently, soils imported from an agreed upon location will be used to cover and raise the remedial excavation to the existing surface grade. All backfill material will be compacted using the tracks of a bulldozer or similar heavy equipment. Final grading of construction-affected surface areas will be performed to mitigate wind erosion and facilitate re-vegetation. Revegetation efforts will be performed in coordination with the landowner and may include seeding for native vegetation and initially watering in to promote plant growth.

Task 7 – Site Closure Report

A document summarizing the findings of the Remedial Workplan activities is proposed for submittal to the NMOCD Hobbs District 1 office in the form of a Site Remediation/Closure Report. The report will summarize soil excavation/staging activities, confirmation sampling results, as well as provide waste management documentation and site restoration activities. Site figures, certified laboratory reports, manifests, bills-of-lading, and other relevant project information will be provided in the report. If the findings of the report indicate that the Site is eligible for closure, a site closure request is proposed for submittal to the NMOCD Hobbs District 1 office for consideration of the approved soil remediation activities implemented at the Site. As appropriate, the proposed document will request written acknowledgement from the NMOCD for no further action regarding remedial activities at the Site.

CRA is prepared to begin work on this project subsequent to EMGR notification to proceed. If you have any questions, comments, or require additional information, please contact us at (432) 686-0086.

All of Which is Respectfully Submitted, Conestoga-Rovers & Associates

Aaron Hale Project Manager Thomas C. Larson Operations Manager





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TABLE I

SUMMARY OF SOIL ANALYTICAL DATA – BTEX/TPH/CHLORIDES MOBIL STATE ZZ LEA COUNTY, NEW MEXICO

						ETHYL-		TOTAL		TI	PH (8015 Mc	odified)
SAMPLE	DATE	DEPTH	PID	BENZENE	TOLUENE	BENZENE	XYLENES	BTEX	CHLORIDE	ТРН	TPH	ТРН
ID		(feet)	(ppmv)	(mg/Kg)	(mg/Kg)	(mg/Kg)	(mg/Kg)	(mg/Kg)	(mg/Kg)	GRO (mg/Kg)	DRO (mg/Kg)	(GRO/DRO) (mg/Kg)
	New M	exico Oi	I Conser	vation Divis	ion Recom	nended Re	mediation /	Action Lev	els (Total Ra	nking Score	e >19)	
				10				50.0				100
				mg/ng	Evenuette		lan Camala	mg/Kg				mg/kg
<u> </u>	1112/2005	0.10	102	-0.001	Excavatio	on Confirmat	tion Samples	8		0.62	420	420.62
50-1	1/12/2005	9-10	162	<0.001	<0.001	<0.001	0.005	0.005	<0 -5	0.02	130	77
	1/12/2005	14-15	2.9	<0.001	<0.001	<0.001	<0.001	<0.001	<5	<0.1	7.1	7.1
	1/12/2005	24-25	7.5	<0.001	<0.001	<0.001	<0.0023	<0.0025	<5 <5	<0.1	55	55
SB-2	1/12/2005	9-10	>2.0	7 300	90.000	83.000	70.000	250 300	<5	1 100	3 600	4 700
002	1/12/2005	14-15	>2,000	0.950	26.000	30.000	26 600	83 550	<5	370	890	1,260
	1/12/2005	19-20	17 7	<0.001	<0.001	<0.001	<0.001	<0.001	<5	<0.1	17	17
	1/12/2005	24-25	78.0	< 0.001	< 0.001	<0.001	<0.001	<0.001	<5	<0.1	15	15
	1/12/2005	29-30	0.0	< 0.001	< 0.001	< 0.001	< 0.001	< 0.001	<5	<0.1	<5	<5
	1/12/2005	34-35	0.0	<0.001	<0.001	<0.001	< 0.001	< 0.001	<5	<0.1	<5	<5
SB-3	1/12/2005	4-5	0.0	<0.001	< 0.001	<0.001	< 0.001	<0.001	<5	<0.1	<5	<5
	1/12/2005	14-15	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	<5	<0.1	<5	<5
	1/12/2005	24-25	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	<5	<0.1	<5	<5
SB-4	1/13/2005	4-5	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	<5	<0.1	7.8	7.8
	1/13/2005	14-15	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	<5	<0.1	<5	<5
	1/13/2005	24-25	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	<5	<0.1	<5	<5
SB-5	1/13/2005	4-5	0.0	<0.001	<0.001	< 0.001	< 0.001	<0.001	<5	<0.1	<5	<5
	1/13/2005	14-15	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	<5	<0.1	<5	<5
	1/13/2005	24-25	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	<5	<0.1	<5	<5
SB-6	1/13/2005	4-5	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	170	<0.1	<5	<5
	1/13/2005	14-15	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	37	<0.1	<5	<5
	1/13/2005	24-25	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	17	<0.1	<5	<5
SB-7	1/13/2005	4-5	0.0	< 0.001	< 0.001	<0.001	<0.001	<0.001	<5	<0.1	<5	<5
	1/13/2005	14-15	0.0	< 0.001	< 0.001	< 0.001	< 0.001	< 0.001	<5	<0.1	<5	<5
<u></u>	1/13/2005	24-25	0.0	<0.001	<0.001	<0.001	<0.001	<0.001	<5	<0.1	<5	<5
28-8	1/13/2005	4-5	0.0	<0.001	< 0.001	<0.001	<0.001	<0.001	<5	<u.1< th=""><th><5 <5</th><th><5 -5</th></u.1<>	<5 <5	<5 -5
	1/13/2005	24-15	0.0	< 0.001	<0.001	< 0.001	<0.001	< 0.001	<o 5</o 	<0.1	<5	<5

Notes:

BTEX analysis by EPA Method 8021.

TPH analysis by EPA Method 8015 Modified.

Chloride analysis by EPA Method E300 MOD.

Bold concentrations above lab reporting limits.

Highlighted Concentrations above NMOCD RRALs.

District I 1625 N. French Dr., Hobbs, NM 88240 District II	State of New Mexico Energy Minerals and Natural Resources	Form C-138 Revised June 10, 2003
District III 1000 Rio Brazos Road, Aztec, NM 87410 District JV 1220 S. St. Francis Dr., Santa Fe, NM 87505	Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Submit Original Plus 1 Copy to Appropriate District Office
REQUEST	FOR APPROVAL TO ACCEPT SOLID WAS	TE
	4. Generator	
Verbal Approval Received: Y	es No S. Originating Site	

2.	Management Facility Destination	6. Transporter
3.	Address of Facility Operator	8. State
7.	Location of Material (Street Address or ULSTR)	

9. <u>Circle One</u>:

- A. All requests for approval to accept oilfield exempt wastes will be accompanied by a certification of waste from the Generator; one certificate per job.
- B. All requests for approval to accept non-exempt wastes must be accompanied by necessary chemical analysis to PROVE the material is not-hazardous and the Generator's certification of origin. No waste classified hazardous by listing or testing will be approved

All transporters must certify the wastes delivered are only those consigned for transport.

BRIEF DESCRIPTION OF MATERIAL:

Estimated Volume cy Known Volume (to be entered by the operator at the end of the haul) cy		
SIGNATURE Waste Management Facility Au	thorized Agent	DATE:
TYPE OR PRINT NAME:	TELEP	HONE NO.
E-MAIL ADDRESS		
(This space for State Use)		
APPROVED BY:	TITLE:	DATE:
APPROVED BY:	TITLE:	DATE: