

AP - 002

**GENERAL
CORRESPONDENCE**

YEAR(S):
2007-1997

VonGonten, Glenn, EMNRD

From: Brooks, David K., EMNRD
Sent: Thursday, March 22, 2007 3:39 PM
To: 'Joan McMahon '
Cc: Price, Wayne, EMNRD; VonGonten, Glenn, EMNRD; Romero, Lawrence S., EMNRD; Fesmire, Mark, EMNRD
Subject: Your request dated March 16, 2007 to Wayne Price for Certain Documents

Dear Ms. McMahon

This is a response to your e-mail communication to Wayne Price dated March 16, 2007, wherein you requested copies of (1) the Stage 2 Abatement Plan for the Grimes Tank Battery, and (2) three specified documents referenced in Mr. William C. Olson's letter of October 20, 2003.

Wayne Price has been absent from the office since Wednesday, March 14, due to a prolonged illness. He checked his e-mails today, and forwarded your request. The records custodian for the Oil Conservation Division is Lawrence Romero. Your request was not received by Mr. Romero prior to today. Therefore, the time period for the agency's written response begins to run today, pursuant to NMSA 1978 Section 14-2-8.D. Please accept this communication as the agency's written response.

The information you have requested has been assembled and is available for your inspection and copying in the Santa Fe Office of the Oil Conservation Division, at 1220 South St. Francis Drive, in Santa Fe, New Mexico, between the hours of 8:00 A.M. and 5:00 P.M., Mountain Daylight Time, Saturdays, Sundays and State holidays excepted. The charge for copying is \$0.25 per page.

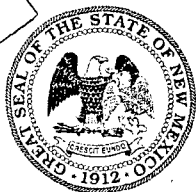
Separately, your letter refers to "your denied February 8, 2007 request." The only February 8, 2007 request from you that we have found requests only a copy of the closure letter. You were furnished a copy of that document on March 2, 2007. Therefore we do not understand what "denied request" you are referencing.

Please feel free to contact me if you require further information, or have questions.

Sincerely,

David K. Brooks
Assistant General Counsel
505-476-3450

3/22/2007



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 13, 2007

Mr. Monty Newman- Mayor
City Of Hobbs
300 North Turner
Hobbs, New Mexico 88240

Mr. John Boyd- Commissioner
City of Hobbs
2315 West Bender Blvd.
Hobbs, New Mexico 88240

Reference: Shell Westgate Project AP-2

Dear Mr. Mayor and Commissioner:

Per your recent request, enclosed is a copy of the Oil Conservation Division (OCD) Stage 2 Abatement Plan approval letter issued to Shell E&P Technology Company (operator) dated October 20, 2003. As you know, OCD required this operator to perform extensive remediation work in this area, including razing homes, removing contaminated soils to levels considered safe, and restoring the surface with clean material. The project also included abatement of contaminated groundwater under the site.

OCD understands that the city wishes to utilize this area for a local area park and has requested guidance on this matter. OCD did approve the final report for the remediation of the contaminated soil areas for the old pit and spill areas. OCD's approval was based on the data and facts supplied by the operator at the time of approval. OCD agrees that a local town park could be an appropriate use of the property, but cannot give you any assurance concerning other areas that were not part of the investigation.

The groundwater abatement is still on going and the OCD is requiring the operator to continue the abatement until it meets the New Mexico Water Quality Control Commission Standards. This could require that parts of the park would have to be utilized in order to continue this operation.

Sincerely:

Electronic signature 031307703130

Wayne Price

OCD-Environmental Bureau Chief

Cc: David Brooks- OCD Legal Counsel

VonGonten, Glenn, EMNRD

From: Joan McMahon [jmcmahon@hobbsnm.org]
Sent: Friday, March 02, 2007 3:43 PM
To: VonGonten, Glenn, EMNRD
Cc: Price, Wayne, EMNRD
Subject: Re: Westgate risk based closure (Grimes Battery)

Glenn,

Thank you. The attachment is fine. There is no need to fax a signed copy.

Joan

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

From: VonGonten, Glenn, EMNRD
Date: 3/2/2007 3:34:07 PM
To: jmcmahon@hobbsnm.org
Cc: Price, Wayne, EMNRD
Subject: Westgate risk based closure (Grimes Battery)

Joan,

As per your request. Please let me know if you would prefer a fax copy of the signed letter.

Glenn

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3/22/2007

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AUG 07 2003

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Memorandum

To: Wayne Hamilton, Marti Lightstone, Michael Mazzone, Judith MacGregor, Bill Olson,
Kathy Phillips, Chris Williams

From: Jennifer Gilkey *JG*

Date: 8/6/2003

Re: May 2003 Westgate Report

Please find enclosed the map that needs to be added to the May 2003 Westgate report. Also enclosed are the corrected spines for the report. We noticed that the wrong date was printed on them.

I apologize for the inconvenience.

If you have any questions please call the office.

Thanks



PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W. MARLAND • P.O. BOX 805 • HOBBS, NM 88241-0805
E-MAIL: bbc@bbcinternational.com

VIA FEDERAL EXPRESS
AIRBILL NUMBER: 7929 7044 4917

RECEIVED

September 16, 2003

SEP 17 2003
Environmental Bureau
Oil Conservation Division

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

SUBJECT: STAGE 2 ABATEMENT PLAN (AP-2)
GRIMES BATTERY & TASKER ROAD
HOBBS, NEW MEXICO

Dear Mr. Olson:

BBC International, Inc. on behalf of Shell Exploration and Production Company (SEPCo) respectfully submits this addendum report to the Westgate Subdivision, Grimes Battery & Tasker Road, Stage 2 Abatement Plan, Soil Remediation Activities Report of May 2003.

In reference to the NMOCD letter to Wayne Hamilton of SEPCo dated August 15, 2003 requesting additional soil sampling in the vicinity of sample points GBN-13P and GBN-16P, this addendum report submits the laboratory analysis results, a summary table of the results, and an updated site map of the sampling points for the two areas requested. The two soil samples were taken on August 15, 2003 at a three (3) foot depth consistent with the bottom of the excavation depth. The sample points are labeled GBN-27 and GBN-28.

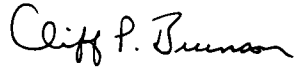
As requested, two copies of this addendum report will be delivered to the Hobbs NMOCD office.

With the submission of this addendum report, it is our understanding that this satisfies the NMOCD's requirements and Shell Exploration and Production Company (SEPCo) respectfully requests the concurrence of the NMOCD that the requirements of the Westgate Subdivision, Grimes Battery and Tasker Road, Stage 2 Abatement Plan are completed except for the requirements relating to groundwater. The remaining activities relating to groundwater will continue until the requirements of the NMOCD have been met. All activities associated with groundwater will continue to be reported in the annual groundwater reports submitted to the NMOCD.

If you have any questions, please do not hesitate to contact me at (505) 397-6388 or via e-mail at cbrunson@bbcinternational.com or Wayne Hamilton at (281) 544-2322 or via e-mail at Wayne.Hamilton@shell.com.

Sincerely,

BBC International, Inc.



Cliff P. Brunson, CEI, CRS
President

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Wayne Hamilton, Shell E & P Company



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

August 15, 2003

Mr. Wayne A. Hamilton
Shell E&P Technology Company
Rm. 4304 Woodcreek
200 N. Dairy Ashford
Houston, Texas 77079

**RE: STAGE 2 ABATEMENT PLAN (AP-2)
GRIMES BATTERY/TASKER ROAD
HOBBS, NEW MEXICO**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed the following Shell E&P Company (Shell) documents:

- August 5, 2003 "WESTGATE SUBDIVISION, GRIMES BATTERY & TASKER ROAD, STAGE 2 ABATEMENT PLAN, SOIL REMEDIATION ACTIVITIES REPORT, MAY 2003".
- May 29, 2003 "WESTGATE SUBDIVISION, GRIMES BATTERY & TASKER ROAD, STAGE 2 ABATEMENT PLAN, SOIL REMEDIATION ACTIVITIES REPORT, MAY 2003".

These documents contain the results of Shell's remediation of contaminated soils pursuant to the Stage 2 Abatement Plan for the former Grimes Tank Battery located in the Westgate Subdivision in Hobbs, New Mexico. The documents also request approval of the soil remediation actions.

The majority of the soil remediation actions taken to date are satisfactory. However, a review of the above-referenced documents shows that during the surface soil remediation in the vicinity of the tank battery there were 2 soil areas with conflicting final excavation sample analyses. Soil sample GBN-12 contained no detectable concentration of total petroleum hydrocarbon (TPH) in soil. Soil sample GBN-13P contained 9720 mg/kg of TPH in soil, which is well above the approved soil remediation levels for the site. These samples were taken from approximately the same location on the same day. In addition, soil sample GBN-16 contained 49 mg/kg of TPH in the soil. Soil sample GBN-16P contained 8620 mg/kg of TPH in soil, which is well above the approved soil remediation levels for the site. These samples were also taken from approximately

Wayne A. Hamilton
August 15, 2003
Page 2

the same location on the same day. The OCD understands that additional excavation was subsequently performed in these areas, but there is no final soil sampling data presented in the report that confirms that soil in these areas were cleaned up to the approved remediation levels.

Therefore, the OCD requires that Shell obtain confirmation samples of undisturbed soils from the base of the excavated areas in the vicinity of GBN-13P and GBN-16P. The samples shall be obtained and analyzed pursuant to the previously approved Stage 2 Abatement Plan and a report containing the results of the sampling event shall be submitted to the OCD Santa Fe Office by October 15, 2003 with a copy provided to the Hobbs District Office.

If you have any questions, please contact me at (505) 476-3491.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Cliff P. Brunson, BBC International



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E-MAIL: bbc@bbciinternational.com

VIA FEDERAL EXPRESS**AIRBILL NUMBER: 7903-0260-7319**

May 29, 2003

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RECEIVED**MAY 30 2003****ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION**

**SUBJECT: WESTGATE SUBDIVISION, GRIMES BATTERY & TASKER ROAD
STAGE 2 ABATEMENT PLAN
SOIL REMEDIATION ACTIVITIES REPORT, MAY 2003**

Dear Mr. Olson:

BBC International, Inc. on behalf of Shell Exploration and Production Company (SEPCo) respectfully submits the enclosed Westgate Subdivision, Grimes Battery & Tasker Road, Stage 2 Abatement Plan, Soil Remediation Activities Report.

This report details the activities conducted in 2001 and 2002 concerning the Westgate site. The activities conducted include the baseline air quality monitoring and flux chamber air monitoring conducted in and around the Westgate subdivision in July 2001, surface soil removal and backfilling west of the former Grimes Tank Battery in September 2001, and the preparation for and implementation of the soil removal in the Tasker Road area in 2002.

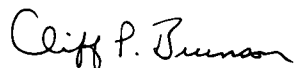
A copy of this report and a CD containing this report is enclosed and two copies of this report are being delivered to the Hobbs NMOCD office.

With the submission of this report, Shell Exploration and Production Company (SEPCo) respectfully requests the concurrence of the NMOCD that the requirements of the Westgate Subdivision, Grimes Battery and Tasker Road, Stage 2 Abatement Plan are completed except for the requirements relating to groundwater. The remaining activities relating to groundwater will continue until the requirements of the NMOCD have been met. All activities associated with groundwater will continue to be reported in the annual groundwater reports submitted to the NMOCD.

If you have any questions, please do not hesitate to contact me at (505) 397-6388 or via e-mail at cbrunson@bbcinternational.com or Wayne Hamilton at (281) 544-2322 or via e-mail at Wayne.Hamilton@shell.com.

Sincerely,

BBC International, Inc.



Cliff P. Brunson, CEI, CRS
President

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Wayne Hamilton, Shell E & P Company



PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W. MARLAND • P.O. BOX 805 • HOBBS, NM 88241-0805
E MAIL: bbc@bbcinternational.com

August 5, 2003

RECEIVED

AUG 06 2003

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

**SUBJECT: WESTGATE SUBDIVISION, GRIMES BATTERY & TASKER ROAD
STAGE 2 ABATEMENT PLAN
SOIL REMEDIATION ACTIVITIES REPORT, MAY 2003**

Dear Mr. Olson:

BBC International, Inc. on behalf of Shell Exploration and Production Company (SEPCo) respectfully submits the enclosed diagram depicting the excavation areas and sampling points of the remediation activities conducted in September 2001 near the Former Grimes Battery.

Pursuant to your request via telephone, I have enclosed this site diagram and folder to be added to the above referenced report submitted to the NMOCD on May 29, 2003. In addition, two copies of this diagram will be submitted to the Hobbs office of the NMOCD to be added to the reports on file in that office.

With the submission of this diagram, Shell Exploration and Production Company (SEPCo) respectfully requests the concurrence of the NMOCD that the requirements of the Westgate Subdivision, Grimes Battery and Tasker Road, Stage 2 Abatement Plan are completed except for the requirements relating to groundwater. The remaining activities relating to groundwater will continue until the requirements of the NMOCD have been met. All activities associated with groundwater will continue to be reported in the annual groundwater reports submitted to the NMOCD.

If you have any questions, please do not hesitate to contact me at (505) 397-6388 or via e-mail at cbrunson@bbcinternational.com or Wayne Hamilton at (281) 544-2322 or via e-mail at Wayne.Hamilton@shell.com.

Sincerely,

BBC International, Inc.

Cliff P. Brunson, CEI, CRS
President

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Wayne Hamilton, Shell E & P Company

MAY 27 2003

Roger C. Anderson
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505
May 21, 2003

Dear Mr. Anderson:

We are writing in response to your request that we review the remediation plan proposed by Shell E & P Company regarding an oilfield-related petroleum site underlying a house in a residential area in the Westgate Subdivision in Hobbs, New Mexico.

The methodology used in the Abatement Plan, Risk-Based Corrective Action (RBCA) is consistent with EPA policies and regulations governing corrective action. RBCA is an accepted process that utilizes risk and exposure assessment methodology to aid in determinations about the extent and urgency of corrective action needed to alleviate or remedy situations that could lead to human and environmental exposure to contamination.

We reviewed the risk assessment to ensure the following components were addressed:

- 1) chemicals of concern,
- 2) land use: residential land use,
- 3) receptors: current as well as potential future receptors,
- 4) exposure pathways, and
- 5) target risk levels.

We found that each of these areas was addressed according to standard methods for RBCA. The proposed abatement plan includes an assessment of the extent and concentration of chemicals and the risk of exposure to those chemicals present in the surface and subsurface soils in the specified site. The analytical methods used for this assessment includes evaluating detected individual indicator chemicals and evaluating the crude oil. Our review did not include a quantitative evaluation of assumptions or models such as those used in the indoor air volatilization model.


Residential land use was assumed in the selection and development of risk-based screening levels. The risk-based screening levels used for this assessment involved using upper range residential exposure parameters from the USEPA, which results in a conservative estimate of health risk. The target risk levels assumed for the screening levels are appropriate for cancer risk but would not be conservative for the analysis of non-carcinogens since potential additivity from multiple chemicals is not addressed.

While standard RBCA is considered an acceptable method for determining the contamination capacity of a site, sometimes additional risk assessment information is needed to justify a no-further action decision. Relevant to this case may be the consideration of multiple exposure pathways or multiple chemicals of concern. These characteristics were not included in the proposed abatement plan.

We would like to specify that our review was confined to analysis of the methodology used for the abatement plan and did not include verification of screening levels, quantitative values or analysis of the assumptions of the volatilization and groundwater models. Based on our review, appropriate protective analysis of risks posed by chemicals at this site was completed. While several areas, previously mentioned, were not evaluated, we find it unlikely that they would change the understanding of risk posed by chemicals at this site.

If we can be of any further assistance, please contact Randy Merker at (505) 476-3583.

Sincerely,

A handwritten signature in cursive script that reads "C. Mack Sewell".

C. Mack Sewell, DrPH, MS
NM State Epidemiologist

cc: Randy Merker, Program Manager, Environmental Health Epidemiology

Olson, William

From: Olson, William
Sent: Tuesday, May 20, 2003 3:40 PM
To: Prukop, Joanna; Mills, Tom
Cc: Wrotenbery, Lori; Anderson, Roger
Subject: Shell/Westgate Subdivision Lawsuit Briefing

Joanna and Tom,

Attached is a 5/20/03 Hobbs News-Sun article on a second environmental lawsuit related to a oilfield contamination site in Hobbs, New Mexico that has been under OCD oversight since 1997. Lori asked me to brief you about ongoing environmental issues at the site.

The site is located within the Westgate Subdivision, a residential housing area, on the western edge of Hobbs, New Mexico. The site was also the location of Shell Oil Company's Grimes Lease and is called the W.D. Grimes Battery/Westgate Subdivision site. Oil production on the Grimes Lease has been occurring since the late 1920's, prior to construction of the subdivision.

In September of 1997, OCD received citizen complaints of odors from the Grimes Tank battery. OCD inspection showed that Altura, a subsequent lease operator, was excavating a former unlined pit at the adjacent Grimes Tank Battery without an OCD approved work plan. Further site investigations, overseen by the OCD, showed that the a home under construction was being built over oily soils and that ground water was contaminated with hydrocarbons. In December of 1997, OCD received a petition from residents of the Westgate Subdivision reporting a high incidence of health problems in the neighborhood. The OCD required that Shell investigate, and remediate contamination at the site and worked with the Health Department to determine potential effects on public health. Around this time, the residents retained legal counsel and filed suit against Shell for alleged health effects.

Investigations at the site have shown that the home under construction and several adjacent older subdivision homes were constructed over former unlined pits and oil contaminated soils. The contamination was found to be limited to this area of the subdivision with the exception of some petroleum contaminated soils at the site of an old plugged and abandoned oil well between 2 homes north of this area. Shell purchased the homes over the pits, demolished them, constructed a movable contained structure over the pit areas to control vapor emissions and excavated underlying contaminated soils. The excavations were completed in October of 2002. The Health Department attempted to evaluate residential health in the subdivision but a number of people would not participate in health surveys because of their lawsuit.

All of the investigation and remediation actions have been conducted under OCD Rule 19 for abatement of pollution and have been subject to a full public notice and participation process, including the opportunity for public hearings on all remediation proposals. The residents attorney's originally believed OCD's draft approval of the remediation plan was inadequate and requested a hearing, but later withdrew their hearing request prior to the hearing date.

To date, ground water remediation is ongoing, the soil remediation report is expected next month and OCD is awaiting a Health Department evaluation of Shell's risk assessment of petroleum contaminated soils at the site of the plugged and abandoned oil well.

If you have any questions please contact me.

Sincerely,



William C. Olson
Hydrologist
New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505
(505) 476-3491



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Cash Petroleum

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Tuesday, May 20,
2003

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Second Westgate suit filed against Shell

RICHARD TROUT

NEWS-SUN

Three law firms representing 54 plaintiffs associated with the Westgate subdivision of Hobbs on Monday filed a complaint for damages against Shell Oil Co. and developer Los Cuatros Inc.

Also named as a defendant in the suit is Shell Western Exploration & Production Inc.

Among the attorneys representing the Westgate plaintiffs is Masry & Vitioe's Ed Masry, who represented the plaintiffs in the Erin Brockovich case, according to co-counsel Michael Newell of Heidel, Samberson, Newell, Cox & McMahon in Lovington.

Girardi & Keese of Los Angeles is the third law firm involved in the case. Masry & Vitioe is based in Westlake Village, Calif.

The lawsuit, filed in the 5th Judicial District Court of Lea County, is a separate suit from the Westgate suit filed in 1998 by 222 plaintiffs living or formerly living in the Westgate subdivision. The first Westgate suite is pending before Judge William Lynch of the 5th Judicial District in Roswell, Newell said.

The 54 plaintiffs in the second Westgate suit do not include plaintiffs from the first suit.

The new suit is similar, however, in accusing the Shell defendants of being negligent in the disposal of toxic substances in the Westgate subdivision in West Hobbs. It accuses Los Cuatros of being negligent in using the same property for residential development beginning in 1977.

"Both the Shell defendants and LCI knew, or by the exercise of ordinary care should have known, that toxic substances, which the Shell defendants did not contain, dispose of or otherwise properly clean up, could contaminate the subdivision," the complaint stated.

The suit also claims the negligent disposal of toxic substances caused health problems in the 54 plaintiffs who live or lived in the Westgate subdivision. The contamination includes a host of harmful chemicals in the air, soil, subsurface soil and environment, according to the suit.

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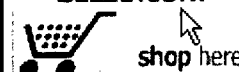
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"These toxic substances cause a variety of serious, short-term and long-term health problems, including but not limited to, respiratory disease, heart disease, cancer, genetic damage, immune system impairment, neurological damage and complications stemming from related health problems," the complaint stated.

The suit includes seven counts -- negligence and gross negligence, strict liability, nuisance, trespass, negligent infliction of emotional distress, punitive damages and damages. Under count three, nuisance, the suit accuses the Shell defendants of causing "a diminished market value for the plaintiffs' properties."

The defendants have 30 days to file an answer to the complaint for damages, Newell said, which will be followed by pre-trial dates for discovery and motions.

"Then it will be set for trial, and the trial will be sometime down the road," he said, adding that the trial would be held at the Lea County Courthouse.

Shell Exploration & Production conducted a Stage 2 Abatement Plan in the Westgate subdivision from April-October 2002, beating its November deadline set by the New Mexico Oil Conservation Division. The abatement project consisted of excavating and moving contaminated soil and hydrocarbon waste from an area near the intersection of Tasker Street and Berry Drive.

An air-tight, fabric structure on Tasker and Berry was the most visible element of Shell's cleanup project. Measuring 132 feet by 132 feet and 50 feet high, the tent-like structure was movable to allow the entire contaminated soil, roughly 300 feet by 115 feet, to be removed from the area.

The OCD approved Shell's cleanup plan in 2001.

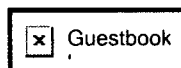
Plaintiffs involved in the most recent Westgate suit include residents or former residents of various blocks, including San Andres, Gulf, Berry, San Mateo, Princess Jeanne, Pennington, MacKenzie, Tasker and Denson.

Shell and Los Cuatros could not be reached for comment Monday.

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NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

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Cabinet Secretary

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Director

Oil Conservation Division

February 28, 2003

Dr. Mack Sewell
New Mexico Department of Health
Office of Epidemiology
P.O. Box 26110
Santa Fe, NM 87502-6110

**RE: STAGE 2 ABATEMENT PLAN (AP-2)
SHELL GRIMES LEASE
HOBBS, NEW MEXICO**

Dear Dr. Sewell:

The New Mexico Oil Conservation Division (NMOCD) is attempting to resolve an issue regarding oilfield-related petroleum contaminated soil underlying a house in a residential area in the Westgate Subdivision in Hobbs, New Mexico. The site is the former location of the W.D. Grimes # 8 well, an oil production well. In the past, Mr. Randy Merker with your office provided us assistance in evaluating health-based corrective action levels at the site. Shell E&P Company (Shell) has proposed health-based corrective action levels that Shell proposes to be used to justify allowing petroleum contaminated soils to remain under the residence.

The NMOCD previously requested assistance from your office but no response was received. Since this remediation plan proposes methods for protection of public health, the NMOCD requests that the New Mexico Department of Health (NMDH) provide the NMOCD with any comments or concerns that the NMDH may have regarding these proposals. Attached is a copy of the portions of the document relating to the calculation of the health-based action levels. If you are not able to provide assistance or have any questions, please contact me at (505) 476-3490.

Sincerely,

Roger C. Anderson

Environmental Bureau Chief

xc: Chris Williams, OCD Hobbs District Supervisor
Wayne Hamilton, Shell E&P Company
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Cliff P. Brunson, BBC International

75th year, No. 185

THURSDAY

October 17, 2002

News-Sun



■ WESTGATE

Excavation phase of cleanup finished

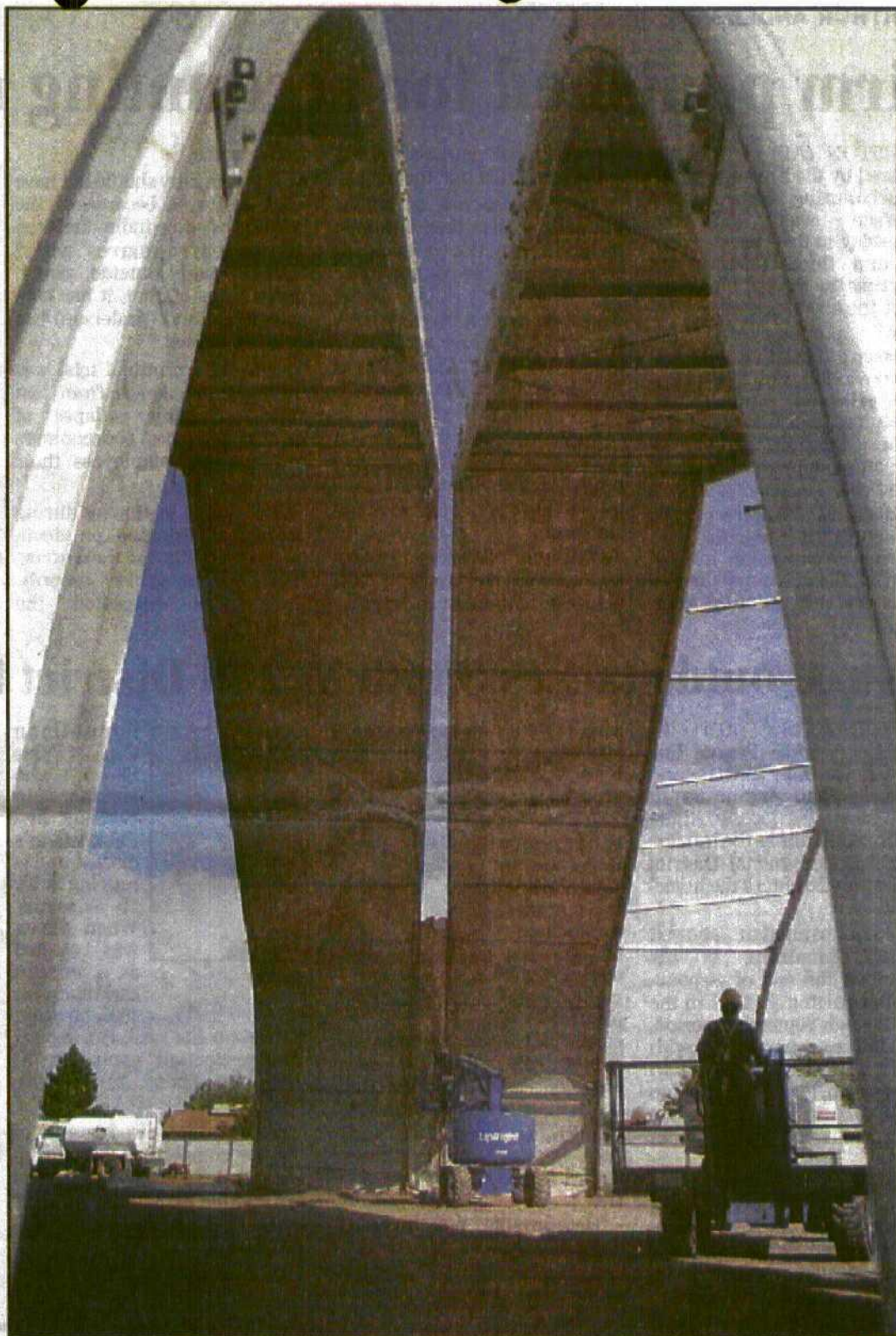
RICHARD TROUT
NEWS-SUN

Shell Exploration & Production finished its Stage 2 Abatement Plan in the Westgate subdivision Wednesday, meeting its November deadline after removing several thousand cubic yards of dirt.

The abatement plan consisted of excavating and moving contaminated soil and hydrocarbon waste from an area near the intersection of Tasker Street and Berry Drive.

An air-tight, fabric structure on Tasker and Berry was the most visible element of Shell's cleanup project. Measuring 132 feet by 132 feet and 50 feet high, the tent-like structure was movable to allow the entire contaminated soil, roughly 300 feet by 115 feet, to be removed from the area.

See WESTGATE, Page 5



TAMMY MCKINLEY/NEWS-SUN

A lone support beam was all that remained Wednesday of the large fabric tent that stood on Tasker and Berry Drive. Measuring 132 feet by 132 feet and 50 feet high, the air-tight structure was used to shield the

Westgate subdivision from the dust and noise of an abatement project by Shell Exploration & Production. Top left, Carlos Solis of Universal Fabric Structures disassembles the tent used in Shell's project.

Westgate

from PAGE 1

"We're decommissioning the site, so the structure will be gone," said Cliff Brunson, president of BBC International Inc. of Hobbs, the project's contractor. "We removed a section of Tasker Street that will be replaced and repaved next week. Probably the week after that we will start taking the fence down."

The entire ~~entire~~ structure will be removed from the area by Saturday, he added.

Areas of the Westgate subdivision, the site of an old oil-field operation, were the subject of litigation against Shell in the late 1990s. Homeowners had sued Shell Oil then, saying the company had contaminated the neighborhood with oil-field chemicals over several decades.

The New Mexico Oil Conservation Division approved a cleanup plan by Shell Oil in 2001.

BBC International fenced off the cleanup site in early March. Excavation of the contaminated soil and hydrocarbon waste started April 8, taking place from 8 a.m.-5 p.m. Monday through Friday every week since then.

The purpose of the fabric structure and its air filtration system was to prevent dust and noise from entering the Westgate subdivision. The air filtration system used two 100-horsepower motors, which changed 600,000 cubic feet of air within the structure three times per hour.

The Westgate project also included two small buildings to monitor the air surrounding the structure 24 hours a day, seven days a week.

"Half of the air system went out (Wednesday) afternoon,

the other one will be loaded (Thursday)," Brunson said.

The excavator dug to a maximum depth of 10 feet, and several dump trucks took the waste material to a disposal facility in Eunice. Eight to 10 people worked on the Westgate project on a daily basis.

Once all the contaminated material was removed, Brunson said BBC International put down a layer of clay to cap the site. Ten feet of clean soil was then placed in the hole.

"Everything went according to our plan," Brunson said. "We had no complications and no problems. And we're right on track with our timeline that we had estimated."

Jim Robinson, manager of the health, safety and environmental department for Shell Exploration & Production in Houston, said in April that Shell is working with the City of Hobbs to create a park in the Westgate subdivision.



PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W MARLAND • P.O. BOX 805 • HOBBS NM 88241 0805
E-MAIL: bbc@bbcinternational.com

VIA FEDERAL EXPRESS
AIRBILL NUMBER: 7906 0093 8057

September 17, 2002

RECEIVED

SEP 18 2002

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

**SUBJECT: SUBMITTAL OF CHARACTERIZATION OF POTENTIAL AIR
EMISSIONS ASSOCIATED WITH REMEDIATION ACTIVITIES
NEAR THE WESTGATE SUBDIVISION,
PHASE I FINAL AIR MONITORING REPORT**

Dear Mr. Olson:

BBC International, Inc. on behalf of Shell Exploration and Production Company (SEPCo) respectfully submits the enclosed Characterization Of Potential Air Emissions Associated With Remediation Activities Near The Westgate Subdivision, Phase I Final Air Monitoring Report.

This report details the baseline air quality monitoring and flux chamber air monitoring activities conducted in and around the Westgate subdivision in west Hobbs during July 2001. The purpose of the study was to document the baseline air quality in the area and to estimate the air quality during any future excavation and removal actions at the Westgate site.

A copy of this report is being delivered to you at your Santa Fe office and two copies are being delivered to the Hobbs OCD office. If you have any questions, please contact me at (505) 397-6388 or via e-mail at cbrunson@bbcinternational.com.

Sincerely,

BBC International, Inc.

Cliff P. Brunson, CEI, CRS
President

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Wayne Hamilton, Shell E & P Company

Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

VIA FEDERAL EXPRESS
AIRBILL NUMBER: 7927 2986 4700

May 3, 2002

RECEIVED

JUN 06 2002

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

**SUBJECT: SUBMITTAL OF 2001 GROUNDWATER MONITORING
REPORT, WESTGATE SUBDIVISION,
GRIMES BATTERY AND TASKER ROAD**

Dear Mr. Olson:

Shell Exploration and Production Company (SEPCo) respectfully submits the enclosed 2001 Groundwater Monitoring Report for the Westgate Subdivision, Grimes Battery and Tasker Road.

This report details the groundwater monitoring and free product recovery activities for the four quarters of 2001. Also included are summary data tables, original laboratory data, and isopleth maps.

SEPCo is hereby recommending revisions in the sampling program for the current year, 2002. The recommendation is to plug and abandon eight (8) monitoring wells and one (1) previously collapsed well based on more than eight (8) consecutive quarters of sample results below NMWQCC action levels.

SEPCo is requesting approval of this recommendation as soon as possible so that revisions and plugging activities may take place during the current site abatement activities.

I look forward to your response on this recommendation as soon as possible. If you have any questions, please call me at (281) 544-2322 or Cliff Brunson at (505) 397-6388 or via e-mail to me at wahamilton@shell.com or Cliff at cbrunson@bbcinternational.com.

Sincerely,

for

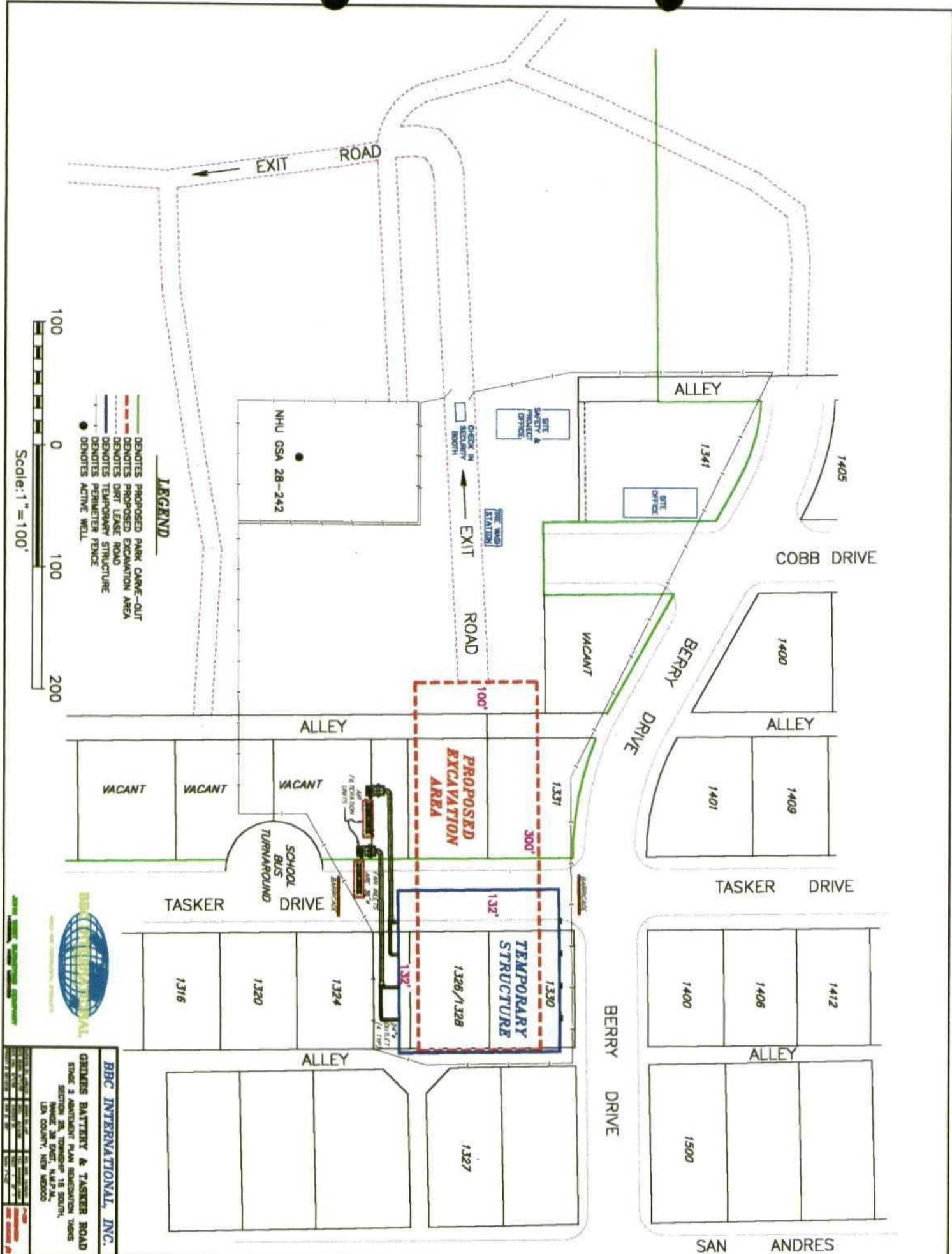
Wayne A. Hamilton
Manager, Legacy Properties

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Cliff P. Brunson, BBC International, Inc.



LEGEND

- DENOTES PROPOSED PARK CURVE-OUT
- DENOTES PROPOSED EXCAVATION AREA
- DENOTES DIRT LEASE ROAD
- DENOTES TEMPORARY STRUCTURE
- DENOTES PERIMETER FENCE
- DENOTES ACTIVE WELL



BHC INTERNATIONAL, INC.

GRIMES BATTERY & TASKER ROAD
 SECTION 28, TOWNSHIP 18 SOUTH,
 RANGE 28 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO

AP-2

Olson, William

From: Cliff P. Brunson [cbrunson@bbcinternational.com]
Sent: Friday, February 22, 2002 4:30 PM
To: William Olson
Subject: Westgate-Press release/public notice of start of activities

Bill,

Attached is a copy of the press release/public notice that will be in Sunday's Hobbs paper and passed out in the neighborhood this weekend informing the neighborhood that work is commencing. Just wanted you to have a copy for your files. Any questions, give me a call.

Cliff

Confidentiality Notice: This electronic transmission (and any attached documents) is intended only for the person to whom it is addressed and may contain information that is privileged, confidential, or otherwise protected from disclosure. If you have received this transmission in error, please immediately notify the sender by e-mail or by collect telephone call to (505) 397-6388 for handling instructions. Any disclosure or distribution of the contents of this transmission by anyone other than the named recipient is strictly prohibited.

Cliff P. Brunson, President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, New Mexico 88241 USA
Shipping Address:
1324 W. Marland Blvd.
Hobbs, New Mexico 88240 USA
Phone: (505) 397-6388
Fax: (505) 397-0397
E-mail: cbrunson@bbcinternational.com
Web: www.bbcinternational.com

2/25/2002



Because we want you to know....

- Shell will resume work in the Westgate subdivision this month, in accordance with the formal Stage 2 Abatement Plan approved by the New Mexico Oil Conservation Division.
- Starting the week of Feb. 25, a fence will be erected around the work area.
- In mid-March, a sturdy, air-locked fabric structure will be erected to help contain dust and odors. The fabric structure, which will cover the work area, will be located at the southeast and southwest corners of the intersection of Tasker and Berry Drive. Shell anticipates dirt removal to begin early to mid-April.
- While work is underway, part of Tasker Drive will be closed. The south side of the work area will have a turn-around for local traffic. The north portion of the work area will be blocked with road barricades. Local through traffic will be re-routed to the first street east of Tasker Drive, which is San Andres, and onto Berry Drive to access the Westgate Subdivision. Shell regrets any inconvenience this may cause residents.
- The re-routing of utilities in this area has been completed so no interruptions should occur as a result of these activities.
- The work should be completed by November.

**Shell Exploration & Production Company
200 North Dairy Ashford
Houston, TX 77079
1-800-498-8109**

Feb. 23, 2002



Shell Exploration & Production Company
200 N. Dairy Ashford
Houston, TX 77079

News Release

SHELL ENTERS FINAL PHASE OF WESTGATE ABATEMENT PROJECT

HOUSTON (Feb. 21, 2002) -- Shell Exploration & Production Company today announced it will begin implementing the formal Stage 2 Abatement Plan in the Westgate subdivision of West Hobbs. The New Mexico Oil Conservation Division approved the plan in 2001. This final step in the plan is scheduled to begin this month and will take most of the year to complete.

Shell will begin preparing the work area the week of Feb. 25 by erecting a fence around the entire work area. In mid-March a sturdy, air-locked fabric structure will be erected. The fabric structure, which will cover the work area, will be located at the southeast and southwest corners of the intersection of Tasker and Berry Drive. Shell anticipates that dirt removal will begin early to mid-April. The work should be completed by November.

While work is underway, part of Tasker Drive will be closed. The south side of the work area will have a turn-around for local traffic. The north portion of the work area will be blocked with road barricades. Local through traffic will be re-routed to the first street east of Tasker Drive, which is San Andres, and onto Berry Drive to access the Westgate Subdivision. Shell regrets any inconvenience this may cause residents.

The re-routing of utilities in this area has been completed so no interruptions should occur as a result of these activities.

###

Media Contacts:

Stacy Hutchinson
Billy Lynn Ratliff

281-544-5069
281-544-5053

slhutchinson@shell.com
blratliff@shell.com

This Is What The Fabric Structure Will Look Like – 132 Feet By 132 Feet By 50 Feet High



Construction Of Fabric Structure – Two Sections To Be Joined



This Is What The Air Treatment System Will Look Like – There Are Two Units Like This



Complete Air System



Air Handler and Pre-Filter Unit



Activated Carbon Adsorber Unit

Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

RECEIVED

FEB 25 2002

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Fax received 2/20/02

February 20, 2002

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

**RE: Westgate Subdivision, Grimes Battery and Tasker Road,
Stage 2 Abatement Plan**

Dear Mr. Olson:

I am please to inform the NMOCD that on February 25, 2002 Shell E & P Company (SEPCo) will commence with the implementation of the Stage 2 Abatement Plan for the Westgate Subdivision.

As you may recall, after approval by the NMOCD, a determination was required as to the necessity of a discharge permit for the exhaust stack of the carbon air treatment system. The Air Quality Bureau of the NM Environment Department has determined that no permit is required.

Receipt of this letter from the Bureau completed the outstanding requirements prior to commencing the implementation of the Stage 2 Plan. Therefore, SEPCo is now proceeding with the abatement plan.

The fencing of the site, barricading, and closing of Tasker Street will begin on February 25, 2002. The closing of Tasker Street and re-routing of the local traffic will be completed with appropriate signage and in accordance with the requirements of the City of Hobbs.

The site should be fully fenced by the first week of March. The erection of the fabric structure will occur on or about March 18, 2002 and should be completed by April 1. The air treatment system will be installed during the installation of the structure.

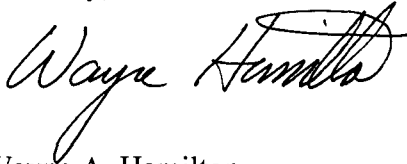
Dirt removal will commence on or about Monday, April 8, 2002. It is anticipated that all site activities and restoration will be completed by late October 2002.

Neighborhood informational flyers will be distributed prior to commencing the fencing and street closure as well as prior to the erection of the structure. Press releases will be submitted to the local newspaper at the same time.

After site restoration, all site activities will be documented and a final report with all required materials will be submitted to the NMOCD in a timely manner.

If you have any questions, please do not hesitate to contact me at (281) 544-2322 or via e-mail at wahamilton@shell.com. In addition, you may contact Cliff Brunson of BBC at (505) 397-6388 or via e-mail at cbrunson@bbcinternational.com.

Sincerely,

A handwritten signature in cursive script, appearing to read "Wayne Hamilton".

Wayne A. Hamilton
Manager, Legacy Properties

cc: Chris Williams – NMOCD-Hobbs



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

February 7, 2002

Dr. Mack Sewell
New Mexico Department of Health
Office of Epidemiology
1190 St. Francis Dr.
Santa Fe, NM 87504

**RE: STAGE 2 ABATEMENT PLAN (AP-2)
SHELL GRIMES LEASE
HOBBS, NEW MEXICO**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (NMOCD) is in receipt of a document from Shell E&P Company (Shell) which contains proposed health-based corrective action levels that Shell proposes to be used for remediation of oilfield contaminated soils underlying a residence at the site of the former W.D. Grimes # 8 well site in Hobbs, New Mexico. This well site is related to the abatement plan for the Shell Grimes Lease in Hobbs' Westgate Subdivision. Mr. Randy Merker of your office previously provided us with assistance in evaluating prior health-based corrective action levels at the site. Attached is a copy of the portions of the document relating to the calculation of the action levels. Since the plan proposes methods for protection of public health, the NMOCD requests that the New Mexico Department of Health (NMDH) provide the NMOCD with any comments or concerns that the NMDH may have regarding these proposals.

If you have any questions, please contact me at (505) 476-3490.

Sincerely,

Roger C. Anderson
Environmental Bureau Chief

xc: Chris Williams, OCD Hobbs District Supervisor
Wayne Hamilton, Shell E&P Company
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Sharon E. Hall, Arcadis Geraghty & Miller
Cliff P. Brunson, BBC International

Olson, William

From: Cliff P. Brunson [cbrunson@bbcinternational.com]
Sent: Friday, September 07, 2001 8:14 PM
To: William Olson
Cc: Paul Sheeley; Wayne Hamilton; Roger Anderson
Subject: Westgate Remediation Activities

Bill,

Attached is the neighborhood flyer that we passed out prior to the excavation and backfilling activities. I have sent this to you for your files. If you have any questions, please give me or Wayne a call. We have had no problems or complaints to date with our activities. I will keep you informed.

Thanks,

Cliff

Confidentiality Notice: This electronic transmission (and any attached documents) is intended only for the person to whom it is addressed and may contain information that is privileged, confidential, or otherwise protected from disclosure. If you have received this transmission in error, please immediately notify the sender by e-mail or by collect telephone call to (505) 397-6388 for handling instructions. Any disclosure or distribution of the contents of this transmission by anyone other than the named recipient is strictly prohibited.

Cliff P. Brunson, President
BBC International, Inc.
World-Wide Environmental Specialists
Mailing Address:
P. O. Box 805
Hobbs, New Mexico 88241 USA
Shipping Address:
1324 W. Marland Blvd.
Hobbs, New Mexico 88240 USA
Phone: (505) 397-6388
Fax: (505) 397-0397
E-mail: cbrunson@bbcinternational.com
Web: www.bbcinternational.com

9/10/2001



Because We Want You to Know

- **Shell will resume work in the Westgate Subdivision on Tuesday, Sept. 4,** in accordance with the formal Stage 2 Abatement Plan recently approved by the New Mexico Oil Conservation Division (OCD).
- First, Shell will **remove the foundations** of the four houses on Tasker and Cobb Streets that were previously removed.
- Second, Shell will **excavate about two-three feet of topsoil** from areas near the former Grimes Tank Battery just west of Tasker Street. Shell will backfill these areas and several previously excavated sites near the tank battery with topsoil.
- All **excavated material will be disposed of at an appropriate facility.** These first two steps will take about a month.
- Over the next several months, **various crews will be temporarily rerouting utilities in the alley just east of Tasker Road.** This work is in preparation for the overall abatement work that should begin this winter.

**Shell Exploration & Production Company
200 North Dairy Ashford
Houston, TX 77079**

August 31, 2001

Left
Roger Willie

Air-quality testing slated for contamination site

Odor woes could be biggest problem in Westgate cleanup process

270
MARK R. FLETCHER
HOBBS NEWS-SUN

Another stage in cleaning up Hobbs' Westgate Subdivision begins this week as Shell Oil Co. begins setting up several air-quality monitoring stations to establish a baseline for normal odors.

Shell spokesman Rich Hansen says the company needs to establish a baseline before beginning excavation to remove layers of an asphalt-like substance which homeowners in the Westgate subdivision said contaminated their property.

Shell says the hazardous material is a substance left over from when the area was an oilfield pit.

Fifty years ago the standard procedure was to burn the pits, and that process left a tar-like residue at the bottom. The material left at the bottom is what the residents of the area said contaminated the soil around their houses, and the houses themselves.

Removing the material, however, may raise a stink with the neighbors — literally.

"It's old oil and old decaying hydrocarbons; it's kind of like a compost pit, when you open up and dig up a compost pit it can be pretty ripe," Hansen said. "It's just normal decomposition, but it's going to smell."

Hansen also said odor control just might present the biggest obstacle for the cleanup process.

"I think the odor is going to be potentially the most difficult part of it," Hansen said.

Hansen said the company is taking every step it can to contain the odor, including setting up a large tent once actual excavation begins. Hansen expects that to be after the first of the year. The tent will contain the odors and has an airlock for trucks entering the site.

"We're going to do everything we can to vent the air so there's a

'We're going to do

everything we can to vent the air so there's a minimum of disturbance to the neighborhood.'

Rich Hansen
Shell spokesman

minimum of disturbance to the neighborhood," Hansen said.

The air-quality tests are required in the formal State 2 Abatement Plan approved by the New Mexico Oil Conservation Division earlier this year.

Shell will begin monitoring the air through the neighborhood to determine a baseline for air quality prior to the commencement of construction work. The air monitoring stations will be comprised of chain-link enclosures with two to three air samplers.

The samplers will produce a sound similar to a vacuum cleaner and will run 24 hours a day for about seven days.

The second step will begin July 23 and will involve digging three test trenches east and west of Tasker Road where oilfield materials have been located, and will measure air emissions that may occur when soil is disturbed.

Monitoring results will be sent to independent laboratories for analysis. The laboratory information will be used to determine current air quality and to design air treatment equipment used during excavation.

The plan is intended to minimize unpleasant odors that might occur during remediation in the neighborhood.

The current state-approved pro-

posals provides for the construction of a large, air-locked tent over each area that will be excavated to capture and contain most vapors. Placement of the tent and actual work should begin the first of next year and could last up to six months.

The air-quality tests, follow the demolition of several houses in the subdivision. Demolishing the houses was a prelude to cleaning up the area that experts say has become contaminated with oil field waste.

Shell purchased several houses in the Westgate neighborhood as part of its work with the New Mexico Oil Conservation Division in developing a soil cleanup program. Areas of the Westgate subdivision were the subject of litigation against Shell in the late 1990s, when homeowners sued Shell Oil saying the company had contaminated the neighborhood with oilfield chemicals over several decades.

Shell agreed to purchase several homes in the neighborhood and compensate the owners for loss of property value.

Last fall, Shell removed three houses following several acts of vandalism and an attempted arson incident in one of them.

Hansen said the vandalism of the houses pushed their demolition up a bit, saying the state normally would have required that be done much later in the plan.

"There was vandalism in the houses, so the state gave us permission to go a head and remove them," Hansen said. "In theory we would not have been able to do that until the plan was approved, but they appreciate the reason why ought to be able to get rid of them sooner."

Contact Hobbs News-Sun report Mark R. Fletcher at 505-397-455 ext. 133, or via e-mail city@leaco.net

Olson, William

From: Hamilton, Wayne WA SEPSCO [SMTP:wahamilton@Shell.Com]
Sent: Friday, July 13, 2001 7:18 AM
To: 'Bill Olson, OCD'; 'Paul Sheeley'
Cc: 'Cliff Brunson'
Subject: Grimes Lease Work Activities: July 2001; Hobbs, New Mexico

Below you will find a time line as to Shell's Stage 2 Abatement plan activities on the Grimes lease in Hobbs, New Mexico.

I know that you are interested in seeing the flux chamber work. Therefore, I'd suggest you be on site, Wednesday, July 25 at 8:00. The test will take the full day to complete.

- Week of July 9th: Monday - Wednesday: BBC International starts installing temporary power poles and meters. Thursday - Saturday: Install chain link enclosures, wire power plugs inside enclosures, set sampling and stake down units, and start 24 hour security. Sunday - Air sampling consultant personnel arrive in Hobbs.
- Week of July 16: Monday: Calibrate and install air sampling devices. Tuesday - Sunday: Operate air sampling units and ship samples to laboratory.
- Week of July 23: Monday: continue air sampling. Tuesday: start and complete first flux chamber excavation on West Tasker, start dismantling air stations not needed for background during flux chamber pits. Wednesday: start and complete second flux chamber pit on West Tasker, and East Tasker trench for utility location, etc. Thursday: Start and complete third flux pit on East Tasker. Friday: Dismantle any remaining air stations and de-mobilize.

If you have any questions about the above work activities please give me call.

Wayne A. Hamilton
Manager Retained Properties

Shell E&P Company
200 North Dairy Ashford
WCK Room 4154
Houston, TX 77079

Voice: 281-544-2322
FAX: 281-544-2238

E-Mail: wahamilton@shellus.com

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

COPY

CASE NO. 12,576

APPLICATION OF SHELL E & P FOR
APPROVAL OF ITS STAGE 2 ABATEMENT PLAN,
GRIMES BATTERY/WESTGATE SUBDIVISION,
CITY OF HOBBS, NEW MEXICO.

RECEIVED

MAY 1 2001

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

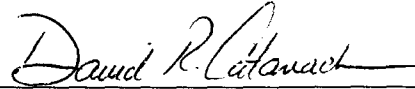
ORDER DISMISSING HEARING

THIS MATTER having come before the Designated Hearing Officer on request of parties who requested a hearing in this matter (hereinafter referred to as "the Requesting Parties") being represented by Michael Newell and Patrick B. McMahon (Heidel, Samberson, Newell & Cox), William G. Rosch, III (Rosch & Ross), and Craig Lewis and Andrew Sher (Gallagher, Young, Lewis, Hampton & Downey) to withdraw their request for hearing in this matter, and the Designated Hearing Officer, having reviewed the pleadings and noted the concurrence of attorneys representing the applicant, Shell Exploration & Production Company (hereinafter referred to as "Shell"), and the Oil Conservation Division,

FINDS, the Designated Hearing Officer has jurisdiction of the parties and the subject matter herein and the request of the Requesting Parties to withdraw the request for hearing is well-taken and should be granted and, in the absence of a hearing, the abatement plan of Shell should be forthwith approved by the Oil Conservation Division.

IT IS THEREFORE ORDERED that the hearing in this case shall be and hereby is vacated and the abatement plan of Shell shall be approved by the Division forthwith

ORDERED THIS 1st DAY OF MAY, 2001.



David R. Catanach, Hearing Examiner

Approved:

COUNSEL FOR SHELL EXPLORATION AND PRODUCTION:

Approved 4-24-2001 by J. Scott Hall:

J. Scott Hall
Miller, Stratvert & Torgerson PA
P.O. Box 1986
Santa Fe, New Mexico 87504

Marte D. Lightstone
Miller, Stratvert & Torgerson, P.A.
P.O. Box 25687
Albuquerque, New Mexico 87125-5687

Michael Mazzone
Dow, Cogburn & Friedman
9 Greenway Plaza, Suite 2300
Houston, Texas 77046

Kathleen Phillips
Shell Exploration and Production Company
P.O. Box 2463
Houston, Texas 77252

COUNSEL FOR REQUESTING PARTIES:

telephonically approved, 5-1-2001 by Andrew Sher:

Craig Lewis
Andrew Sher
Gallagher, Lewis & Downey
Bank of America Center
700 Louisiana, 40th Floor
Houston, Texas 77002

William G. Rosch, III
Rosch & Ross
Chase Bank Building
707 Travis, Suite 2100
Houston, Texas 77002

Thomas Girardi
Girardi & Keese
1126 Wilshire Boulevard
Los Angeles, California 90017

Michael Newell
Patrick B. McMahon
Heidel, Samberson, Newell & Cox
311 N. First Street
P.O. Box 1599
Lovington, New Mexico 88620

COUNSEL FOR THE OIL CONSERVATION DIVISION:

Approved 4-30-2001:

Kurt Van Deren
Assistant General Counsel
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

[Lifestyles](#)[Staff/Info](#)[Viewpoint](#)[Subscribe](#)[Noticias](#)

Doris Craig was raised on a homestead her father bought in 1909.

RICHARD TROUT/HOBBS NEWS-SUN

Remembering life on a homestead

**Make the
Hobbs
News-Sun
your home
page**

Doris Craig has led a remarkable life. What's truly remarkable, however, is her ability to remember every event as if it happened yesterday.

[continued](#)



Walls come tumbling down at the hands of this bulldozer operator contracted by Shell Oil Co. to destroy a home at 1330 N. Tasker on Monday morning. The house is the latest to be razed in the wake of oilfield contamination found in the Westgate Subdivision.

BIRTHPLACE:
Hobbs

OCCUPATION:
Retired

SPOUSE: Sandra

FAVORITE FOOD:
Steak

**FAVORITE TV
SHOW:** Pensacola
Wings of Gold

FAVORITE MUSIC:
Country

TV Listings



**UPDATES
VOICE
PERSONALS**





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

April 2, 2001

J. Scott Hall
Miller, Stratvert & Torgerson PA
P.O. Box 1986
Santa Fe, New Mexico 87504

Marte D. Lightstone
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Michael Mazzone
Dow, Cogburn & Friedman
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Kathleen Phillips
Shell Exploration and Production Company
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Houston, Texas 77252

Craig Lewis
Andrew Sher
Gallagher, Lewis & Downey
Bank of America Center
700 Louisiana, 40th Floor
Houston, Texas 77002

William G. Rosch, III
Rosch & Ross
Chase Bank Building
707 Travis, Suite 2100
Houston, Texas 77002

All Counsel
April 2, 2001
Page 2

Thomas Girardi
Girardi & Keese
1126 Wilshire Boulevard
Los Angeles, California 90017

Michael Newell
Patrick B. McMahon
Heidel, Samberson, Newell & Cox
311 N. First Street
P.O. Box 1599
Lovington, New Mexico 88620

Kurt Van Deren
Assistant General Counsel
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

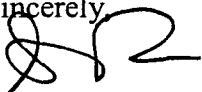
Re: Shell E&P Company's Proposed Stage 2 Abatement Plan
Grimes Battery/Tasker Road, Hobbs, New Mexico

Dear Counsel,

Please find enclosed a proposed order of dismissal of this matter. Please review the order and indicate whether it is acceptable. If so, I would appreciate receiving your telephonic approval as soon as possible. I will forward each of you an executed copy of the Order.

If you have any questions, please do not hesitate to give me a call.

Sincerely,

A handwritten signature in black ink, appearing to be "SR" or "S. Ross", written over the word "Sincerely".

Stephen C. Ross
Assistant General Counsel

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION**

CASE NO. 12,576

**APPLICATION OF SHELL E & P FOR
APPROVAL OF ITS STAGE 2 ABATEMENT PLAN,
GRIMES BATTERY/WESTGATE SUBDIVISION,
CITY OF HOBBS, NEW MEXICO.**

ORDER DISMISSING HEARING

THIS MATTER having come before the Designated Hearing Officer on request of parties who requested a hearing in this matter (hereinafter referred to as "the Requesting Parties") being represented by Michael Newell and Patrick B. McMahon (Heidel, Samberson, Newell & Cox), William G. Rosch, III (Rosch & Ross), and Craig Lewis and Andrew Sher (Gallagher, Young, Lewis, Hampton & Downey) to withdraw their request for hearing in this matter, and the Designated Hearing Officer, having reviewed the pleadings and noted the concurrence of attorneys representing the applicant, Shell Exploration & Production Company (hereinafter referred to as "Shell"), and the Oil Conservation Division,

FINDS, the Designated Hearing Officer has jurisdiction of the parties and the subject matter herein and the request of the Requesting Parties to withdraw the request for hearing is well-taken and should be granted and, in the absence of a hearing, the abatement plan of Shell should be forthwith approved by the Oil Conservation Division.

IT IS THEREFORE ORDERED that the hearing in this case shall be and hereby is vacated and the case dismissed. The abatement plan of Shell shall be approved forthwith

ORDERED THIS ____ DAY OF APRIL, 2001.

David R. Catanach, Hearing Examiner

Approved:

COUNSEL FOR SHELL EXPLORATION AND PRODUCTION:

J. Scott Hall
Miller, Stratvert & Torgerson PA
P.O. Box 1986
Santa Fe, New Mexico 87504

Marte D. Lightstone
Miller, Stratvert & Torgerson, P.A.
P.O. Box 25687
Albuquerque, New Mexico 87125-5687

Michael Mazzone
Dow, Cogburn & Friedman
9 Greenway Plaza, Suite 2300
Houston, Texas 77046

Kathleen Phillips
Shell Exploration and Production Company
P.O. Box 2463
Houston, Texas 77252

COUNSEL FOR REQUESTING PARTIES:

Craig Lewis
Andrew Sher
Gallagher, Lewis & Downey
Bank of America Center
700 Louisiana, 40th Floor
Houston, Texas 77002

William G. Rosch, III
Rosch & Ross
Chase Bank Building
707 Travis, Suite 2100
Houston, Texas 77002

Thomas Girardi
Girardi & Keese
1126 Wilshire Boulevard
Los Angeles, California 90017

Michael Newell
Patrick B. McMahon
Heidel, Samberson, Newell & Cox
311 N. First Street
P.O. Box 1599
Lovington, New Mexico 88620

COUNSEL FOR THE OIL CONSERVATION DIVISION:

Kurt Van Deren
Assistant General Counsel
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Shell E&P Company

A Division of Shell Exploration & Production Company

OIL CONSERVATION DIV.



01 APR 16 PM 2:55

Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

FAX Transmission: (505) 476-3471

April 5, 2001

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

SUBJECT: DEMOLITION OF HOME IN WESTGATE SUBDIVISION

Dear Mr. Olson:

This letter is to confirm our phone conversation that Shell Exploration and Production Company (SEPCo) plans to demolish one house in the Westgate neighborhood. As discussed, SEPCo has purchased this house and it is the last house to be demolished prior to the start of remediation.

The house is located at 1330 Tasker. For safety reasons, the house needs to be demolished at this time. You may recall that three (3) houses were demolished in September 2000 because they had experienced vandalism and arson attempts prior to the demolition. The house will be removed down to the foundation, driveway, and sidewalks. The foundation will be removed during actual Stage 2 Abatement remediation activities. All trees, shrubs, and bushes will also be removed. All materials will be disposed of at an approved landfill for construction materials.

The demolition start date will be April 16, 2001 and should be completed within two to three days. A flyer will be distributed throughout the neighborhood on April 13, 2001 informing the residents of the activities. I have enclosed a copy of the flyer for your files.

If you have any questions, please call me at (281) 544-2322 or Cliff Brunson of BBC International at (505) 397-6388.

Sincerely,

Wayne A. Hamilton
Retained Properties Manager

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Cliff P. Brunson, BBC International, Inc.



Because We Want You to Know

As you know, Shell has been working with the New Mexico Oil Conservation Division (OCD) in the Westgate Subdivision to develop a formal soil cleanup plan for the area.

As part of this project, one additional house on Tasker Street has been purchased by Shell and will be removed.

Here is what we plan to do:

- Beginning approximately (Monday, April 16, 2001), between 8:00 a.m. and 5:00 p.m., the house will be demolished above ground level. The debris will be transported to an approved landfill. We expect to be finished in a few days.
- During this time, barriers will be constructed around the property for additional safety.
- The foundation will be removed at a later date once Shell's final soil cleanup plan is approved by OCD.

Although we plan to work as quickly as possible, we apologize in advance for any inconvenience that might be caused by the removal of this house. If you have any questions about what we're doing, please feel free to call us toll free at (800) 498-8109.

**Shell Oil Company
200 North Dairy Ashford
Houston, TX 77079**

April 13, 2001

Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

VIA FEDERAL EXPRESS
AIRBILL NUMBER: 820412607823

March 30, 2001

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

APR 02 2001

**SUBJECT: SUBMITTAL OF 2000 QUARTERLY GROUNDWATER
MONITORING REPORT, WESTGATE SUBDIVISION,
GRIMES BATTERY AND TASKER ROAD**

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Dear Mr. Olson:

Shell Exploration and Production Company (SEPCo) respectfully submits the enclosed 2000 Quarterly Groundwater Monitoring Report for the Westgate Subdivision, Grimes Battery and Tasker Road.

This report details the groundwater monitoring and free product recovery activities for the four quarters of 2000. Also included are summary data tables, original data, and isopleth maps.

If you have any questions, please call me at (281) 544-2322 or via electronic mail:
wahamilton@shellus.com.

Sincerely,

Cliff P. Brunson / for Wayne A. Hamilton
Wayne A. Hamilton
Retained Properties Manager

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Cliff P. Brunson, BBC International, Inc.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

March 22, 2001

Via Facsimile and First Class Mail

Andrew Sher
Gallagher, Lewis, Downey & Kim
Bank of America Center
700 Louisiana, 40th Floor
Houston, Texas 77002

Re: Shell E&P Company's Proposed Stage 2 Abatement Plan
Grimes Battery/Tasker Road, Hobbs, New Mexico

Dear Mr. Sher,

Thank you for your letter of March 15. In your letter you propose to withdraw the request for hearing in this matter based on three assumptions which you described in the first paragraph.

It has been a bit difficult to evaluate your conditions because they distill down hundreds, if not thousands, of pages of documents to a few declarative statements. However, the Environmental Bureau appears to agree that the conditions numbered (2) and (3) are accurate.

However, the condition numbered (1) appears not to be accurate. I suggest you look at William C. Olson's letter of February 9, 2000 and Shell's Stage 2 Abatement Plan, dated May 4, 2000. Among many other things, Mr. Olson's letter indicates he is unhappy with Shell's proposal that soil be excavated to a depth of 8 feet; he asks for a revised excavation plan which will remove the bulk of the near surface contaminated soils from the pits. Shell's Stage 2 Abatement Plan Report proposes to excavate to a depth of *10 feet* and also remove Tasker Road itself. Shell also proposes to leave the exact depth "subject to field judgment based on mutual discussions between Shell and NMOCD field

Mr. Andrew Sher
March 22, 2001
Page 2

representatives." Shell proposes to excavate an area of 300 feet by 80 feet instead of the two discrete excavations on either side of Tasker.

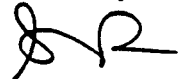
Please review the February 9 and May 4 documents and let me know as soon as possible whether you still wish to withdraw the request for hearing. If so, I will draft and circulate to counsel for approval a simple dismissal of the Commission case.

Until this issue is resolved, counsel need not submit the initial summaries, witness lists and exhibit lists.

The last paragraph of your letter requests the procedure for bringing areas of contamination you have identified to the attention of OCD. I have asked William C. Olson to respond to this inquiry on behalf of the Environmental Bureau.

As always, if you have any questions, please do not hesitate to give me a call.

Sincerely,



Stephen C. Ross
Assistant General Counsel

Cc: All counsel

GALLAGHER, LEWIS, DOWNEY & KIM
ATTORNEYS AT LAW
700 LOUISIANA ST., 40TH FLOOR
BANK OF AMERICA CENTER
HOUSTON, TEXAS 77002
PH: (713) 222-8080
FAX: (713)222-0066

FACSIMILE COVERSHEET

March 15, 2001

TO:**PHONE #****FAX #**

Mr. Steve Ross
Oil Conservation Commission

(505) 476-3440

(505) 476-3462

FROM: Andrew Sher

RE: Shell E&P Company - Stage 2 Abatement Plan

OUR FILE #: 98-04-163

TOTAL # OF PAGES: 3

MESSAGE: Please see attached

If you do not receive 3 pages, please call 713-222-8080.

Unless otherwise indicated or obvious from the nature of the transmittal, the information contained in this facsimile message is attorney privileged and confidential information intended for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify the sender by telephone and return the original message to Gallagher, Lewis & Downey at the above address via U.S. Postal Service at our expense. Thank you.

GALLAGHER, LEWIS, DOWNEY & KIM
BANK OF AMERICA CENTER
700 LOUISIANA, 40TH FLOOR
HOUSTON, TEXAS 77002
CRAIG LEWIS

ROSCH & ROSS
CHASE BANK BUILDING
707 TRAVIS, SUITE 2100
HOUSTON, TEXAS 77002
WILLIAM G. ROSCH, III

GIRARDI & KEESE
1126 WILSHIRE BOULEVARD
LOS ANGELES, CALIFORNIA 90017
THOMAS GIRARDI

HEIDEL, SAMBERSON, NEWELL & COX
311 N. FIRST STREET, P. O. BOX 88260
LOVINGTON, NEW MEXICO 88260
MICHAEL NEWELL

March 15, 2001

Mr. Stephen C. Ross
Assistant General Counsel
Oil Conservation Commission
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

VIA FACSIMILE (505) 476-3462

Re: Shell E&P Company's Proposed Stage 2 Abatement Plan
Grimes Battery/Tasker Road, Hobbs, New Mexico

Dear Mr. Ross:

Thank you for your February 28, 2001 clarification of the scope of the OCD hearing in the above-referenced matter. Pursuant to our telephone conversations and your letter, it is our understanding that (1) OCD will require Shell to fully delineate, both vertically and horizontally, the extent of contamination in and around the proposed excavation area as warranted by field conditions (ie. OCD will require Shell to excavate contaminated media encountered above action levels both deeper than the proposed 8 feet and wider than the defined excavation area based on field sampling and/or field observations); (2) Shell will maintain a remediation structure under negative air pressure, air monitoring and emergency notification procedures during excavation to prevent further exposures to residents; and (3) OCD approval of the Stage 2 Abatement Plan does affect Shell's obligation to investigate and address other areas of concern outside the defined Stage 2 excavation area.

Based on this clarification, it appears that the concerns made the basis of our request for a hearing on Shell's Stage 2 Abatement Plan have been addressed by the OCD. Accordingly, we hereby withdraw our request for an oral hearing in this matter and would request abatement activities to proceed. If we have misunderstood your clarification concerning items (1) through (3) above, please advise us immediately as we may need to reevaluate our position on the necessity of a hearing.

On behalf of the residents of the Westgate Subdivision, what is the proper procedure or vehicle for either the residents and/or the OCD to address objections to the adequacy of Shell's investigation and assessment of those areas outside the discrete boundaries of the excavation area set

Mr. Stephen C. Ross
March 15, 2001
Page 2

forth in Shell's Stage 2 Abatement Plan, but subsumed under the Grimes/Tasker Road site designation? Notwithstanding the OCD's orders, Shell has failed to adequately research or investigate contamination in other areas at the site. The Chandler residence is one example where Shell's investigation failed to identify contamination, while investigations by the OCD and the residents confirmed significant contamination. Likewise, additional testing at the expense of the residents has also revealed contamination at other locations both outside the boundaries of the excavation area set forth in Shell's Stage 2 Abatement Plan and where Shell failed to identify any contamination. Shell should have identified these areas as a part of their own investigations at the site; and the fact that Shell did not, renders Shell's investigation suspect at best. It should not be the responsibility of OCD and the victims of pollution to incur additional expenses to do Shell's work for them. In short, there is more than enough probable cause to require Shell to redo its investigations by adequately researching its historical operations at the site and conducting additional sampling activities with more precise laboratory detection limits.

Thank you for your courtesy and attention to this matter.

Sincerely,



Andrew Sher

AS:pb

FEB 28

LAW OFFICES

HEIDEL, SAMBERSON, NEWELL, COX & McMAHON

C. GENE SAMBERSON
MICHAEL T. NEWELL
LEWIS C. COX, III
PATRICK B. McMAHON

311 NORTH FIRST STREET
POST OFFICE DRAWER 1599
LOVINGTON, NM 88260
TELEPHONE (505) 396-5303
FAX (505) 396-5305

F.L. HEIDEL
(1913-1985)

February 26, 2001

The Energy, Minerals and Natural Resources Department
P.O. Box 6429
Santa Fe, NM 87505

Re: Westgate; Shell #8

Dear Mr. Olson,

Please find enclosed a copy of your letter to Arco Permian regarding Ms. Linda Foster and the W.D. Grimes #2 well. In your letter you requested that Arco provide you with "...all available information the locations and type of all tanks, pumps, pits, pipelines and spills related to the operation of the W.D. Grimes #2 well site."

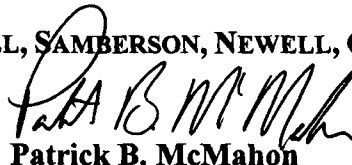
I am writing this letter to inquire as to whether you, or anyone at OCD, has made the same, or similar, request to Shell regarding the Shell #8 located on Cobb Street, in Hobbs, New Mexico. If this type of request has been made, would you please identify where I can locate a copy of Shell's response. If this type of request has not been made, would you please explain the reason(s) why, given the fact that this information was requested from Arco for a location in the very same area in Hobbs.

I look forward to hearing from you.

Sincerely,

HEIDEL, SAMBERSON, NEWELL, COX & McMAHON

By:


Patrick B. McMahon

PBM:cd
Enclosure



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 15, 2000

Donna

CERTIFIED MAIL

RETURN RECEIPT NO. Z-559-572-908

Ms. Margaret Lowe
Arco Permian
P.O. Box 1610
Midland, Texas 79702

**RE: W.D. GRIMES #2 WELL SITE
HOBBS, NEW MEXICO**

Dear Ms. Lowe:

The New Mexico Oil Conservation Division (OCD) has received a written complaint from Ms. Linda Foster regarding the site of the plugged and abandoned former Sinclair Oil & Gas Company W.D. Grimes #2 well in Unit F, Section 28, Township 18 South, Range 38 East, NMPM, Lea County New Mexico. Attached is a copy of Ms. Foster's correspondence with the OCD. The W.D. Grimes #2 well site is located on Ms. Foster's property at 1700 West Lorene Drive in Hobbs, New Mexico. Ms. Foster is concerned that there is contamination related to W.D. Grimes #2 in several areas of her property.

The OCD requires that Arco, the successor of the Sinclair Oil & Gas Company, submit to the OCD all available information regarding the locations and type of all tanks, sumps, pits, pipelines and spills related to the operation of the W.D. Grimes #2 well site. There is also a former water well located in the northwest corner on the Foster property. If this water well was related to Sinclair Oil & Gas Company's operations, the OCD requires that Arco supply all available information on the completion of the well and water well quality. Please submit this information to the OCD Santa Fe Office by April 17, 2000 with a copy provided to the OCD Hobbs District Office.

If you have any questions, please call me at (505) 827-7154.

Sincerely,

William C. Olson
Hydrologist
Environmental Bureau

Attachment

xc w/o attachment: Chris Williams, OCD Hobbs District Supervisor
Linda Foster

014



Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

VIA: Federal Express
Airbill No.: 8204 1260 8083

March 8, 2001

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

RECEIVED

MAR 09 2001

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

**SUBJECT: SUBMITTAL OF THE W. D. GRIMES WELL NO. 8
INVESTIGATION, ADDITIONAL STAGE 1 ABATEMENT PLAN
ACTIVITIES**

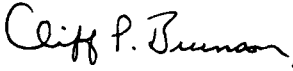
Dear Mr. Olson:

Per your December 21, 2000 letter, Shell Exploration and Production Company respectfully submits the attached W. D. Grimes Well No. 8 Investigation, Additional Stage 1 Abatement Plan Activities report.

The report addresses the requirements and conditions as set forth in your December 21, 2000 letter.

If you have any questions, please call me at (281) 544-2322 or via electronic mail: wahamilton@shellus.com.

Sincerely,

 /for Wayne A. Hamilton
Wayne Hamilton
Retained Properties Manager

cc: w/attachments
Chris Williams, NMOCD District 1 Supervisor, 2 copies



Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

FAX Transmission: (505) 476-3471

February 14, 2001

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 St. Francis Drive
Santa Fe, NM 87504

**SUBJECT: STAGE 2 ABATEMENT PLAN (AP-2)
GRIMES BATTERY/TASKER ROAD
ABANDON WELL # 8—CHANDLER PROPERTY
HOBBS, NEW MEXICO**

Dear Mr. Olson:

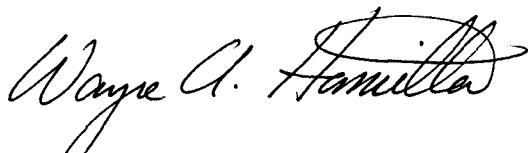
This letter is in response to the New Mexico Oil Conservation Division's (OCD) letter of December 21, 2000 concerning the sampling activities at the Chandler residence located at 1506 N. Cobb, Hobbs, New Mexico.

Shell requests an extension to March 9, 2001 to submit the sampling results and prepare a report of the site data. The additional time is needed to review analytical data plus complete a report documenting the site information.

Please acknowledge in writing your acceptance of the date extension.

If you have any questions, please call me at (281) 544-2322, Fax (281) 544-2238 or electronic mail: wahamilton@shellus.com.

Sincerely,



Wayne A. Hamilton
Retained Properties Manager

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Cliff Brunson, BBC International

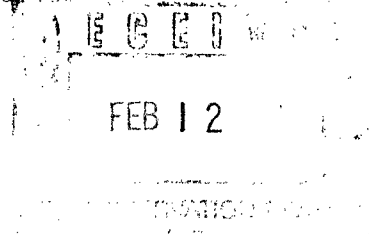
GALLAGHER, LEWIS, DOWNEY & KIM

ATTORNEYS AT LAW
40th FLOOR
BANK OF AMERICA CENTER
700 LOUISIANA
HOUSTON, TEXAS 77002
Telephone: 713/222-8080
Telecopy: 713/222-0066

Andrew Sher

Direct Line 713-238-7725

February 9, 2001



Mr. Bill Olsen
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Cause No. CV-99-00509-G; *Concepcion and Rosario Acosta, et al. vs. Shell Western E & P, Inc., et al.*; In the Fifth Judicial District Court, Lea County, New Mexico - Westgate Subdivision

Dear Mr. Olsen:

Please find enclosed, the lab results which we have received to date with regard to the sampling in the above referenced subdivision. Please note, we are missing page 16 of the lab results from October, which is Lab ID #0010061-04; client sample WSB-01. I am contacting E-Lab and when I am in receipt of this missing documentation, I will forward a copy to you.

In the interim, if you should have any questions regarding this transmittal, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Sarah R. Leach".

Sarah R. Leach
Secretary for Andrew Sher

/srl
Enclosure



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

January 26, 2001

J. Scott Hall
Marte D. Lightstone
Miller, Stratvert & Torgerson PA
P.O. Box 1986
Santa Fe, New Mexico 87504

Craig Lewis
Andrew Sherr
Gallagher, Lewis & Downey
Bank of America Center
700 Louisiana, 40th Floor
Houston, Texas 77002

William G. Rosch, III
Rosch & Ross
Chase Bank Building
707 Travis, Suite 2100
Houston, Texas 77002

Thomas Girardi
Girardi & Keese
1126 Wilshire Boulevard
Los Angeles, California 90017

Michael Newell
Patrick B. McMahon
Heidel, Samberson, Newell & Cox
311 N. First Street
P.O. Box 1599
Lovington, New Mexico 88620

Re: Shell Exploration and Production Proposed Stage 2 Abatement Plan Proposal


Counsel,

Please find enclosed a copy of the Scheduling Order issued today in this matter.

Counsel
January 26, 2001
Page 2

I note that not all of you have entered appearances in this matter and I will ask you to do so at this time.

Sincerely,

A handwritten signature in cursive script, reading "David R. Catanach", with a long horizontal flourish extending to the right.

David R. Catanach
Hearing Examiner

Cc: Division Counsel
Stephen C. Ross Esq., Counsel to the Oil Conservation Commission
Commission Secretary

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION**

CASE NO. 12,576

**APPLICATION OF SHELL E & P FOR
APPROVAL OF ITS STAGE 2 ABATEMENT PLAN,
GRIMES BATTERY/WESTGATE SUBDIVISION,
CITY OF HOBBS, NEW MEXICO.**

SCHEDULING ORDER

THIS MATTER having come before the Designated Hearing Officer during the pre-hearing conference December 20, 2000, and the applicant, Shell Exploration & Production Company (hereinafter referred to as "Shell"), being represented by J. Scott Hall and Marte D. Lighstone (Miller, Stratvert & Torgerson, P.A.), Michael Mazzone (Dow, Cogburn & Friedman, P.C.), and Kathleen Phillips (Shell), the Oil Conservation Division (hereinafter referred to as "OCD") being represented by Marilyn S. Hebert, Assistant General Counsel, and the parties who requested a hearing in this matter (hereinafter referred to as "the Requesting Parties") being represented by Michael Newell and Patrick B. McMahon (Heidel, Samberson, Newell & Cox), William G. Rosch, III (Rosch & Ross), and Craig Lewis (Gallagher, Young, Lewis, Hampton & Downey), and the Designated Hearing Officer, having reviewed the pleadings and noted that the Parties have been unable to agree upon the terms of a scheduling order,

FINDS, that entry of a scheduling order will substantially advance the proceedings by assisting the parties to prepare for the hearing and assisting the Oil Conservation Commission

(hereinafter referred to as "the Commission") to comprehend the evidence when presented, and that a Scheduling Order should be issued forthwith.

IT IS THEREFORE ORDERED, as follows:

1. The Parties shall hereinafter adhere to the schedule of submissions set forth herein.
2. On or before March 16, 2001, the Parties shall serve on all Parties and file with the Commission Secretary a brief summary of its position with regard to the proposed abatement plan in this matter, including a brief summary of the evidence to be presented in support of this position.
3. On or before March 16, 2001, the Parties shall serve on all Parties and file with the Commission Secretary a list of the witnesses each Party intends to call to testify at the hearing together with a brief summary of the witness' testimony and whether or not the witness will give fact or opinion testimony.
4. On or before March 16, 2001, the Parties shall serve on all Parties and file with the Commission Secretary a list of exhibits each Party intends to introduce at the hearing of this matter.
5. On or before May 4, 2001, the Parties shall serve on all Parties and file with the Commission Secretary four (4) copies of prepared written direct testimony of each witness the Party intends to call to testify at the hearing. The pages of the prepared written testimony shall be paginated consecutively and shall contain line numbers on the left-hand side of the page. The prepared written testimony may be submitted electronically, but each Party should ensure that the Commission has received the submission and its format is compatible. The testimony should include copies of any exhibit referred to therein. Each witness must be present at the hearing to adopt, under oath, his prepared written testimony and submit to cross-examination.

6. Testimony of a rebuttal witness whose testimony becomes necessary as a result of submission of any other Party's prepared written testimony shall be identified to all Parties and the Commission Secretary as soon as practicable and prepared written rebuttal testimony shall be submitted as soon as practicable before the hearing.

7. A subpoena for witnesses or evidence will be issued by upon request, but Parties shall insure that ample time is allowed for processing and service.

8. Discovery shall be permitted only upon motion and good cause shown.

9. Pre-hearing motions shall be filed on or before May 18, 2001. Responses to pre-hearing motions must be filed within ten (10) days of the responding party's receipt of the motion to which a response is being filed. The Hearing Examiner will determine whether or not a hearing is required on any pre-hearing motion and, if so, the Hearing Examiner will schedule a hearing. The Hearing Examiner will attempt to rule on all pre-hearing motions at least seven (7) days before the first hearing in this matter.

10. The evidentiary hearing in this matter will be held in the Oil Conservation Division Hearing Room of the Energy, Minerals & Natural Resources Department, 1220 South Saint Francis Drive, Santa Fe, New Mexico, commencing at 9:00 a.m. on June 18, 2000. The Parties estimate the hearing to take three (3) days to complete.

11. The Parties should address the issue of burden of proof and order of presentation by way of pre-hearing motion, if necessary. Without having the benefit of submissions of the Parties on this issue, it appears that Shell, the applicant for the abatement plan, bears the burden of proving its proposed plan meets the criteria of the applicable statutes and regulations, and should therefore present evidence in support of its proposed plan, followed by the Requesting

Parties who oppose the proposed abatement plan, followed by the OCD. If the Parties believe this should be handled differently, an appropriate motion directed to this issue should be filed.

12. The scope of the Commission's review of this matter shall be limited to Shell's Stage 2 Abatement Plan (AP-2) for the Westgate Subdivision/Grimes Tank Battery/Tasker Road.

ORDERED THIS 26TH DAY OF JANUARY, 2001.

A handwritten signature in cursive script, reading "David R. Catanach", written over a horizontal line.

David R. Catanach, Hearing Examiner

12/2000 Shell Westgate Preliminary Conference

Content of scheduling order

Issues

- 1) length hearing
- 2) evidence to be presented
- 3) hearing date

OCD negligent

Case not complete

OCD - hearing date in April

Mar. 1

Lewis - Burden on Shell

Feb 15th - Protestants

Mar 15th - Shell, OCD

April 15th - motion

May 1st week - hearing

Rosch - Geographic area at plan inadequate, needs to be expanded

- Pump station east of subdivision never sampled

1/5 deadline for submission of scheduling order

Location - Hobbs ²
-

Protestants will respond by 12/25-30

Shell E&P Company

A Division of Shell Exploration & Production Company



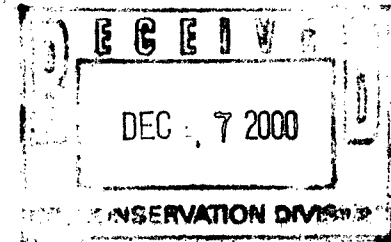
Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

VIA FEDERAL EXPRESS
AIR WAYBILL NO. 821763159708

December 6, 2000

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505



SUBJECT: STAGE 2 ABATEMENT PLAN (AP-2)
GRIMES BATTERY/TASKER ROAD
HOBBS, NEW MEXICO

Dear Mr. Olson:

This letter is in response to the New Mexico Oil Conservation Division's (OCD) letter of November 1, 2000 concerning the split sampling activities at the Chandler residence located at 1506 N. Cobb, Hobbs, New Mexico. As requested, Shell Exploration and Production Company (SEPCo) plans to conduct the re-sampling of the soils at the Chandler residence and the following activities described below:

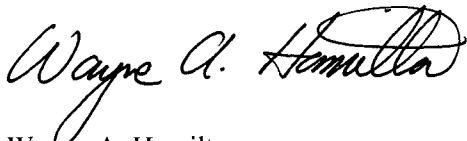
1. Please find enclosed a copy of SEPCo's laboratory analytical results and associated quality assurance/quality control data for the August 24, 2000 split sampling of soils from the Chandler residence located at 1506 N. Cobb.
2. SEPCo will perform additional soil sampling at approximately the same point on the north side of the Chandler residence as the OCD did on August 24, 2000 (Figure 1). A direct push split spoon sampling method will be utilized to extend the depth beneath the foundation of the Chandler residence. Two to three samples will be taken dependent upon equipment capability (approx. 1-2 feet, 4-6 feet, and 7-10 feet) and analyzed for TPH using 418.1, 8015 MOD, GRO/DRO, BTEX (8260B), and OCD metals (total). Additionally, hydrocarbon fractionations will be done for possible Risk Based Corrective Action (RBCA) soil cleanup concentrations. This information could then be included in the Stage 2 Abatement Plan, if warranted.
3. SEPCo will perform additional sampling near and around the abandoned well between the residences located at 1506 and 1510 N. Cobb using the direct push split spoon sampling method. The purpose of this sampling is to verify or disprove the data that was collected by SEPCo at a split-sampling event conducted by the Plaintiffs on October 12, 2000. The Plaintiffs conducted soil boring sampling near the abandoned well utilizing a trailer-mounted hollow stem auger rig. Because this rig had been used the day before at a split sampling event in the backyard of 1330 Tasker (Mrs. Rising's' residence) and had not been decontaminated before conducting the soil borings near the abandoned well, the analytical results received from this sampling are suspect. SEPCo's results (from samples split with

Plaintiffs) do show hydrocarbon detections, but we believe they could be the result of Plaintiffs' using a contaminated drill stem and equipment. We anticipate sampling in about three areas around the abandoned well (Figure 1). We will take two to three sample intervals based on equipment capability (approx. 1-2 feet, 4-6 feet, and 7-10 feet) and analyze for TPH using 418.1, 8015 MOD, GRO/DRO, BTEX (8260B), and OCD metals (total). Additionally, hydrocarbon fractionations will be done for possible RBCA soil cleanup concentrations. This information could then be included in the Stage 2 Abatement Plan, if warranted.

Upon receipt of the laboratory analytical results of these sampling events, the data will be forwarded to the OCD.

If you have any questions, please call me at (281) 544-2322 or Cliff Brunson of BBC International at (505) 397-6388.

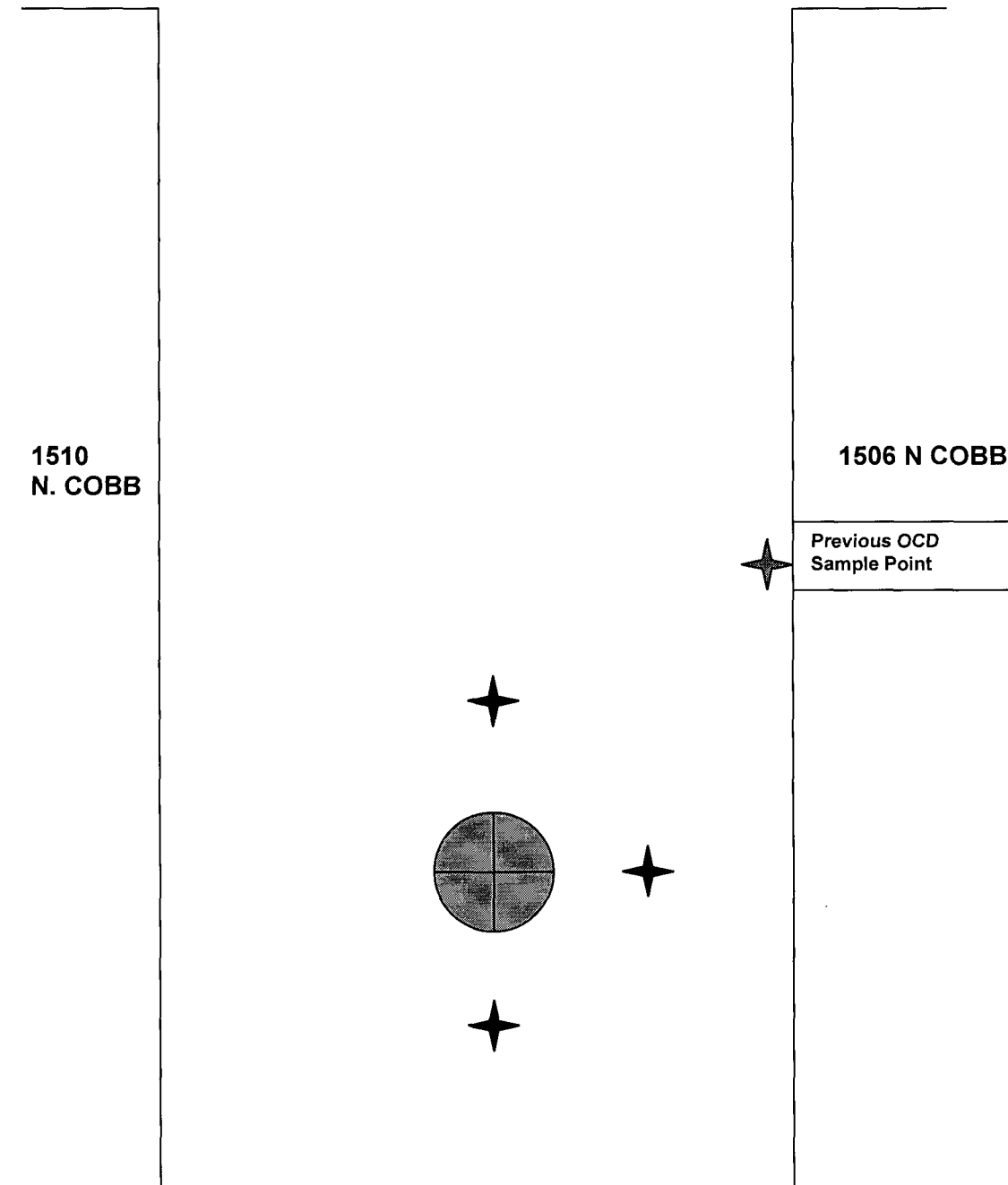
Sincerely,

A handwritten signature in black ink, reading "Wayne A. Hamilton". The signature is fluid and cursive, with the first name "Wayne" being more prominent.

Wayne A. Hamilton
Retained Properties Manager

encl.

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Cliff P. Brunson, BBC International, Inc.



= ABANDONDED WELL



= PROPOSED SAMPLE POINT

BBC INTERNATIONAL, INC.	
CHANDLER RESIDENCE – 1506 N. COBB & ABANDONED WELL SAMPLING POINTS	
Date: 11-30-00	Drawn by: CB
Disk:	File Name: Westgate- Chandler-Well 8 Sampling
Scale: Not to Scale	FIGURE 1



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

December 15, 2000

Via Facsimile and First Class Mail

J. Scott Hall
Marte D. Lightstone
Miller, Stratvert & Torgerson PA
P.O. Box 1986
Santa Fe, New Mexico 87504

Craig Lewis
Gallagher, Lewis & Downey
Bank of America Center
700 Louisiana, 40th Floor
Houston, Texas 77002

William G. Rosch, III
Rosch & Ross
Chase Bank Building
707 Travis, Suite 2100
Houston, Texas 77002

Thomas Girardi
Girardi & Keese
1126 Wilshire Boulevard
Los Angeles, California 90017

Michael Newell
Heidel, Samberson, Newell & Cox
311 N. First Street
P.O. Box 1599
Lovington, New Mexico 88620

Re: Shell Exploration and Production Proposed Stage 2 Abatement Plan Proposal

Counsel,

My previous notice failed to set out that the time set for the pre-hearing conference is 1:30 p.m. on December 20, 2000. If this creates difficulty for anyone, please let me know as soon as possible.

Shell E & P Application
December 15, 2000
Page 2

Please feel free to give me a call if you have any questions.

Sincerely,



Stephen C. Ross
Special Assistant Attorney General
Counsel, New Mexico Oil Conservation Commission

Cc: Lori Wrotenbery, Director, OCD
Mark Ashley, Hearing Examiner
~~Roger C. Anderson, Chief, Environmental Bureau~~
Lyn Hebert, Associate General Counsel, NMEMNRD
Commission Secretary



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

L. J. Protenberg

Director

Oil Conservation

December 11, 2000

CERTIFIED MAIL

RETURN RECEIPT NO. 5051-3952

Mr. William G. Rosch, III
Rosch & Ross
Chase Bank Building
707 Travis, Suite 2100
Houston, Texas 77002

**RE: STAGE 2 ABATEMENT PLAN PROPOSAL
FORMER SHELL GRIMES TANK BATTERY AND WESTGATE SUBDIVISION
LEA COUNTY, NEW MEXICO**

Dear Mr. Rosch:

The Oil Conservation Division (OCD) is in receipt of your October 16, 2000 correspondence requesting a public hearing on the above referenced Stage 2 Abatement Plan Proposal submitted by the Shell Oil Exploration & Production Company (Shell). The request for hearing has been referred to the Director's Office.

In addition, your correspondence states, in items 2, 3, 4, and 5, that hydrocarbon contamination exists at a number of locations which are not addressed under Shell's Stage 2 Abatement Plan. The correspondence also states that samples taken in these areas by your firm document the existence of this contamination. The OCD has no record of receiving this information for review during consideration of the abatement plan. The OCD requests that you provide all information related to the presence of oilfield wastes and hydrocarbon contamination at the locations identified in items 2, 3, 4 and 5 of your October 16, 2000 correspondence including:

1. A description of all known contaminated areas and any known information on the types of contamination existing at these locations.
2. A map showing the location of each contaminated area.
3. Copies of the analytical results of all field and laboratory sampling and associated quality assurance/quality control data.
4. A copy of the sampling and analysis plan employed during the investigations.

Mr. William G. Rosch, III
December 11, 2000
Page 2

Please provide this information to the OCD Santa Fe Office by January 12, 2000 with a copy provided to the OCD Hobbs District Office.

The OCD appreciates your input on all environmental and public health issues relating to the abatement plan. If you have any questions or comments, please do not hesitate to contact me at (505) 827-7152 or Bill Olson of my staff at (505) 827-7154.

Sincerely:



Roger C. Anderson, Chief
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
Wayne A. Hamilton, Shell E&P Company
Sharon E. Hall, Arcadis Geraghty & Miller
Cliff P. Brunson, BBC International



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

December 7, 2000

J. Scott Hall
Marte D. Lightstone
Miller, Stratvert & Torgerson PA
P.O. Box 1986
Santa Fe, New Mexico 87504

Craig Lewis
Gallagher, Lewis & Downey
Bank of America Center
700 Louisiana, 40th Floor
Houston, Texas 77002

William G. Rosch, III
Rosch & Ross
Chase Bank Building
707 Travis, Suite 2100
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Thomas Girardi
Girardi & Keese
1126 Wilshire Boulevard
Los Angeles, California 90017

Michael Newell
Heidel, Samberson, Newell & Cox
311 N. First Street
P.O. Box 1599
Lovington, New Mexico 88620

Re: Shell Exploration and Production Proposed Stage 2 Abatement Plan Proposal

Counsel,

A request has been made by Mr. Rosch to reschedule the pre-hearing conference in this matter to December 20, 2000. Unless anyone has a difficulty with this new date and time, I propose that we reschedule the conference for Mr. Rosch's convenience.

Shell E & P Application
December 7, 2000
Page 2

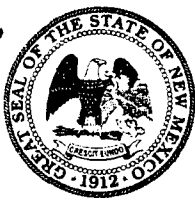
Please feel free to give me a call if you have any questions.

Sincerely,



Stephen C. Ross
Special Assistant Attorney General
Counsel, New Mexico Oil Conservation Commission

Cc: Lori Wrotenbery, Director, OCD
Mark Ashley, Hearing Examiner
Roger C. Anderson, Chief, Environmental Bureau
Lyn Hebert, Associate General Counsel, NMEMNRD
Commission Secretary



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

November 30, 2000

J. Scott Hall
Marte D. Lightstone
Miller, Stratvert & Torgerson PA
P.O. Box 1986
Santa Fe, New Mexico 87504

Craig Lewis
Gallagher, Lewis & Downey
Bank of America Center
700 Louisiana, 40th Floor
Houston, Texas 77002

William G. Rosch, III
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Heidel, Samberson, Newell & Cox
311 N. First Street
P.O. Box 1599
Lovington, New Mexico 88620

Re: Shell Exploration and Production Proposed Stage 2 Abatement Plan Proposal

Counsel,

A timely request for hearing has been made on the application of Shell Exploration and Production Company for approval of its Stage 2 abatement plan for contamination at the Shell Grimes Battery/Westgate Subdivision in the City of Hobbs, New Mexico. For reasons set forth in the attached Administrative Order, this matter has been referred to the

Shell E & P Application
November 30, 2000
Page 2

New Mexico Oil Conservation Commission for hearing pursuant to N.M.S.A. 1978, § 70-2-6(B).

Division Hearing Examiner Mark Ashley will be the hearing officer assigned to conduct the hearing on behalf of the Commission. Mr. Ashley will conduct a pre-hearing conference on December 19, 2000 at 9:00 a.m. in the conference room at the offices of the Oil Conservation Division, 2040 S. Pacheco Street, Santa Fe, New Mexico. During the conference, the terms of the pre-hearing order will be discussed.

The pre-hearing order may contain any of the following, as necessary: (1) the date, location and duration of the hearing; (2) notice of the hearing; (3) a deadline for submitting witness and exhibit lists; (4) a summary of the contentions the parties expect to prove during the hearing; (5) a requirement that the parties submit pre-filed direct testimony and a deadline for submission of same; (6) a deadline for submission and disposition of pre-hearing motions; (7) provisions for discovery, if needed; and (8) provisions for pre-hearing motion practice, if needed. Please be prepared to discuss these matters during the pre-hearing conference.

Please feel free to give me a call if you have any questions.

Sincerely,



Stephen C. Ross
Special Assistant Attorney General
Counsel, New Mexico Oil Conservation Commission

Cc: Lori Wrotenbery, Director, OCD
Mark Ashley, Hearing Examiner
~~Roger C. Anderson, Chief, Environmental Bureau~~
Lyn Hebert, Associate General Counsel, NMEMNRD
Commission Secretary



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

ADMINISTRATIVE ORDER NO. MISL.-01

**IN RE: THE APPLICATION OF SHELL EXPLORATION AND PRODUCTION
FOR APPROVAL OF ITS STAGE 2 ABATEMENT PLAN, GRIMES
BATTERY/WESTGATE SUBDIVISION, CITY OF HOBBS, NEW MEXICO**

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

THIS MATTER having come before the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department (hereinafter referred to as "the Division") upon request for hearing on the application of Shell Exploration and Production for approval of its Stage 2 abatement plan for contamination at the Grimes Battery/Westgate Subdivision in the City of Hobbs, New Mexico, and the Director of the Division, having reviewed the above-referenced request for hearing,

FINDS:

1. This hearing has the potential to attract the public interest. In addition, at least five attorneys have contacted this office about the matter, representing many potential parties. The matters are highly technical and will require the testimony of experts as well as lay persons. There could be dozens of witnesses to hear and a multitude of exhibits and technical information presented. Depending on the level of complexity attained, the hearing could take days to conclude.

2. Were the Division to hear this matter, any resulting order may be appealed to the Oil Conservation Commission (hereinafter referred to as "the Commission") *de novo* pursuant to Rule 1220; if that occurred in this case, the end result would be two long hearings instead of one, at great expense in time and resources to all concerned.

3. The Oil and Gas Act provides that the Director of the Division may refer matters for hearing to the Commission if the Director, in her discretion, determines that the Commission should hear the matter. *See* N.M.S.A. 1978, § 70-2-6(B).

4. Because of the potential that two hearings may ultimately be held in this matter instead of one, this matter should be referred directly to the Commission for hearing.

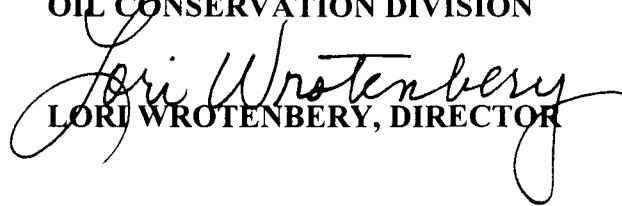
Administrative Order Misl.-01
Shell E & P
November 30, 2000
Page 2

IT IS THEREFORE ORDERED, AS FOLLOWS:

This matter is hereby referred to the Oil Conservation Commission for docketing before that body.

DONE at Santa Fe, New Mexico, this 30th day of November, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY, DIRECTOR

SEAL

Cc: Parties and attorneys of record
Roger C. Anderson, Chief, Environmental Bureau
Counsel, Oil Conservation Commission
Commission Secretary

Olson, William

From: Olson, William
Sent: Thursday, November 30, 2000 10:44 AM
To: 'Hamilton, Wayne WA SEPCO'
Subject: RE: Extension Request: Stage 2: Abatement Plan (AP-2)--Chandler Property

The below extension request is approved.

From: Hamilton, Wayne WA SEPCO [SMTP:WH195042@MSXSEPC.SHELL.COM]
Sent: Thursday, November 30, 2000 10:32 AM
To: 'Bill Olson, OCD'
Subject: Extension Request: Stage 2: Abatement Plan (AP-2)--Chandler Property

Per our telephone conversation on November 29, 2000, Shell requests a one week extension in submitting the work plan for the Chandler residence.

The new deadline would be Friday, December 8, 2000.

Your November 1, 2000 letter requested that Shell submit split sample data and work plan for the Chandler property.

The one week extension is needed to review data and determine best method to obtain soil samples.

Please send a confirmation e-mail that the extension has been granted.

Wayne A. Hamilton
Manager Retained Properties

Shell E&P Company
200 North Dairy Ashford
WCK Room 4154
Houston, TX 77079

Voice: 281-544-2322
FAX: 281-544-2238

E-Mail: wahamilton@shellus.com

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This electronic transmission/mail and any documents or other writings sent with it may contain privileged and/or confidential information. "Prepared in Anticipation of Litigation...Confidential and Privileged, Lawyer-Client Communication, Do Not Distribute or Copy, Do Not Place in Unprotected Files. Any dissemination, copying, or use of this e-mail by or to anyone other than the designated and intended recipient(s) is unauthorized.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

November 1, 2000

CERTIFIED MAIL

RETURN RECEIPT NO. 5051-3761

Mr. Wayne A. Hamilton
Shell E&P Technology Company
Rm. 4304 Woodcreek
200 N. Dairy Ashford
Houston, Texas 77079

**RE: STAGE 2 ABATEMENT PLAN (AP-2)
GRIMES BATTERY/TASKER ROAD
HOBBS, NEW MEXICO**

Dear Mr. Hamilton:

On August 24, 2000 the New Mexico Oil Conservation Division (OCD) obtained soil samples from the Glenda Chandler residence at 1506 N. Cobb, Hobbs, New Mexico. Shell E&P Company (Shell) split these samples with the OCD. The sample from the south side of the house did not detect any oil or natural gas production related contaminants. The sample from the north side of the house detected very low levels of xylene and total petroleum hydrocarbons (TPH). Shell verbally informed the OCD that xylene and TPH were not detected in the sample that the OCD had split with Shell.

As you are aware, this area has been identified by the intervenors as a possible area of oil and natural gas contamination. In order to resolve the conflicting sampling results, the OCD requires that Shell:

1. Provide the OCD with a copy of Shell's laboratory analytical results and associated quality assurance/quality control data for the August 24, 2000 split sampling of soils from the Chandler residence.
2. Provide a work plan to perform additional soil sampling at the Chandler residence to confirm whether oil and gas related petroleum contaminants are present in the soils in this area.

Wayne A. Hamilton
November 1, 2000
Page 2

The OCD requires that Shell submit the above information to the OCD Santa Fe Office by December 1, 2000 with a copy provided to the OCD Hobbs District Office.

If you have any questions, please contact Bill Olson of my staff at (505) 827-7154.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

xc: Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Sharon E. Hall, Arcadis Geraghty & Miller
Cliff P. Brunson, BBC International
Glenda Chandler

GALLAGHER, LEWIS & DOWNEY
BANK OF AMERICA CENTER
700 LOUISIANA, 40TH FLOOR
HOUSTON, TEXAS 77002
CRAIG LEWIS

OCT 16 2000

ROSCH & ROSS
CHASE BANK BUILDING
707 TRAVIS, SUITE 2100
HOUSTON, TEXAS 77002
WILLIAM G. ROSCH, III

GIRARDI & KEESE
1126 WILSHIRE BOULEVARD
LOS ANGELES, CALIFORNIA 90017
THOMAS GIRARDI

HEIDEL, SAMBERSON, NEWELL & COX
311 N. FIRST STREET, PO BOX 1599
LOVINGTON, NEW MEXICO 88260
MICHAEL NEWELL

October 16, 2000

By Facsimile (505) 827-8177
Electronic Mail and Overnight Delivery

Mr. Roger C. Anderson
Environmental Bureau Chief
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Dear Mr. Anderson:

This letter is in response to your letter to me of September 19, 2000, and consists of comments with regard to Shell E&P Company's Stage 2 Abatement Plan Proposal.

Once again, Shell E&P Company's proposed plan for remediation, of the Westgate Subdivision contamination is inadequate and fails to adequately provide for the protection of the residents of the subdivision, both in planning and application.

1. The plan's provisions for the protection of the residents of the Westgate Subdivision are inadequate, not only in its technical approach but also in its recent application. No prophylactic approach was taken for the protection of the residents prior to the September 29, 2000, destruction of residences in the subdivision and during the time various earth-moving equipment and dump trucks were scattering, moving, and loading debris from the destruction. As a result, large plumes of fugitive contaminated dust particulate and noxious odors were created thereby increasing

Mr. Roger C. Anderson

October 16, 2000

Page 2

exposure levels, as predicted, of the residents via inhalation, ingestion, and absorption. We suggested that this event, if not properly addressed, would occur and in fact it has. Accordingly, Shell E&P Company's proposed plan for remediation of the Westgate Subdivision contamination has proven to be one that provides merely a technical approach to the removal of highly contaminated soils as if those soils were in an unpopulated area.

The plan and its application wholly ignores the several extremely important issues raised in our December 10, 1999, letter to you that impact the health, safety, and welfare of the men, women, and children who live, work, and play in the subdivision. This insensitivity for the potential for exposure to residents of suspended particulate matter and deposition of that particulate on the soils, yards, roofs, automobiles, playground equipment, and toys of the residents downwind of these excavation sites is frankly, intolerable. Exposure to such is something that the plan, as anticipated, wholly failed to prevent. Accordingly, the consequences predicted in my letter of December 10, 1999, prove to be true and should be addressed in a public hearing.

2. Additionally, the plan fails to adequately address areas of contamination existing within the subdivision. By way of example, on October 11, 2000, at 1330 Tasker, oil field waste and hydrocarbon contamination was observed at 3-5 feet, 8-11 feet, and 20-23 feet. Samples were taken and the laboratory results will be available at a public hearing. The abatement plan does not address the remediation of contamination existing through those levels.
3. Approximately 25 feet northwest of monitor well No. 10 there are visible concentrations of hydrocarbon and oil field waste, just 18 inches below the surface, which is not addressed by Shell E&P Company's Stage 2 Abatement Plan.
4. Additionally, approximately 70 feet west of monitor well No. 2 there is subsurface hydrocarbon waste and oil field waste.
5. Between 1510 and 1508 Cobb Street there is subsurface hydrocarbon and oil field waste not addressed by Shell E&P Company's Stage 2 Abatement Plan.

We are ready, willing, and able to present, at a public hearing, our concerns and laboratory results of sampling done at the aforementioned sites.

Mr. Roger C. Anderson
October 16, 2000
Page 3

Cordially,

A handwritten signature in black ink, appearing to read "William G. Rosch, III". The signature is fluid and cursive, with a long horizontal line extending to the right.

William G. Rosch, III

WGR/jla
00:2:1087

ROSCH & ROSS
ATTORNEYS AT LAW
A PARTNERSHIP OF PROFESSIONAL CORPORATIONS
2100 CHASE BANK BUILDING
707 TRAVIS
HOUSTON, TEXAS 77002

FAX COVER SHEET

October 16, 2000

2:12 PM

Page 1 of 4

Fax No. 00 - 0303

FROM: William G. Rosch, III	TO: Mr. Roger C. Anderson
PHONE NUMBER: (713) 222-9595	COMPANY/FIRM NAME: New Mexico Energy, Minerals and Natural Resources Department
FAX NUMBER: (713) 222-0906	PHONE NUMBER: (505) 827-7131
FAX OPERATOR: Julie	FAX NUMBER: (505) 827-8177

MESSAGE/REFERENCE

Re: Shell E&P Company Abatement Plan AP-2

If possible, please check transmission after last page. If you are not receiving clearly, or if you have any problems with the transmission, please telephone us immediately.

Unless otherwise indicated or obvious from the nature of the transmittal, the information contained in this facsimile message is attorney privileged and confidential information intended for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify the sender by telephone and return the original message to Rosch & Ross at the above address via U.S. Postal Service at our expense. Thank you.

GALLAGHER, LEWIS & DOWNEY
BANK OF AMERICA CENTER
700 LOUISIANA, 40TH FLOOR
HOUSTON, TEXAS 77002
CRAIG LEWIS

ROSCH & ROSS
CHASE BANK BUILDING
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WILLIAM G. ROSCH, III

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THOMAS GIRARDI

HEIDEL, SAMBERSON, NEWELL & COX
311 N. FIRST STREET, PO BOX 1599
LOVINGTON, NEW MEXICO 88260
MICHAEL NEWELL

October 16, 2000

By Facsimile (505) 827-8177
Electronic Mail and Overnight Delivery

Mr. Roger C. Anderson
Environmental Bureau Chief
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

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Mr. Roger C. Anderson
October 16, 2000
Page 2

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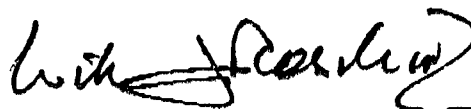
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We are ready, willing, and able to present, at a public hearing, our concerns and laboratory results of sampling done at the aforementioned sites.

Mr. Roger C. Anderson
October 16, 2000
Page 3

Cordially,

A handwritten signature in black ink, appearing to read "William G. Rosch, III", with a long horizontal line extending to the right.

William G. Rosch, III

WGR/jla
00:2:1087



JAMES GILBERT/HOBBS NEWS-SUN

Demolishing condemned homes

Work crews under the guidance of BBC International demolish one of the three contaminated homes on Tasker Street in the Westgate subdivision. Two of the houses were torn down on Thursday morning. The remaining home will be destroyed today. The homes were purchased by Shell Oil Co. more than

a year ago because petroleum hydrocarbons above state standards were discovered near and under property. Shell said the only way to get rid of the contamination is to destroy the buildings.

Hobbs News Sun
9/29/00

Hobbs News Sun 9/28/00

Westgate homes set for demolition

Shell Oil Co. says contaminated houses must be torn down

STARLA JONES
HOBBS NEWS-SUN

Three homes in the contaminated Westgate subdivision will be demolished beginning today.

Purchased by Shell Oil Co. more than a year ago because petroleum hydrocarbons above state standards were discovered near and under property on which the structures are built, Shell said the only way to get rid of the contamination is to destroy the buildings.

"We were going to tear down them eventually," Shell spokesman Rich Hansen said on Wednesday. "But we moved it up because there's been just too many problems out there with vandalism. We don't think it's a safe situation."

In addition to vandalism reports to vacant homes at 1341 Cobb and 1331 Tasker and a duplex at 1326 and 1328 Tasker, there also has been an incident of attempted arson, Hansen said.

It'll take approximately one week to demolish the homes to ground level, then remove debris to approved landfills, according to Hansen. Foundations for the three houses will be removed after Shell's final soil cleanup plan is approved by the New Mexico Oil Conservation Division.

Site assessment to define the full extent of soil and ground-water contamination in Westgate began on July 27, 1998, after Shell Oil Co. officials admitted responsibility for an asphalt-like substance found at a modular home construction site on Tasker.

The 1997 discovery halted construction of the new homes and resulted in a public hearing in April of 1998 attended by about 100 alarmed residents.

The neighborhood is adjacent to the "Grimes Lease," an oil production property operated by Shell between the late 1920s and 1993, according to Hansen.

A total of 64 Westgate residents or former residents filed suit in District Court in October of 1999 alleging their health has suffered as a result of the contamination of their neighborhood.

The lawsuit is still pending.

In the meantime, Shell spent nearly a year conducting scientific and environmental tests, then submitted a detailed plan to OCD in October of 1999 outlining its plan for cleaning up the neighborhood.

Hansen said the OCD approved the cleanup plan last week but is waiting on attorneys involved in the case to determine whether a public hearing will be scheduled before remediation begins.

OCD officials in Hobbs were not available Wednesday afternoon to comment on Hansen's contention.

Hansen added that Shell is ready to be done with the project.

"We've submitted the plan; we've worked closely with the OCD and they've finally said 'Yeah, it's complete,'" Hansen said. "We can either clean it up or go through another six months of public debate."

OIL CONSERVATION DIV.

Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

00 SEP 28 AM 3:33

**CERTIFIED MAIL
RETURN RECEIPT NO. Z-574-359-005**

September 26, 2000

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

SUBJECT: DEMOLITION OF HOMES IN WESTGATE SUBDIVISION

Dear Mr. Olson:

This letter is to confirm our phone conversation about Shell Exploration and Production Company's (SEPCo) plans to demolish 3 homes in the Westgate neighborhood. As discussed, these homes have recently been subject to vandalism and arson attempts.

The homes are located at 1341 Cobb, 1331 Tasker, and 1326 and 1328 Tasker, the latter being a duplex. The need for demolition now is due to safety concerns for the residents in the neighborhood in the event of a fire or injury due to vandalism attempts. Since September 6th, Shell has maintained 24-hour security around the homes after discovering the vandalism and arson attempts. The homes will be removed down to the foundation, driveways, and sidewalks. The foundations will be removed during actual Stage 2 Abatement remediation activities. All trees, shrubs, and bushes will also be removed. All materials will be disposed of at an approved landfill for construction materials.

The start date will be September 28, 2000 and last approximately one week. A flyer will be distributed throughout the neighborhood prior to September 28th informing the residents of the activities. I have enclosed a copy of the flyer for your files.

If you have any questions, please call me at (281) 544-2322 or Cliff Brunson of BBC International at (505) 397-6388.

Sincerely,

Cliff P. Brunson /for Wayne A. Hamilton

Wayne A. Hamilton
Retained Properties Manager

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Cliff P. Brunson, BBC International, Inc.



Because We Want You to Know

As you know, Shell has been working with the New Mexico Oil Conservation Division (OCD) in the Westgate Subdivision to develop a formal soil cleanup plan for the area.

As part of this project, three houses on Cobb and Tasker Streets were purchased by Shell and are currently unoccupied. Unfortunately, these houses have recently been vandalized and, at one house, arson was also attempted. While Shell has initiated 24-hour security for these properties, the best way to protect the community is to remove the houses.

Here is what we plan to do:

- Beginning approximately Thursday, September 28th, between 8:00 a.m. and 5:00 p.m., the houses at 1341 Cobb and 1331 Tasker, and a duplex at 1326 & 1328 Tasker will be demolished above ground level. The debris from this operation will be transported to approved landfills. We expect to be finished in about a week.
- During this time, barriers will be constructed around the properties for additional safety.
- The foundations of the homes will be removed at a later date once Shell's final soil cleanup plan is approved by OCD.

Although we plan to work as quickly as possible, we apologize in advance for any inconvenience that might be caused by the removal of these houses. If you have any questions about what we're doing, please feel free to call us toll free at (800) 498-8109.

**Shell Oil Company
200 North Dairy Ashford
Houston, TX 77079**

Sept. 27, 2000

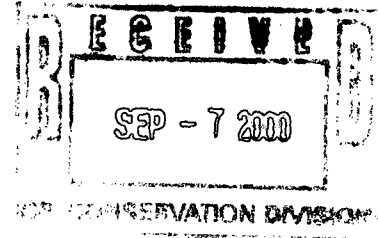


PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W. MARLAND • P.O. BOX 297 • HOBBS, NM 88241-0297
E-MAIL: bbc@bbcinternational.com

VIA FEDERAL EXPRESS

AIRBILL NUMBER: 8187-0384-7377

September 6, 2000



Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**SUBJECT: NOTICE OF DEFICIENCY
STAGE 2 ABATEMENT PLAN (AP-2)
WESGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD**

Dear Mr. Olson:

Following up our phone discussion of today, on behalf of Shell Exploration and Production Company (SEPCo), I would like to inform the OCD of a couple of changes in the Stage 2 Abatement Plan (AP-2).

As we discussed, the changes to be made are located in Appendix III (Health & Safety Plan), page 10-4, Section 10.3 Action Levels, Table 10-1. The PEL action levels for Toluene and H₂S have been changed from 200 ppm and 20 ppm to 100 ppm and 10 ppm respectively. These changes reflect a newer action level (1989) of 100 ppm for Toluene versus an older level of 200 ppm (1971). The H₂S action level is being changed to standardize with the OCD's requirements of 711 facilities and normal operating practices. The new action level is 10 ppm versus 20 ppm.

I have included a copy of the new table reflecting these changes so that you may insert and replace this with the older page in the Abatement Plan.

If you have any questions, please call me at (505) 397-6388 or via electronic mail: cbrunson@bbcinternational.com.

Sincerely,

Cliff P. Brunson
President

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies
Wayne A. Hamilton, SEPCo

initially document the results of real-time air monitoring every 15 minutes. This frequency can be reduced or increased at the discretion of the SSS as conditions warrant.

10.3 ACTION LEVELS

Table 10-1 contains a list of the chemicals found in crude oil that will be monitored, and their OSHA permissible exposure limits (PELs). The OSHA PEL is an exposure limit for airborne contaminants and represent the average exposure concentration in air that should not be exceeded over any continuous 8-hr period (except for H₂S). If daily average exposure for workers by inhalation could exceed these values, proper respiratory protection will be required. Details regarding the health effects of these chemicals are presented in the Material Safety Data Sheets (MSDSs) in Appendix B.

Table 10-1. Chemical Hazards

Constituent	PEL (ppm)
Benzene	1.0
Toluene	100
Ethylbenzene	100
Xylenes	100
Mercury	0.012
Hydrogen Sulfide (15 minute std.)	10

Only a few compounds emitted from the crude oil are expected to be found in detectable concentrations, especially since this is a highly weathered spill. Even when detected, those substances are expected to be in low concentrations. The potential chemicals of concern (COC) are volatile organic compounds (VOCs), mercury, hydrogen sulfide, and methane. Of these chemicals, aromatic BTEX (benzene, toluene, ethyl benzene, and xylenes) are of most concern from a toxicity perspective at this site.

To be protective of worker and public health, action levels have been established for the site to ensure that the average ambient concentrations of the compounds of concern remain well below the OSHA PELs.

10.3.1 Work Place Action Levels

Tables 10-2 through 10-7 present chemical or physical hazard criteria and a response guide that will serve as the basis for abatement actions and PPE selection during the remedial activities. Monitoring at active work locations will primarily be performed at employee breathing zones and the work location perimeter. Changing levels of protection, upgrading respiratory protection, or changing work practices is based on maintaining the upper limit of the action level for approximately 1 to 5 minutes (i.e., a non-transient reading) or at the discretion of the SSS. If changes are required, the SSS will document the changes using the Field Change Form. This will include both upgrades and downgrades to the posted protection levels.

The purpose of the real-time monitoring is to alert on-site personnel to the presence of elevated (above background) levels of organic vapors at the work site with the potential for occupation exposure to workers on-site or for the release and migration of vapors that could cause an odor in the adjacent community. The objective is to control vapor emissions such that vapor concentrations at the excavation site do not exceed 5 ppmv and vapor concentrations at the work site perimeter do not exceed 1.0 ppmv. The sensitivity of the PID instrument is 0.1 ppmv and this is sufficient for this task. If persistent (30-

MEMORANDUM OF MEETING OR CONVERSATION

☒ Telephone ☐ Personal

Time
approx 1000 hrs

Date 9/6/00

Originating Party

Other Parties

Bill Olson - Envir. Bureau

Cliff Brunson - BBC

Subject

Shell Westgate

Discussion

OCD question on 8/21/00 document. MSDS show PEL of 100 ppm for Toluene, but air action level in Stage 2 Plan (Table 10-1, pg 10-4) uses 200 ppm which appears to be a value used in 1971.

Also OCD uses H₂S action level of 10 ppm for public health not 20 ppm (as derived from OSHA ceiling concentration) as used for action level in Stage 2 (Table 10-1, pg 10-4)

Conclusions or Agreements

Shell will send letter correcting Toluene action level to 100 ppm and using OCD H₂S action level at 10 ppm

Distribution

Chris Williams - OCD Hobbs

Signed

Will Olson

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505
(505) 827-7133
Fax: (505) 827-8177



(PLEASE DELIVER THIS FAX)

To: Patrick McMahon - Heidel, Samberson, Nowell & Cox

From: Bill Olson

Date: 8/1/00

Number of Pages (Includes Cover Sheet) 3

Message: _____

If you have any trouble receiving this, please call:
(505) 827-7133

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO

Memo No. 4-78
November 20, 1978

M E M O R A N D U M

TO: NEW MEXICO OPERATORS
FROM: JOE D. RAMEY, DIRECTOR
SUBJECT: PITS RELATED TO OIL FIELD OPERATIONS

The Division is attempting to determine the numbers and locations of all surface pits associated with oil and gas operations in the State. One phase of this study relates to oil and gas production where pits are normally found in association with oil tank batteries and gas wells.

We are asking that each operator in the State advise us as to the number and location of pits associated with his tank batteries and gas wells. To assist operators in responding to this request we are forwarding a computer listing of their tank batteries and gas wells upon which the required information is to be placed. The number of pits at any tank battery site or gas well site and the location of such pit(s) are to be shown opposite the battery or well listed and under the appropriate columns (see example on reverse side of this memorandum). This survey covers oil and gas producing facilities only. Any pit at the same site belonging to the oil or gas transporter should be included in the response. Emergency pits associated with any injection operations are not to be included.

After filling in the required data please RETURN THE PRINTOUT TO EDDIE SEAY, OIL CONSERVATION DIVISION, BOX 1980, HOBBS, NEW MEXICO 88240. The completed questionnaire is to be returned by January 31, 1979. If an extension of time to file is required, please contact Mr. Seay prior to that date.

Questions may be directed to Mr. R. L. Stamets in Santa Fe, phone 505 827-2434, or Mr. Eddie Seay in Hobbs, phone 505 393-6161.

fd/

LEASE, TRACT OR BATTERY

L RECORD ON LSE

LSE OR BATT
WELL COUNTNO OF PIT
AT LSE/BATLOCATION OF PITS
U SEC TWP RGE

*** CIL SECTION ***

ARPCWHEAD GRAYBURG *****

STATE M 2 L 36 215 36E 2

STATE N 4 M 2 225 36E 3

RLINEBRY CIL AND GAS *****

OWEN 7 I 35 215 37E 3

BRUNSON B 6 M 3 225 37E 3

STATE P CCM 1 F 32 225 38E 1

BRUNSON ABC, SOUTH *****

STATE P 4 M 32 225 38E 1

*** COMPIGLED SECTION ***

MESCALEFC SAN ANDRES *****

STATE AO 10 B 23 105 32E 7

DRINKARC *****

STATE P 2 L 32 225 38E 3

TUPB (OIL) *****

STATE S 2 F 15 215 37E 6

MALJAMAR GRAYBURG SAN ANDRES *****

WYATT A FEDERAL 4 D 33 175 33E 5

STATE CC 1 K 32 175 33E 4

*** GAS SECTION ***

BUFFALO VALLEY PENN. (PRORATED GAS) *****

BAETZ A 1 N 35 145 27E 1

BURTON FLAT ATOKA, NORTH (GAS) *****

GOVERNMENT AC 1 N 15 205 28E 1

GOVERNMENT AC CCM 2 F 13 205 28E 1

BURTON FLAT MORROW (PRORATED GAS) *****

STATE CP 1 J 9 215 27E 1

GOVERNMENT AA 1 C 23 205 28E 1

GOVERNMENT A CCM 1 K 14 205 28E 1

GOVERNMENT T CCM 1 C 14 205 28E 1

GOVERNMENT U CCM 1 G 22 205 28E 1

TRACY A CCM 1 C 33 215 27E 1

ELIZANDC A FEDERAL BATTERY 2 Y 2 K 21 215 27E 1

CAWLEY A CCM 1 K 28 215 27E 1

GOVERNMENT Y 1 I 11 205 28E 1

GOVERNMENT V CCM 1 N 22 205 28E 1

GOVERNMENT Z 1 K 23 205 28E 1

GOVERNMENT AC 1 C 21 215 27E 1

IVES A CCM 1 J 30 215 27E 1

C.D.M. A CCM 1 D 29 215 27E 1

STATE CU 1 B 36 205 27E 1

STATE CH 1 F 19 205 28E 1

ELIZANDC A FEDERAL 4 C 34 215 27E 1

STATE CV CCM 1 E 16 205 28E 1

ELIZANDC A FEDERAL 3 N 20 215 27E 1

TRACY E CCM 1 E 30 215 27E 1

BURTON FLATS WOLFCAAMP, NO. (PRC GAS) *****

GOVERNMENT T 1 C 14 205 28E 1

GOVERNMENT T 2 G 15 205 28E 1

GOVERNMENT Z 1 K 23 205 28E 1

GOVERNMENT AA 1 C 23 205 28E 1

GOVERNMENT AB 4 L 9 205 28E 1

STATE CT CCM 1 I 16 205 28E 1

GOVERNMENT S 1 H 3 205 28E 1

CARLSBAD MORROW, SG. (PRORATED GAS) *****

STRACKBEIN A 1 E 32 225 27E 1

MERLAND A CCM 1 O 14 225 27E 1

K 36-21-36
N 2-22-36C 36-21-37
M 3-22-37
F 32-22-38

M 32-22-38

A 23-10-32

K 32-22-38

E 15-21-37

O 33-17-33
K 32-17-33at well site { Gas
wells
onlyK 30-21-27
at well site

MEMORANDUM OF MEETING OR CONVERSATION



Telephone



Personal

Time

Date

7/31/00

Originating Party

Other Parties

Bill Olson - Envir. Bureau

Patric McMahon - Heidel, Sunderson,
Nawell + Cox

Subject

6/30/00 correspondence

Discussion

I located requestal 11/20/78 memo to operators
OCD Santa Fe office does not have the results of
the 1978 pit survey. According to the memo to
operators, they were to be filed with the OCD Hobbs
Office

I contacted Eddie Seay the former OCD Hobbs employee
with whom they were filed. He said he saw them
in the OCD Hobbs Office about 1 month ago in a
green notebook in the back misc. files

Conclusions or Agreements

I will send him (fax) copy of 11/20/78 memo
He will check with Hobbs Office for results of survey

Distribution

Signed

Bill Olson



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

July 31, 2000

CERTIFIED MAIL

RETURN RECEIPT NO. 5051-3365

Mr. Wayne A. Hamilton
Shell E&P Company
Rm. 4304 Woodcreek
200 N. Dairy Ashford
Houston, Texas 77079

**RE: NOTICE OF DEFICIENCY
STAGE 2 ABATEMENT PLAN (AP-2)
SHELL GRIMES LEASE**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed Shell Exploration & Production Company's (Shell) May 4, 2000 "NOTICE OF DEFICIENCY, STAGE 2 ABATEMENT PLAN (AP-2), SHELL GRIMES LEASE". This document contains additional information regarding deficiencies in Shell's Stage 2 Abatement Plan Proposal for remediation of soil and ground water contamination related to the former Grimes Tank Battery located adjacent to the Westgate Subdivision in Hobbs, New Mexico. The deficiencies were identified in the OCD's February 9, 2000 correspondence with Shell.

Most of the deficiencies appear to have been addressed. However, the OCD has identified the following deficiencies in Shell's May 4, 2000 document:

1. At a previous meeting with Shell, the OCD discussed taking five discreet samples at the base of a proposed excavation on the west side of Tasker Road and five discreet samples at the base of a proposed excavation on the east side of Tasker Road. This was based upon Shell's plan to not excavate contaminated soils under Tasker Road. The current plan expands the prior soil excavation plan into a proposal to conduct multiple segmented

Wayne A. Hamilton

July 31, 2000

Page 2

excavations which include the soils under Tasker Road. The OCD believes that the proposed five discrete sample points across the base of the total excavated area is not adequate considering the size of the excavated area. The OCD requires that at a minimum Shell obtain 2 samples from the base of each segment. One soil sample shall be obtained from the center of each segment. The second soil sample shall be obtained from the area exhibiting the highest soil PID readings and/or visual contamination within that segment. Please provide a commitment to conduct this sampling.

2. The Appendix III Health & Safety Plan (page 10-4, Section 10.3 Action Levels) states that the Material Safety Data Sheets (MSDS) containing the details of the health effects of chemicals for which action levels are proposed can be found in Appendix B. The OCD could not find the referenced MSDS's in Appendix B. Please provide this information.
3. The Appendix III Health & Safety Plan contains provisions for notification of the Site Safety Supervisor and the Project Director when action levels for airborne contaminants are exceeded or in the event of a hazardous spill or release. During implementation of any Stage 2 Abatement Plan action, the OCD requires that Shell immediately notify the OCD of any event which poses a threat to public health. Please provide a commitment to notify the OCD of these events.

In order to correct these deficiencies, please submit the above information to the OCD Santa Fe Office by August 30, 2000 with a copy provided to the OCD Hobbs District Office.

If you have any questions, please contact me at (505) 827-7154.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Sharon E. Hall, Arcadis Geraghty & Miller
Cliff P. Brunson, BBC International

LAW OFFICES

HEIDEL, SAMBERSON, NEWELL & COX

C. GENE SAMBERSON
MICHAEL T. NEWELL
LEWIS C. COX, III

311 NORTH FIRST STREET
POST OFFICE DRAWER 1599
LOVINGTON, NM 88260
TELEPHONE (505) 396-5303
FAX (505) 396-5305

F.L. HEIDEL
(1913-1985)

PATRICK B. MCMAHON

June 30, 2000

RECEIVED

JUL 06 2000

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Bill Olson
NEW MEXICO OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Re: November 20, 1978-Memorandum Re: Pits Related to Oilfield Operations

Dear Mr. Olson,

Based on a review of documents at the Hobbs OCD office, it has come to my attention that the OCD had made an effort in the fall of 1978 to identify pits used in the production, transportation and refining of oil and gas.

Please find enclosed memorandums from Joe D. Ramey dated October 6, 1978 and October 24, 1978. These memorandums deal with identifying pits related to refineries/gas plants and the transportation of oil and gas, respectively. Also, please find enclosed a letter from C. Harvey Carr of Southland Royalty Company dated February 13, 1979. Mr. Carr's letter indicates that a memo dated November 20, 1978 was sent to oilfield operators requesting the location of pits relating to oilfield operations, as opposed to pits relating to transportation or refining.

As of this date I have been unable to locate both the November 20, 1978 memorandum and the presumed replies to that memorandum.

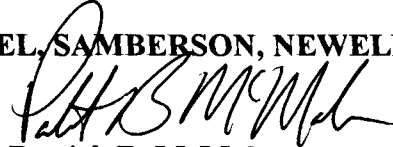
I am writing this letter to inquire as to where I would find a copy of the November 20, 1978 memorandum and the replies to that memorandum as well.

Thank you in advance for your attention to this matter.

Sincerely,

HEIDEL, SAMBERSON, NEWELL & COX

By:



Patrick B. McMahon

PBM:cd
Enclosures



JERRY APODACA
GOVERNOR

NICK FRANKLIN
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

M E M O R A N D U M

TO: NEW MEXICO REFINERS AND GASOLINE PLANT OPERATORS

FROM: JOE D. RAMEY, DIRECTOR

SUBJECT: PITS, PONDS, AND LAGOONS ASSOCIATED WITH REFINING
AND GASOLINE PLANT OPERATIONS

To permit the Division to properly handle its responsibilities as a constituent agency of the New Mexico Water Quality Control Commission we are seeking to obtain certain data relative to the use of pits, ponds, lagoons, or any other surface impoundments associated with refining or gasoline plant operations in the State.

We are, therefore, asking that each operator of a refinery or gasoline plant supply the Division with the following:

- (1) A map (not necessarily to scale) showing the location and numbers of such pits. See example on the reverse side of this memorandum.
- (2) A tabulation showing each pit, its horizontal dimensions, depth, and lining material, if any.
- (3) Chemical analyses of the fluids placed in the pits.
- (4) Annual volumes of fluids placed in the pits.

Please forward all requested data to Eddie Seay, Oil Conservation Division, P.O. Box 1980, Hobbs, New Mexico 88240.

fd/
October 6, 1978



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

ERRY APODACA
GOVERNOR

NICK FRANKLIN
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

M E M O R A N D U M

TO: NEW MEXICO TRANSPORTERS OF OIL AND GAS

FROM: JOE D. RAMEY, DIRECTOR

SUBJECT: PITS RELATED TO THE TRANSPORTATION OF OIL AND GAS

The Division is attempting to determine the numbers and locations of surface pits associated with the transportation of oil and gas in the State. We are therefore asking that each transporter of oil and/or gas in the State supply the Division with a map or maps of their transportation facilities with the location and number of pits noted thereon in such a manner as to permit the Division to locate the same by Section, Township, and Range. An example of such a map is shown on the reverse side of this memorandum.

Pits at wells or leases should not be included on the map. Pits at pipeline stations, terminals, compressor stations, storage facilities, drips, etc. should be shown. If there are no associated pits, as in the case of oil trucked from a lease to a pipeline station owned by another party, please so advise the Division.

Please forward all requested maps and data to Mr. Eddie Seay, Oil Conservation Division, P. O. Box 1980, Hobbs, New Mexico 88240.

og/
October 24, 1978



Southland Royalty Company

February 13, 1979

Mr. Eddie Seay
Oil Conservation Division
P.O. Box 1980
Hobbs, NM 88240

Re: Pits Related to the Transportation
of Oil and Gas

Gentlemen:

Your memo of October 24, 1978 requested location of surface pits associated with Transportation of Oil and Gas.

Please be advised that Southland Royalty Company is not a transporter of oil and gas and therefore do not have any pits relating to transportation.

You have been sent locations of pits relating to oil field operations as required by your memo of November 20, 1978. Another copy of that list is attached for your convenience.

Very truly yours,

C. Harvey Carr
District Engineer

jh
Enclosure

*Post
No pit
2/14/79*

NEW MEXICO

DEPARTMENT OF

HEALTH

J. Alex Valdez
Secretary

Gary E. Johnson, Governor

Jack Callaghan, PhD
Deputy Secretary

George Parascadola
Deputy Secretary

Barak Wolff, MPH
Interim Division Director

C. Mack Sewell, DrPH, MS
State Epidemiologist

JUN 21 2000

June 16, 2000

Mr. Roger C. Anderson
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco St.
Santa Fe, NM 87505

Subject: Shell Grimes Lease, Hobbs, NM, Stage 2 Abatement Plan (AP-2)
Review by New Mexico Department of Health, Office of Epidemiology

Dear Mr. Anderson:

Thank you for the opportunity to review the referenced abatement plan. We have focused our review on aspects of the plan which are designed to protect public health or have potential impact on public health. As a result, we have evaluated the risk-based screening levels for remediation of contaminated soils in the residential areas. We have also evaluated the aspects of the health and safety plan to be implemented to protect the health of community residents and visitors in the vicinity of the test excavations and clean-up excavations.

Evaluation of Risk-Based Screening Levels

Shell's approach to calculating the risk-based screening level that will be used to guide soil and sediment clean-up is based on both potential carcinogenic and non-carcinogenic health effects of the compounds likely to be on-site as identified in samples collected from the site. The resulting risk-based screening level of 2,400 milligrams total petroleum hydrocarbon per kilogram of soil (2,400 mg TPH/ kg soil), that is to be applied throughout the site to guide clean-up activities, appears to be reasonable and appropriate. In evaluating the potential health effects and developing this screening level, Shell has used standard risk assessment methods and assumptions. They have used conservative exposure parameters by assuming a residential scenario and exposure of children. Shell's analysis of the occurrence of carcinogenic compounds, and the potential for exposure and adverse health effects after clean-up is completed, appears to have been based on reasonable and acceptable considerations (i.e., co-located TPH values in excess of 2,400 mg/kg will result in clean-up of the carcinogenic compounds and the duration of exposure

Office of Epidemiology
Public Health Division
1190 St. Francis Drive, N 1350
P.O. Box 26110
Santa Fe, NM 87501-6110
Phone (505) 827-0006 / Fax (505) 827-0013

Mr. Roger C. Anderson
Shell Westgate Abatement Plan
June 14, 2000
Page 2

to benzene will be limited due to the finite mass and the rate of biodegradation of benzene).

We have not evaluated the clean-up criteria for groundwater, as we assume you will be applying the standards of the New Mexico Water Quality Control Commission. We believe these standards to be adequate, especially since the groundwater at this site is not used as a source of drinking water, and any other exposure is unlikely.

Evaluation of Health and Safety Plan and Protection of Community Residents and Visitors

We understand that Shell plans to excavate three test pits prior to conducting full-scale clean-up excavation for purposes of characterizing the flux of contaminants and for designing the clean-up system. The three test pits will be excavated one at a time, on three consecutive days. We were told (personal communication with Walt Crow, U.S. Radian, 5/31/00 and 6/14/00) that each pit will be open for less than eight hours, and will not be left open over night (it is noted that the text of the abatement plan, Section 4.0, page 17, is not consistent with this and should be made so). The pits will be excavated to a maximum of 6 feet. The material excavated from the test pits will be covered with plastic. The pits will be designed with a slope so controlled entry will not be required. All material excavated from the test pits will be returned to the test pits after testing is completed.

During the course of excavation and while the test pits remain open, air quality will be monitored at the perimeter of the excavation site and in the community. The air quality will be monitored for total organic vapor concentration using a photo-ionization detector (PID) having a detection limit of 0.1 ppm. Should the PID readings at the perimeter or within the community exceed 5 ppm, Shell will initiate colorimetric tube screening for benzene. The detection limits of the colorimetric tube screening will be no higher than 0.5 ppm. If the colorimetric tube screening indicates a benzene concentration higher than 1 ppm, another sample will be analyzed for confirmation. If the benzene concentration is confirmed to be greater than 1 ppm, work will be stopped and the excavation will be covered. Also, if the PID readings exceed 25 ppm, regardless of benzene reading, work will be stopped and the excavation covered. Shell will then consult with OCD and take actions to reduce concentrations to less than 25 ppm total organic vapor and less than 1 ppm benzene. Additionally, air will be monitored at the perimeter of the excavations and within the community for the presence of hydrogen sulfide, mercury, and dust with action levels of 5 ppm, 0.01 ppm (0.083 mg/m³), and 5 mg/m³, respectively. Should concentrations be detected and confirmed above these action levels, Shell will cease excavation and clean-up activities and implement actions necessary to reduce the levels to concentrations below the action levels.

Mr. Roger C. Anderson
Shell Westgate Abatement Plan
June 14, 2000
Page 3

Shell plans to use a large portable remediation structure (tent), and maintain negative pressure within the structure, during clean-up excavation. Air pumped out of this structure, for purposes of maintaining negative pressure, will be directed through a scrubbing system containing a fixed bed of activated carbon to reduce concentrations of dust and volatile organic compounds to meet regulatory levels. The discharge from the scrubbing system will be monitored for break-through of contaminants. If break-through is detected the clean-up will be stopped until corrective actions are implemented. Shell will acquire and maintain any necessary air discharge permits.

It is our opinion that public health will be protected during excavation of test pits and during clean-up by following the precautions described in the abatement plan and outlined above.

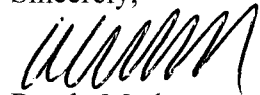
It is our understanding that Shell is responsible for complying with all applicable OSHA regulations and assuring worker health and safety. We have not evaluated the health and safety plan for worker health and safety or for OSHA compliance.

Conclusions

It is our conclusion that the risk-based screening level of 2,400 mg/kg TPH proposed by Shell adequately considers potential carcinogenic and non-carcinogenic health effects and will provide clean-up of soil and sediment that is protective of public health. It is also our conclusion that Shell's proposed plan for community air monitoring, and associated corrective actions, during excavation of the test pits will adequately protect public health.

If you have any questions, please call me at (505) 476-3586.

Sincerely,



Randy Merker
Environmental Health Epidemiology Unit
Office of Epidemiology

cc: C. Mack Sewell, State Epidemiologist
Ron Voorhees, Deputy State Epidemiologist
Evan Nelson, District IV Health Officer
Retta Prophet, Program Manager



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

May 25, 2000

Mr. Randy Merker
New Mexico Health Department
Office of Epidemiology
1190 St. Francis Dr.
Santa Fe, NM 87504

**RE: STAGE 2 ABATEMENT PLAN (AP-2)
SHELL GRIMES LEASE
HOBBS, NEW MEXICO**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (NMOCD) recently received Shell E&P Company's (Shell) proposed health and safety plan and risk based corrective action levels which Shell proposes to be used for remediation of contaminated soils at the Shell Grimes Tank Battery located in the Westgate Subdivision of Hobbs, New Mexico. Attached is a copy of this document. Since the plan proposes methods for protection of public health, the NMOCD requests that the New Mexico Health Department provide the NMOCD with any comments or concerns that the NMHD may have regarding these proposals. The NMOCD asks that the NMHD provide any comments by June 23, 2000 so that the NMOCD can complete a review of Shell's proposal.

If you have any questions, please contact me at (505) 827-7152 or Bill Olson of my staff at (505) 827-7154.

Sincerely,

Roger C. Anderson

Environmental Bureau Chief

xc: Chris Williams, OCD Hobbs District Supervisor
Wayne Hamilton, Shell E&P Company
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Sharon E. Hall, Arcadis Geraghty & Miller
Cliff P. Brunson, BBC International



Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

VIA FEDERAL EXPRESS:
AIRBILL NO: 8187-0384-7540

4 May 2000

RECEIVED

MAY 05 2000

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Attn. Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

SUBJECT: NOTICE OF DEFICIENCY, STAGE 2 ABATEMENT PLAN (AP-2)
SHELL GRIMES LEASE

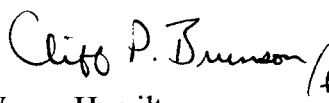
Dear Mr. Olson:

Pursuant to your April 14, 2000 letter, Shell Exploration and Production Company submits the enclosed Stage 2 Abatement Plan.

The plan addresses the ten (10) deficiencies that you outlined in your letter.

If you have any questions, please call me at (281) 544-2322 or via electronic mail:
wahamilton@shellus.com.

Sincerely,


Wayne Hamilton */for Wayne Hamilton*
Retained Properties Manager

cc: w/enclosures
Chris Williams, NMOCD District 1 Supervisor, 2 copies



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

April 14, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. 5051-2962

Mr. Wayne A. Hamilton
Shell E&P Company
200 N. Dairy Ashford
Houston, Texas 77079

**RE: STAGE 2 ABATEMENT PLAN (AP-2)
GRIMES LEASE CONTAMINATION
HOBBS, NEW MEXICO**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed Shell E&P Technology Company's (SHELL) April 14, 2000 "RESPONSE TO THE STAGE 2 ABATEMENT PLAN DEFICIENCY LETTER, WESTGATE SUBDIVISION". This document contains SHELL's request for an extension of the deadline for submission of the information requested in the OCD's February 9, 2000 notice of deficiency to May 5, 2000.

Due to the extensive information required to be submitted, the above extension request is approved.

If you have any questions, please contact me at (505) 827-7154.

Sincerely,

William C. Olson
Hydrologist
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Sharon E. Hall, Arcadis Geraghty & Miller
Cliff P. Brunson, BBC International

Shell E&P Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

Via Facsimile: (505) 827-8177

April 14, 2000

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

RE: Response to the Stage 2 Abatement Plan Deficiency Letter, Westgate Subdivision

Dear Mr. Olson:

This letter is to respectfully request an extension to May 5, 2000 for the submittal of the Westgate Subdivision, Stage 2 Abatement Plan deficiency letter response.

As discussed in the meeting on April 12th, this additional time is needed to respond to the NMOCD's questions and requirements.

If you have any questions, please contact me at (281) 544-2322 or via electronic mail:
wahamilton@shellus.com.

Sincerely,

A handwritten signature in cursive script that reads "Wayne A. Hamilton".

Wayne A. Hamilton
Retained Properties Manager

cc: Chris Williams - NMOCD Hobbs District



Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

VIA: Federal Express
Airbill No.: 818703847296

March 31, 2000

RECEIVED

APR 03 2000

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

**SUBJECT: SUBMITTAL OF 1999 QUARTERLY GROUNDWATER
MONITORING REPORT, WESTGATE SUBDIVISION,
GRIMES BATTERY AND TASKER ROAD**

Dear Mr. Olson:

Shell Exploration and Production Company respectfully submits the enclosed 1999 Quarterly Groundwater Monitoring Report for the Westgate Subdivision, Grimes Battery and Tasker Road.

This report details the groundwater monitoring and free product recovery activities for the third and fourth quarters of 1999. Also included are summary data tables, original data, and isopleth maps.

If you have any questions, please call me at (281) 544-2322 or via electronic mail: wahamilton@shellus.com.

Sincerely,

Cliff P. Johnson / for Wayne A. Hamilton

Wayne Hamilton
Retained Properties Manager

enclosure

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 15, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. Z-559-572-907

Mr. Wayne A. Hamilton
Shell E&P Company
200 N. Dairy Ashford
Houston, Texas 77079

**RE: STAGE 2 ABATEMENT PLAN (AP-2)
GRIMES LEASE CONTAMINATION
HOBBS, NEW MEXICO**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed Shell E&P Technology Company's (SHELL) March 8, 2000 "30 DAY EXTENSION REQUEST, NOTICE OF DEFICIENCY, STATE 2 ABATEMENT PLAN (AP-2) SHELL GRIMES LEASE". This document contains SHELL's request for an extension of the deadline for submission of the information requested in the OCD's February 9, 2000 notice of deficiency regarding remediation of contamination related to the Grimes Lease and former unlined pits located in the Westgate residential subdivision of Hobbs, New Mexico. The document proposes extending the deadline from March 13, 2000 to April 17, 2000.

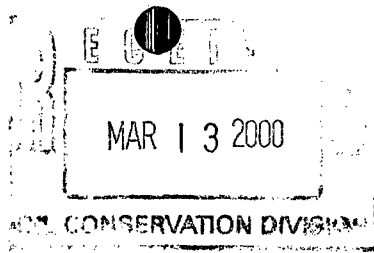
Due to the extensive information required to be submitted, the above extension request is approved.

If you have any questions, please contact me at (505) 827-7154.

Sincerely,

William C. Olson
Hydrologist
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Sharon E. Hall, Arcadis Geraghty & Miller
Cliff P. Brunson, BBC International



Shell E&P Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

March 8, 2000

**CERTIFIED MAIL (Z 136 861 002)
RETURN RECEIPT REQUESTED**

Mr. William C. Olson
State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**Subject: 30-Day Extension Request
Notice of Deficiency
State 2 Abatement Plan (AP-2)
Shell Grimes Lease**

Dear Mr. Olson:

Shell requests a 30-day extension to reply to your February 9th 2000, Notice of Deficiency letter.

In your February 9th letter, you stated that Shell needs to answer the ten deficiencies by March 13, 2000. Shell is currently writing a response to each of the issues you raised, but needs additional time to complete its response.

Therefore, Shell requests that the new deadline for responding to the deficiency letter would be April 17, 2000.

Please provide written response to my extension request at the address shown above. If you have any questions, please give me a call at 281-544-2322 or e-mail: wahamilton@shellus.com.

Sincerely,

Wayne A. Hamilton
Retained Properties Manager

Shell E&P Company

A Division of Shell Exploration & Production Company

FEB 28 2000



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

CERTIFIED MAIL

RETURN RECEIPT NO. Z574-359-014

CONSERVATION DIVISION

February 24, 2000

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**SUBJECT: STAGE 2 ABATEMENT PLAN, WESTGATE SUBDIVISION,
GRIMES BATTERY AND TASKER ROAD**

Dear Mr. Olson:

Shell Exploration and Production Company (SEPCo) requests permission from OCD to backfill the existing Grimes Battery excavation. The area to be backfilled is that excavation inside the fenced area adjacent to the former tank battery.

The backfill remediation is described, in detail, in the October 1999, Stage 2 Abatement Plan Report, 4.1.2 Task 2--Grimes Battery section.

SEPCo requests permission from OCD to backfill the excavation because the fence surrounding the excavation is continually being vandalized. SEPCo, in order to prevent anyone from entering the excavated area, desires to conduct backfilling operations immediately.

After receipt of the OCD's approval of this request, Shell will notify the OCD when the site activities are to begin. The backfilling is planned to begin as soon as all equipment and materials are available.

I look forward to your response. If you have any questions, please call me at (281) 544-2322 or via electronic mail: wahamilton@shellus.com.

Sincerely,

Cliff P. Brunson /for Wayne A. Hamilton
Wayne A. Hamilton
Retained Properties Manager

cc: Chris Williams, NMOCD District 1 Supervisor, 2 copies



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

February 9, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. Z-559-572-899

Mr. Wayne A. Hamilton
Shell E&P Company
Rm. 4304 Woodcreek
200 N. Dairy Ashford
Houston, Texas 77079

**RE: NOTICE OF DEFICIENCY
STAGE 2 ABATEMENT PLAN (AP-2)
SHELL GRIMES LEASE**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed Shell Exploration & Production Company's (Shell) November 30, 1999 "WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD STAGE 2 ABATEMENT PLAN PUBLIC NOTICE MAILING AFFIDAVIT AND MAILING LIST" and October 12, 1999 "SUBMITTAL OF STAGE 2 ABATEMENT PLAN, WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD". These documents contain Shell's Stage 2 Abatement Plan Proposal for remediation of soil and ground water contamination related to the former Grimes Tank Battery located adjacent to the Westgate Subdivision in Hobbs, New Mexico. The documents also contain proof of public notification of the Stage 2 Abatement Plan Proposal.

The OCD has identified the following deficiencies in the above referenced documents:

1. It is not clear in the text nor in Appendix I how Shell derived the risk based total petroleum hydrocarbon (TPH) cleanup values. Please provide more detailed information clearly showing how these values were determined.
2. The text on page 1.5 of Appendix I states that the lower bound calculated risk based residential cleanup criteria of 2400 ppm of TPH was not considered since the low detection limits for that sample may have affected the mass fraction distributions. Since these calculations are designed to reflect the most conservative risk based cleanup levels, this value cannot be disregarded and must be considered as valid. Please modify the plan to include consideration of this calculated lower bound risk based TPH level.

3. The risk based corrective action evaluation section contains calculated risk based non-residential, industrial cleanup levels for portions of the site. The tank battery, pit and contaminated areas are within a residential subdivision. Therefore, the use of non-residential, industrial cleanup levels are inappropriate for this site and will not be considered. Please modify the plan to reflect only residential use considerations.
4. The risk based corrective action evaluation section disregards cleanup of metals in soils because the average of the site soil metals concentrations are below regional United States Geological Survey (USGS) metals background concentrations. This approach is not acceptable. The section on metals cleanup levels needs to be reevaluated by comparing soils concentrations with actual site background data. Please perform this reevaluation of the metals in the soils.
5. The ground water section of Appendix I calculates risk based ground water ingestion levels which differ from the New Mexico Water Quality Control Commission (WQCC) ground water standards. The OCD interprets this as setting alternate abatement standards. Please clarify the intent of this section. If Shell is proposing alternate abatement standards different than the WQCC standards, Shell must file a petition seeking approval of alternate abatement standards pursuant to OCD Rule 19.B.(6). If Shell is not proposing alternate abatement standards this section should be removed from the document to avoid confusion or modified to reflect compliance with WQCC standards.
6. The proposed plan does not address whether remaining soil contamination will cause an exceedance of the WQCC ground water standards through leaching in the foreseeable future. Please provide this information.
7. Based upon the size of the proposed excavation areas, the proposed five point composite soil confirmation sampling will be insufficient. Please submit a more comprehensive plan for final soil sampling of the excavated areas.
8. A review of the site soil data shows that the proposed practical excavation depth of 8 feet for the former Tasker Road pits will not remediate the bulk of the near surface soil contamination. Prior excavation work at the Grimes Tank Battery showed that it is practical to excavate in excess of 8 feet at the site. Please submit an amended excavation plan which will remove the bulk of the near surface contaminated soils from these pits.
9. The air monitoring, safety and health action plan appears to be geared only toward protection of site workers. Please provide a health and safety plan which will protect the health and safety of the public in the vicinity of and downgradient of the site from contaminated dusts and migration of volatilized organics in air during all excavation and remediation actions.

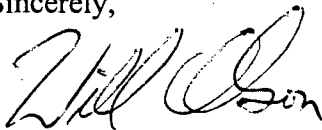
Wayne A. Hamilton
February 9, 2000
Page 3

10. In the intervenor's December 13, 1999 request for a hearing on the Stage 2 Abatement Plan, they stated that a resident has identified contamination at the abandoned well location at 1506 N. Cobb Street. It is implied that the contamination is from former drilling and/or work-over pits associated with the well. The OCD has requested the intervenors to provide this information. The OCD also requests that Shell provide information on the use and location of any drilling and/or work-over pits associated with this abandoned well.

In order to correct these deficiencies, please submit the above information to the OCD Santa Fe Office by March 13, 2000 with a copy provided to the OCD Hobbs District Office.

If you have any questions, please contact me at (505) 827-7154.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Sharon E. Hall, Arcadis Geraghty & Miller
Cliff P. Brunson, BBC International



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

February 8, 2000

Mr. William G. Rosch, III
Rosch & Ross
707 Travis, Suite 2100
Houston, Texas 77002

**RE: FORMER SHELL GRIMES TANK BATTERY AND WESTGATE SUBDIVISION
LEA COUNTY, NEW MEXICO**

Dear Mr. Rosch:

During a review of the New Mexico Oil Conservation Division's (OCD) file on the Shell Oil Exploration & Production Company's abatement plan for the former Grimes Tank Battery and Westgate Subdivision, it was discovered that the cover of the OCD's January 13, 2000 correspondence with you errantly listed your address as 707 Travis, Suite 2100, Eunice, NM 88231 instead of 707 Travis, Suite 2100, Houston, Texas 77002. It appears that the envelope was correctly addressed and the OCD understands that you received the January 13, 2000 correspondence. Please correct this error on your copy of the correspondence. The OCD apologizes for this error.

If you have any questions or comments, please do not hesitate to contact me at (505) 827-7152 or Bill Olson of my staff at (505) 827-7154.

Sincerely:

A handwritten signature in cursive script, appearing to read "Roger C. Anderson".

Roger C. Anderson, Chief
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
Wayne A. Hamilton, Shell E&P Company
Sharon E. Hall, Arcadis Geraghty & Miller



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

January 13, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. Z-559-572-895

Mr. William G. Rosch, III
Rosch & Ross
707 Travis, Suite 2100
Eunice, NM 88231

**RE: STAGE 2 ABATEMENT PLAN PROPOSAL
FORMER SHELL GRIMES TANK BATTERY AND WESTGATE SUBDIVISION
LEA COUNTY, NEW MEXICO**

Dear Mr. Rosch:

The Oil Conservation Division (OCD) received your December 13, 1999 request for a public hearing on the above referenced Stage 2 Abatement Plan Proposal submitted by the Shell Oil Exploration & Production Company. The OCD has included your name as an intervenor in this case so you will receive copies of all correspondence concerning the abatement plan.

The OCD will continue to process the abatement plan and comments received until the plan is determined to be administratively approvable or denied. If the abatement plan is administratively denied, the applicant will be notified and it will be its responsibility to request a hearing appealing the denial. If the abatement plan is determined to be administratively approvable, the OCD will notify the applicant and all intervenors of the conditions under which the plan would be approved. All intervenors will be allowed fifteen (15) days from receipt of the determination to submit final comments on the conditions or request a public hearing in lieu of administrative approval. A request for a public hearing must be in writing and must include the reasons why a hearing should be held.

Your December 13, 1999 correspondence also stated that the proposed plan does not address contamination related to an abandoned well site at 1506 N. Cobb Street. Please provide the OCD with any information you have regarding the location of former pits or spills at this location and any information on the location and magnitude of any current contamination.

Mr. William G. Rosch, III
January 13, 2000
Page 2

The OCD appreciates your input on all environmental and public health issues relating to the abatement plan. If you have any questions or comments, please do not hesitate to contact me at (505) 827-7152 or Bill Olson of my staff at (505) 827-7154.

Sincerely:



Roger C. Anderson, Chief
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
Wayne A. Hamilton, Shell E&P Company
Sharon E. Hall, Arcadis Geraghty & Miller
Cliff P. Brunson, BBC International

DEC 14 1999

Gallagher, Young, Lewis, Hampton & Downey
700 Louisiana, 40th Floor
Houston, Texas 77002
Craig Lewis

Rosch & Ross
Chase Bank Building
707 Travis, Suite 2100
Houston, Texas 77002
William G. Rosch

Girardi & Keese
1126 Wilshire Boulevard
Los Angeles, California 90017
Thomas Girardi

Heidel, Samberson, Newell & Cox
311 First Street, P. O. Box 1599
Lovington, New Mexico 88260
Michael Newell

December 13, 1999

**Via Facsimile 505-827-8177
and Overnight Delivery**

Director, Oil Conservation Division
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Request for Public Hearing and Supplemental Comments to Shell Oil Company's
Stage 2 Abatement Plan Proposal for the Former Grimes Tank Battery Site and
Portions of the Westgate Subdivision.

Dear Sir:

This letter is intended to constitute a formal written request for an public hearing on all of the issues raised by the comments set forth in Mr. William G. Rosch's letter dated December 10, 1999 and the supplemental comments contained herein on behalf of our clients (see Exhibit "A") who are various present and former residents of the Hobbs, New Mexico, area and who reside or resided within the immediate geographical area of the Proposed Plan.

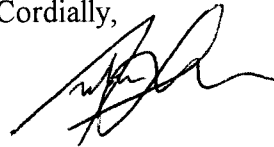
In addition, this letter is intended to supplement the December 10, 1999 comments in above referenced matter on behalf of our clients. (See Exhibit "A".) The following are comments in supplemental response to the notice issued by the Director of the Oil Conservation Division, State of New Mexico, with regard to Shell Oil Company's Stage 2 Abatement Plan Proposal:

Director, Oil Conservation Division
State of New Mexico
December 13, 1999
Page 2

1. The Shell Proposed Plan does not address contamination at abandoned well site locations within the Westgate Subdivision. For example, a resident has identified contamination at an abandoned well site underlying his property located at 1506 N. Cobb Street in the Westgate Subdivision. The Shell Proposed Plan neither addresses contamination at this well site location nor attempts to identify other such well site locations within the Westgate Subdivision.
2. The Shell Proposed Plan does not attempt to identify contamination at abandoned drilling and/or work-over pit sites within the Westgate Subdivision. Instead, the Proposed Plan ignores the existence of these pit sites which would be necessarily associated with every abandoned well site, such as 1506 N. Cobb Street, within the Westgate Subdivision.

In short, the Shell Proposed Plan does not adequately identify and address all areas of concern required to protect the residents of the Westgate Subdivision. Therefore, a public hearing is necessary to adequately address the serious concerns raised by these comments.

Cordially,

A handwritten signature in black ink, appearing to read 'Andrew Sher', with a stylized, flowing script.

Andrew Sher

EXHIBIT A

Acosta, Concepcion
Acosta, Rosario
Acosta, Adriana
Acosta, Jorge M.
Acosta, Laura
Acosta, Rosario M.
Acosta, Cynthia M.
Acosta, Michael
Acosta, Hope
Carrillo, Rachel
Carrillo, Steven
Carrillo, Victoria
Acosta, Ramiro Jr.
Acosta, Melissa
Acosta, Meghan
Acosta, Ramiro Sr.
Acosta, Estela
Acosta, Sammy
Acosta, Juanita
Acosta, Candace
Acosta, Samantha
Alvarez, Tony
Alvarez, Josie
Aranda, Alonzo
Aranda, Rosa
Aranda, Lilliana
Aranda, Viviana
Aranda, David
Aranda, Kathy
Armendariz, Audrey
Aranda, Nora
Aranda, Domingo
Aranda, Rick
Baeza, Linda Benita
Peacock, Jasper
Baeza, Billy Clay
Baeza, Clarissa
Baeza, Roberto
Peacock, Jasper
Baeza, Socorro Carlos
Baeza, Ann
Baeza, Karla
Baeza, Monika
Baldwin, John Allen
Barrera, Adriana
Barrera, Fernando Jr.
Barrera, Elisha
Barrera, Fernando Sr.
Barrera, Guadalupe

Barrera, Lucinda
Basgall, Adam
Basgall, Becky
Babcock, Emily
Basgall, Matthew
Basgall, Pamela
Basgall, Gary
Bell, Pearl
Bell, Matthew
Bell, Justin
Bell, Wanda
Bingham, Mitchell
Bingham, Sharon
Bingham, Jordan
Bridge, Darrell
Bridge, Susan
Brooks, Irene
Brown, Willene Smith
Buss, Patricia
Smith, Frederick
Castillo, David
Castillo, Rhonda (Scoggins)
Chan, Chih Hsien
Chan, LiHwa
Chandler, Greg
Chevalier, Frank
Chevalier, Renee
Bowlby, Sonya
Clay, Billie Ruth
Cormier, Mary
Acosta, Jasminc
Cormier, Jody
Mashaw, April
Cortez, Ruben
Cortez, Helen
Cortez, Efren
Cortez, Yolanda
Cortez, Joshua
Medrano, Brianna
Crockett, Edna M.
DeLaCruz, Nicolas
DeLaCruz, Soraida
DeLaCruz, Natalie
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Dominguez, Eric
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Dominguez, Manuel
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 Walker, Jeffrey L.
 Walker, Theresa
 Wilks, Alvin Ray
 Wilks, Doris
 Williams, Pamela
 Wilson, Lynda
 Woo, Judy
 Wood, Larry

GALLAGHER, YOUNG, LEWIS, HAMPTON & DOWNEY

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Bank of America
Houston, TX 77002
Ph: 713-222-8080
Fax: 713-222-0066

Andrew Sher
Direct dial numbers:
713-238-7725 (ph)
713-238-7888 (fax)

FACSIMILE COVER SHEET

TO: Director, Oil Conservation Division, State of New Mexico

FAX NO.: 505-827-8177

CASE NO.: 98-04-163

FROM: Andrew Sher

DATE: December 13, 1999

RE:

of pages (including cover sheet): 5

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Gallagher, Young, Lewis, Hampton & Downey
700 Louisiana, 40th Floor
Houston, Texas 77002
Craig Lewis

Rosch & Ross
Chase Bank Building
707 Travis, Suite 2100
Houston, Texas 77002
William G. Rosch

Girardi & Keese
1126 Wilshire Boulevard
Los Angeles, California 90017
Thomas Girardi

Heidel, Samberson, Newell & Cox
311 First Street, P. O. Box 1599
Lovington, New Mexico 88260
Michael Newell

December 13, 1999

**Via Facsimile 505-827-8177
and Overnight Delivery**

Director, Oil Conservation Division
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Request for Public Hearing and Supplemental Comments to Shell Oil Company's
Stage 2 Abatement Plan Proposal for the Former Grimes Tank Battery Site and
Portions of the Westgate Subdivision.

Dear Sir:

This letter is intended to constitute a formal written request for an public hearing on all of the issues raised by the comments set forth in Mr. William G. Rosch's letter dated December 10, 1999 and the supplemental comments contained herein on behalf of our clients (see Exhibit "A") who are various present and former residents of the Hobbs, New Mexico, area and who reside or resided within the immediate geographical area of the Proposed Plan.

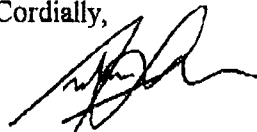
In addition, this letter is intended to supplement the December 10, 1999 comments in above referenced matter on behalf of our clients. (See Exhibit "A".) The following are comments in supplemental response to the notice issued by the Director of the Oil Conservation Division, State of New Mexico, with regard to Shell Oil Company's Stage 2 Abatement Plan Proposal:

Director, Oil Conservation Division
State of New Mexico
December 13, 1999
Page 2

1. The Shell Proposed Plan does not address contamination at abandoned well site locations within the Westgate Subdivision. For example, a resident has identified contamination at an abandoned well site underlying his property located at 1506 N. Cobb Street in the Westgate Subdivision. The Shell Proposed Plan neither addresses contamination at this well site location nor attempts to identify other such well site locations within the Westgate Subdivision.
2. The Shell Proposed Plan does not attempt to identify contamination at abandoned drilling and/or work-over pit sites within the Westgate Subdivision. Instead, the Proposed Plan ignores the existence of these pit sites which would be necessarily associated with every abandoned well site, such as 1506 N. Cobb Street, within the Westgate Subdivision.

In short, the Shell Proposed Plan does not adequately identify and address all areas of concern required to protect the residents of the Westgate Subdivision. Therefore, a public hearing is necessary to adequately address the serious concerns raised by these comments.

Cordially,



Andrew Sher

EXHIBIT A

Acosta, Concepcion
 Acosta, Rosario
 Acosta, Adriana
 Acosta, Jorge M.
 Acosta, Laura
 Acosta, Rosario M.
 Acosta, Cynthia M.
 Acosta, Michael
 Acosta, Hope
 Carrillo, Rachel
 Carrillo, Steven
 Carrillo, Victoria
 Acosta, Ramiro Jr.
 Acosta, Melissa
 Acosta, Meghan
 Acosta, Ramiro Sr.
 Acosta, Estela
 Acosta, Sammy
 Acosta, Juanita
 Acosta, Candace
 Acosta, Samantha
 Alvarez, Tony
 Alvarez, Josie
 Aranda, Alonzo
 Aranda, Rosa
 Aranda, Lilliana
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 Bell, Justin
 Bell, Wanda
 Bingham, Mitchell
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 Bridge, Darrell
 Bridge, Susan
 Brooks, Irene
 Brown, Willene Smith
 Buss, Patricia
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 Bowiby, Sonya
 Clay, Billie Ruth
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DEC 13

GALLAGHER, LEWIS & DOWNEY
BANK OF AMERICA CENTER
700 LOUISIANA, 40TH FLOOR
HOUSTON, TEXAS 77002
CRAIG LEWIS

ROSCH & ROSS
CHASE BANK BUILDING
707 TRAVIS, SUITE 2100
HOUSTON, TEXAS 77002
WILLIAM G. ROSCH, III

GIRARDI & KEESE
1126 WILSHIRE BOULEVARD
LOS ANGELES, CALIFORNIA 90017
THOMAS GIRARDI

HEIDEL, SAMBERSON, NEWELL & COX
311 N. FIRST STREET, PO BOX 1599
LOVINGTON, NEW MEXICO 88260
MICHAEL NEWELL

December 10, 1999

**By Facsimile (505) 827-8177
and Overnight Delivery**

Director, Oil Conservation Division
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

**Re: Comments to Shell Oil Company's Stage 2 Abatement Plan Proposal for the
Former Grimes Tank Battery Site and Portions of the Westgate Subdivision.**

Dear Sir:

The following are comments in response to the notice issued by the Director of the Oil Conservation Division, State of New Mexico, with regard to Shell Oil Company's Stage 2 Abatement Plan Proposal and on behalf of our clients (*see* Exhibit "A") who are various present and former residents of the Hobbs, New Mexico, area and who reside or resided within the immediate geographical area of the Proposed Plan:

Comments On The Proposed Plan

1. The Shell Proposed Plan for remediation of the Westgate Subdivision contamination provides merely a technical approach to the removal of highly contaminated soils as if those soils were in an unpopulated area. The Plan wholly ignores several extremely important issues that impact the health, safety, and welfare of the men, women, and children who live, work, and play in the Subdivision, and resolution of these issues is critically important prior to execution

of the Plan so that the aforementioned residents are not further exposed to the health-threatening contaminants.

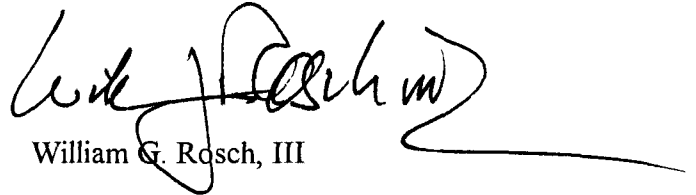
2. The prevailing wind direction in the area of the Subdivision is from south to north. This wind pattern would necessarily carry with it the toxic vapors and suspended contaminated particulate matter released from each of the proposed excavated areas and transport those vapors and contaminated particulates across and, deposit upon, the remainder of the Subdivision, thereby exposing families and their properties to the released contaminants.
3. Although a monitoring program is provided for protection of the workers, as described in Section 6 of the Proposed Plan, there is no such program provided for the protection of the residents. The Proposed Plan suggests addressing the residents' concerns only on an "as needed" basis. It doesn't really take a critical eye to realize that this Plan, as it relates to the protection of the residents, does not provide for a prophylactic approach, an emergency evacuation plan, monitoring of enclosed spaces of the residents such as homes, garages, trailers, and the like, nor is there a contingency plan in place for the benefit of the residents. Simply put, Shell's Proposed Plan, while it expresses concern for its employees, does not adequately address the health, safety, and welfare of the citizens of New Mexico residing in the Westgate Subdivision.

Moreover, due to the extended work schedule and the potential for continual exposure over the course of the work effort, scheduled for 185 days, the residents of the Westgate Subdivision are at far greater health risk than the Shell workers at the site. Indeed, levels of exposure via inhalation, ingestion, and absorption, for the young children who live and play in the area has not been addressed at all. It is well established that young children are particularly susceptible to contaminants of the type found in the contaminated Subdivision.

4. The Plan proposes the use of "odor-neutralizing agents" which are not identified. Until identification is made, no reasonable and prudent assessment can be made concerning the efficacy of the use of such "masking" agents.
5. Exposure to the heavy metals identified in the Proposed Plan such as arsenic and chromium, and exposure to hydrocarbons would necessarily, by virtue of the excavation process and the prevailing winds, be elevated above background in the Subdivision and therefore pose a significantly increased health risk to the citizens residing in the Westgate Subdivision.

Simply put, this Proposed Plan, as it relates to Shell's approach to the protection of the residents of the Westgate Subdivision, is insensitive to the needs of those residents and is reactive in nature and not proactive. Once the contaminants become airborne, preventing further exposure to these residents will be much like trying to unbreak an egg.

Cordially,

A handwritten signature in black ink, appearing to read "William G. Rosch, III". The signature is stylized with a large, sweeping "W" and "R".

William G. Rosch, III

WGR/lmb
Enclosure
99:1:1111

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Quintana, Tori
Quiroga, Alfonso
Ramirez, Arlene
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Watkins, Johnny
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Scoggins, James
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Sharp, Leslie
Sharp, Connie
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Volz, Lindsey
Walker, Jeffrey L.
Walker, Theresa
Wilks, Alvin Ray
Wilks, Doris
Williams, Pamela
Wilson, Lynda
Woo, Judy
Wood, Larry

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FACSIMILE TRANSMITTAL COVER SHEET

DATE/TIME:	FAX NUMBER:	NUMBER OF PAGES:
December 10, 1999 (2:02PM)	99-0515	Page 1 of 6
FROM:		
William G. Rosch, III		
TELEPHONE NUMBER:		
(713) 222-9595		
FAX NUMBER:	FAX OPERATOR:	
(713) 222-0906	Laurie	
REFERENCE:		
Westgate Subdivision		

TO	FAX NUMBER	COMPANY	TELEPHONE NUMBER
Director, Oil Conservation Division	(505) 827-8177	State of New Mexico	(505) 827-7131
Craig Lewis, Esq.	(713) 238-7888	Gallagher Young Lewis Hampton & Downey	(713) 238-7715
Tom Girardi, Esq.	(213) 481-1554	Girardi & Keese	(213) 977-0211
Michael Newell, Esq.	(505) 396-5305	Heidel Samberson Newell & Cox	(505) 396-5303

MESSAGE:

Please see attached **Comments to Shell Oil Company's Stage 2 Abatement Plan Proposal for the Former Grimes Tank Battery Site and Portions of the Westgate Subdivision.**

- William G. Rosch, III

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GALLAGHER, LEWIS & DOWNEY
BANK OF AMERICA CENTER
700 LOUISIANA, 40TH FLOOR
HOUSTON, TEXAS 77002
CRAIG LEWIS

ROSCH & ROSS
CHASE BANK BUILDING
707 TRAVIS, SUITE 2100
HOUSTON, TEXAS 77002
WILLIAM G. ROSCH, III

GIRARDI & KEESE
1126 WILSHIRE BOULEVARD
LOS ANGELES, CALIFORNIA 90017
THOMAS GIRARDI

HEIDEL, SAMBERSON, NEWELL & COX
311 N. FIRST STREET, PO BOX 1599
LOVINGTON, NEW MEXICO 88260
MICHAEL NEWELL

December 10, 1999

By Facsimile (505) 827-8177
and Overnight Delivery

Director, Oil Conservation Division
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

**Re: Comments to Shell Oil Company's Stage 2 Abatement Plan Proposal for the
 Former Grimes Tank Battery Site and Portions of the Westgate Subdivision.**

Dear Sir:

The following are comments in response to the notice issued by the Director of the Oil Conservation Division, State of New Mexico, with regard to Shell Oil Company's Stage 2 Abatement Plan Proposal and on behalf of our clients (*see Exhibit "A"*) who are various present and former residents of the Hobbs, New Mexico, area and who reside or resided within the immediate geographical area of the Proposed Plan:

Comments On The Proposed Plan

1. The Shell Proposed Plan for remediation of the Westgate Subdivision contamination provides merely a technical approach to the removal of highly contaminated soils as if those soils were in an unpopulated area. The Plan wholly ignores several extremely important issues that impact the health, safety, and welfare of the men, women, and children who live, work, and play in the Subdivision, and resolution of these issues is critically important prior to execution

Director, Oil Conservation Division
December 10, 1999
Page 2

of the Plan so that the aforementioned residents are not further exposed to the health-threatening contaminants.

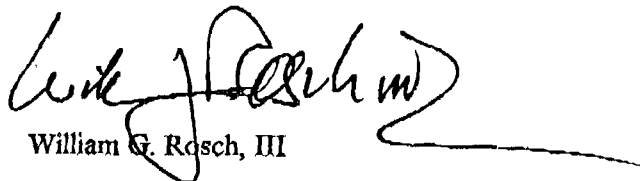
2. The prevailing wind direction in the area of the Subdivision is from south to north. This wind pattern would necessarily carry with it the toxic vapors and suspended contaminated particulate matter released from each of the proposed excavated areas and transport those vapors and contaminated particulates across and, deposit upon, the remainder of the Subdivision, thereby exposing families and their properties to the released contaminants.
3. Although a monitoring program is provided for protection of the workers, as described in Section 6 of the Proposed Plan, there is no such program provided for the protection of the residents. The Proposed Plan suggests addressing the residents' concerns only on an "as needed" basis. It doesn't really take a critical eye to realize that this Plan, as it relates to the protection of the residents, does not provide for a prophylactic approach, an emergency evacuation plan, monitoring of enclosed spaces of the residents such as homes, garages, trailers, and the like, nor is there a contingency plan in place for the benefit of the residents. Simply put, Shell's Proposed Plan, while it expresses concern for its employees, does not adequately address the health, safety, and welfare of the citizens of New Mexico residing in the Westgate Subdivision.

Moreover, due to the extended work schedule and the potential for continual exposure over the course of the work effort, scheduled for 185 days, the residents of the Westgate Subdivision are at far greater health risk than the Shell workers at the site. Indeed, levels of exposure via inhalation, ingestion, and absorption, for the young children who live and play in the area has not been addressed at all. It is well established that young children are particularly susceptible to contaminants of the type found in the contaminated Subdivision.

4. The Plan proposes the use of "odor-neutralizing agents" which are not identified. Until identification is made, no reasonable and prudent assessment can be made concerning the efficacy of the use of such "masking" agents.
5. Exposure to the heavy metals identified in the Proposed Plan such as arsenic and chromium, and exposure to hydrocarbons would necessarily, by virtue of the excavation process and the prevailing winds, be elevated above background in the Subdivision and therefore pose a significantly increased health risk to the citizens residing in the Westgate Subdivision.

Simply put, this Proposed Plan, as it relates to Shell's approach to the protection of the residents of the Westgate Subdivision, is insensitive to the needs of those residents and is reactive in nature and not proactive. Once the contaminants become airborne, preventing further exposure to these residents will be much like trying to unbreak an egg.

Cordially,

A handwritten signature in black ink, appearing to read "W. G. Rosch, III", with a long horizontal flourish extending to the right.

William G. Rosch, III

WGR/lmb
Enclosure
99:1:1111

EXHIBIT A

Acosta, Concepcion
Acosta, Rosario
Acosta, Adriana
Acosta, Jorge M.
Acosta, Laura
Acosta, Rosario M.
Acosta, Cynthia M.
Acosta, Michael
Acosta, Hope
Carrillo, Rachel
Carrillo, Steven
Carrillo, Victoria
Acosta, Ramiro Jr.
Acosta, Melissa
Acosta, Meghan
Acosta, Ramiro Sr.
Acosta, Estela
Acosta, Sammy
Acosta, Juanita
Acosta, Candace
Acosta, Samantha
Alvarez, Tony
Alvarez, Josie
Aranda, Alonzo
Aranda, Rosa
Aranda, Lilliana
Aranda, Viviana
Aranda, David
Aranda, Kathy
Armendariz, Audrey
Aranda, Nora
Aranda, Domingo
Aranda, Rick
Baeza, Linda Benita
Peacock, Jasper
Baeza, Billy Clay
Baeza, Clarissa
Baeza, Roberto
Peacock, Jasper
Baeza, Socorro Carlos
Baeza, Ann
Baeza, Karla
Baeza, Monika
Baldwin, John Allen
Barrera, Adriana
Barrera, Fernando Jr.
Barrera, Elisha
Barrera, Fernando Sr.
Barrera, Guadalupe

Barrera, Lucinda
Basgall, Adam
Basgall, Becky
Babcock, Emily
Basgall, Matthew
Basgall, Pamela
Basgall, Gary
Bell, Pearl
Bell, Matthew
Bell, Justin
Bell, Wanda
Bingham, Mitchell
Bingham, Sharon
Bingham, Jordan
Bridge, Darrell
Bridge, Susan
Brooks, Irene
Brown, Willene Smith
Buss, Patricia
Smith, Frederick
Castillo, David
Castillo, Rhonda (Scoggins)
Chan, Chih Hsien
Chan, LiHwa
Chandler, Greg
Chevalier, Frank
Chevalier, Renee
Bowlby, Sonya
Clay, Billie Ruth
Cormier, Mary
Acosta, Jasmine
Cormier, Jody
Mashaw, April
Cortez, Ruben
Cortez, Helen
Cortez, Efren
Cortez, Yolanda
Cortez, Joshua
Medrano, Brianna
Crockett, Edna M.
DeLaCruz, Nicolas
DeLaCruz, Soraida
DeLaCruz, Natalie
DeLaCruz, Cynthia
Dominguez, Eric
Dominguez, Manny
Dominguez, Manuel
Dominguez, Ernestina
Dominguez, Matthew

Dominguez, Daniel
Dominguez, Phillip
Egans, Amber
Egans, Robert Jr.
Egans, Robert Sr.
Egans, Cynthia
Egans, Danisha
Escamilla, Jose
Escamilla, Else
Fortner, Kerry
Fortner, Alisha
Fortner, Nickolas
Gandy, Rickey Don
Gandy, Rick
Gandy, Debra
Bates, Brett
Bates, Desirae
Gandy, Teddy
Gandy, Louise
Garland, Dorothy
Gonzales, LeGina
Young, Brevin
Gonzales, Melissa
Gonzales, Melony
Gonzales, Regina
Gonzales, Johnny
Gonzales, Viola
Gonzales, Steven (minor)
Green, Lydia
Harguess, Felicia
Hill, Barbara (Wood)
Hobbs, Grady (d)
Hobbs, Ruby
Hudson, Sabrina
Hutchings, Charles
Hutchings, Patricia
Hutchings, Patrick
Hutchings, Breyana
Jaques, Jaquelyn
Jaques, Jose
Jaques, Pat
Jaques, Benjamin
Johnson, Gary Don
Johnson, Rebecca
Johnson, Chestley
Johnson, Lorien
Jones, Lena M.
Kautz, Paul
Kautz, Lorretta

Kautz, Timothy
King, Margaret
King, Raymond
Klotzbach, Pamela
Thompson, Ryan
Ledbetter, Gerald
Ledbetter, Debrah
Ledbetter, Andrew
Ledbetter, Jared
Levan, Steven
Lewis, Janet
Bueno, Angelina
Little, Mary Helen
Lumblley, Wayne
Lumblley, Shirley
Marquez, Dulces
Marquez, Angelica
Marquez, David
Marquez, Elias
Marquez, Josephine
Martinez, Albert
Martinez, Donna
Martinez, Phillip C.
Martinez, Claudio Jr.
Martinez, Claudio Sr.
Martinez, Aurora
Martinez, Claudia
(granddaughter)
Martinez, Gemma
Martinez, Joe B.
Martinez, Josie
Martinez, Michelle
Martinez, Teresa
Martinez, Thomas Sr.
Martinez, Joseph (d)
Martinez, Mary (d)
Melendez, Gabriel
Melendez, Jorrie
Melendez, Jonathan
Melendez, Olivia
Melendez, Pilar
Melendez, Priscilla
Melendez, Nicole
Menchaca, Rafael
Menchaca, Else
Menchaca, Edith
Menchaca, Erik
Mendoza, Robert
Mendoza, Vilma
Mendoza, Robert, Jr.
Mendoza, Rudy
Miranda, Pete

Miranda, Cathy
Serrano, Ashley
Morales, Jessie
Morales, Griselda
Morales, Ariel
Morales, Jesenia
Morris, Miranda
Neugent, Sue Della
Nguyen, Alexander L.
Patterson, Jubel
Patterson, Tracie
Patterson, Dannielle
Patterson, Melanie
Patterson, Summer
Peterson, Craig
Peterson, Rose
Peterson, Chris
Peterson, Heidi
Pullings, Harold R.
Pullings, Leta J.
Quintana, Tori
Quiroga, Alfonso
Ramirez, Arlene
Ramirez, Rubi
Ramirez, Irene
Ramirez, Damian
Ramirez, Placido
Ramirez, Ruth
Rising, Evelyn
Rising, Gregory (d)
Watkins, Johnny
Rising, Rahmon A.
Rodriguez, Elizabeth
Rodriguez, Lacy
Rodriguez, Zachary
Scoggins, James
Scoggins, Joanna
Sharp, Leslie
Sharp, Connie
Sharp, Brittany
Sharp, Justin
Sharp, Zachary
Smith, Lyndsy
Smith, Jesse Ray
Sparenberg, Mark
Sparenberg, Angela
Sparenberg, Dante
Sparenberg, Jan-Juc
Sparenberg, Jorrel
Sparenberg, Marcus
Stephens, Marianne (Brown)
Lopez, Danielle

Stoker, Willie
Stoker, Andrea
Stoker, Charlisa
Stoker, Kalond
Tarin, Elias
Tarin, Silvia
Cabriaes, Roseda
Tarin, Eduardo
Tarin, Elias P., Jr.
Tarin, Hector
Telles, Ismael
Telles, Socorro
Thompson, Glen
Thompson, Judy
Townsend, Charles Jr.
Townsend, Charles Sr.
Townsend, Luciana
Townsend, Lucas M.
Townsend, Timothy
Trevino, Leonard
Trevino, Vicki
Trevino, Desiree
Trevino, Presha
Trevino, Tommy
Trevino, Pamela
Trevino, Jennifer
Trevino, Stephanie
Trevino, Tommy II
Valdez, Gabriel
Valdez, Jennifer
Valdez, Bianca
Vela, Iri. Vickie
Vela, Henry
Vela, Matthew
Volz, Frank
Volz, Melody
Volz, Krystal
Volz, Lindsey
Walker, Jeffrey L.
Walker, Theresa
Wilks, Alvin Ray
Wilks, Doris
Williams, Pamela
Wilson, Lynda
Woo, Judy
Wood, Larry

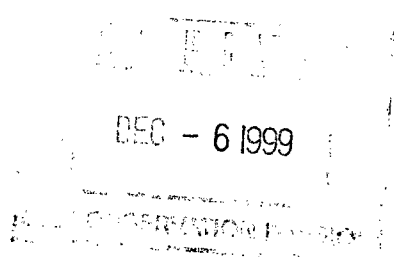


PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W. MARLAND • P.O. BOX 297 • HOBBS, NM 88241-0297
E-MAIL: bbc@bbcinternational.com

Certified Return Receipt No: Z574359213

November 30, 1999

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505



**SUBJECT: WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD
STAGE 2 ABATEMENT PLAN PUBLIC NOTICE MAILING AFFIDAVIT
AND MAILING LIST**

Dear Mr. Olson:

On behalf of Shell Exploration and Production Company, BBC International, Inc. respectfully submits the above referenced mailing affidavit per NMOCD Rule 19 requirements.

The affidavit contains a notarized Affidavit of Mailing, copies of the cover letter and public notice mailed to surface owners of record within a one mile radius of the Grimes Battery, a copy of the mailing list of all recipients, and copies of the published notices in the Albuquerque Journal, the Hobbs News-Sun, and the Lovington Daily Leader.

If you have any questions concerning this affidavit, please contact me at (505) 397-6388 or Wayne Hamilton at (281) 544-2322.

Sincerely,

Cliff P. Brunson
President

CPB: mo
Encl.

cc: Chris Williams - Hobbs OCD District Supervisor
Wayne Hamilton - Shell E & P Company

LAW OFFICES
HEIDEL, SAMBERSON, NEWELL & COX

C. GENE SAMBERSON
MICHAEL T. NEWELL
LEWIS C. COX, III

311 NORTH FIRST STREET
POST OFFICE DRAWER 1699
LOVINGTON, NEW MEXICO 88260
TELEPHONE (505) 396-5303
FAX (505) 396-5305

F.L. HEIDEL
(1913-1985)

Patrick B. McMahon

NOV 22 1999

November 18, 1999

William C. Olson
Hydrogeologist
Environmental Bureau
Oil Conservation Division
Energy, Miners and Natural Resources Department
2040 S. Pacheco
Santa Fe, NM 87505

**Re: Westgate Subdivision, Hobbs, New Mexico
Stage 2 Abatement/30-Day Comment Period**

Dear Mr. Olson,

As per our telephone conversation on Wednesday, November 17, 1999, since the public notice of Shell's Stage 2 Abatement Plan was published in the Albuquerque Journal, Hobbs News-Sun and Lovington Leader on Friday, November 12, 1999, the thirty (30) day comment period regarding such would commence on Saturday, November 13, 1999. Also, according to your conversation with NMOCD's legal counsel, the thirtieth (30) day of the comment period would be Monday, December 13, 1999.

If I am mistaken, please contact me immediately.

Sincerely,

HEIDEL SAMBERSON NEWELL & COX

By:


Patrick B. McMahon

PBM/cd

pc: Craig Lewis, Esq.
William Rosch, Esq.

Olson, William

To: Cliff P. Brunson

Subject: RE: Westgate Stage 2 Public Notice

I expect that you will need to send 2 copies of the affidavit to the Hobbs Office because they are currently maintaining 2 identical files since correspondence was previously removed from the public file.

From: Cliff P. Brunson [SMTP:cbrunson@bbcinternational.com]

Sent: Tuesday, November 09, 1999 7:44 PM

To: Olson, William

Cc: Wayne Hamilton

Subject: Westgate Stage 2 Public Notice

Bill,

The Stage 2 public notice will be mailed to the one mile radius surface owners on Wednesday, Nov. 10, 1999 and the notice will be published in the Albuquerque Journal, the Lovington Leader, and the Hobbs News-Sun on Friday, November 12, 1999. I will send you the affidavit of mailing, copies of the notices, and the mailing list next week after the publishing of the notice.

Question: Will I need to supply two copies of the affidavit and list to the Hobbs office also?

Or does that not apply in this case? Please let me know.

Thanks,

Cliff P. Brunson

President

BBC International, Inc.

.....
This electronic transmission/mail and any documents or other writings sent with it may contain privileged and/or confidential information.

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.....

Cliff P. Brunson, President

BBC International, Inc.

World-Wide Environmental Specialists

P. O. Box 805

Hobbs, New Mexico 88241-0805

Courier address:

1324 W. Marland

Hobbs, New Mexico 88240 USA

Phone: (505) 397-6388

Fax: (505) 397-0397

e-mail: cbrunson@bbcinternational.com

Web site: www.bbcinternational.com



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

October 29, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z-274-520-724

Mr. Wayne A. Hamilton
Shell E&P Technology Company
Rm. 4304 Woodcreek
200 N. Dairy Ashford
Houston, Texas 77079

RE: GRIMES LEASE STAGE 2 ABATEMENT PLAN (AP-2)

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed Shell E&P Company's (Shell) October 12, 1999 "SUBMITTAL OF STAGE 2 ABATEMENT PLAN, WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD". This document contains Shell's Stage 2 Abatement Plan Proposal for remediation of soil and ground water contamination related to the former Grimes Tank Battery located adjacent to the Westgate Subdivision in Hobbs, New Mexico.

The OCD has determined that the above referenced Stage 2 Abatement Plan Proposal is administratively complete. Before the OCD can complete a review of the Stage 2 proposal, the OCD requires that:

1. Shell issue by November 13, 1999 the attached public notice of the Stage 2 proposal in the Albuquerque Journal, Hobbs News-Sun and the Lovington Daily Leader pursuant to OCD Rule 19.G.
2. Prior to issuing the public notice, Shell shall issue written notice of the Stage 2 proposal pursuant to OCD Rule 19.G.(1). Please refer to the previously supplied 3.5" disk for a listing of "those persons, as identified by the Director, who have requested notification" pursuant to OCD Rule 19.G.(1).(d) and the contact for the New Mexico Trustee for Natural Resources.

Please provide the OCD with proof of notice as soon as possible upon completing issuance of the written and public notice.

Wayne A. Hamilton
October 29, 1999
Page 2

If you have any questions, please contact Bill Olson at (505) 827-7154.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger C. Anderson", with a long horizontal flourish extending to the right.

Roger C. Anderson
Environmental Bureau Chief

xc: Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Sharon E. Hall, Arcadis Geraghty & Miller
Cliff P. Brunson, BBC International

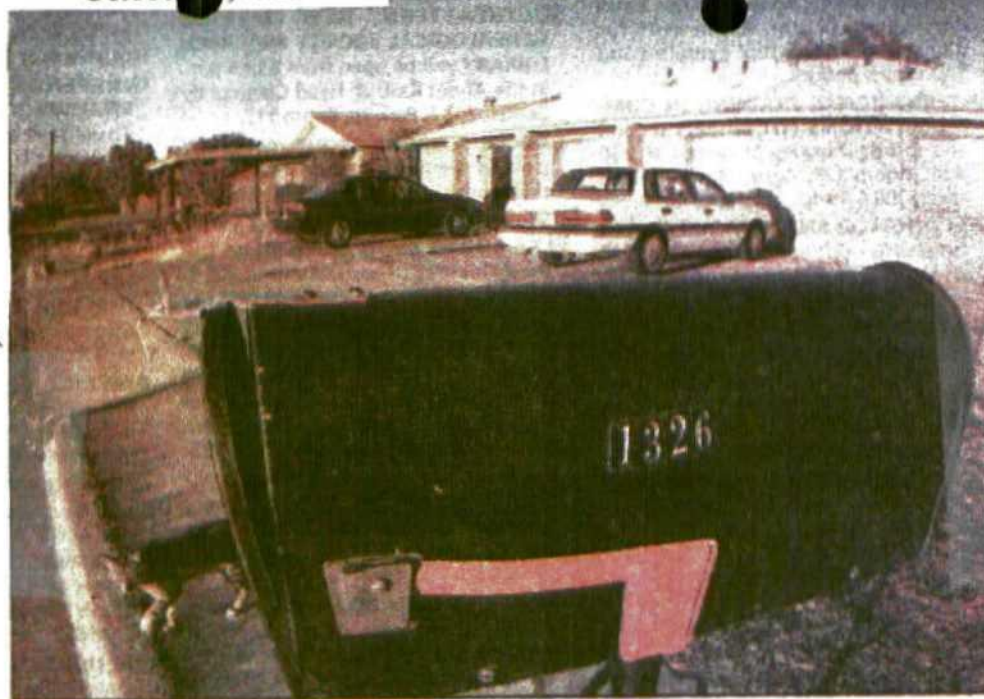
NOTICE OF PUBLICATION

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Oil Conservation Division Regulations, the following Stage 2 Abatement Plan Proposal has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

Shell E&P Company, Wayne Hamilton, Project Manager, Telephone (800) 489-8109, 200 North Dairy Ashford, Houston, Texas 77079, has submitted a Stage 2 Abatement Plan Proposal for the former Grimes Tank Battery Site and portions of the Westgate Subdivision, located adjacent to the intersection of Tasker Drive and Berry Drive and the intersection of Berry Drive and Cobb Drive in the city of Hobbs, New Mexico. Shell E&P Company operated a crude oil tank battery at the site. Releases and disposal activities from former oil and gas production operations at the site have resulted in contamination of soils and ground water. The Stage 2 Abatement Plan Proposal presents Shell E&P Company's proposed methods for remediation of the site including remediation of contaminated soils; remediation of contaminated ground water; site maintenance activities; a monitoring and sampling plan for soils and ground water; an air monitoring, safety and health action plan; preparation of regular remediation reports; and a schedule for implementation of all remediation and monitoring activities

Any interested person may obtain further information from the Oil Conservation Division and may submit to the Director of the Oil Conservation Division, at the address given above, written comments or a written request for a public hearing that include reasons why a hearing should be held. The Stage 2 Abatement Plan Proposal may be viewed at the above address or at the Oil Conservation Division Hobbs District Office, 1625 N. French Drive, Hobbs, New Mexico 88240, Telephone (505) 393-6161 between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed Stage 2 Abatement Plan Proposal, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which written comments or a written request for a hearing may be submitted.



ALFRED HERNANDEZ/HOBBS NEWS-SUN

Shell Oil Co. has proposed demolishing this townhouse at 1326 N. Tasker as well as the home in the background as part of its plan to clean up oilfield contamination in the Westgate subdivision. A third house, located across the street, must also be torn down before contractors can clean the soil beneath it, according to the remediation plan.

Westgate plan submitted

Two homes, a duplex to be torn down on Tasker Drive

STARLA JONES
HOBBS NEWS-SUN

A plan to clean up oilfield debris in a west Hobbs neighborhood calls for the demolition of two homes and a duplex in the Westgate subdivision.

Following nearly a year of scientific and environmental testing in the neighborhood, Shell Oil Co. submitted an abatement plan to the New Mexico Oil Conservation Division this week.

"Our process at this point, is they submit the remediation plan and we're looking at having it reviewed by the end of next week," William Olson, an OCD hydrologist out of Santa Fe, said on Wednesday.

Because petroleum hydrocarbons above state standards extend into the ground under the homes and duplex, Shell believes the only way to remove the debris is to remove the buildings, according to Shell spokesman Rich Hansen.

The company purchased a home at 1331 N. Tasker more than a year ago and now proposes to demolish a second home located across the street at 1330 North Tasker as well as a duplex at 1326 and 1328 Tasker.

In addition, hydrocarbons above state standards were discovered in groundwater near the Grimes tank battery. "Groundwater clean-up

wells have already been installed and are operating at the Grimes Battery," Hansen reported in a press release. "This may continue for several years."

Hydrocarbons in groundwater beneath private homes in the neighborhood were below state standards, Hansen added.

Once OCD determines that the Shell plan — which includes details of how to clean up the area as well as work schedules — is complete, it will advertise for public comments on the cleanup plan during a 30-day period, Olson said. Residents, if they desire, can ask for a public hearing on the cleanup plan, he added.

A detailed description of the proposed corrective actions has been provided to OCD and is available for public scrutiny. Once approved, Shell estimates it will take about six months to clean up the area.

The Grimes lease was oil production property operated by Shell between the late 1920s and 1983, according to Hansen, who said Altura Energy Ltd. currently operates the lease.

The suspected source for hydrocarbons found in the soil on Tasker Street are disposal pits related to the tank battery. Hydrocarbons found north

of the battery are the suspected result of spreading tank bottom residues on the ground.

"Use of disposal pits and spreading of tank bottoms were common and acceptable oilfield practices until the late 1960s," according to Hansen.

A total of 64 Westgate residents or former residents filed suit last week in District Court against Shell Western Exploration and Production Inc., Shell Oil Co. and developer Los Cuatros Inc., alleging their health has suffered as a result of the contamination of their neighborhood.

Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

VIA: Federal Express
Airbill No.: 809913507285

October 12, 1999

RECEIVED

OCT 13 1999

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**SUBJECT: SUBMITTAL OF STAGE 2 ABATEMENT PLAN, WESTGATE
SUBDIVISION, GRIMES BATTERY AND TASKER ROAD**

Dear Mr. Olson:

Per your August 13, 1999 letter Shell Exploration and Production Company submits the attached Stage 2 Abatement Plan.

The Plan addresses the selection and design of remedial actions for soil and ground water which will result in the attainment of the abatement standards and requirements set forth in Rule 19.B.

Please note that the Stage 2 Abatement Plan activities proposed in Task 5- East of Tasker are contingent on gaining access to the properties located at 1326, 1328 and 1330 Tasker. Shell currently does not have access to these properties.

If you have any questions, please call me at (281) 544-2322 or via electronic mail: wahamilton@shellus.com.

Sincerely,

Cliff P. Brunson /for Wayne Hamilton

Wayne Hamilton
Retained Properties Manager

cc: w/attachments
Chris Williams, NMOCD District 1 Supervisor, 2 copies

HOBB'S News-Sun

Thursday

October 14, 1999

Residents claim tainted soil led to medical woes

NEWS-SUN STAFF REPORT

LOVINGTON — A high-profile Los Angeles attorney credited with multi-million dollar court victories filed suit here last week on behalf of 64 people who say their medical problems are related to the toxic oilfield substances discovered in their neighborhood.

Thomas Girardi represents current or former Westgate residents who seek compensation for illnesses they've suffered or fear they may suffer as a result of living in the Hobbs subdivision.

In 1996, Girardi settled a toxic pollution case against Pacific Gas & Electric for \$333 million, according to an Internet publication of the Metropolitan News Enterprise, a Los Angeles-area newspaper.

He also won a \$760 million punitive damage award in 1998 against chemical manufacturers Exxon, UNOCAL, Shell, Ashland and Dupont for failure to warn Lockheed Corporation workers about the toxic side effect of chemicals used in the building of the

Stealth bomber, the newspaper reported.

The Lea County lawsuit was filed last Friday afternoon in District Court against Shell Western Exploration and Production Inc., Shell Oil Co. and Los Cuatros Inc., a Hobbs development company.

Although Shell Public Affairs spokesman Rich Hansen had not yet seen a copy of the lawsuit on Wednesday, the Houston man said he is disappointed "they have to go to litigation to solve this problem. We've been working in good faith with the state to address the problem."

Plaintiffs include residents who have moved from the neighborhood — several to new states — as well as current Westgate residents who listed addresses on Gulf, Tasker, Berry, Princess Jeanne, San Andres and Cobb.

In addition to compensation for medical claims, those who still live in the neighborhood want reimbursement for the diminished market value of their home, plus the cost of relocating and purchasing another home, according to the 36-page lawsuit.

A similar lawsuit, brought by two Houston law firms as well as the Lovington firm of Heidel, Samberson, Newell & Cox, was filed in Santa Fe last year but dismissed because of improper venue.

The same Houston and Lovington law firms joined Girardi in filing last week's lawsuit, which lists less than a third of the previous suit's 222 plaintiffs.

The apparent difference is that the current plaintiffs reportedly suffer from medical conditions that include auto-immune disorders, neurological injury and damage, respiratory damage, cancer, fear of cancer, heat disease, genetic damage, kidney damage and liver damage.

The suit attributes the health problems to the companies' use and storage of a variety of toxic chemicals that were disposed of through evaporation, release and negligence during Shell operations that extended from 1946 until 1997 at the Grimes lease.

Shell "abandoned the toxic substances and allowed the toxic substances to remain on and under portions of the oil and gas properties that were subsequently transferred/sold to the developer for residential development," according to the civil complaint.

"The Shell defendants knew that the land they were abandoning to be developed as a residential subdivision contained unlined pits and other areas where toxic substances had been used, released and disposed," a fact that Los Cuatros also knew according to the suit, "or by the exer-

cise of ordinary care, should have known...."

The suit accuses the companies of negligence, says they are strictly liable for past and present contamination and claims the contamination is a nuisance, causing annoyance, discomfort and inconvenience to residents.

A fourth count alleges that by allowing toxic substances to migrate into the aquifer under the plaintiffs' property, Shell trespassed.

The 62 plaintiffs are seeking punitive damages, to be determined by a Lea County jury, against each of the three defendants as well as the amount of current and future medical and health care costs, compensation for physical pain and mental anguish and the loss of any earnings.

In addition, current residents who can't sell their house want the cash market value of their homes, plus relocation costs. "Financial institutions have already applied (a) stigma to the homes within the subdivision, and already are limiting and restricting mortgages and on the refinancing of mortgages on homes within the subdivision," the suit alleges.

After spending nearly a year in the neighborhood boring holes, taking water samples and monitoring gas vapors, Shell Oil Co. provided the New Mexico Oil Conservation Division with results of the study in July. Both Shell and OCD said the results revealed no imminent health threat.

Hansen said he expects Shell to announce plans for final remediation in the neighborhood later this month.

"We've said from day one that if there's a problem at the Grimes battery — and there certainly appears to be — we'll take responsibility for it and correct it," Hansen said.

Site assessment to define the full extent of soil and ground water hydrogen carbons in Westgate began in July 1998 after Shell officials admitted responsibility for an asphalt-like substance found at a modular home construction site on Tasker.

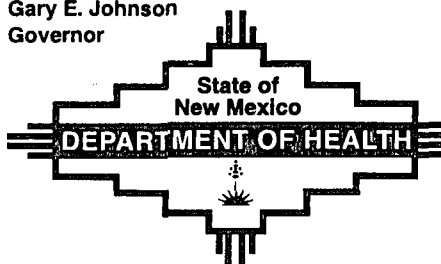
The 1997 discovery halted construction of the new homes and resulted in a public hearing in April 1998 attended by about 100 alarmed residents. The neighborhood had a high incident of lupus as well as people who complained of headaches and noxious fumes, members of the audience said at the hearing.

While the New Mexico Department of Health dispatched teams who took door-to-door surveys, companies contacted by Shell moved into the neighborhood and conducted soil gas vapor surveys, drilled bore holes for soil samples and drilled water monitoring wells.

Studies have also targeted the site of the former Grimes tank battery, now a deep pit surrounded by chain-link fence east of Tasker.

Gary E. Johnson
Governor

J. Alex Valdez
Secretary



George Parascandola
Deputy Secretary

Jack Callaghan
Deputy Secretary

William H. Wiese, MD, MPH
Division Director

C. Mack Sewell, DrPH, MS
State Epidemiologist

AUG 23 1999

August 20, 1999

Cliff Brunson
BBC International
P.O. Box 805
Hobbs, NM 88241

Subject: Summary of health data from household survey conducted in the Westgate Community by New Mexico Department of Health, per your request.

Dear Mr. Brunson:

Per your request this week, I am sending you a copy of four graphs and two tables which provide summary data from the household survey conducted in the Westgate Community by the New Mexico Department of Health. Dr. Evan Nelson will transmit a summary of the environmental data (household hydrocarbon screening) collected by the New Mexico Department of Health in collaboration with the Oil Conservation Division and New Mexico Environment Department, under separate cover.

If you have any questions, please call me at (505)476-3586.

Sincerely,

Randy Merker
Environmental Health Epidemiology Unit
Office of Epidemiology

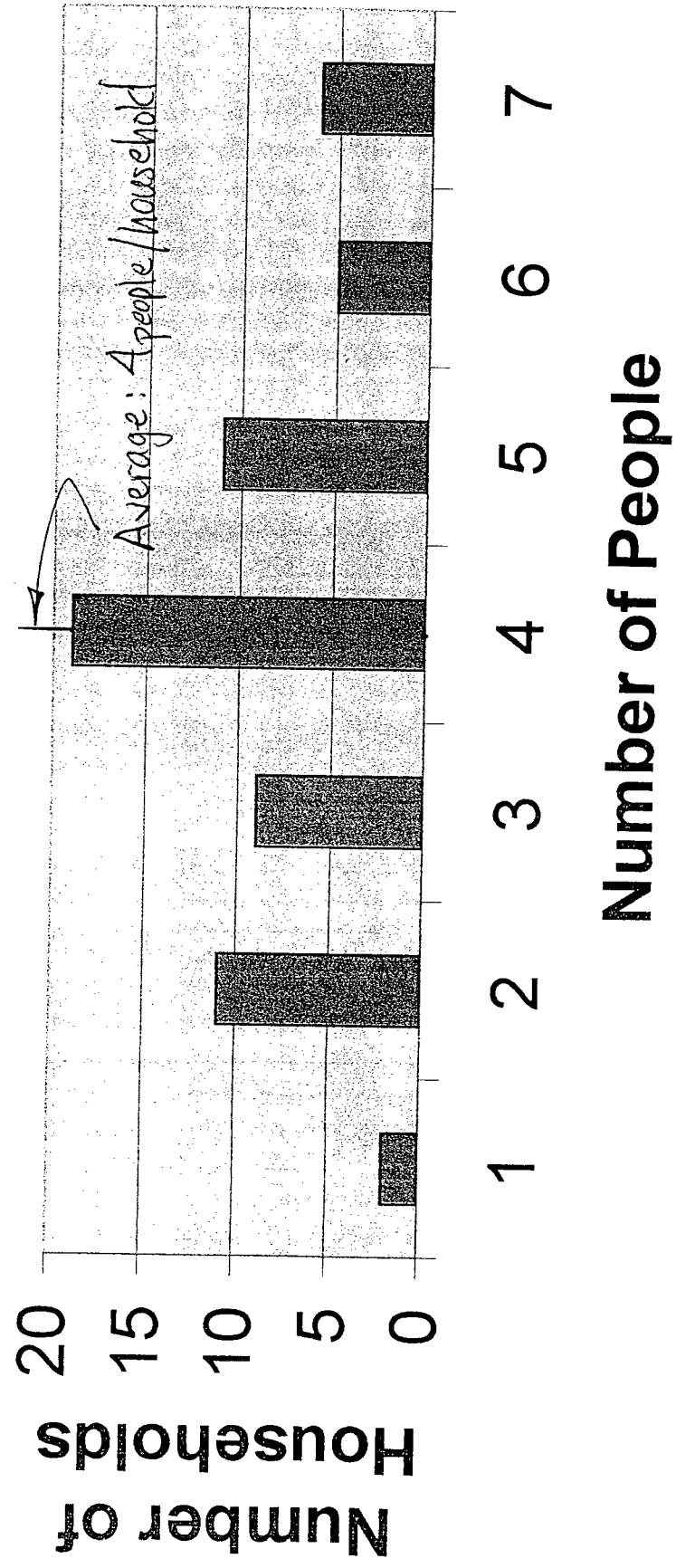
cc: Dr. Evan Nelson, NM Department of Health
Bill Olson, Oil Conservation Division

OFFICE OF EPIDEMIOLOGY
PUBLIC HEALTH DIVISION
1190 St. Francis Drive • Room N1350
Post Office Box 26110
Santa Fe, New Mexico 87502-6110
(505) 827-0006 • FAX: (505) 827-0013



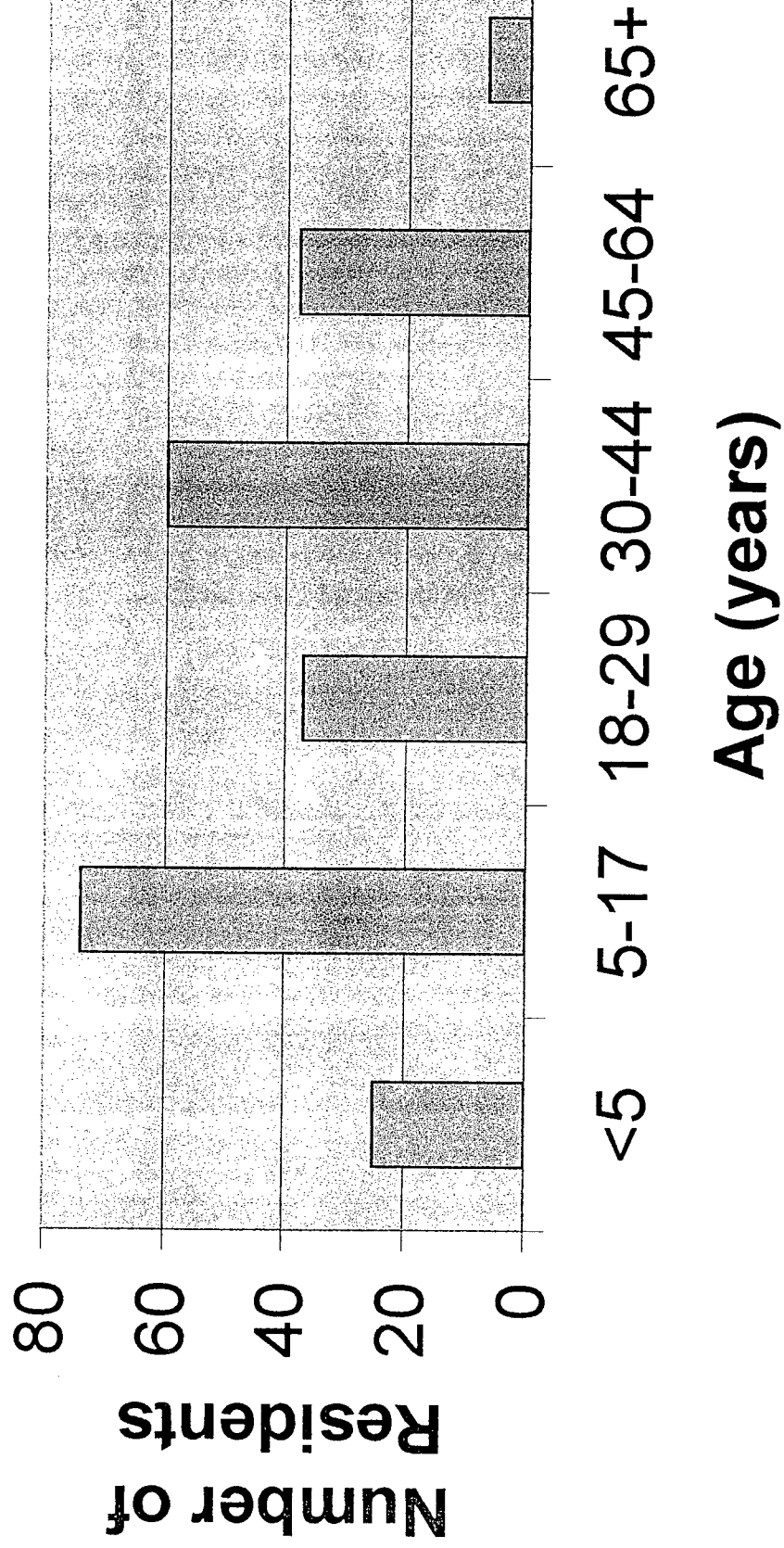
Hobbs - Westgate Community

Number of People in a Household



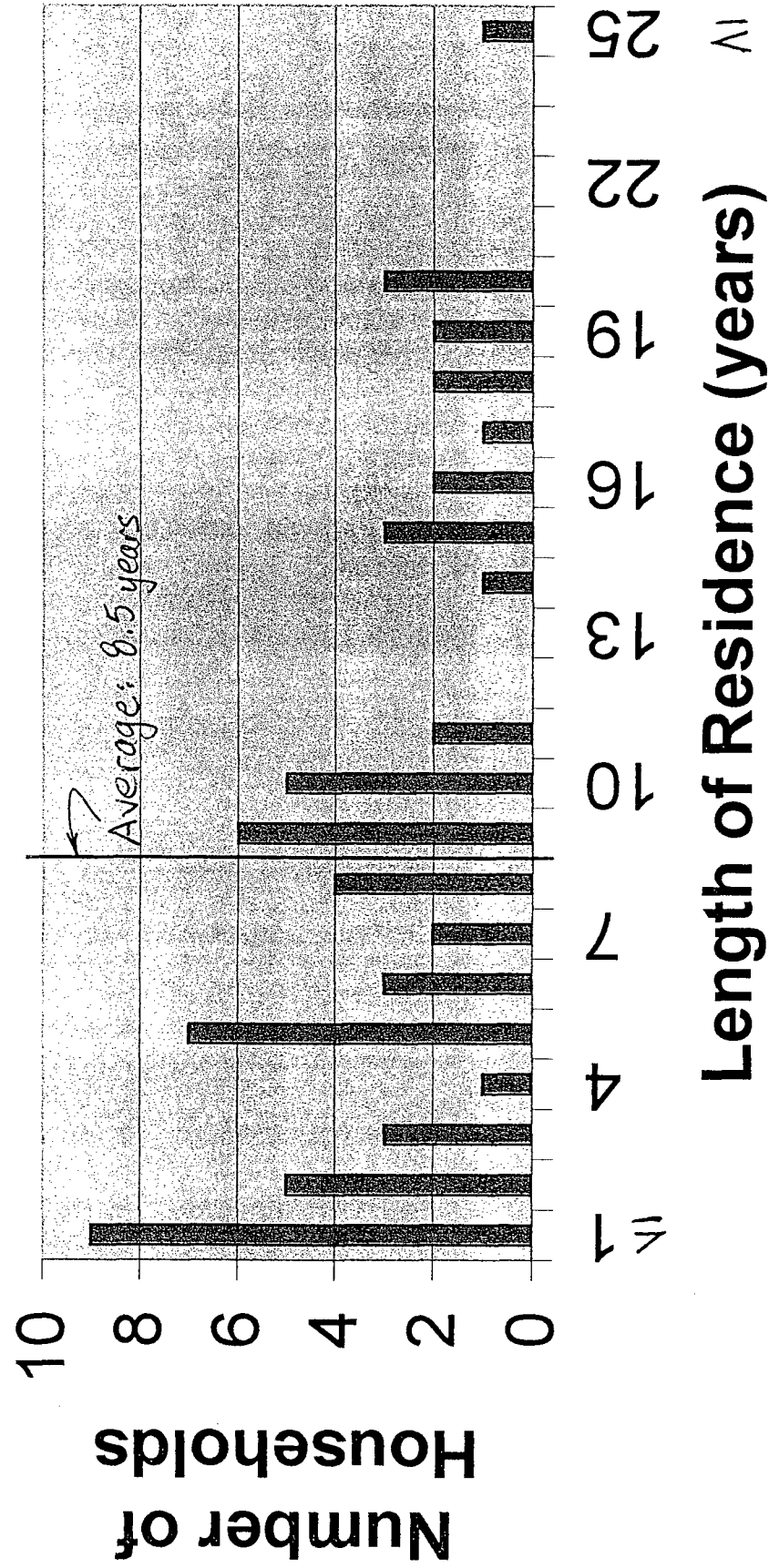
Hobbs - Westgate Community

Age of Residents

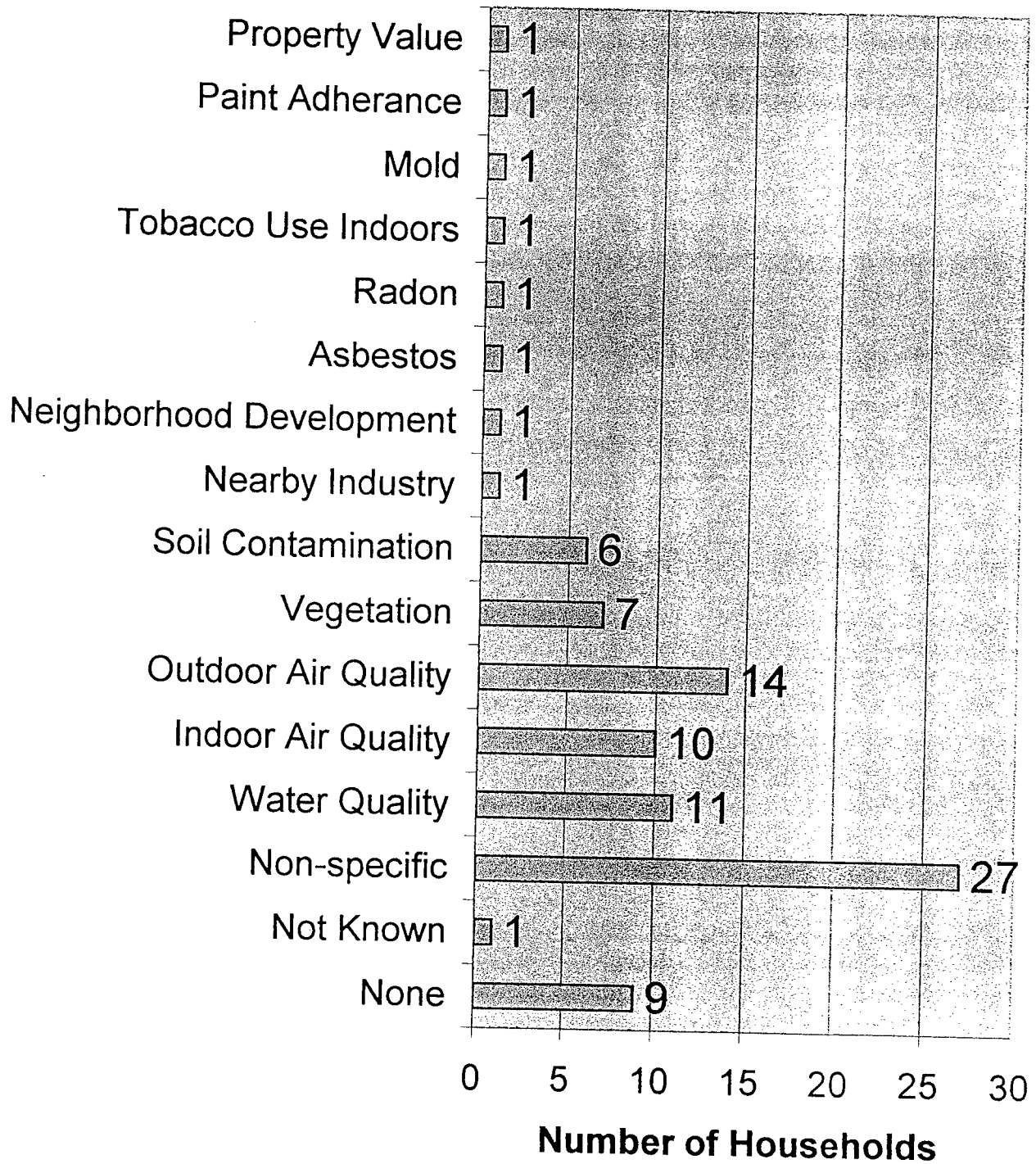


Hobbs - Westgate Community

Length of Residence (years)



Hobbs - Westgate Community Environmental Concerns



Hobbs - Westgate Community: Health Concerns	
Concern	Number of Residents
Headaches / Migraine	24
Respiratory (n.o.s.)	15
Lethargy / Fatigue	15
allergies	14
None	10
skin rash	9
asthma	6
blood pressure	6
Chest Pains	5
Joint Pain / Stiffness	5
Non-specific	4
nose bleeds	4
Diabetes	4
Lupus	3
sore throats	3
Cancer (n.o.s.)	3
Depression	3
Stomach / Abdomen	3
Kidney Inflammation / Stones	3
sinus	2
Dizziness	2
Diarrhea	2
Eye Irritations	2
colds - chronic	1
throat infections	1
wheezing	1
Cardiovascular (n.o.s.)	1
heart disease	1
pulmonary embolism	1
lymphoma	1
skin cancer	1
Lumps / Benign Tumors	1
Skin (n.o.s.)	1
skin infections	1
Stress	1
Cold Sores	1
Miscarriage	1
Confusion / Disorientation	1
Numbness in Extremities	1
Stinging and Tingling	1
Constipation	1
Dyspepsia	1
Thyroid	1
Gynecologic	1
Fibromyalgia	1
Teeth (n.o.s.)	1
Feet (n.o.s.)	1
Cataracts	1
Pink Eye	1
Ear (n.o.s.)	1
ear infections	1

Hobbs - Westgate Community: Health Concerns	
<i>Concern</i>	<i>Number of Residents</i>
None	10
Non-specific	4
Lupus	3
Respiratory (n.o.s.)	15
asthma	6
allergies	14
colds - chronic	1
nose bleeds	4
sinus	2
sore throats	3
throat infections	1
wheezing	1
Cardiovascular (n.o.s.)	1
blood pressure	6
heart disease	1
pulmonary embolism	1
Chest Pains	5
Cancer (n.o.s.)	3
lymphoma	1
skin cancer	1
Lumps / Benign Tumors	1
Skin (n.o.s.)	1
skin rash	9
skin infections	1
Headaches / Migraine	24
Diabetes	4
Lethargy / Fatigue	15
Depression	3
Stress	1
Cold Sores	1
Miscarriage	1
Joint Pain / Stiffness	5
Dizziness	2
Confusion / Disorientation	1
Numbness in Extremities	1
Stinging and Tingling	1
Stomach / Abdomen	3
Constipation	1
Diarrhea	2
Dyspepsia	1
Thyroid	1
Kidney Inflammation / Stones	3
Gynecologic	1
Fibromyalgia	1
Teeth (n.o.s.)	1
Feet (n.o.s.)	1
Cataracts	1
Eye Irritations	2
Pink Eye	1
Ear (n.o.s.)	1
ear infections	1

Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

RECEIVED
AUG 26 1999

CONSERVATION DIVISION

CERTIFIED MAIL
RETURN RECEIPT NO. P-622-718-890

August 19, 1999

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**RE: WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD
STAGE 1 ABATEMENT PLAN REPORT
(Site Assessment Investigation)**

Dear Mr. Olson:

Please find enclosed a replacement page for Table 2 – Soil Laboratory Results in the above referenced report submitted to your office on July 1, 1999. This is the page that was discussed at our meeting on August 12, 1999. The TRPHC results for TSB-23 (6"), TSB-27 (6"), TSB-32 (6"), TSB-39 (6"), TSB-42 (6"), and TSB-49 (6") were inadvertently not included in the copy(s) you received. As discussed, these results were used in the interpretation and are posted on the maps, but were not posted in the table. Please insert this page in the proper place and dispose of the incorrect one.

Our apologies for the inconvenience this may have caused. If you have any questions, please contact me at (281) 544-2333 or via e-mail at: wahamilton@shellus.com.

Sincerely,

Cliff P. Beaman for Wayne Hamilton
Wayne Hamilton
Retained Properties Manager

cc: Chris Williams-OCD Hobbs District Supervisor

Table 2 - Soil Laboratory Results

		TSB-13 8-10'	TSB-13 23-25'	TSB-15 13-15'	TSB-15 23-25'	TSB-16 18-20'	TSB-16 63-66'	TSB-16 63-66D	TSB-17 13-16'	TSB-17 40-42'	TSB-18 33-35'	TSB-18 43-46'	TSB-19 8-10'	TSB-19 38-40'	TSB-23 6-8"	TSB-27 6-8"	TSB-32 6-8"	TSB-39 6-8"	TSB-42 6-8"	TSB-49 6-8"
Analyte	Method	Sample: 106626	Sample: 106627	Sample: T118243	Sample: T118244	Sample: 118710	Sample: 118711	Sample: 118712	Sample: 119130	Sample: 119131	Sample: 119627	Sample: 119628	Sample: 119629	Sample: 119630	Sample: 126265	Sample: 126266	Sample: 126267	Sample: 126268	Sample: 126269	Sample: 126260
		mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg
Molybdenum	S 6010B	1.8	1.8			1.8	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
Nickel	S 6010B	6.1	6			36	22	14	9.0	ND	1.3	0.93	3.2	1.4	7.7	6.9	6.5	7.2	6.4	6.9
Cyanide	Sm 4500 CN,CE	ND	ND			ND	ND	ND	ND	ND	ND	ND	ND	ND						
Fluoride	E 300.0	9	4			2.6	1.5	1.4	6.1	2.1	2.1	1.4	1.4	1.3						
Nitrate	E 300.0	1.7	2.3			ND	ND	ND	4.4	1.6	2.1	1.9	6.1	1.5						
Chloride	E 300.0	14	320			15	22	18	140	100	12	10	1,100	31						
Sulfate	E 300.0	56	500			7.7	9.4	6.7	240	84	50	38	1,900	22						
TDS	E 160.1	440	1500			192	500	380	830	370	240	265	4,400	220						
pH		s.u.	s.u.	mg/kg	mg/kg	s.u.	s.u.	s.u.	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg
	E 150.1	8.6	8.7			8.9	9.1	9.1	8.4	8.5	8.7	8.8	8.0	8.7						
TRPHC	S 418.1	6250	ND	ND	ND	17,200	51.7	ND	ND	ND	ND	ND	ND	ND	3450	1780	346	867	333	1810
Total Phenols	SM 5530 A.D	1.5	4.2			ND	ND	0.609	ND	0.627	ND	0.697	ND	ND						
		mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg	mg/kg
Total Activity	E 901.1M	8.19	1.11			2.49	2.09	1.68	3.21	0.20	0.21	1.70	2.02	5.65						

ND = Not Detected. See Laboratory Analysis in Appendix IV for detection limits.



PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W. MARLAND • P.O. BOX 297 • HOBBS, NM 88241-0297
E-MAIL: bbc@bbcinternational.com

July 1, 1999

RECEIVED

JUL 01 1999

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**SUBJECT: WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD
STAGE 1 ABATEMENT PLAN REPORT
(Site Assessment Investigation)**

Dear Mr. Olson:

On behalf of Shell Exploration and Production Company, BBC International, Inc. and Arcadis Geraghty & Miller respectfully submit the above referenced report. The report describes field activities conducted during the period of January 25, 1999 through March 1, 1999 and May 17, 1999 through May 21, 1999. The activities consisted of additional assessment of the Westgate Subdivision and adjacent undeveloped properties.

The work involved soil vapor surveys with mobile laboratory analysis, drilling and sampling of 13 soil borings, installation of 3 monitor wells, sampling of 16 monitor wells, free product removal from one monitor well, assessment-remediation of soils, and near surface soil sampling. All field activities were performed in accordance with the Stage I Abatement Plan (Site Assessment Investigation) as modified and approved by the New Mexico Oil Conservation Division.

If you have any questions concerning the report, please contact Wayne Hamilton at 281-544-2322 or myself at 505-397-6388.

Sincerely,
BBC International, Inc.

Cliff P. Brunson
Cliff P. Brunson
President



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

MEMORANDUM

TO: Lori Wrotenbery, Director

FROM: William C. Olson, Water Resource Engineering Specialist II *WCO*

DATE: June 29, 1999

RE: SHELL GRIMES LEASE/WESTGATE SUBDIVISION

Following is the status of the recent activities related to Abatement Plan (AP-2) for the Shell Grimes Lease in the Westgate Subdivision in Hobbs, New Mexico.

November 16, 1998	-	Shell submits Stage 1 Interim Report .
December 15, 1998	-	OCD issues notice of deficiency on Stage 1 Interim Report and requires additional information and work plans.
January 14, 1999	-	Shell submits information and work plans required by OCD.
January 22, 1999	-	OCD conditionally approves of work plans.
February 1999	-	Shell begins implementing work plans.
February 11, 1999	-	OCD inspects site investigation activities and splits monitor well samples with Shell.
February 17, 1999	-	Shell submits modification of work plans for additional boreholes and monitor wells.
February 22, 1999	-	OCD approves modifications.
April 28, 1999	-	OCD meets with Shell on results of recent investigations.
April 30, 1999	-	OCD requests information from attorneys for Westgate residents on any investigations conducted by residents and any known or potential sources of contamination in the residential areas.
May 5, 1999	-	Shell submits work plan for additional investigations as a result of 4/28/99 meeting.

- May 11, 1999 - OCD conditionally approves of additional investigations.
- May 20, 1999 - OCD inspects additional investigations and splits soil samples with Shell from residents back yards.
- May 24, 1999 - Shell requests extension of report deadline from June 15, 1999 to July 1, 1999 due to additional actions required in OCD's 5/11/99 conditions.
- June 14, 1999 - OCD approves report deadline extension.

The OCD initially required an abatement plan for the Grimes Lease/Westgate Subdivision on March 23, 1998. Shell has implemented the work plans and the OCD is currently awaiting submission of a report on the results of the Stage 1 investigation actions which is due on July 1, 1999. If the investigation actions are complete the OCD will require submission of a Stage 2 remediation plan. The investigations have taken a little over a year to implement due to the large scope of work at the site.

Olson, William

From: Olson, William
Sent: Monday, June 21, 1999 10:09 AM
To: 'Hamilton, Wayne WA SEPCO'
Subject: RE: Press Release: Second Site Assessment Report
Importance: High

The following press release that you submitted on submission of the stage 1 investigation report looks ok.

From: Hamilton, Wayne WA SEPCO[SMTP:WH195042@MSXSEPC.SHELL.COM]
Sent: Monday, June 21, 1999 7:59 AM
To: Olson, William
Subject: Press Release: Second Site Assessment Report

<<File: SHELL COMPLETES SECOND SITE ASSESSMENT.doc>>
Any comments on the following press release?

<<SHELL COMPLETES SECOND SITE ASSESSMENT.doc>>

Wayne A. Hamilton
Manager Retained Properties

Shell E&P Company
200 North Dairy Ashford
WCK Room 4134
Houston, TX 77079

Voice: 281-544-2322 FAX: 281-544-2238
E-Mail: wahamilton@shellus.com

Olson, William

From: Hamilton, Wayne WA SEPCO[SMTP:WH195042@MSXSEPC.SHELL.COM]
Sent: Monday, June 21, 1999 7:59 AM
To: Olson, William
Subject: Press Release: Second Site Assessment Report



SHELL COMPLETES
SECOND SITE ASSESSMENT.d

Any comments on the following press release?

<<SHELL COMPLETES SECOND SITE ASSESSMENT.doc>>

Wayne A. Hamilton
Manager Retained Properties

Shell E&P Company
200 North Dairy Ashford
WCK Room 4134
Houston, TX 77079

Voice: 281-544-2322 FAX: 281-544-2238
E-Mail: wahamilton@shellus.com

SHELL COMPLETES SECOND SITE ASSESSMENT AROUND GRIMES BATTERY IN WESTERN HOBBS

HOUSTON, TX (July 1, 1999) – Shell has presented a follow-up “site assessment” to the New Mexico Oil Conservation Division (OCD) for the former Grimes Tank Battery and related facilities on the west side of Hobbs. The study began in January, pursuant to a plan approved by the OCD after an original site assessment was submitted in November, 1998.

The site assessment will assist Shell and the OCD in the design of a Stage II Abatement Plan to address areas where residual oil field products were discovered. Soil and groundwater sampling occurred throughout the Westgate area, with hydrocarbon concentrations in the soil predominantly appearing in two areas – the Grimes Battery, and former oil field pits on Tasker Drive.

Primary field activities during the follow-up assessment included: conducting a soil gas vapor survey where about 100 samples were taken from five to ten feet deep probes; drilling 13 boreholes to depths of 20-40 feet for soil samples; drilling three additional water monitoring wells (and taking water samples from all 16 monitoring wells now operating in the area), and locating, investigating and removing some oil field residues north and south of the Grimes Battery.

Most of the work was performed north and south of the Grimes Battery, as well as on five private properties in the Westgate area.

Complete copies of the report, including both the initial and follow-up assessments, are available from the OCD in Hobbs or Sante Fe. The soil and water analytical work was performed using EPA methods in accordance with the OCD approved work plan.

Contact: Rich Hansen (281) 544-2020

Shell E&P Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

MAY 27 1999

CERTIFIED MAIL
RETURN RECEIPT NO. P-622-718-889

May 24, 1999

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

SUBJECT: Grimes Lease/Tasker Drive Stage I Investigation-Report Submission
Deadline Extension

Dear Mr. Olson:

In response to the New Mexico Oil Conservation Division (OCD) letter dated May 11, 1999, (*Grimes Lease/Tasker Drive Contamination Stage 1 Investigation Modifications*) Shell E&P Company (Shell) requests an extension of the deadline for submission of the Stage 1 Investigation Report to July 1, 1999. This extension is required in order for the additional analytical work requested by OCD to be completed and included in the report.

Shell requests OCD's written concurrence with the requested deadline extension.

If you have any questions, please contact me at (281) 544-2333 or e-mail wahamilton@shellus.com.

Sincerely,

Chris P. Beaman / for Wayne Hamilton
Wayne Hamilton
Retained Properties Manager

cc: Chris Williams-OCD Hobbs District Supervisor

Shell E&P Technology Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

MAY 10 1999

CERTIFIED MAIL
RETURN RECEIPT NO. P-622718888

May 5, 1999

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

SUBJECT: Westgate Subdivision, Stage 1 Abatement Plan Modification-Additional Soil Vapor Survey

Dear Mr. Olson:

Pursuant to our discussions on April 28, 1999, it is our understanding that the following additional soil vapor work will be required by the Oil Conservation Division ("OCD") in the Westgate Subdivision, East of Tasker Drive and South Cobb Drive.

Figure 1 shows the location of the proposed soil vapor survey and auger points on Tasker Drive.

- Four soil vapor sample points will be taken around the home on 1330 Tasker Drive and four soil vapor sample points will be taken around each duplex on 1326 and 1328 Tasker Drive. The sample intervals will be 1', 3', 5', and 10'. An additional incline sample will be taken under the foundation at or near each sample point.
- Near surface hand auger assessments will be conducted in the backyards of the same residences. The spacing will be approximately 5-10 feet depending upon obstructions in the yards. The purpose of the hand auger assessment is to determine the presence and/or absence of near surface hydrocarbons. At least one soil sample from each backyard will be submitted for TPH and BTEX analyses.

Figure 2 shows the location of the proposed soil vapor survey points on Cobb Drive.

- Four soil vapor sample points will be taken around the home on 1341 Cobb Drive. The sample intervals will be 1', 3', 5', and 10'. An additional incline sample will be taken under the foundation at or near each sample point.

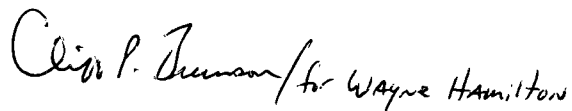
The soil vapor survey is scheduled to begin on May 17, 1999 utilizing field probes and a mobile laboratory. The sampling protocol methodology and analytes will be the same as previous soil vapor surveys.

In addition, Shell requests that the Stage 1 Abatement Plan Report due date be extended to June 15, 1999. The due date extension is necessary to gain property access, complete the vapor survey, and complete the report. **The report due date is contingent upon receiving property access.** Shell will make every effort to gain private and public property access to conduct the soil vapor survey and auger assessment.

Shell requests OCD's written concurrence with this Stage 1 Abatement Plan Modification.

If you have any questions, please contact me at 281-544-2333 or e-mail wahamilton@shellus.com.

Sincerely,

A handwritten signature in cursive script that reads "Chris P. Johnson for Wayne Hamilton".

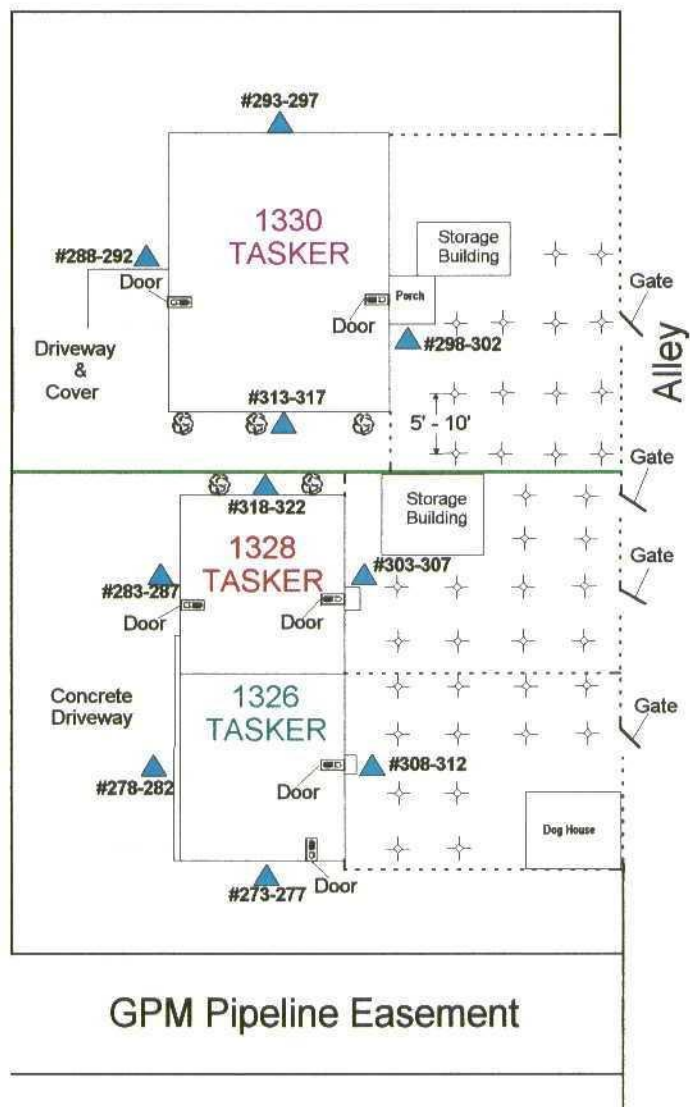
Wayne Hamilton
Retained Properties Manager

cc: Chris Williams – Hobbs OCD office



Berry Drive

Tasker Drive



Soil Vapor Survey and Hand Auger Assessment
Tasker Drive

- ▲ Soil Probe Location
 - a) Depth: Vertical - 1', 3', 5', 10'
 - b) Incline Probe under house foundation 3-5'

- ✦ Approximate Hand Auger Location
(Approx. 5'-10' spacing)

---- Fence

● Bush Schematic Drawing Not to Scale

BBC International, Inc.
Hobbs, NM

Drawn By: M. Osborne
May 4, 1999

Figure 1



BERRY DRIVE

Alley

COBB DRIVE

Dog Pen

Concrete Driveway

Gate

#333-337

Door

Door

1341
COBB

#338-342

#328-332

Storage

Building

#323-327

Soil Vapor Survey - Cobb Drive

- ▲ Soil Probe Location
a) Depth: Vertical - 1', 3', 5', 10'
b) Incline Probe under house foundation 3-5'

--- Fence

Schematic Drawing Not to Scale

BBC International, Inc.
Hobbs, NM

Drawn By: M. Osborne
May 4, 1999

Figure 2



FAX TRANSMISSION

BBC INTERNATIONAL, INC.
World-Wide Environmental Specialists
P. O. Box 805
1324 W. Marland Blvd.
Hobbs, New Mexico 88241
505-397-6388
Fax: 505-397-0397
E-Mail: bbc@bbcinternational.com

To: William C. Olson **Date:** May 6, 1999
Company: New Mexico Oil Conservation Division **Pages:** 5, including this cover sheet.
Fax #: 1-505-827-8177
From: Cliff P. Brunson, CEI, CRS
Subject: Westgate Additional Soil Vapor

COMMENTS:

Bill,

Please find the following letter and site diagrams that we discussed. A certified copy has been mailed to you today also. Thanks.

Cliff

Shell E&P Technology Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

CERTIFIED MAIL
RETURN RECEIPT NO. P-622718888

May 5, 1999

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

**SUBJECT: Westgate Subdivision, Stage 1 Abatement Plan Modification-Additional
Soil Vapor Survey**

Dear Mr. Olson:

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Shell requests OCD's written concurrence with this Stage 1 Abatement Plan Modification.

If you have any questions, please contact me at 281-544-2333 or e-mail wahamilton@shellus.com.

Sincerely,

Chris P. Johnson for Wayne Hamilton

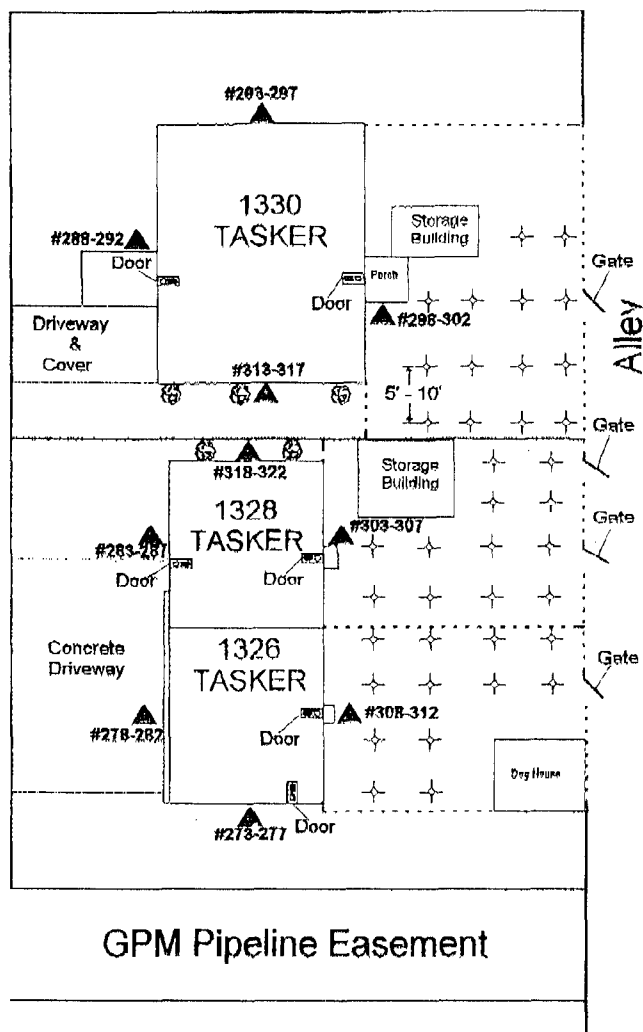
Wayne Hamilton
Retained Properties Manager

cc: Chris Williams - Hobbs OCD office



Berry Drive

Tasker Drive



GPM Pipeline Easement

Soil Vapor Survey and Hand Auger Assessment Tasker Drive

- ▲ Soil Probe Location
 - a) Depth: Vertical - 1', 3', 5', 10'
 - b) Incline Probe under house foundation 3-5'

- + Approximate Hand Auger Location
(Approx. 5'-10' spacing)

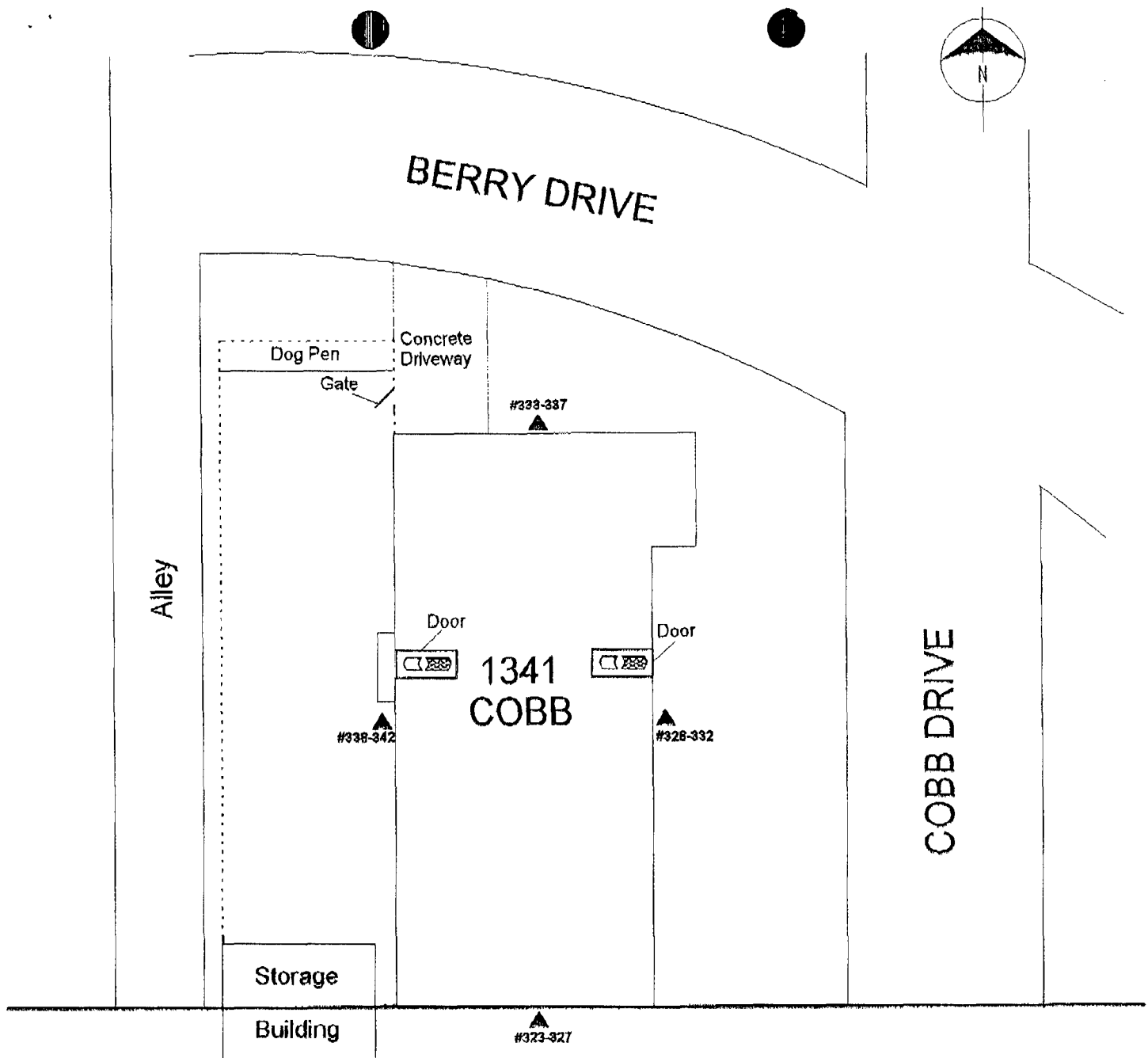
---- Fence

⊗ Bush Schematic Drawing Not to Scale

BBC International, Inc.
Hobbs, NM

Drawn By: M. Osborne
May 4, 1999

Figure 1

Soil Vapor Survey - Cobb Drive

- ▲ Soil Probe Location
a) Depth: Vertical - 1', 3', 5', 10'
b) Incline Probe under house foundation 3-5'

--- Fence

Schematic Drawing Not to Scale

BBC International, Inc.
Hobbs, NM

Drawn By: M. Osborne
May 4, 1999

Figure 2



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

April 30, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z-274-520-645

Mr. . William G. Rosch, III
Rosch & Ross
Chase Bank Building
707 Travis, Suite 2100
Houston, TX 77002

**RE: SHELL GRIMES LEASE/TASKER ROAD SITE
HOBBS, NEW MEXICO**

Dear Mr. Rosch:

In previous correspondence related to the above named site you stated that your firm represents a number of residents who reside or have resided in the immediate vicinity of Shell Oil Company's (Shell) Grimes Lease in the Westgate Subdivision in Hobbs, New Mexico. As you know the New Mexico Oil Conservation Division (OCD) has required Shell to investigate the extent of contamination related to Shell's Grimes Lease and former unlined pit on Tasker Road within the Westgate Subdivision. The OCD expects to be receiving a report on Shell's investigations in the near future. The OCD understands that the residents may also have conducted some investigations into the nature of the contamination at the site. The OCD requests that you provide the OCD with any laboratory analytical data or information on the extent and potential sources of contamination linked to Shell's adjacent oilfield operations that the residents may have collected at the site or in the residential areas. This information will allow the OCD to be able to fully assess potential public health impacts and public exposure to contaminants at the site.

If you have any questions, please call me at (505) 827-7154.

Sincerely,

William C. Olson
Hydrologist
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Supervisor
Wayne A. Hamilton, Shell E&P Technology Company
Jose Jaques, Westgate Subdivision

Z 274 520 E45

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Postmark or Date	



Because We Want You to Know

As you know, Shell has been working at the Grimes Tank Battery and related facilities on the west side of Hobbs for much of 1998. We wanted you to know where this project stands.

Shell completed its initial "site assessment" of this property and submitted the report to the New Mexico Oil Conservation Division (OCD) in November, 1998.

Since then, Shell and the OCD have been discussing steps for future site activities. As a result of these conversations, the OCD has authorized Shell to:

- **Further investigate**, locate and remove oil field residues both north and south of the Grimes Battery. Backhoes and dump trucks will begin this work on Monday, Jan. 25. Soil samples will be sent to a laboratory for analysis. The soil will be disposed of at an OCD approved landfill.
- **Conduct about 20 additional Soil Vapor Analysis tests**. A pickup truck-mounted hammer will install the 5-10 foot deep probes. This work will begin during the first week of February and last three or four days.
- **Drill nine more 20-60 foot deep holes** to further evaluate soil and groundwater conditions in the vicinity of the Grimes Battery. The "borings" will be drilled during the first two weeks of February at selected locations in the Westgate subdivision.

Copies of the "site assessment" report are available in both in the Hobbs and Santa Fe OCD offices.

Thank you for your patience. If you have additional questions about Shell's plans, please call toll free (800) 489-8109.

Shell Oil Company
200 North Dairy Ashford
Houston, TX 77079

January 22, 1999

Post-It® Fax Note	7671	Date	1/21/99	# of pages	3
To	Olson	From	Hamilton		
Cu./Dept.		Co.			
Phone #		Phone #	281-544-2322		
Fax #	505 827-8177	Fax #			

WORLD-WIDE ENVIRONMENTAL / BIOREMEDIATION SPECIALISTS



PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W. MARLAND • P.O. BOX 297 • HOBBS, NM 88241-0297
E-MAIL: bbc@bbcinternational.com

Memo

RECEIVED

JAN 06 1999

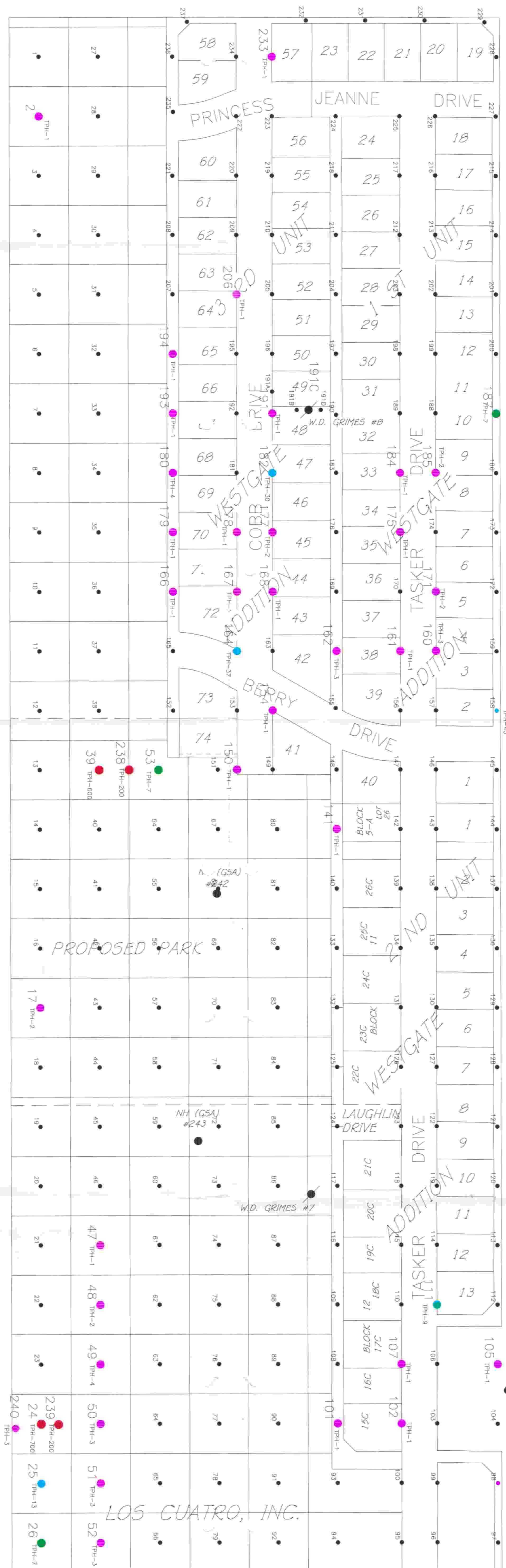
ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

To: Bill Olson
From: Cliff P. Brunson, CEI, CRS
Subject: Westgate Project
Date: December 31, 1998

Bill,

Please find enclosed the soil vapor map that plots the points that TPH was detected. Also, included is the groundwater gradient map generated with the data from all 13 monitor wells. We can use these in our discussion and meeting with you on Thursday morning the 7th. These are two of the maps that you requested in your letter of December 15, 1998.

Cliff



NOTE:
THE INFORMATION AND
INTERPRETATION CONTAINED
ON THIS MAP ARE PRELIMINARY.
THE MAP INTERPRETATION MAY
CHANGE WHEN ADDITIONAL
INFORMATION AND DATA IS
DEVELOPED.

LEGEND
SOIL VAPOR
TPH CONCENTRATION

- = 1-5 PPM
- = 6-10 PPM
- = 11-100 PPM
- = > 100



RECEIVED

JAN 06 1999

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Scale: 1"=90'

BBC INTERNATIONAL INC.

SOIL VAPOR SURVEY SAMPLE POINTS-100 FOOT GRID SPACING
FIRST, SECOND, AND THIRD UNITS OF WESTGATE ADDITIONS
LOCATED IN THE WEST HALF OF SECTION 26,
TOWNSHIP 18 SOUTH, RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

Surveyed By: LAG/255 Date: 5/11/98 Unit: 26/98
Data Entry: LAG/255 Date: 5/11/98 Unit: 26/98
Drawn: LAG/255 Date: 5/11/98 Unit: 26/98
Checked: LAG/255 Date: 5/11/98 Unit: 26/98
Reviewed: LAG/255 Date: 5/11/98 Unit: 26/98
Approved: LAG/255 Date: 5/11/98 Unit: 26/98
FIGURE 14

JOHN WEST SURVEYING COMPANY
HOBBES, NEW MEXICO

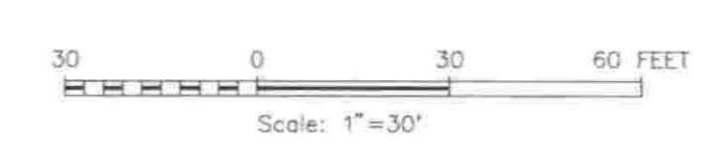




NOTE:
1) THE INFORMATION AND INTERPRETATION CONTAINED ON THIS MAP ARE PRELIMINARY. THE MAP INTERPRETATION MAY CHANGE WHEN ADDITIONAL INFORMATION AND DATA IS DEVELOPED.
2) CONTOUR INTERVAL = 0.24 FEET.

- LEGEND
- ////// DENOTES EXCAVATED AREA
 - DENOTES PROPOSED PARK CURVE-OUT
 - DENOTES EXISTING RESIDENCE
 - - - DENOTES DIRT LEASE ROAD
 - TMW - DENOTES TASKER MONITOR WELL
 - GMW - DENOTES GRIMES MONITOR WELL

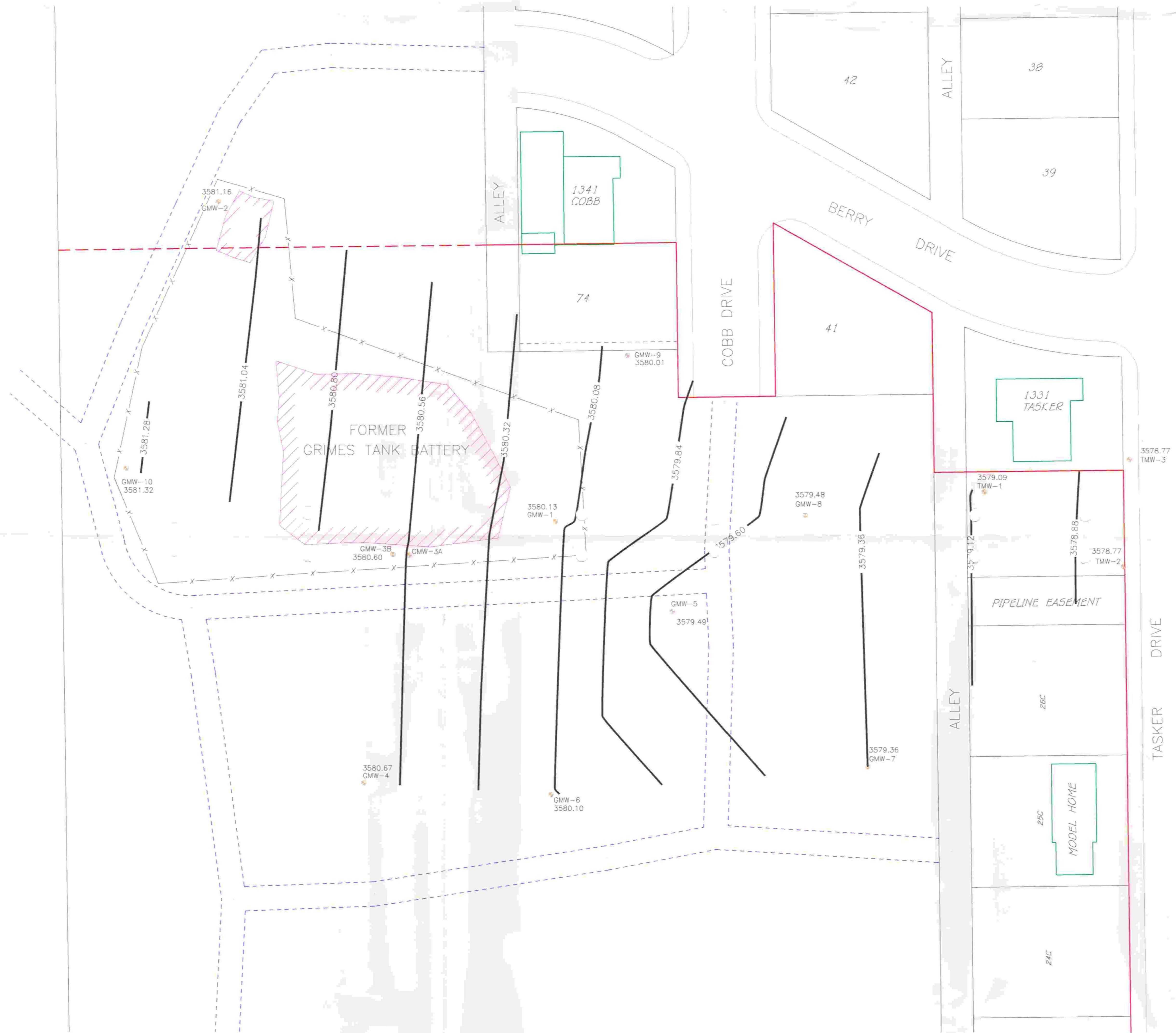
RECEIVED
JAN 06 1999
ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION



BBC INTERNATIONAL, INC.

GRIMES BATTERY & TASKER ROAD
GROUND WATER ELEVATIONS & GRADIENT
LOCATIONS IN SECTION 28
TOWNSHIP 18 SOUTH,
RANGE 38 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

SURVEYED BY: LAWLESS	DRAWN BY: D.M. CARLEY	REV. DATE: 12/30/98	D-847
DATE BEGIN: 5/11/98	DATE: 8/13/98	FILE NAME: 0738T-G	
DATE END: 9/1/98	CHECKED BY:	SHEET 1 OF 1	FIGURE 15
PROJECT #: 98110738	DISK #: BBC	Scale: 1"=30'	



JOHN WEST SURVEYING COMPANY
HOBBS, NEW MEXICO



Olson, William

To: Wayne Hamilton - Shell
Subject: December 15, 1998 OCD correspondence
Importance: High

There is an error in item B.5. of the OCD's December 15, 1998 correspondence on the Shell Grimes site. The date for submittal of the work plan for additional investigations in item B.5. should be the same as the date for submittal of the deficiencies in item A. The actual date for submittal of the work plan for additional investigations in item B.5. is January 15, 1998 and not January 11, 1998 as listed.



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

December 15, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-274-520-581

Mr. Wayne A. Hamilton
Shell E&P Technology Company
P.O. Box 576
Houston, Texas 77001-0576

**RE: NOTICE OF DEFICIENCY
GRIMES LEASE STAGE 1 INTERIM REPORT**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed Shell Exploration & Production Technology Company's (Shell) November 16, 1998 "WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD STAGE 1 ABATEMENT PLAN INTERIM REPORT; LABORATORY RESULTS UPDATE" and November 6, 1998 "WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD STAGE 1 ABATEMENT PLAN INTERIM REPORT (SITE ASSESSMENT INVESTIGATION)". These documents contain the results of Shell's recent Stage 1 Abatement Plan investigations of the magnitude and extent of contamination related to a former unlined pit located in the Westgate residential subdivision at 1329 Tasker Road Hobbs, New Mexico, a former unlined pit at the adjacent Grimes Tank Battery and other areas of the Grimes Lease. The documents also contain Shell's recommendations for additional investigative actions.

The OCD's review of these documents is contained below.

- A. The OCD has identified a number of deficiencies in the above referenced documents. Shell will submit information to the OCD by January 15, 1999 which will correct the following deficiencies:
1. The report does not contain a ground water potentiometric map showing the direction and magnitude of the hydraulic gradient at the site as required in OCD's July 24, 1998 approval of the Stage 1 Abatement Plan Proposal. Therefore, the OCD cannot provide any comments on the adequacy of the recent ground water investigations or on the need for additional ground water investigation actions.
 2. The report does not contain any interpretation of the analytical results of the soil gas, soil borings or ground water investigations.

3. The report needs to include a soil gas map which plots the results of the soil vapor survey. OCD plotted the soil vapor total petroleum hydrocarbon (TPH) concentrations listed in the report onto the available map. When this data is plotted, the map clearly shows that 4 distinct cluster patterns of TPH soil gas vapor were observed throughout the survey area as follows:
 - a. A cluster of high concentrations of TPH soil gas with accompanying benzene, toluene, ethylbenzene and xylene (BTEX) soil gas located at the former Grimes Tank Battery and the former pit area on Tasker Drive.
 - b. A cluster of high concentrations of TPH soil gas in the far southwest corner of the soil gas survey area (SV-24, SV-25, SV-26, SV-47, SV-48, SV-49, SV-50, SV-51, SV-52, SV-239, SV-240).
 - c. A cluster of low concentrations of TPH soil gas in the far southeast corner of the soil gas survey area (SV-98, SV-101, SV-102, SV-105, SV-107,).
 - d. A cluster of low to moderate concentrations of TPH soil gas in the subdivision areas on Cobb Drive and Tasker Drive north of the Perry residence (SV-154, SV-161, SV-162, SV-164, SV-166, SV-167 SV-168, SV-171, SV-175, SV-177, SV-178, SV-179, SV-180, SV-182, SV-184, SV-185, SV-191, SV-193, SV-194, SV-206).
 4. Map sample locations for soil gas sample points SV-297, TSV-O, TSV-P and TSV-Q could not be found on figure 4 and figure 5.
 5. Soil gas sample analytical results for sample points SV-67, SV-82, SV-126, SV-133, SV-160, SV-187, TSV-D, TSV-S and TSV-W could not be found in Table 2.
 6. The sample depths for the "CSS" samples could not be found in either the text or in Table 3.
 7. The full suite analytical sampling data for CSS #6 could not be found in Table 3.
- B. The recommendations for additional investigation actions are approved with the following conditions:
1. Shell will submit a vapor monitoring and contingency plan to the OCD for approval prior to excavating any soils from the Task 2 and 3 areas identified in Shell's November 6, 1998 correspondence. The plan will be designed to prevent magration of vapor emissions from the site and into the residential subdivision.

Mr. Wayne A. Hamilton
December 15, 1998
Page 3

2. Confirmation samples from the assessment areas defined in Task 2 and 3 of Shell's November 6, 1998 correspondence will be taken as individual discrete samples across the excavated areas and not as composite samples.
3. All soil samples will be field preserved with methanol.
4. All wastes generated during the investigation will be disposed of at an OCD approved facility.
5. Shell will submit to the OCD by January 11, 1998 a work plan for additional investigation of the following areas:
 - a. The extent of contamination in the areas of potential soil contamination identified by the OCD in item A.3. listed above.
 - b. The extent of soil contamination found in the area in monitor well GMW-9.
 - c. The western extent of soil contamination at the Tasker Road pit.

Please be advised that OCD approval does not limit SHELL to the proposed work plan should the investigation actions fail to adequately define the extent of contamination, or if contamination exists which is outside the scope of the work plan. In addition, OCD approval does not relieve SHELL of responsibility for compliance with any other federal, state or local laws and regulations.

If you have any questions, please contact Bill Olson of my staff at (505) 827-7154.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

xc: Lori Wrotenbery, Director, OCD
Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Department of Health
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross
Sharon E. Hall, Philip Services
Cliff P. Brunson, BBC International

Z 274 520 581

US Postal Service

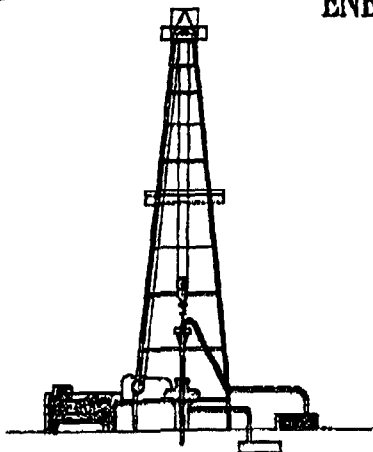
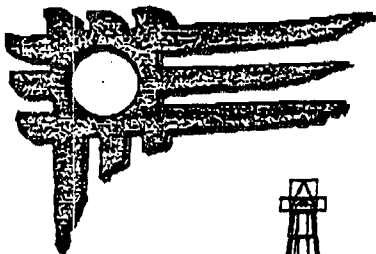
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PS Form 3800, April 1995



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

(505) 393-6161 FAX (505) 393-0720

TO: Bill Olson + Lorie Whotenberg
FROM: Chris Williams
DATE: 11/15/98

WEST TEXAS INTERMEDIATE

	Price	Change
Spot	\$12.45	-.37
Posted	\$10.00	-.25
Sour	\$ 7.00	-.25
Natural Gas	\$2.279	-.026

Source: Sourlock Permian

SPOT PRICES are based on the New York Stock Exchange futures market, which trades oil months in advance.

POSTED PRICES are the amount an oil company would receive if it sold a barrel of oil that day.

SOUR PRICES are the same as posted prices, except a lower grade of crude. Sour crude is common in Southeast New Mexico.

School lunch menu

IN HOBBS THURSDAY: Pizza at College Lane and Jefferson; or chicken patty sandwich, ranch beans, pickle spears, fruit mix, choice of milk.

On TV tonight

6:00 P.M.: Channel 4, Dharma & Gregg; Channel 5, Nanny; Channel 12, Beverly Hills 90210

7:00 P.M.: Channel 4, Drew Carey; Channel 5, To Have and to Hold; Channel 8, Garth Brooks: Double Live

8:00 P.M.: Channel 4, 20/20; Channel 6, Party of Five; Channel 8, Dateline

9:00 P.M.: Channel 10, Chicago Hope; Channel 8, Law & Order; Channel 21, Dawson's Creek

On the inside

Records	2	Food/Advice	10
Local	3	Sports	11
Opinion	4	Classified	17
State	6	Television	18
Obituaries	6	Comics	20
Nation	7	Abby	20

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CALL 393-2123, 8 A.M. TO 7 P.M.
MONDAY THROUGH FRIDAY
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SUNDAY.

NEWS-SUN ON THE NET:
www.hobbsnews.com

Westgate probe continues

STARLA JONES
HOBBS NEWS-SUN

Results of a four-month study analyzing oilfield contamination in the Westgate subdivision are in, fill three binders and will take weeks to sift through, according to the state's lead investigator for the case.

"I would look at this as a first phase," according to William Olson, a hydrologist for the New Mexico Oil Conservation Division, who said that additional soil and water tests are necessary before a final determination is made about the extent and danger of contamination discovered last winter in the Hobbs neighborhood.

In the meantime, Olson — who was in Hobbs on several occasions this summer to conduct field inspections of the testing process — said the contamination poses no immediate risk.

"From the preliminary work that they were showing me out in the field, we did not see any imminent health threat," Olson said on Tuesday.

Shell Oil Co., responsible for analyzing and then removing the contamination, also sees no cause for alarm.

"Although Shell sampled extensively in both the developed and undeveloped areas (of the neighborhood), the oilfield residues were confined to areas where they were anticipated," Shell Public Affairs Representative Rich Hansen wrote in a press release.

However, the Houston attorney who filed suit on behalf of 222 Westgate residents and claims illnesses are up in the neighborhood while property values are down,

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Please see WESTGATE, Page 5

WEDNESDAY, NOVEMBER 18, 1998

From the fro

MBER 18, 1998

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Orlando Sentinel

BY
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Westgate

from PAGE 1

questioned those statements.

"There are numerous chemicals out there, many of which have adverse effects on human health," said William G. Rosch III, who has not yet read the Shell report but commissioned a private soil analysis of the neighborhood.

Rosch said yesterday that he bases his conclusion not only on results from his own study, but readings obtained by OCD and Shell itself.

Shell's site assessment report — available for public viewing at the Hobbs OCD office at 1000 W. Broadway — indicates that iron, aluminum, fluoride, manganese, cobalt and chromium in levels above drinking-water standards were detected in groundwater samples while xylenes, polycyclic aromatic hydrocarbons and phenols were also above state standards.

Westgate residents, however, are supplied water through the city's filtered system, not private wells.

Benzene, toluene and ethylbenzene were not detected above standards in

any of the water samples and "75 percent of analytes analyzed were not detected" in this soil vapor samples, according to the report.

Site assessment to define the full extent of soil and ground water contamination began July 27 after Shell Oil Co. officials admitted responsibility for an asphalt-like substance found at a modular construction site on Tasker.

The study was designed to determine if any remaining oilfield products were near a tank battery that was in use from 1946 until 1993. During the course of this summer's investigation, Shell purchased one house on Tasker in order to obtain samples from beneath it.

The survey involved placing 268 vapor probes to a depth of about 5 feet in the ground throughout the subdivision — Tasker and Cobb streets were targeted — as well as drilling deeper soil borings. In addition, engineers drilled 14 ground water monitoring wells.

Shell's Nov. 6 report, which

includes the detailed lab findings, proposes conducting more ground water tests, taking more samples from ground both north and south of the battery location and drilling soil borings at a home on Cobb and on the east side of Tasker. The proposal requests further studies despite OCD's agreement to extend the original deadline for the site assessment report from Sept. 25 to November.

"The pit was a little bigger than Shell thought it was," Olson said of the extension. "A lot of times you don't really know how much you're going to have to do until you really start doing it."

Acting in cooperation with the Hobbs office, Olson said he will review the report and proposal for further studies, then issue a decision about how to proceed in December.

In addition to the Shell-proposed studies, OCD has the option of also requesting additional field studies. Following state satisfaction with the assessment, Shell and OCD will develop a remediation plan subject to public review and comment.

Levy

from PAGE 1

wants to enter into a four-year plan, with the high school being one of the top priorities.

■ Approved paying \$20,600 to TAOIS Inc. out of Mesa, Ariz, to make gym bleacher repairs at Tasker Arena and to have an annual maintenance con-

tract with the junior high gyms.

■ Heard a review on the state department accreditation visit from Rounds, who said "all in all, we are going to declare victory."

■ Approved its 1997-98 audit from Johnson and Miller. James Francis

of Johnson and Miller called Hobbs a low-risk district.

■ Heard the annual review on the Title I program.

■ Honored the third-place Lady Eagles cross country team.

Mission

from PAGE 1

secondary school levels.

Johnson will also sign an accord establishing a sister-city relationship between Santa Fe and the Spanish town of Santa Fe de la Vega in southern Granada province.

U.S. Ambassador Edward Romero, a New Mexico native, will accompany the state delegation on a side trip

to Toledo province that will include a visit to the town to which Romero has traced his roots, Corral de Malaguer, about an hour's drive southeast of Madrid.

Traveling with the governor is Earl Salazar, governor of the San Juan Pueblo Indian settlement in New Mexico.

On the cultural side, the visit features an exhibit of Native American jewelry, pottery and rugs at a Madrid hotel.

The visit also kicks off art exhibits that trace New Mexico's history from pre-historic culture to the arrival of the Spaniards in the New World to contemporary Native American and Hispanic artists.

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NOV 17 1998

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

November 16, 1998

Mr. William Olson
New Mexico Oil Conservation Division
Environmental Bureau
2040 S. Pachecho
Santa Fe, New Mexico 87505

**SUBJECT: WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD
STAGE 1 ABATEMENT PLAN INTERIM REPORT, LABORATORY
RESULTS UPDATE**

Dear Mr. Olson,

Enclosed you will find corrected *Analytical Results Reports* and *Table 3-Soil Laboratory Results*. The corrected Table 3 and analytical reports include the missing analytical results (as shown by an asterisk in Table 3) in the report submitted to you on November 9, 1998. Please replace Table 3 and the attached analytical reports in your copy (copies) of the report. I apologize for any inconvenience this may cause you. I received the final copies of this data today.

If you have any questions concerning these corrections, please call Wayne Hamilton (Shell) at (281) 544-2322 or me at (915) 563-0118.

Sincerely,

PHILIP SERVICES CORPORATION

Sharon E. Hall

Sharon E. Hall
Operations Manager

cc: Chris Williams, OCD Hobbs (2 copies)
Wayne Hamilton, Shell
Dave Owens, Dow, Cogburn and Friedman

Helping Clients Obtain a Competitive Advantage in a Global Market



Shell E&P Technology Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

CERTIFIED MAIL
RETURN RECEIPT No. 298 304 401

October 6, 1998

OCT 26 1998

Mr. William C. Olson
Environmental Bureau
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**SUBJECT: Westgate Subdivision, Grimes Battery and Tasker Road Stage 1
Abatement Plan**

Dear Mr. Olson:

Per our discussion on October 3, 1998, Shell requests that the Westgate Subdivision Abatement Plan be submitted to the Oil Conservation Division on November 9, 1998.

The justification for this new date is:

- Installation of a new monitor well on September 29, 1998
- Groundwater sampling on October 1, 1998
- Free product groundwater sampling October 7, 1998
- Laboratory groundwater analyses due on October 23, 1998.

With this additional information, Shell will submit a report with all the current groundwater data. If you have any questions, please contact me at (281) 544-2322 or e-mail: wahamilton@shellus.com.

Sincerely,

A handwritten signature in cursive script, appearing to read "Wayne A. Hamilton".

Wayne A. Hamilton
Retained Properties Manager

cc: Dave Owens – Dow, Cogburn, & Friedman
Chris Williams – OCD Hobbs District Supervisor (two copies)
Cliff Brunson – BBC International
Sharon Hall – Philip Environmental

Shell E&P Technology Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

OCT 12 1998

CERTIFIED MAIL
RETURN RECEIPT No. 298 304 401

October 6, 1998

Mr. William C. Olson
Environmental Bureau
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**SUBJECT: Westgate Subdivision, Grimes Battery and Tasker Road Stage 1
Abatement Plan**

Dear Mr. Olson:

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Sincerely,

A handwritten signature in cursive script that reads "Wayne A. Hamilton".

Wayne A. Hamilton
Retained Properties Manager

cc: Dave Owens – Dow, Cogburn, & Friedman
Chris Williams – OCD Hobbs District Supervisor (two copies)
Cliff Brunson – BBC International
Sharon Hall – Philip Environmental



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

October 5, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-274-520-561

Mr. Wayne A. Hamilton
Shell E&P Technology Company
Room 4304 Woodcreek
200 N. Dairy Ashford
Houston, Texas 77079

RE: GRIMES LEASE CONTAMINATION INVESTIGATIONS

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed Shell E&P Technology Company's (Shell) September 21, 1998 "WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD STAGE 1 ABATEMENT PLAN - ADDENDUM". This document contains Shell's plan for further Stage 1 Abatement Plan investigations related to former Shell E&P Technology Company's (SHELL) Grimes Lease.

Since the OCD is scheduled to receive a report on the investigations in the near future, the OCD defers comment on the above referenced plan until the OCD reviews the results of the current Stage 1 investigations. Shell recommendations for additional site investigation work should accompany the Stage 1 investigation report.

If you have any questions, please contact me at (505) 827-7154.

Sincerely,

A handwritten signature in black ink, appearing to read "William C. Olson".

William C. Olson
Hydrologist
Environmental Bureau

xc: Jennifer A. Salisbury, Secretary, NM Energy, Minerals and Natural Resources Department
Lori Wrotenbery, Director, OCD
Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Department of Health
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross

Z 274 520 561

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PS Form 3800, April 1995

Shell E&P Technology Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

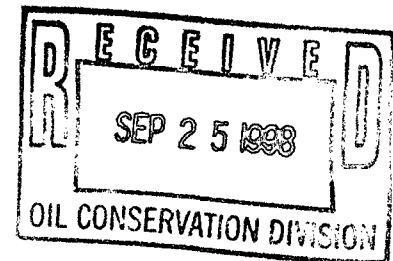
P.O. Box 576
Houston, TX 77001

CERTIFIED MAIL

RETURN RECEIPT No. 298 304 400

September 21, 1998

Mr. William C. Olson
Environmental Bureau
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505



**SUBJECT: Westgate Subdivision, Grimes Battery and Tasker Road Stage 1
Abatement Plan-Addendum**

Dear Mr. Olson:

Pursuant to our meeting on September 8, 1998 and your September 16, 1998 correspondence, Shell submits this Stage 1 Abatement addendum for further site investigation activities.

At the Tasker Site, Shell will install an additional source monitor well down gradient from the former Tasker Road Pit (Figure 1). This monitor well will be placed east of the southern wall of the Perry's house at the Tasker Road sidewalk. The monitor well will be drilled, constructed and sampled according to the OCD's approved Stage 1 Abatement Plan.

Also, Shell proposes to drill one soil boring (TSB-14) approximately 30 feet east of TSB-13 in the front yard of 1328 Tasker (Figure 1).

The sampling protocol will consist of sampling every five feet until zero PID readings with a minimum depth of 20 feet. Samples representing the highest PID reading and bottom of the boring will be submitted for total petroleum hydrocarbons (TPH-USEPA Method 418.1) and for compounds listed in 20 NMAC 6.2 3103 and 1101 laboratory analysis of these compounds will be performed using USEPA methods 8260, 8270, 8080, 8081A, 150.1, 160.1, 200.7, 245.1, 335.2 340.2, and 353.3.

If field observations necessitate additional soil borings, we will commit up to two additional soil borings in areas to be determined by the field results. The same sampling protocols will be followed. We have obtained the property owner's permission to conduct these activities.

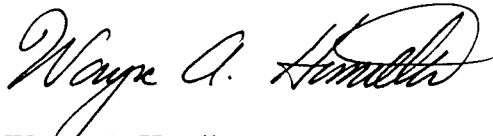
At the Grimes Battery Site area, Shell proposes to drill three soil borings (GSB-12, GSB-13, & GSB-14) around and in the Casey home property in an attempt to delineate the eastern, southern, and northern edge of the contamination found at Grimes soil boring #7 (GSB-7) (Figure 2).

The sampling protocol will consist of sampling every five feet until zero PID readings with a minimum depth of 20 feet. Samples representing the highest PID reading and bottom of the boring will be submitted for total petroleum hydrocarbons (TPH-USEPA Method 418.1) and for compounds listed in 20 NMAC 6.2 3103 and 1101 laboratory analysis of these compounds will be performed using USEPA methods 8260, 8270, 8080, 8081A, 150.1, 160.1, 200.7, 245.1, 335.2 340.2, and 353.3.

If field observations necessitate additional soil borings, we will commit up to two additional soil borings in areas to be determined by the field activities. The same sampling protocols will be followed. Shell will obtain the property owner's permission prior to commencing these activities.

We request your review and concurrence of these activities. If you have any questions, please contact me at (281) 544-2322.

Sincerely,

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

Wayne A. Hamilton
Retained Properties Manager

cc: Dave Owens – Dow, Cogburn, & Friedman
Chris Williams – OCD Hobbs District Supervisor
Cliff Brunson – BBC International
Sharon Hall – Philip Environmental

FIGURE 1

Tasker Site

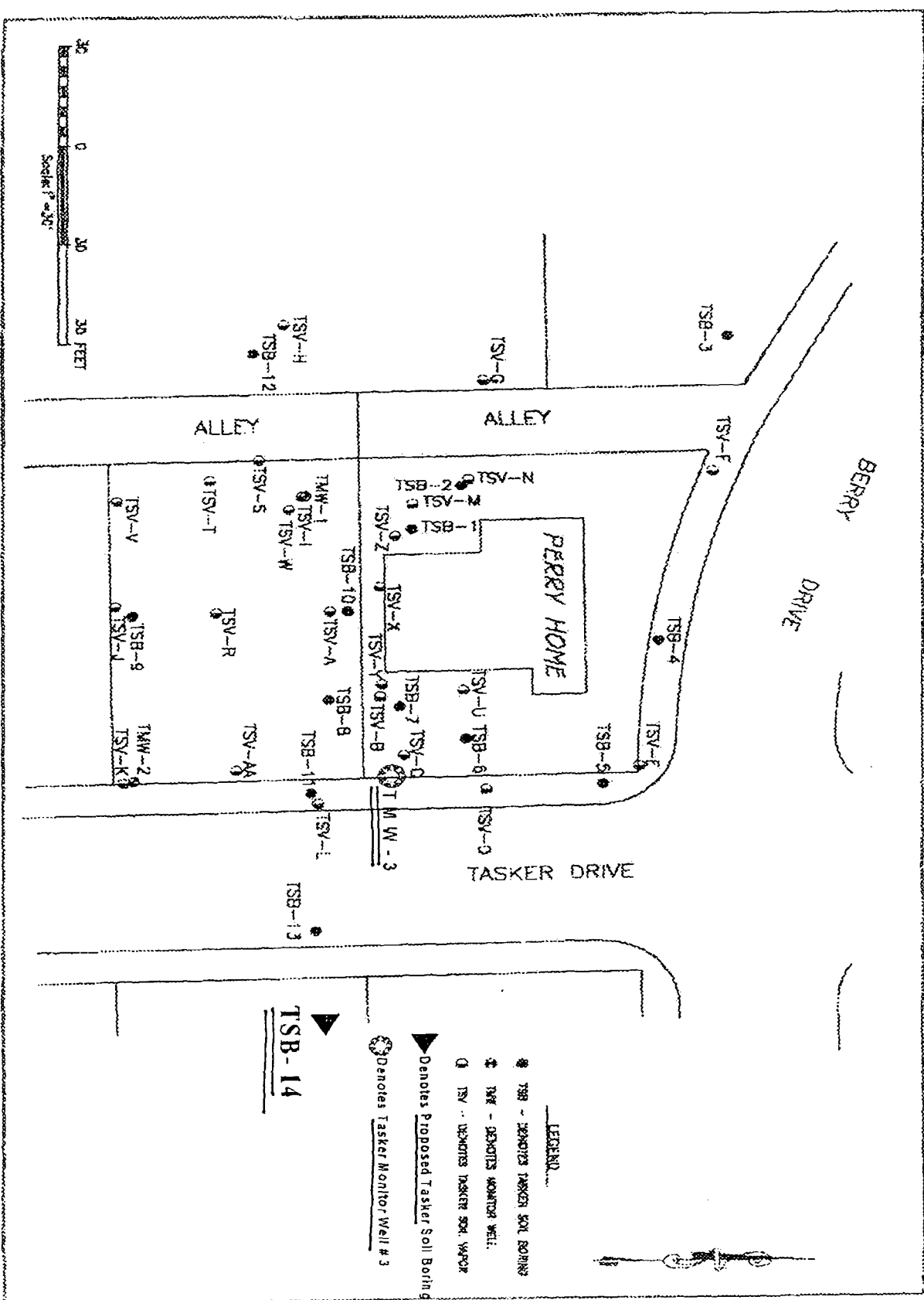
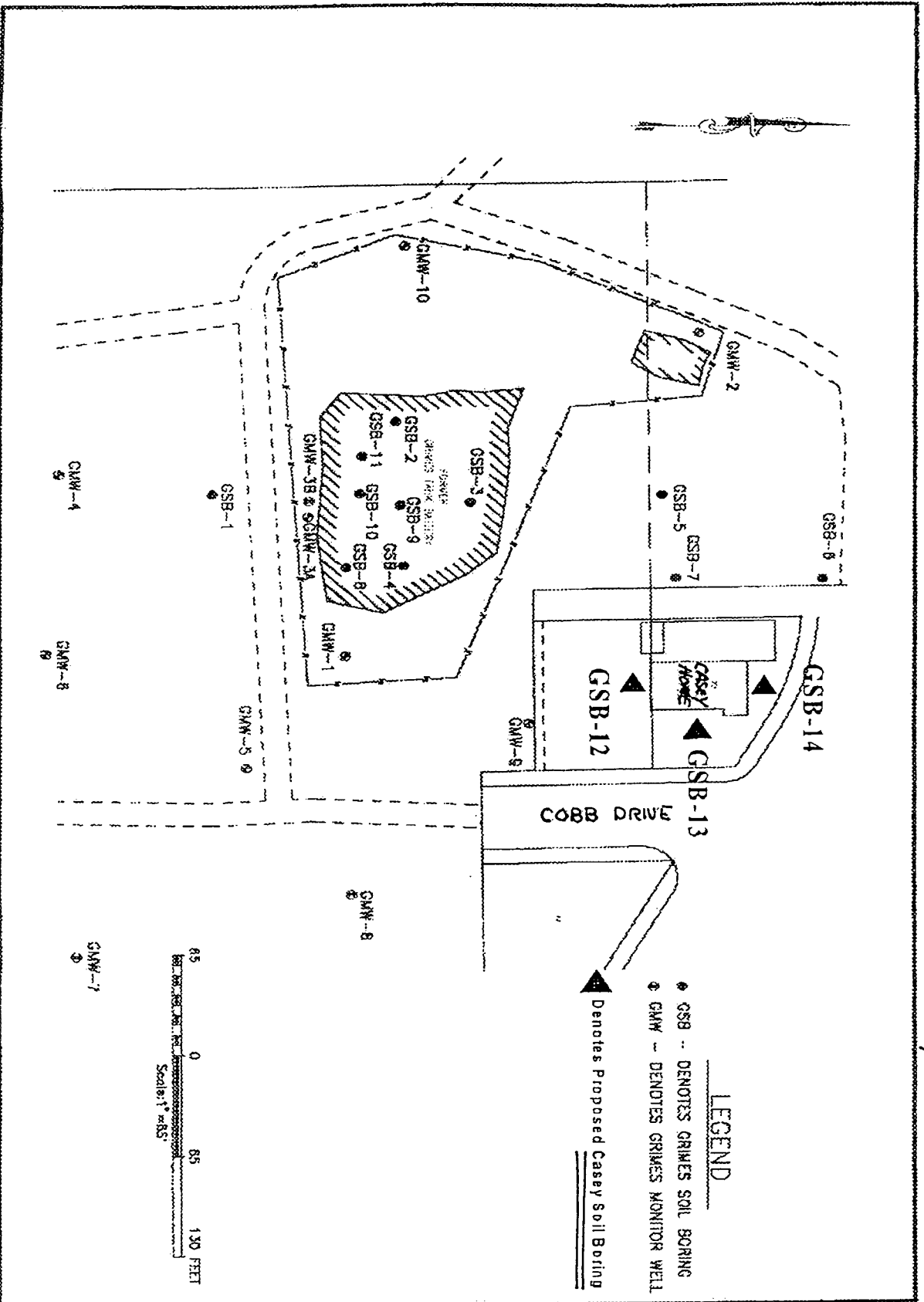


Figure 2

Casey Site



Shell E&P Technology Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

CERTIFIED MAIL
RETURN RECEIPT No. 298 304 400

September 21, 1998

Mr. William C. Olson
Environmental Bureau
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Post-It® Fax Note	7671	Date	# of pages
To	Bill Olson	From	Wayne Hamilton
Co./Dept.		Co.	
Phone #		Phone #	281-544-2322
Fax #	505-827-8177	Fax #	

**SUBJECT: Westgate Subdivision, Grimes Battery and Tasker Road Stage 1
Abatement Plan-Addendum**

Dear Mr. Olson:

Pursuant to our meeting on September 8, 1998 and your September 16, 1998 correspondence, Shell submits this Stage 1 Abatement addendum for further site investigation activities.

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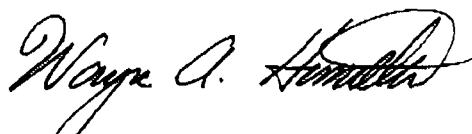
At the Grimes Battery Site area, Shell proposes to drill three soil borings (GSB-12, GSB-13, & GSB-14) around and in the Casey home property in an attempt to delineate the eastern, southern, and northern edge of the contamination found at Grimes soil boring #7 (GSB-7) (Figure 2).

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We request your review and concurrence of these activities. If you have any questions, please contact me at (281) 544-2322.

Sincerely,



Wayne A. Hamilton
Retained Properties Manager

cc: Dave Owens – Dow, Cogburn, & Friedman
Chris Williams – OCD Hobbs District Supervisor
Cliff Brunson – BBC International
Sharon Hall – Philip Environmental

Figure 1

Taskee Site

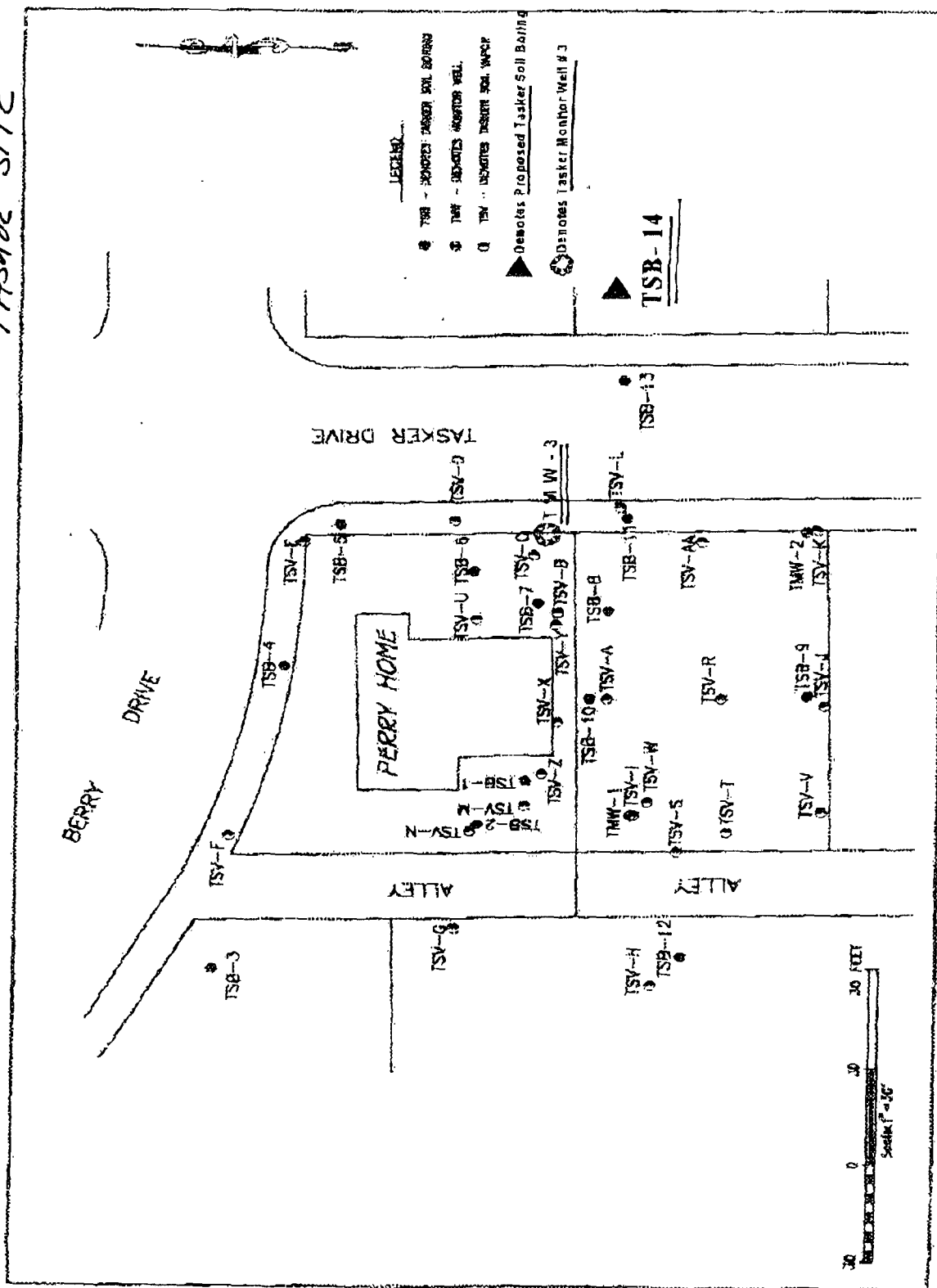
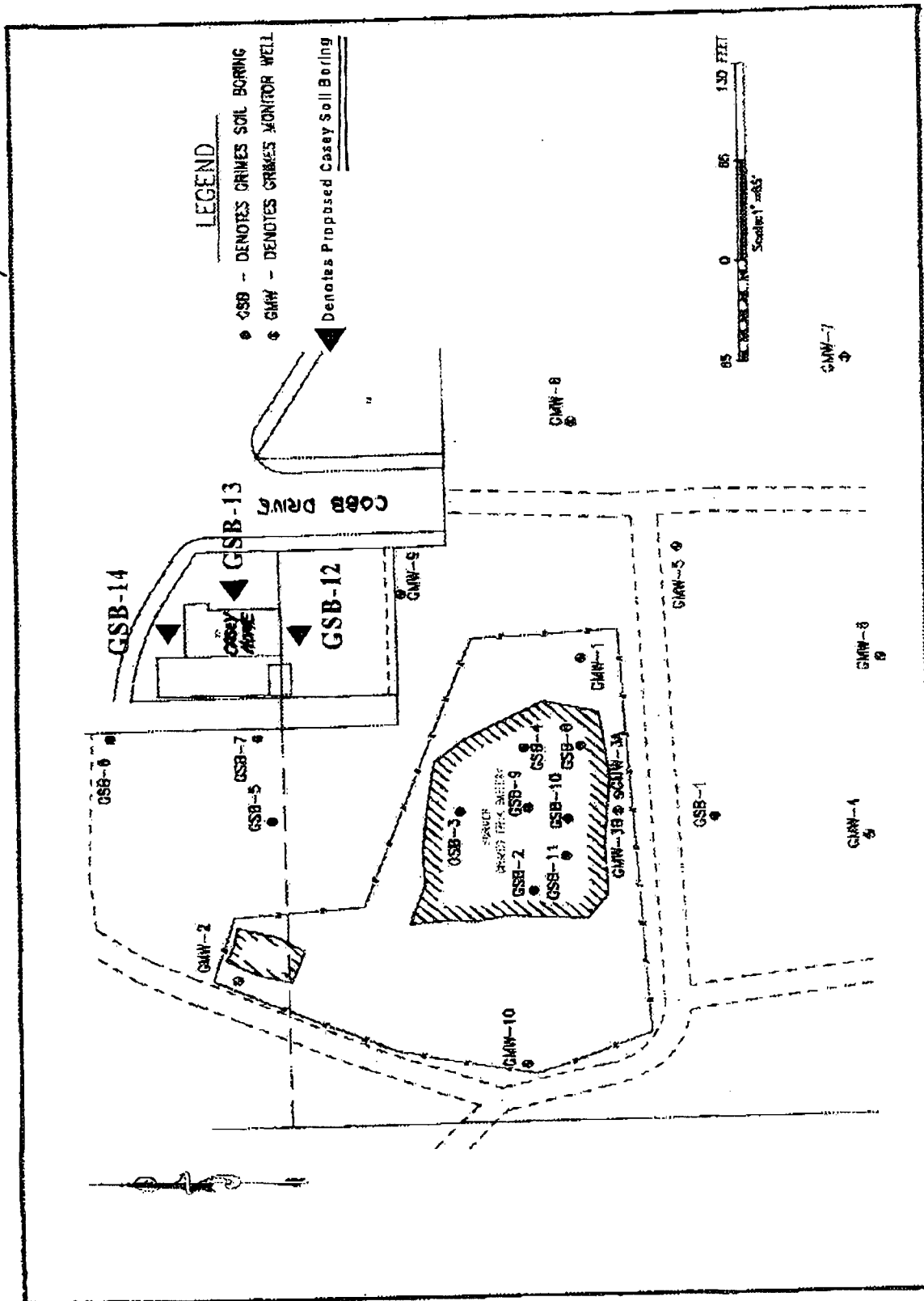


Figure 2Casey Site



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

September 16, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-274-520-558

Mr. Wayne A. Hamilton
Shell E&P Technology Company
Room 4304 Woodcreek
200 N. Dairy Ashford
Houston, Texas 77079

RE: GRIMES LEASE CONTAMINATION INVESTIGATIONS

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) met with you on September 8, 1998 to discuss the preliminary results of the Stage 1 Abatement Plan soil and ground water investigations related to former Shell E&P Technology Company's (SHELL) Grimes Lease. Based upon the preliminary results and the eastern direction of the hydraulic gradient at the site, the OCD requires that Shell install an additional source area monitor well downgradient from the former Tasker Road pit. As we discussed, this monitor well will be placed east of the southern wall of the Perry house at the Tasker Road sidewalk. The monitor well will be drilled, constructed and sampled according to the OCD's approval of the Stage 1 Abatement Plan work plan. The well will be installed by September 25, 1998. The comprehensive ground water quality sampling event of all of the monitor wells will commence the week of September 28, 1998.

If you have any questions, please contact me at (505) 827-7154.

Sincerely,

William C. Olson
Hydrogeologist
Environmental Bureau

xc: Jennifer A. Salisbury, Secretary, NM Energy, Minerals and Natural Resources Department
Lori Wrotenbery, Director, OCD
Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Department of Health
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross

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PS Form 3800, April 1995



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

TO: Bill Olsen

FROM: Chris Williams

DATE: 9/1/98

NUMBER OF PAGES: 3
(INCLUDING COVER)

NMOC FAX NUMBER: (505) 393-0720
IF YOU DO NOT RECEIVE A TRANSMISSION, CALL (505) 393-6161



For Release



Shell Continental Companies
200 N. Dairy Ashford
Houston, TX 77078

News Release

SHELL NEARS COMPLETION OF SITE ASSESSMENT AROUND GRIMES BATTERY IN WESTERN HOBBS

HOUSTON, TX (Aug. 31, 1998) -- Shell has completed nearly 90 percent of its "site assessment" on the former Grimes Tank Battery and related facilities on the far west side of Hobbs. Shell began the work in July, pursuant to a plan approved by the New Mexico Oil Conservation Division (OCD), following identification of oil field products in the area late last year.

The site assessment is designed to scientifically define the extent of any remaining oil field products near the former tank battery site. In addition, the New Mexico Health Department has requested an area-wide soil gas vapor survey to determine if any hydrocarbon vapors are present in the soil.

The soil gas vapor survey includes about 250 small probes placed to a depth of about five feet, throughout the Westgate addition, in front yards and alleys. The undeveloped Los Cuatro property to the west also has been sampled.

At the site of the former Grimes Tank Battery, about a dozen soil borings have been drilled to depths of 30-60 feet to determine the extent of hydrocarbons in the soil. Twelve to 15 groundwater-monitoring wells are also being drilled to 75-foot depths to measure changes in the water quality, with 11 of these wells already in place.

SHELL page two

Along Tasker Street, a former oil field pit is being investigated. About 12 soil borings already have been drilled in and around the pit area, with several more to come, in addition to three groundwater-monitoring wells. Part of the pit lies under the former home of Mr. and Mrs. Rolland Perry. Because of its unique location, Shell has purchased this home and helped the Perrys to relocate in order to facilitate a complete site assessment and eventual remediation.

While the site assessment work progresses, laboratory analysis of completed work is underway. The original deadline for finalizing the total site assessment report was Sept. 25. However, since the original scope of the project has been expanded, this deadline is now extended to Oct. 26.

Once the OCD reviews the initial site assessment, it is possible that they will request additional field studies. Following state satisfaction with the assessment, Shell and the OCD will develop a remediation plan, subject to public review and comment. Actual field remediation may not begin until mid- to late-1999, depending on the timing of OCD approval.

#####

Contact: Rich Hansen (281) 544-2020

Olson, William

From: Price, Wayne
Sent: Tuesday, August 25, 1998 2:16 PM
To: Bill Olson
Cc: Chris Williams; Roger Anderson
Subject: Shell-Westgate Project: Field report up-date:

It appears from recent soil borings that the old pit located on Tasker St. is actually larger in the east-west direction. Shell is going to request from the City of Hobbs that they be allowed to place a soil boring in the middle of the street. Also they found contamination in the soil boring on the west side of the alley. This contamination was found about 13 feet deep and diminished at about 50 feet. The same was found on the street side of the lot. This is very preliminary field info at this time.

NEW MEXICO OIL CONSERVATION COMMISSION
FIELD TRIP REPORT

~ 9 AM

Name WAYNE PRICEDate 8-20-98 Miles _____ District ITime of Departure 7 AMTime of Return 4 PM Car No. G 047

In the space below indicate the purpose of the trip and the duties performed, listing wells or leases visited and any action taken.

Signature [Signature]SHELL-WESTGATE PROJECTTOURNA SITE WITH BILL OLSON-NMOCN+ SHELL-REP. WAYNE HAMILTONWITNESS SOIL VAPOR SURVEY + SOILBORINGS AT 1329 + 1331 THAYER ST.SEE ATTACHED PHOTOS + COMMENTS!NOTE: HIGH PID READING UNDER PERRY HOUSE
TSV-X ~ 654 ppm PID, LAB RESULTS REFLECTED
10-11 ppm BENZENE.Mileage

UIC _____

RFA _____

Other _____

Per Diem

UIC _____

RFA _____

Other _____

Hours

UIC _____

RFA _____

Other _____

RECEIVED

AUG 31 1998

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISIONTYPE INSPECTION
PERFORMEDH = Housekeeping
P = Plugging
C = Plugging Cleanup
T = Well Test
R = Repair/Workover
F = Waterflow
M = Mishap or Spill
W = Water Contamination
O = OtherINSPECTION
CLASSIFICATIONU = Underground Injection Control - Any inspection of or related to injection project, facility, or well or resulting from injection into any well. (SWD, 2ndry injection and production wells, water flows or pressure tests, surface injection equipment, plugging, etc.)
R = Inspections relating to Reclamation Fund Activity
O = Other - Inspections not related to injection or The Reclamation Fund
E = Indicates some form of enforcement action taken in the field (show immediately below the letter U, R or O)NATURE OF SPECIFIC WELL
OR FACILITY INSPECTEDD = Drilling
P = Production
I = Injection
C = Combined prod. inj. operations
S = SWD
U = Underground Storage
G = General Operation
F = Facility or location
M = Meeting
O = Other

Photos

8/20/98

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NM 87505



NMOCB: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: 1331 & 1329 Tasker St
Subject: Soil vapor & soil borings
Looking NE.



NMOCID: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: TEG Mobile Lab.
Subject:



NMOCID: ID#: 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: 1331 Tasker St.-Perry Res.
Subject: Perry backyard TSB#1
Strong odors



9

WWC-514
#4912M

NMOCD: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: 1331 Tasker St.-Perry Res.
Subject: Soil Vapor survey TSU-X
OCD PID field reading 654 ppm

NMOCD: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: 1331 Tasker St.-Perry Res.
Subject: Soil Vapor survey TSU-X
3 ft. deep & 10" inside of foundation



LADOTD WWC-514
TNRCC #4912M



NMOCD: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: 1331 Tasker St.-Perry Res.
Subject: Perry house. Soil Vapor
rig.



NMOCB: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: 1331 Tasker St.-Perry Res.
Subject: TSB#1 backyard Eades
drill rig.



NMOCB: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: 1331 Tasker St.-Perry Res.
Subject: Perry house. Soil Vapor
rig.



NMOCID: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: 1331 Tasker St.-Perry Res.
Subject: TSB# 3-5 ft split spoon
sample. strong odor & stained.



NMOCB: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: 1331 & 1329 Tasker St
Subject: Soil vapor & soil borings
Looking NE.



NMOCB: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: 1331 & 1329 Tasker St
Subject: Soil vapor & soil borings
Looking NE.



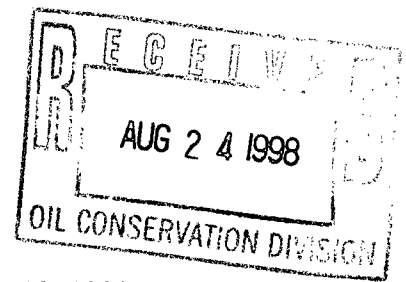
NMOCB: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: TEG Mobile Lab.
Subject: GC Equipment.
Operator-Richard Rodriguez Chemist



NMOCB: ID#. 716788 By: W Price
Date/Time: Aug 20, 1998 9am
Site/Co. Shell-Westgate Project
Location: TEG Mobile Lab.
Subject: GC Equipment.-witness by
Bill Olson-NMOCB



Environmental Services Group
Southern Region



August 19, 1998

Mr. William Olson
Environmental Bureau
New Mexico Oil Conservation Division
2040 S. Pachecho
Santa Fe, New Mexico 87505

Subject: Grimes Lease, Hobbs New Mexico- Submittal of Stage 1 Abatement Plan Report

Dear Mr. Olson,

Philip Services Corporation (Philip) respectfully submits this letter confirming our telephone conversation August 18, 1998. Pursuant to that conversation, Philip requested an extension of the September 25, 1998, deadline to submit the above-referenced report. As we discussed, an extension of this deadline is necessary because field activities at this site are expected to continue for another two weeks, and receipt of analytical results is not expected until three weeks after receipt of the final samples. The report will be submitted on October 26, 1998 as we discussed.

Thank you for your consideration in allowing the necessary time to complete the work and prepare a report detailing field activities and results.

Sincerely,

PHILIP SERVICES CORPORATION

Sharon E. Hall

Sharon E. Hall
Operations Manager

cc: Wayne Hamilton, Shell E&P Technology Company
Chris Williams, OCD Hobbs District Supervisor (2 copies)





Environmental Services Group
Southern Region

August 19, 1998

Mr. William Olson
Environmental Bureau
New Mexico Oil Conservation Division
2040 S. Pachecho
Santa Fe, New Mexico 87505

Subject: Grimes Lease, Hobbs New Mexico- Submittal of Stage 1 Abatement Plan Report

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Sincerely,

PHILIP SERVICES CORPORATION

Sharon E. Hall

Sharon E. Hall
Operations Manager

cc: Wayne Hamilton, Shell E&P Technology Company
Chris Williams, OCD Hobbs District Supervisor (2 copies)



Shell E&P Technology Company

A Division of Shell Exploration & Production Company



Woodcreek
200 N Dairy Ashford
Houston, TX 77079

P.O. Box 576
Houston, TX 77001

CERTIFIED MAIL P 298 304 397

AUG 19 1998

August 12, 1998

Mr. William C. Olson
Environmental Bureau
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**SUBJECT: GRIMES LEASE STAGE 1 ABATEMENT WORK PLAN, HOBBS
NEW MEXICO**

This is in reply to your July 7, 1998 letter where you requested under part D. General Requirements, number 4, that Shell conduct a soil gas survey at a "former tank battery off of Lorraine Street northwest of the Westgate Subdivision".

After reviewing the site, lease records and unitization agreement our conclusion is that Shell is not responsible for oil field activities related to Sinclair W.D. Grimes # 9 in T18S-R38E, Section 28, NW/4.

This conclusion is based on the following:

- Abandoned well marker designates the well as Sinclair Oil
- History of Leaseholder Ownership indicates the mineral lease is not a Shell lease (Attachment A)
- The Unit Agreement and Unit Operating Agreement does not indicate conveyance of the Sinclair W.D. Grimes # 9 well into the unit (Attachment B).

If you have any questions or require additional information, please call me at 281-544-2322 or e-mail: wahamilton@shellus.com.

Sincerely,

Wayne Hamilton
Retained Properties Manager

Cc Chris Williams and Wayne Price - CERTIFIED MAIL P 298 304 398
New Mexico Oil Conservation Division
1000 W. Broadway
Hobbs, New Mexico 88240

Roger Anderson - CERTIFIED MAIL P 298 304 399
Environmental Bureau
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Attachment A

NORTH HOBBS (GRAYBURG-SAN ANDRES) UNIT AREA

HISTORY OF LEASEHOLD OWNERSHIP

LEA COUNTY, NEW MEXICO

SECTION 28, T18S-R38E

NW/4 - Grayburg-San Andres formation (3,698' to 4,500'):

		<u>vol/page</u>
The Prairie Oil & Gas Co. -----	07/29/26 to 03/31/32	6/472 (O&G)
Repollo Oil Co. -----	03/31/32 to 05/31/49	23/159 (O&G)
Sinclair Oil & Gas Co. -----	05/31/49 to 09/30/68	116/466 (Deed) copy attached
Sinclair Oil Corp. -----	09/30/68 to 03/04/69	274/663 (Misc.)
Atlantic Richfield Co. -----	03/04/69 to 03/29/90	461/736 (O&G) copy attached
Sun Operating Ltd. Partnership -----	03/29/90 to Present	450/553 (O&G) copy attached

NW/4 - All depths, LESS AND EXCEPT the Grayburg-San Andres formation:

The Prairie Oil & Gas Co. -----	07/29/26 to 03/31/32	6/472 (O&G)
Repollo Oil Co. -----	03/31/32 to 05/31/49	23/159 (O&G)
Sinclair Oil & Gas Co. -----	05/31/49 to 09/30/68	116/466 (Deed) copy attached
Sinclair Oil Corp. -----	09/30/68 to 03/04/69	274/663 (Misc.)
Atlantic Richfield Co. -----	03/04/69 to 03/29/90	461/736 (O&G) copy attached

Attachment B Page 1 of 2

EXHIBIT B
ATTACHED TO UNIT AGREEMENT
NORTH HOBBS (GRAYBURG-SAN ANDRES) UNIT
LEA COUNTY, NEW MEXICO

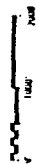
Page 26

(EXHIBIT B, CONT'D)

Tract No.	Description of Land (Operator & Lease Name)	No. Acres	Serial No. & Expiration Date of Lease	Basic Royalty Ownership and Percentage	Lessee of Record	Overriding Royalty Owner & Percentage	Working Interest Owner & Percentage
45	T18S-R38E, Sec. 30: NE $\frac{1}{4}$ (Getty-H. D. McKinley)	160	Fee HBP 06/21/26	W. C. McBride - Silurian Oil Company, et al* 12.5%	Getty Oil Company 100%	Cities Service Company 1.17187%	Getty Oil Company 100%
50	T18S-R38E, Sec. 29: NE $\frac{1}{4}$ NE $\frac{1}{4}$ (Exxon-W. D. Grimes)	40	Fee HBP 06/23/28	Exxon Corporation, et al* 12.5%	Exxon Corporation 75% Cities Service Company 25% 100%	Continental Oil Company (net profit interest) 25%	Exxon Corporation 75% Cities Service Company 25% 100%
52	T18S-R38E, Sec. 29: SE $\frac{1}{4}$ NE $\frac{1}{4}$ & NE $\frac{1}{4}$ SE $\frac{1}{4}$ (Getty-W. D. Grimes)	80	Fee HBP 03/10/28	Lillian Milyko, et al* 12.5%	H. V. Craig 100%	None	Getty Oil Company 100%
54	T18S-R38E, Sec. 28: NW $\frac{1}{4}$ (Atlantic-W. D. Grimes SOC)	160	Fee HBP 06/10/26	Cities Service Company, et al* 12.5%	Sinclair Oil & Gas Company 100%	None	Atlantic Richfield Company 100%
55	T18S-R38E, Sec. 28: W $\frac{1}{2}$ NE $\frac{1}{4}$ (Samedan-Moon A)	80	Fee (7) HBP 10/03/34	George H. Etz, Jr., Trustee of the George H. Etz, Sr. Trust, et al* 12.5%	Samedan Oil Corporation 100%	None	John P. Cusack, Jr. 25%

EXHIBIT A
NORTH HOBBS (GRAYBURG - SAN ANDRES) UNIT
Lee County, New Mexico

2200199

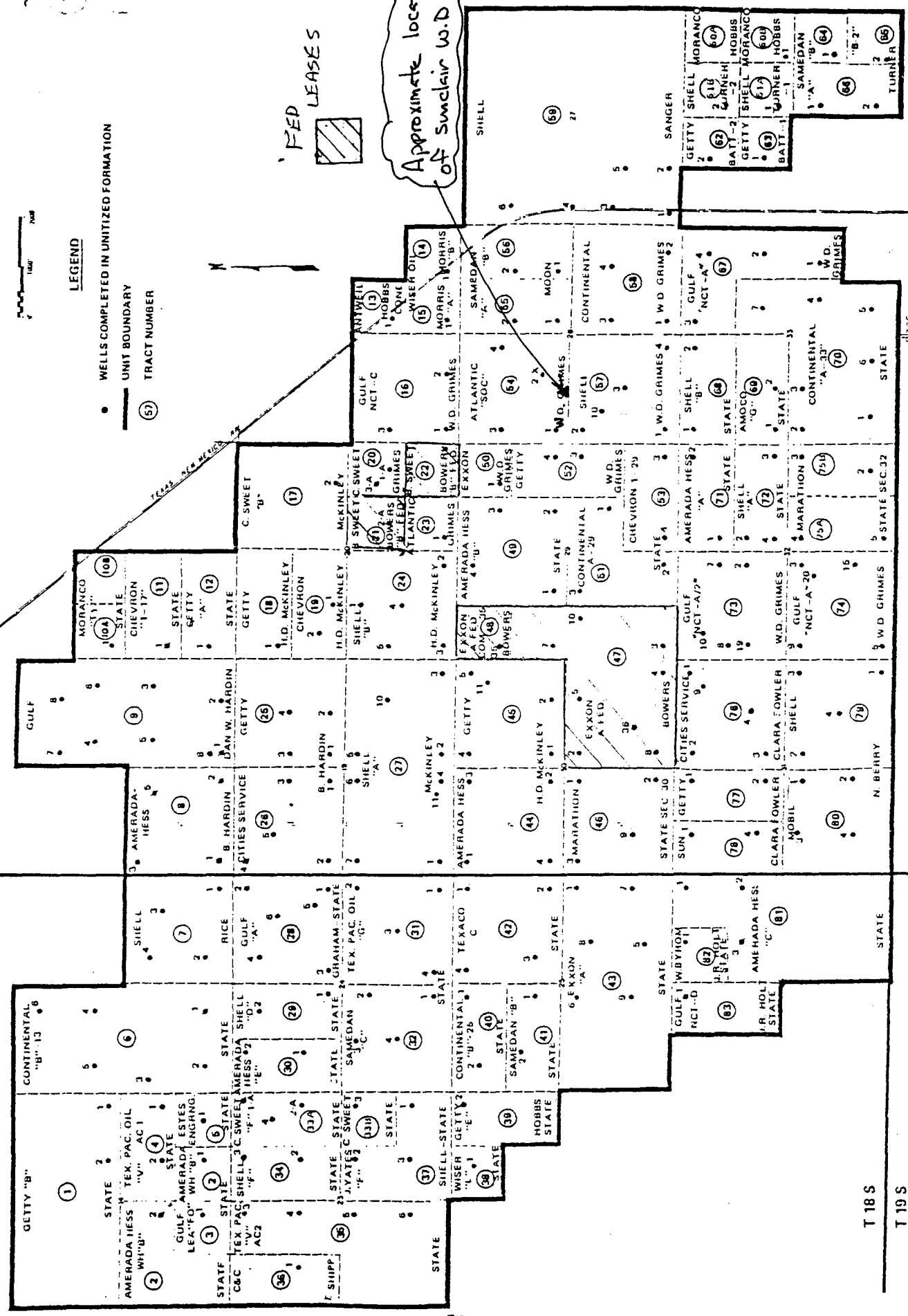


LEGEND

- WELLS COMPLETED IN UNITIZED FORMATION
- UNIT BOUNDARY
- TRACT NUMBER

FED
LEASES

Approximate location
of Sinclair W.D. Grimes

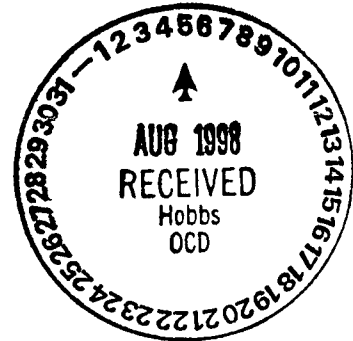


T 18 S
T 19 S

MEMORANDUM



To: Wayne Price - OCD Hobbs
From: Cliff P. Brunson, CEI, CRS
Subject: Soil Vapor Survey
Date: August 4, 1998
CC: Wayne Hamilton-Shell



Wayne,

This memo is to confirm our discussion of Monday, August 3 concerning the backfilling of plugging of the holes created by the soil vapor probe. When we are in the front yards of the residents, the holes will be backfilled with bentonite to 6" below the surface, hydrated, then backfilled with top soil to surface to ensure grass growth. While in the alleys and field, the holes will be backfilled with bentonite to surface and hydrated.

Regards,

Cliff P. Brunson

Cliff P. Brunson, CEI, CRS

President



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

July 24, 1998

fixed
to
District
for
distribution

Dear Westgate Residents:

The Oil Conservation Division (OCD) has required Shell Oil Company (Shell) to conduct a soil vapor survey within the Westgate subdivision. The survey consists of inserting a one inch diameter pipe into the ground to a depth of about two to three feet and analyzing the gasses that are present. Survey points will be located throughout the subdivision on public and private property. A representative of the OCD will be present during the survey.

Thank you for your cooperation during the survey.

Sincerely,

A handwritten signature in cursive script, appearing to read "Roger C. Anderson".

Roger C. Anderson
Environmental Bureau Chief



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

July 7 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-235-437-305

Mr. Wayne A. Hamilton
Shell E&P Technology Company
P.O. Box 576
Houston, Texas 77001-0576

**RE: GRIMES LEASE STAGE 1 ABATEMENT WORK PLAN
HOBBS, NEW MEXICO**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed Shell Exploration & Production Technology Company's (SHELL) May 1998 "WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD STAGE 1 ABATEMENT PLAN (SITE ASSESSMENT INVESTIGATION)". These documents contain SHELL's Stage 1 Abatement Plan Proposal for investigating the magnitude and extent of contamination related to a former unlined pit located in the Westgate residential subdivision at 1329 Tasker Road Hobbs, New Mexico and a former unlined pit at the adjacent Grimes Tank Battery.

Upon a review of the above referenced documents and subsequent public comments, the OCD has the following comments, requirements and requests for information:

A. Westgate Subdivision

1. In order to effectively evaluate potential health threats to residents of the subdivision from the Grimes Lease, the OCD requires that the soil gas sampling station locations be modified as follows:
 - a. The soil gas sample locations will be spaced at 100 foot intervals. ✓
 - b. Within the developed residential areas of the subdivision, the soil gas samples will be taken just outside of the sidewalks on each side of Cobb Drive and Tasker Road and down the center of each alley behind residences, including the alley east of Tasker Road. ✓
2. The OCD requires that soil gas samples be taken from a depth interval of 2-3 feet below the ground surface. ✓
3. Please provide information on how soil gas samples will be collected and analyzed. ✓

Mr. Wayne A. Hamilton
July 7, 1998
Page 2

B. Grimes Battery Pit

1. In addition to the sample intervals proposed, samples from the soil boring in the backyard of the 1341 North Cobb Street residence will also be collected from the lowermost interval of the boring and analyzed for the same constituents as the other samples. ✓

C. Tasker Road Pit

1. The text refers to the installation of ten boreholes at this site. However, eleven boreholes are depicted on Figure 9. Please clarify this discrepancy. ✓
2. The OCD requires that an additional monitor well be installed directly outside the southeast corner of the former pit (see enclosed figure 9 for monitor well location). ✓
3. The document does not contain information on sampling and analysis of ground water from the monitor wells at this location. The OCD requires that Shell sample and analyze the ground water for the compounds listed in New Mexico Water Quality Control Commission (WQCC) regulations Title 20, Chapter 6, Part 2 sections 3103 and 1101 according to EPA approved methods and quality assurance/quality control (QA/QC) procedures. ✓
4. In response to your request that the OCD supply Shell with acceptable soil detection limits for each compound to be analyzed, enclosed you will find a copy of the detection limits which can be achieved by the OCD's contract laboratory. ✓

D. General Requirements

1. The "Quality Assurance" section is too brief. Please provide a detailed QA/QC plan which covers all types of media to be sampled and analyzed. The plan should include how soil, soil gas and water samples are to be obtained such that they represent defensible data about actual site conditions. ✓
2. In order to reduce the potential loss of volatile organics between sample collection and analysis, the OCD requires that all soil samples for analysis of volatile organics be field preserved with methanol. ✓
3. All monitor wells will be surveyed such that their exact location can be determined and maps of the direction and magnitude of the ground waters hydraulic gradient can be produced. ✓

Mr. Wayne A. Hamilton
July 7, 1998
Page 3

4. Due to citizen complaints that unlined pits were buried at a former tank battery off of Lorraine Street northwest of the Westgate subdivision, the OCD requires that the soil gas survey include this former tank battery location. ✓
5. The OCD requires that Shell provide a contingency plan to continue with the installation of additional soil borings and ground water monitoring wells in the event that the extent of soil and ground water contamination is not defined with the work plan as proposed. ✓

The OCD requires that SHELL submit to the OCD, by July 22, 1998, the above required plans and information and a commitment to abide by the above requirements. Please provide this information to the OCD Santa Fe Office and a copy to the OCD Hobbs District Office.

If you have any questions, please contact me at (505) 827-7154.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

xc: Jennifer A. Salisbury, Secretary, NM Energy, Minerals and Natural Resources Department
Lori Wrotenbery, Director, OCD
Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Department of Health
Jose Jaques, Westgate Subdivision
William G. Rosch, III, Rosch & Ross

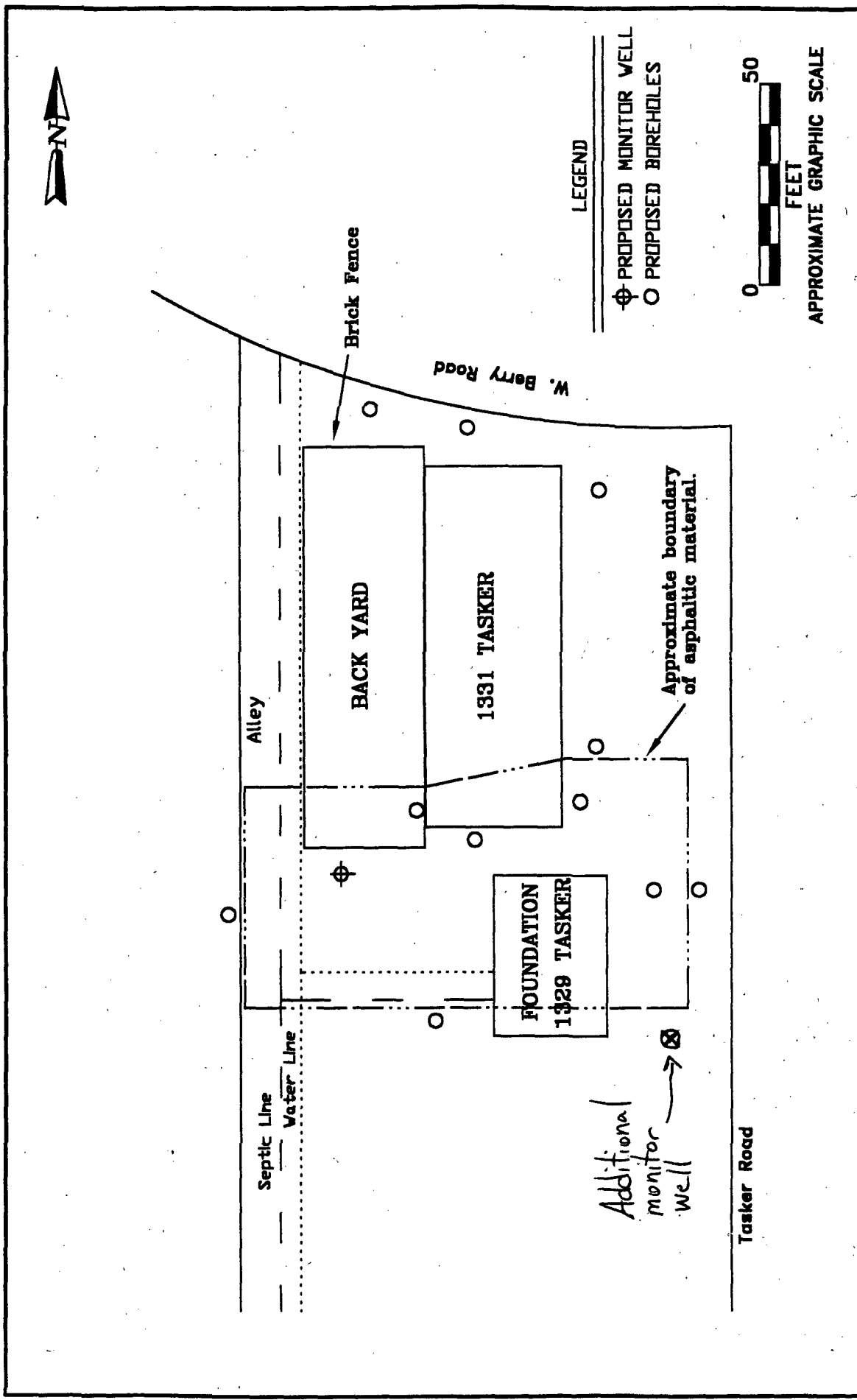
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		TITLE: Shell Exploration & Technology Company Westgate, grimes, Tasker Stage 1 Abatement Workplan Proposed Monitor Well & Borehole Locations				PROJECT NO.: 19350 Tasker Road Hobbs, New Mexico		FIGURE: 9
		DATE: May 1988	CHG: seh	APP: seh	DESI: jwk			



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

June 26, 1998

Ms. Chase Casey
1341 North Cobb
Hobbs, New Mexico 88240

RE: SOIL ANALYSES

Dear Ms. Casey:

On March 18, 1998 the New Mexico Oil Conservation Division (OCD) took samples of a greasy material and underlying soils from an area outside your backyard fence. Approximately three weeks later, on April 8, 1998, the OCD also took soil samples from a hard black layer approximately 1 foot below the surface within your backyard. Enclosed you will find copies of these sample analyses.

The April 8, 1998 samples from the hard black layer in your backyard contain elevated levels of total petroleum hydrocarbons and low levels of several semivolatile organics. These contaminants are possibly related to oilfield activities. Due to the hardness of this layer the OCD was not able to penetrate this layer and obtain further samples.

The March 18, 1998 samples taken outside your backyard fence appear to be unrelated to the soil samples taken in your backyard. The greasy material at a 6 to 8 inch depth contains some low levels of aromatic hydrocarbons. The physical nature of the material, the rags mixed with the material and the presence of molybdenum, a common constituent of automotive grease, are all indicative that this soil is contaminated with some type of automotive lubricating grease not related to oil and gas production. This material was found buried at a 6 to 8 inch depth in only one small area outside the fence. The soils below this did not contain these contaminants.

Due to the possibility that the contamination from hard black layer in your backyard is related to oilfield activities from the Grimes Lease, the OCD is requiring that Shell perform additional investigations at your residence to determine the nature and extent of this contamination.

Ms Chase Casey
June 26, 1998
Page 2

If you have any questions, please contact me at (505) 827-7154.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

enclosure

xc: Lori Wrotenbery, Director, OCD
Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision
Wayne Hamilton, Shell E&P Technology Company

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WILLIAM G. ROSCH, III

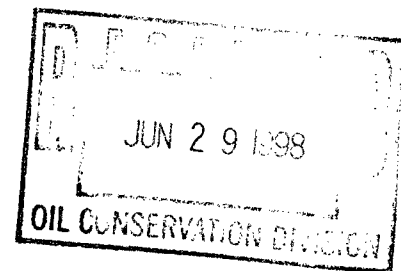
HEIDEL, SAMBERSON, NEWELL & COX
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LOVINGTON, NEW MEXICO 88260
MICHAEL NEWELL

TRENCHARD & BUCKINGHAM
608 EAST AUSTIN, PO BOX 799
KERMIT, TEXAS 79745
KENT BUCKINGHAM

June 26, 1998

By Facsimile (505) 827-8177
and Overnight Delivery

Director, Oil Conservation Division
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Comments to Shell Oil Company's Stage 1 Abatement Plan (Site Assessment)
Proposal for the Former Grimes Tank Battery Site, Tasker Road Site, and
Portions of the Westgate Subdivision.

Dear Sir:

The following are comments in response to the notice issued by the Director of the Oil Conservation Division, State of New Mexico, with regard to Shell Oil Company's Stage 1 Abatement Plan and on behalf of our clients (*see* attached Exhibit "A") who are various present and former residents of the Hobbs, New Mexico, area and who reside or resided within the immediate geographical area of the proposed Site Assessment.

Comments On The Proposed Plan

1. Under OCD Rule 19.F., the area residents request that the State of New Mexico's Natural Resources Trustee be one of the authorized representatives of the Director to perform such activities as are set forth in OCD Rule 19.F. within the Natural Resources Trustee's powers and duties, as set forth in the Natural Resources Trustees Act [75-7-1 *et seq.*, NMSA 1978].

2. Under OCD Rule 19.E.(3)(b), a site investigation work plan must define:
- (1.) Site geology and hydrology, the vertical and horizontal extent and magnitude of vadose zone and groundwater contamination, subsurface hydraulic parameters including hydraulic conductivity, transmissivity, storativity, and rate and direction of contaminant migration, inventory of water wells inside and within one (1) mile from the perimeter of the three-dimensional body where the standards set forth in Subparagraph B(2) are exceeded, and location and number of such wells actually or potentially affected by the pollution; and
 - (2.) Surface water hydrology, seasonal stream flow characteristics, groundwater/surface water relationships, the vertical and horizontal extent and magnitude of contamination and impacts on surface water and stream sediments. The magnitude of contamination and surface water impacts may be, in part, defined by conducting a biological assessment of fish, benthic macro invertebrates and other wildlife population. Seasonal variations should be accounted for when conducting these assessments.

Accordingly, area residents would request the following modifications to the Stage 1 Abatement Plan as it relates to site hydrology and geology:

Westgate Subdivision

- (1.) The proposed soil gas survey is not adequately defined in order to determine the vertical extent and magnitude of vadose zone and groundwater contamination in at least the following areas:
 - (A.) The depth of the proposed probes is not adequately defined and/or not to be placed in adequate proximity to the groundwater (i.e., as proposed, the probe could be placed in fill material, too close to the grade level and not in close proximity to the groundwater).
 - (B.) Soil/saturated soil samples should also be submitted for laboratory analysis that would, at least, include for the detection of TPH, BTEX, halogenated hydrocarbons, and chlorinated solvents (i.e., PCE has already been detected in the area according to Shell's test data).
 - (C.) Quality assurance can be enhanced for the soil gas survey as we have set out in detail under Section 3.(2)(A) of these comments.

Grimes Battery Site

- (1.) Either the well locations, or a point on the five proposed monitoring wells should be leveled by survey and referenced to mean sea level.
- (2.) Because OCD Rule 19 references the conductivity, transmissivity, storativity, and direction of flow of contaminants, and such information is not only appropriate but critical to an accurate site assessment at this location, the Stage 1 site assessment should make provision for aquifer performance tests as well as the calculation of the rate and direction of groundwater flow.
- (3.) Because the Ogallala Formation was deposited on an erosional surface, that formation has been shown to exhibit unique geologic characteristics including buried paleo-stream channels. The frequent presence of these channels in southeastern New Mexico has often had strong influence on the velocity as well as the direction of groundwater flow in a given area, such that a proper analysis of contaminant migration cannot be undertaken with reasonable certainty based solely on a three-point solution. As such, seismic reflection, earth conductivity, or thermionic methods should be undertaken to accurately assess both the rate and direction of groundwater flow as enumerated in OCD Rule 19.E.(3)(b)(i).

Tasker Road Site

- (1.) While Philip Services Inc. has proposed only one monitor well at the Tasker Road location, this is inadequate to determine direction of flow and the gradient to the ground water table as required under OCD Rule 19.E.(3)(b). Accordingly, at least three (3) non-collinear monitoring wells should be developed at this site in order to properly determine the data requested by the OCD Rules, and necessary to make an accurate assessment of the Tasker Road Site.
- (2.) Furthermore, as noted above in relation to the Grimes Battery Site, Aquifer Performance Tests should be undertaken at this site as well in order to determine the velocity of ground water flow at this location.

3. Comments On the Necessary Quality Assurance

OCD Rule 19.E.(3)(d) requires that a responsible party present within a Stage 1 site assessment a "Quality assurance plan, consistent with the sampling and analytical techniques listed in 20 NMAC 6.3107.B and with Section 1103 of the Water Quality Standards for Interstate and Intrastate Streams in New Mexico (20 NMAC 6.1) for all work to be conducted pursuant to the abatement plan."

- (1.) Consistent with this requirement residents of the Westgate Subdivision request that Philip Services Inc. and Shell Oil Company enumerate and list those necessary portions of their Stage 1 Site Assessment which relate to quality assurance, testing procedures, sampling procedures and test scope and methodology.
- (2.) Furthermore, in response to the sampling methods that were described in the current Stage 1 proposal the residents request the following changes in order that the Stage 1 assessment result in more accurate and useful results.
 - (A.) By letter of May 1, 1998, Shell E&P was ordered to undertake a plan for conducting an area wide soil gas survey of the subdivision. However, the present response prepared by Philip Services Inc. that provides for the PID screening of soils is wholly inadequate to effectuate that request. With regard to the Soil Gas Survey, a more appropriate and accurate sample may be obtained if, in addition to using a PID meter to screen soil gas in a baggie, a real soil gas sample is obtained through the use of a probe and a vacuum. The gas may be collected in glass bulbs w/ Teflon stop cocks and tedlar bags, and should be analyzed with the use of a gas chromatograph either in the field or in a laboratory. Such a procedure is necessary due to the fact that PCE has already been detected in the area according to Shell test data, and that compound cannot be detected with the use of a PID meter.
 - (B.) With regard to the soil sampling protocols, the residents would suggest that the quality of the soil sampling procedure would be greatly increased by the preservation of the soil samples with methanol immediately after sampling and not after the use of a PID meter in a plastic bag. Quality assurance would further be increased by methanol preservation of soil samples taken for volatile organics in soil, rather than the suggested air rotary unit.
 - (C.) Furthermore, a chlorinated hydrocarbon screen should be done on the soil samples collected in order to detect the previously identified PCE in area soil.

4. General Comments

- (1.) Because the groundwater has been already documented as contaminated at, or near, all sites to be addressed by the Stage 1 Abatement Plan, and such contamination may be hazardous to nearby residents that receive water via a private water well, the Stage 1 site assessment should further inventory area water wells within the one square mile notice area defined around the three dimensional zone of contamination as clearly stated by OCD Rule 19.E.(3)(b)(i).
- (2.) Should the Stage 1 plan uncover the migration of water contamination beyond the defined sites in question, the notice area should properly be expanded as contemplated by OCD Rule 19.G.(1)(g) in order that newly implicated properties and residents may properly comment on the expanded abatement area.
- (3.) Finally, should the Stage 1 plan determine that water contamination has migrated beyond the extent of the planned monitor well locations, provision for the installation of additional monitor wells as needed to determine the extent of such migration as contemplated by OCD Rule 19.E.(3)(c).

5. Comments on Necessary Clarifications

Furthermore, local residents request the following clarifications with regard to Philip Services Inc.'s Stage 1 site assessment in order that they may properly review the procedures to be undertaken by that organization:

- (1.) With regard to the soil gas survey to be undertaken by Philip, please clarify as to how the samples will be gathered, containerized, and preserved for analysis.
- (2.) With regard to groundwater sampling, please enumerate and clarify the procedures and methods to be used for both the collection and preservation of groundwater samples at both the Grimes battery and Tasker road sites

Cordially,



William G. Rosch, III

EXHIBIT "A"

Mr. & Mrs. Michael A. Acosta
Ms. Sabrina Hudson
Mr. & Mrs. Ramiro Acosta, Sr.
Mr. & Mrs. Ramiro Acosta, Jr.
Mr. & Mrs. Sammy Acosta
Mr. & Mrs. Alonzo Aranda
Ms. Linda Baeza
Ms. Adriana Barrera
Mr. Fernando Barrera, Jr.
Mr. & Mrs. Fernando Barrera, Sr.
Ms. Pamela Basgall
Ms. Pearl Bell
Ms. Wanda Bell
Ms. Marianne Brown
Mr. & Mrs. Mike Casey
Mrs. Rhonda Castillo
Mr. & Mrs. Ruben Cortez
Ms. Theresa Dean
Mr. & Mrs. Nicolas DeLaCruz
Mr. & Mrs. Jose Escamilla
Mr. & Mrs. Dominguez
Mr. & Mrs. Egans
Mr. & Mrs. Fortner
Mr. & Mrs. Teddy Gandy
Mr. & Mrs. Rick Gandy
Ms. Melony Gonzales
Ms. Regina Gonzales
Mr. Johnny Gonzales
Mr. & Mrs. Jose Jaques
Mr. & Mrs. Gary Johnson
Mr. & Mrs. Paul Kautz
Ms. Margaret King
Mr. & Mrs. Gerald Ledbetter
Ms. Janet Lewis
Mr. & Mrs. Dulces Marquez
Ms. Josephine Marquez
Mr. & Mrs. Albert Martinez
Mr. & Mrs. Claudio Martinez, Sr.
Ms. Gemma Martinez
Ms. Michelle Martinez
Ms. Teresa Martinez
Mr. Thomas Martinez, Sr.
Mr. & Mrs. Melendez

Mr. & Mrs. Rafael Menchaca
Mr. & Mrs. Robert Mendoza
Mr. & Mrs. Pete Miranda
Mr. & Mrs. Jessie Morales
Ms. Miranda Morris
Mr. & Mrs. Jubel Patterson
Mr. & Mrs. Craig Peterson
Ms. Arlene Ramirez
Ms. Irene Ramirez
Mr. & Mrs. Placido Ramirez
Mrs. Evelyn Rising
Ms. Elizabeth Rodriguez
Ms. Lacy Rodriguez
Mr. & Mrs. Leslie Sharp
Mr. & Mrs. Ismael Telles
Mr. & Mrs. Glen Thompson
Mr. Charles Townsend, Jr.
Ms. Luciana Townsend
Mr. & Mrs. Tommy Trevino
Mr. Tommy Trevino, II
Mr. & Mrs. Gabriel Valdez
Mr. & Mrs. Frank Volz
Ms. Pamela Williams
Mrs. Lynda Wilson
Mr. & Mrs. James Scoggins
Ms. Mary Cormier
Mr. Lucas Townsend
Mr. Jeffrey Walker
Charles D. Townsend, Jr.
Mr. & Mrs. Barbara Woods
Ms. Patricia Buss
Ms. Irene Brooks
Mr. & Mrs. Carlos Baeza

ROSCH & ROSS
ATTORNEYS AT LAW
A PARTNERSHIP OF PROFESSIONAL CORPORATIONS
2100 TEXAS COMMERCE BANK BUILDING
707 TRAVIS
HOUSTON, TEXAS 77002

FAX COVER SHEET

June 26, 1998

3:35 PM

Page 1 of 7

Fax No. 98 - 0362

FROM: William G. Rosch, III	TO: Director
PHONE NUMBER: (713) 222-9595	COMPANY/FIRM NAME: Oil Conservation Division, State of New Mexico
FAX NUMBER: (713) 222-0906	PHONE NUMBER: (505) 827-7131
FAX OPERATOR: Laurie	FAX NUMBER: (505) 827-8177

MESSAGE/REFERENCE

**Re: Comments to Shell Oil Company's Stage 1 Abatement Plan (Site Assessment)
Proposal for the Former Grimes Tank Battery Site, Tasker Road Site, and Portions of
the Westgate Subdivision.**

If possible, please check transmission after last page. If you are not receiving clearly, or if you have any problems with the transmission, please telephone us immediately.

Unless otherwise indicated or obvious from the nature of the transmittal, the information contained in this facsimile message is attorney privileged and confidential information intended for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify the sender by telephone and return the original message to Rosch & Ross at the above address via U.S. Postal Service at our expense. Thank you.

GALLAGHER, LEWIS & DOWNEY
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700 LOUISIANA, 40TH FLOOR
HOUSTON, TEXAS 77002
CRAIG LEWIS

ROSCH & ROSS
CHASE BANK BUILDING
707 TRAVIS, SUITE 2100
HOUSTON, TEXAS 77002
WILLIAM G. ROSCH, III

HEIDEL, SAMBERSON, NEWELL & COX
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MICHAEL NEWELL

TRENCHARD & BUCKINGHAM
608 EAST AUSTIN, PO BOX 799
KERMIT, TEXAS 79745
KENT BUCKINGHAM

June 26, 1998

By Facsimile (505) 827-8177
and Overnight Delivery

Director, Oil Conservation Division
State of New Mexico
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Comments to Shell Oil Company's Stage 1 Abatement Plan (Site Assessment)
Proposal for the Former Grimes Tank Battery Site, Tasker Road Site, and
Portions of the Westgate Subdivision.

Dear Sir:

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Comments On The Proposed Plan

1. Under OCD Rule 19.F., the area residents request that the State of New Mexico's Natural Resources Trustee be one of the authorized representatives of the Director to perform such activities as are set forth in OCD Rule 19.F. within the Natural Resources Trustee's powers and duties, as set forth in the Natural Resources Trustees Act [75-7-1 *et seq.*, NMSA 1978].

Director, Oil Conservation Division
June 26, 1998
Page 2

2. Under OCD Rule 19.E.(3)(b), a site investigation work plan must define:
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Westgate Subdivision

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Director, Oil Conservation Division
June 26, 1998
Page 3

Grimes Battery Site

- (1.) Either the well locations, or a point on the five proposed monitoring wells should be leveled by survey and referenced to mean sea level.
- (2.) Because OCD Rule 19 references the conductivity, transmissivity, storativity, and direction of flow of contaminants, and such information is not only appropriate but critical to an accurate site assessment at this location, the Stage 1 site assessment should make provision for aquifer performance tests as well as the calculation of the rate and direction of groundwater flow.
- (3.) Because the Ogallala Formation was deposited on an erosional surface, that formation has been shown to exhibit unique geologic characteristics including buried paleo-stream channels. The frequent presence of these channels in southeastern New Mexico has often had strong influence on the velocity as well as the direction of groundwater flow in a given area, such that a proper analysis of contaminant migration cannot be undertaken with reasonable certainty based solely on a three-point solution. As such, seismic reflection, earth conductivity, or thermionic methods should be undertaken to accurately assess both the rate and direction of groundwater flow as enumerated in OCD Rule 19.E.(3)(b)(i).

Tasker Road Site

- (1.) While Philip Services Inc. has proposed only one monitor well at the Tasker Road location, this is inadequate to determine direction of flow and the gradient to the ground water table as required under OCD Rule 19.E.(3)(b). Accordingly, at least three (3) non-collinear monitoring wells should be developed at this site in order to properly determine the data requested by the OCD Rules, and necessary to make an accurate assessment of the Tasker Road Site.
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Director, Oil Conservation Division
June 26, 1998
Page 4

3. Comments On the Necessary Quality Assurance

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- (2.) Furthermore, in response to the sampling methods that were described in the current Stage 1 proposal the residents request the following changes in order that the Stage 1 assessment result in more accurate and useful results.
 - (A.) By letter of May 1, 1998, Shell E&P was ordered to undertake a plan for conducting an area wide soil gas survey of the subdivision. However, the present response prepared by Philip Services Inc. that provides for the PID screening of soils is wholly inadequate to effectuate that request. With regard to the Soil Gas Survey, a more appropriate and accurate sample may be obtained if, in addition to using a PID meter to screen soil gas in a baggie, a real soil gas sample is obtained through the use of a probe and a vacuum. The gas may be collected in glass bulbs w/ Teflon stop cocks and tedlar bags, and should be analyzed with the use of a gas chromatograph either in the field or in a laboratory. Such a procedure is necessary due to the fact that PCE has already been detected in the area according to Shell test data, and that compound cannot be detected with the use of a PID meter.
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Director, Oil Conservation Division
June 26, 1998
Page 5

4. General Comments

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- (2.) Should the Stage 1 plan uncover the migration of water contamination beyond the defined sites in question, the notice area should properly be expanded as contemplated by OCD Rule 19.G.(1)(g) in order that newly implicated properties and residents may properly comment on the expanded abatement area.
- (3.) Finally, should the Stage 1 plan determine that water contamination has migrated beyond the extent of the planned monitor well locations, provision for the installation of additional monitor wells as needed to determine the extent of such migration as contemplated by OCD Rule 19.E.(3)(c).

5. Comments on Necessary Clarifications

Furthermore, local residents request the following clarifications with regard to Philip Services Inc.'s Stage 1 site assessment in order that they may properly review the procedures to be undertaken by that organization:

- (1.) With regard to the soil gas survey to be undertaken by Philip, please clarify as to how the samples will be gathered, containerized, and preserved for analysis.
- (2.) With regard to groundwater sampling, please enumerate and clarify the procedures and methods to be used for both the collection and preservation of groundwater samples at both the Grimes battery and Tasker road sites

Cordially,



William G. Rosch, III

WGR/lmb
Enclosure
98:1:0073

EXHIBIT "A"

Mr. & Mrs. Michael A. Acosta
Ms. Sabrina Hudson
Mr. & Mrs. Ramiro Acosta, Sr
Mr. & Mrs. Ramiro Acosta, Jr.
Mr. & Mrs. Sammy Acosta
Mr. & Mrs. Alonzo Aranda
Ms. Linda Baeza
Ms. Adriana Barrera
Mr. Fernando Barrera, Jr.
Mr. & Mrs. Fernando Barrera, Sr.
Ms. Pamela Basgall
Ms. Pearl Bell
Ms. Wanda Bell
Ms. Marianne Brown
Mr. & Mrs. Mike Casey
Mrs. Rhonda Castillo
Mr. & Mrs. Ruben Cortez
Ms. Theresa Dean
Mr. & Mrs. Nicolas DeLaCruz
Mr. & Mrs. Jose Escamilla
Mr. & Mrs. Dominguez
Mr. & Mrs. Egans
Mr. & Mrs. Fortner
Mr. & Mrs. Teddy Gandy
Mr. & Mrs. Rick Gandy
Ms. Melony Gonzales
Ms. Regina Gonzales
Mr. Johnny Gonzales
Mr. & Mrs. Jose Jaques
Mr. & Mrs. Gary Johnson
Mr. & Mrs. Paul Kautz
Ms. Margaret King
Mr. & Mrs. Gerald Ledbetter
Ms. Janet Lewis
Mr. & Mrs. Dulces Marquez
Ms. Josephine Marquez
Mr. & Mrs. Albert Martinez
Mr. & Mrs. Claudio Martinez, Sr.
Ms. Gemma Martinez
Ms. Michelle Martinez
Ms. Teresa Martinez
Mr. Thomas Martinez, Sr.
Mr. & Mrs. Melendez

Mr. & Mrs. Rafael Menchaca
Mr. & Mrs. Robert Mendoza
Mr. & Mrs. Pete Miranda
Mr. & Mrs. Jessie Morales
Ms. Miranda Morris
Mr. & Mrs. Jubel Patterson
Mr. & Mrs. Craig Peterson
Ms. Arlene Ramirez
Ms. Irene Ramirez
Mr. & Mrs. Placido Ramirez
Mrs. Evelyn Rising
Ms. Elizabeth Rodriguez
Ms. Lacy Rodriguez
Mr. & Mrs. Leslie Sharp
Mr. & Mrs. Ismael Telles
Mr. & Mrs. Glen Thompson
Mr. Charles Townsend, Jr.
Ms. Luciana Townsend
Mr. & Mrs. Tommy Trevino
Mr. Tommy Trevino, II
Mr. & Mrs. Gabriel Valdez
Mr. & Mrs. Frank Volz
Ms. Pamela Williams
Mrs. Lynda Wilson
Mr. & Mrs. James Scoggins
Ms. Mary Cormier
Mr. Lucas Townsend
Mr. Jeffrey Walker
Charles D. Townsend, Jr.
Mr. & Mrs. Barbara Woods
Ms. Patricia Buss
Ms. Irene Brooks
Mr. & Mrs. Carlos Baeza

NMOCD INTER-OFFICE CORRESPONDENCE

TO: Bill Olson-Environmental Bureau, Santa Fe, NM
From: Wayne Price-Environmental Engineer *W.P.*
Date: June 23, 1998
Reference: Shell-Westgate
Subject: Sampling results

Comments:

Dear Bill,

Please find enclosed the analyticals for the following:

1722 Lorene St. (Spalding Water Well)
1804 Lorene St. (Barber Woods Res. Water Well)
1329 Tasker St. (Under concrete foundations)

Please give Roger the Invoices for payment.

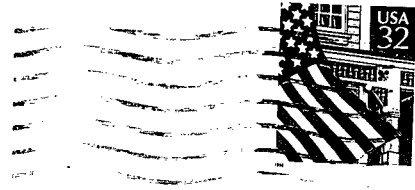
Please note I am taking additional samples at the two residences on Lorene St since the lab failed to run our general chemistry.

I am providing copies of these results to the owners of the water wells and placing all copies in our District files.

cc: Chris Williams-NMOCD District I Supervisor

file: wp98/wes
attachments-

Virginia Meskins
1101 N. Llano Dr.
Hobbs, N.M. 88240



RECEIVED
JUN 12 1998

OIL CONSERVATION DIVISION

Director of the Oil Conservation Division
2040 South Pacheco
Santa Fe, N.M. 87505

Gary E. Johnson
Governor

J. Alex Valdez
Secretary

Larry A. Martinez
Deputy Secretary

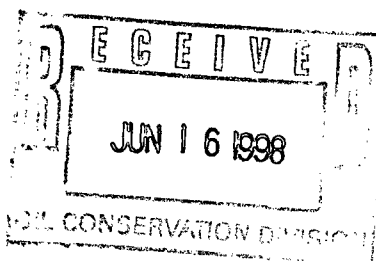
Pat Cleaveland
Deputy Secretary

William H. Wiese, MD, MPH
Division Director

C. Mack Sewell, DrPH, MS
State Epidemiologist



June 15, 1998



Roger Anderson, Chief
Environmental Bureau
Oil Conservation Division
Energy, Minerals and Natural Resources Department
2040 S. Pacheco
Santa Fe, NM 87505

Subject: Grimes Battery / Tasker Road - Stage 1 Abatement Plan, May 1998

Dear Mr. Anderson:

I have reviewed the referenced abatement plan and offer the following comments.

- 1) I am concerned that the horizontal grid spacing in the soil gas survey (250 feet between sample locations) may be too coarse. The dimensions of the current area of contamination at the Grimes Tank Battery are approximately 75' x 125'. The dimensions of the current area of contamination at the Tasker Road pit are approximately 60' x 100'. I am concerned that areas of similar dimension, and as of yet unidentified, could be overlooked during the course of the soil gas survey. One way to avoid such a problem would be to reduce the grid spacing to approximately 100'.
- 2) I notice that the proposed location for the monitor well in the vicinity of the Tasker Road pit is to the northwest. It is my understanding that ground water flow direction in the area of the site is to the southeast. If this is true, it seems the monitor well would be better located to the southeast.
- 3) During one of the public meetings, I recall residents expressing concern about household water quality. While I think this is a less likely route of exposure than inhalation, I think it would be prudent to conduct some household water screening. One method for accomplishing this may be to ask the New Mexico Environment Department to offer this service through a water fair and using a photo-ionization instrument or portable gas chromatograph.

OFFICE OF EPIDEMIOLOGY
PUBLIC HEALTH DIVISION
1190 St. Francis Drive • Room N1350
Post Office Box 26110
Santa Fe, New Mexico 87502-6110
(505) 827-0006 • FAX (505) 827-0013



Roger Anderson
June 15, 1998
Page 2

I appreciate the opportunity to provide input on this abatement plan. If you have questions or comments, please call me at (505) 476-3588.

Sincerely,

A handwritten signature in black ink, appearing to read 'Randy Merker', with a stylized, cursive script.

Randy Merker

cc: C. Mack Sewell, State Epidemiologist
Evan Nelson, Public Health Officer
Retta Prophet, Office of Epidemiology



State of New Mexico
ENERGY MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505

STATE OF
NEW MEXICO
OR
CONSERVATION
DIVISION

MEMORANDUM OF MEETING OR CONVERSATION

☒ Telephone ☐ Personal

Time 0830

Date 6/9/98

Originating Party

Other Parties

Roger Anderson - Envir. Bureau

Kim McNeill - AEN

Subject

Shell - Troler Analyses - Casey SS-1 & SS-2

Discussion

Metals analyses have high detection limits
Kim will call Connecticut Lab and try to get
lower detection limit

Conclusions or Agreements

Distribution

Filer

Signed

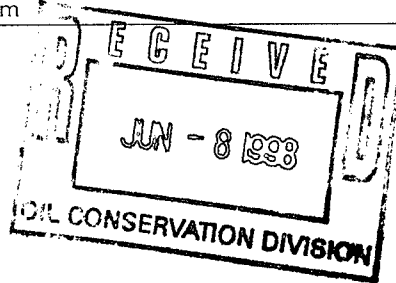
RC Anderson



PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W. MARLAND • P.O. BOX 297 • HOBBS, NM 88241-0297
E-MAIL: bbc@bbcinternational.com

June 4, 1998

William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505



**RE: Grimes Battery & Tasker Road Stage 1 Abatement Work Plan Public Notice Mailing
Affidavit and Mailing List**

Dear Mr. Olson:

Please find enclosed an original notarized copy of the Affidavit of Mailing for the mailing of the public notice required for the above mentioned sites.

Also included are copies of the published public notices in the Albuquerque Journal and the Hobbs News-Sun that appeared on June 1, 1998.

If you have any questions, please contact me at the above numbers.

Sincerely,

Cliff P. Brunson

Cliff P. Brunson
President

CPB:mo

enclosure

Olson, William

From: Cliff P. Brunson[SMTP:cbrunson@bbcinternational.com]
Sent: Sunday, May 31, 1998 7:35 PM
To: Olson, William
Cc: wahamilton@shellus.com; cd199485@shellus.com; richhanse@shellus.com;
mmazzone@dcf.com; djowens@dcf.com
Subject: Public Notice-Paper & Mailing

Bill,

RE: Grimes Battery/Tasker Road Site Public Notice

The public notice was mailed on Friday, May 29th to a total of 1,713 recipients (one mile radius). It will appear on Monday, June 1, 1998 in both the Albuquerque Journal and the Hobbs News-Sun. I will send to you and the Hobbs office this week a copy of the mailing list and a signed affidavit of the mailings per the OCD's requirements. If you have any questions, please contact me. Please forward this information on to Rodger for me. Thanks.

Regards,

Cliff

**"Prepared in Anticipation of Litigation...Confidential and Privileged,
Lawyer-Client Communication, Do Not Distribute or Copy, Do Not Place In Unprotected
Files."**

**This electronic mail may contain privileged
And/or confidential information.**

**Any dissemination, copying or use of this
E-mail by or to anyone other than the
Designated and intended recipient(s) is unauthorized!**

Cliff P. Brunson, President
BBC International, Inc.
World-Wide Environmental Specialists
P. O. Box 297
Hobbs, NM 88241
Courier address:
1324 W. Marland
Hobbs, NM 88240 USA
Phone: (505) 397-6388
Fax: (505) 397-0397
e-mail: cbrunson@bbcinternational.com



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I Hobbs
PO BOX 1980
Hobbs, NM 88241-1981
(505) 393-6161

Jennifer A. Salisbury
CABINET SECRETARY

May 21, 1998

Wayne A. Hamilton
Shell E&P Technology Co. (SEPTC)
P.O. 576
Houston, Tx 77001

RECEIVED
MAY 26 1998
Environmental Bureau
Oil Conservation Division

Re: Shell Westgate

Dear Mr. Hamilton:

New Mexico Oil Conservation Division (NMOCD) District I is requesting that SEPTC and any consultants send a minimum of two copies on all future correspondence to the NMOCD District I office. This is required so as the public information file in Hobbs, NM will be as complete as the NMOCD working file and the Santa Fe file.

We do not have the ability to make quality copies of such items as pictures, aerial photos, etc.

Please start by sending us an additional copy of the complete proposal called "Westgate Subdivision, Grimes Battery and Tasker Road Stage 1 Abatement Plan (Site Assessment Investigation) dated May 1998 in red binder. Please send complete with aerial photos etc.

Also any correspondence to NMOCD Santa Fe also needs to be copied to NMOCD District I in duplicate.

If you require any further information or assistance please do not hesitate to call (505-393-6161) or write this office.

Sincerely Yours,

Chris Williams-NMOCD District I Supervisor

cw/wp:file shwgmemo

cc: Roger Anderson-Environmental Bureau Chief, Santa Fe, NM
Bill Olson-Environmental Bureau, Santa Fe, NM
Cliff Brunson- BBC INTL.
Sharon Hall- Phillip Envr.



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 21, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-235-437-272

Mr. Wayne A. Hamilton
Shell E&P Technology Company
P.O. Box 481
Houston, Texas 77001-0481

**RE: STAGE 1 ABATEMENT PLAN PROPOSAL
GRIMES LEASE
HOBBS, NEW MEXICO**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) is in receipt of Shell E&P Technology Company's (SHELL) May 1998 "WESTGATE SUBDIVISION, GRIMES BATTERY AND TASKER ROAD STAGE 1 ABATEMENT PLAN" and May 18, 1998 proposed "NOTICE OF PUBLICATION". These documents contain SHELL's Stage 1 Abatement Plan Proposal for investigating the magnitude and extent of contamination related to a former unlined pit located in the Westgate residential subdivision at 1329 Tasker Road, Hobbs, New Mexico and a former unlined pit at the adjacent Grimes Tank Battery.

Upon a review of the above referenced documents, the OCD has determined that the Stage 1 Abatement Plan is administratively complete. The OCD requires that SHELL issue the May 18, 1998 proposed "NOTICE OF PUBLICATION" pursuant to OCD Rule 19.G. Enclosed you will find a 3.5" disk containing a "WordPerfect" listing of those persons, as identified by the Director, who have requested notification pursuant to OCD Rule 19.G.(1).(d).

If you have any questions, please contact Bill Olson of my staff at (505) 827-7154.

Sincerely,

A handwritten signature in cursive script that reads "Lori Wrotenbery".
Lori Wrotenbery
Director

xc: Jennifer A. Salisbury, Secretary, NM Energy, Minerals and Natural Resources Department
Rand Carroll, OCD Legal Counsel
Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision

Z 235 437 272

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

NOTICE OF PUBLICATION

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Oil Conservation Division Regulations, the following Stage 1 Abatement Plan (site investigation) proposal has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

Shell Oil Company, Wayne Hamilton, (800) 489-8109, 200 North Dairy Ashford, Houston, Texas 77079, has submitted a Stage 1 Abatement Plan (Site Assessment) proposal for the former Grimes Tank Battery site, Tasker Road site and portions of the Westgate Subdivision. Portions of the sites contain petroleum residues from former oil and gas operations. The abatement plan addresses: a) Site history, b) Proposed work in the Westgate Subdivision, Grimes Battery and Tasker Road locations, c) Quality assurance, d) Work schedule, e) Health and Safety Plan and, f) References. The Stage 1 Abatement Plan (site assessment) will define petroleum in the soil and groundwater to prepare a Stage 2 Abatement Plan (site remediation).

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The Stage 1 Abatement Plan (Site assessment) proposal may be viewed at the above address or at the Oil Conservation Division District 1 Office, 1000 W Broadway, Hobbs, New Mexico 88240, Telephone (505) 393-6161, between 8:00 a.m. and 3:30 p.m., Monday through Friday. Prior to ruling on any proposed Stage 1 Abatement (site investigation) plan, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted.

May 18, 1998

Post-It® Fax Note	7671	Date	# of pages ▶
To Bill Olson		From Wayne Hamilton	
Co./Dept.		Co.	
Phone #		Phone # 281-544-2322	
Fax # 505-827-8177		Fax #	

NOTICE OF PUBLICATION

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Oil Conservation Division Regulations, the following Stage 1 Abatement Plan (site investigation) proposal has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131;

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Post-it® Fax Note	7671	Date	# of pages ▶
To Bill Olson		From Wayne Hamilton	
Co./Dept.		Co.	
Phone #		Phone # 281-544-2322	
Fax # 505-827-8177		Fax #	

May 15, 1998

5/18/98

Called Wayne Hamilton about above corrections.

Bill Olson

American Environmental Network

FAX TRANSMITTAL SHEET

DELIVER TO:

Roger Haderson

PHONE NUMBER: _____

COMPANY:

OCD

FAX NUMBER: _____

NUMBER OF PAGES BEING SENT: 5 (INCLUDING THIS PAGE)

From:

Date: 5/11/98

H. Mitchell Rubenstein, Ph.D., General Manager

Time: _____

Kimberly D. McNeill, Project Manager

Francine J. Torivio, Administrative Assistant

John Caldwell, Sample Control

Christopher Froehlich, QA Coordinator

FAX NUMBER:

(505) 344-4413

This information contained in this Facsimile message is intended only for the personal and confidential use of the designated recipients named above. This message may be proprietary confidential information of a client, and as such is privileged and confidential. If the reader of this message is not the intended recipient or any agent responsible for delivering it to the intended recipient, you are hereby notified that you have received this document in error, and that any review, dissemination, distribution or copying of this message is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us by mail. Thank you.....

COMMENTS:

Here are the solid detection
limits -

*** means ~~was~~ analyzed
as TIC

TIC = tentatively Id Compd
by computer search

If you did not receive all pages of this transmission or if you experience Fax Transmission problems. Please call (505) 344-3777, as soon as possible after the receipt.

COMMUNICATION TO ROGER ANDERSON OCD

METHOD

CONSTITUENT

MG/KG

	<u>8081</u>
Aldrin	0.0017
alpha-BHC	0.0017
beta-BHC	0.0017
delta-BHC	0.0017
gamma-BHC	0.0017
Chlordane	0.0017
4,4'-DDT	0.0033
Dieldrin	0.0033
Endosulfan I	0.0017
Endosulfan II	0.0033
Endosulfan Sulfate	0.0033
Endrin	0.0033
Heptachlor	0.0017
Toxaphene	0.0082
PCB's	0.033

CONSTITUENT	MG/KG
-------------	-------

8260

Acetone	0.005
Acrylonitrile	**
Acrolein	**
Benzene	0.005
Bis (chloromethyl ether)	**
Bromodichloromethane	0.005
Bromoform	0.005
Methyl Bromide	0.005
Carbon Tetrachloride	0.005
Chlorobenzene	0.005
Chloroform	0.005
Methyl Chloride	0.005
o-Dichlorobenzene	0.005
m-Dichlorobenzene	0.005
p-Dichlorobenzene	0.005
Dichlorodifluoromethane	0.005
1,1-Dichloroethane	0.005
1,2-Dichloroethane	0.005
1,1-Dichloroethylene	0.005
cis-1,2-Dichloroethylene	0.005
trans-1,2-Dichloroethylene	0.005
cis-1,3-Dichloropropene	0.005
trans-1,3-Dichloropropene	0.005
Ethyl Benzene	0.005
Hexachlorobutadiene	0.005
Hexachloroethane	**
Methylene Chloride	0.005
1,1,2,2-Tetrachloroethane	0.005
Tetrachloroethylene (0.0005)	0.005
Toluene	0.005
1,1,1-Trichloroethane	0.005
1,1,2-Trichloroethane	0.005
Trichloroethylene	0.005
Trichlorofluoromethane	0.005
Vinyl Chloride (0.0004)	0.005
Xylene (Total)	0.005

***standard not available- will be analyzed as T1

Ethylene Dibromide	0.005
--------------------	-------

CONSTITUENT	MG/KG
	<u>8270</u>
Anthracene	0.330
Benzo(b)fluoranthene	0.330
Benzo(k)fluoranthene	0.330
Fluoranthene	0.330
Fluorene	0.330
1-Methylnaphthalene	0.330
2-Methylnaphthalene	0.330
Naphthalene	0.330
Phenanthrene	0.330
Pyrene	0.330
Benzidine	0.330
Hexachlorobenzene	0.330
Pentachlorobenzene	0.330
1,2,4,5-Tetrachlorobenzene	0.330
2,4-Dichlorophenol	0.330
2,4,5-Trichlorophenol	1.650
2,4,6-Trichlorophenol	0.330
Bis(2-chloroethyl) ether	0.330
Bis(2-chloro-1-methylethyl) ether	***
3,3'-Dichlorobenzidine	0.330
2,4-Dinitrotoluene	0.330
Diphenylhydrazine	0.330
Hexachlorocyclopentadiene	0.330
Isophorone	0.330
Nitrobenzene	0.330
o-Nitrophenol	0.330
p-Nitrophenol	0.660
4,6-Dinitro-o-cresol	***
N-Nitrosodi-n-butylamine	0.330
N-Nitrosodiethylamine	***
N-Nitrosodimethylamine	0.330
N-Nitrosodiphenylamine	0.330
N-Nitrosopyrrolidine	***
Pentachlorophenol	0.990
Phenol	0.330
Di-n-butyl phthalate	0.330
Diethyl Phthalate	0.330
Dimethyl Phthalate	0.330
Bis(2-ethylhexyl)phthalate	0.330
Benzo(a)pyrene	0.330

*BaP Recommended by 8270 only for soils

CONSTITUENT

MG/KG
METALS

Aluminum
Barium
Boron
Chromium
Cobalt
Copper
Iron
Manganese
Molybdenum
Nickel
Silver
Zinc

10.0
0.5
10
0.5
0.5
1.0
2.0
1.0
1.0
0.5
0.5
2.0

Arsenic
Cadmium
Lead
Selenium

0.5
0.1
0.3
0.5

Mercury

0.1

Uranium

Cyanide
Chloride
Fluoride
Nitrate
Phenols
Sulfate
TDS
pH

0.25
50.0
4
2.0
0.5
200.0
N/A
N/A

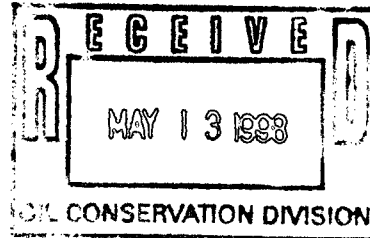
Ra226/Ra228



PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W. MARLAND • P.O. BOX 297 • HOBBS, NM 88241-0297
E-MAIL: bbc@bbcinternational.com

May 8, 1998

Mr. William C. Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505



RE: Grimes Lease/Tasker Road Site Maintenance

Dear Mr. Olson:

On behalf of Shell Petroleum Exploration and Technology Company, BBC International, Inc. submits this report of site activities conducted on the above mentioned sites pursuant to your approval letter of April 23, 1998.

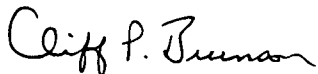
Below is the summary of the activities conducted:

1. **Perry Residence:** The Perry's yard was maintained and cleaned of all previous site sampling debris and new top soil added for future sod replacement. The contaminated soil debris was placed on the lot to the south of the Perry home with the other previous sampling debris to be removed and disposed of later. These activities were conducted on April 27th and April 28th, 1998.
2. **Grimes Battery:** A 6' high chain link fence with a locked gate was installed around the excavated pit for site security. These activities were conducted on April 29th and April 30th, 1998.
3. **Concrete Foundation (Cobb property):** The concrete foundation was removed with a front end loader. No excavation was conducted. Air quality monitoring was conducted at all times using a photo ionization detector (PID) and all results were data-logged (see attached data-logs/graphs). A site safety and air quality plan was submitted to Mr. Wayne Price, Hobbs OCD office, for approval prior to the start of activities (see attached). After approval was given, removal and monitoring activities commenced. Visual observation of the soils beneath and around the foundation were consistent with what was observed in the earlier site sampling. Split samples were taken by Mr. Price and BBC for analysis for volatiles, semi-volatiles, and TPH. After removal of the foundation, the hole was backfilled with clean top soil for seeding of grass, pending remediation. The air monitoring

showed no readings unless the PID was placed right next the contaminated soils. Periodic walk around monitoring was conducted and no significant readings were observed. Occasionally, a small spike would appear, which could be attributed to the heavy machinery's exhaust. This was observed and concurred by Mr. Price. At no time during this procedure was the health of the public impacted. Constant watering of the site was conducted for dust control. Air monitoring of site was conducted the evening of May 6th, per Mr. Price's instructions, to check for any emissions. None were detected (see attached data-logs). A total of 38 cubic yards of clean concrete debris was disposed off at the public land fill. A total of 10 cubic yards of contaminated concrete debris and the previous sampling debris that was scraped from the surface around the foundation was disposed of at the OCD-approved Sundance Services Parabo Facility in Eunice, NM. Final site activity included the tilling in of grass seed. The site will be watered occasionally for dust control and grass growth. All activities were monitored by Mr. Price. These activities were conducted on May 6th, 7th, and 8th, 1998.

If you have any questions, please contact myself or Mr. Wayne Hamilton, Shell E & P Technology Company at (281) 544-2322.

Sincerely,



Cliff P. Brunson, CEI, CRS
President

CPB:mo

cc: Wayne Hamilton-Shell E & P Technology Company
Chris Williams-OCD, Hobbs
Wayne Price-OCD, Hobbs

attachments

American Environmental Network

FAX TRANSMITTAL SHEET

DELIVER TO:

Roger Haderson

PHONE NUMBER: _____

COMPANY:

OCD

FAX NUMBER: _____

NUMBER OF PAGES BEING SENT: 5 (INCLUDING THIS PAGE)

From:

Date:

5/11/98

✓

H. Mitchell Rubenstein, Ph.D., General Manager

Time: _____

Kimberly D. McNeill, Project Manager

Francine J. Torivio, Administrative Assistant

John Caldwell, Sample Control

Christopher Froehlich, QA Coordinator

FAX NUMBER:

(505) 344-4413

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COMMENTS:

Here are the solid detection
limits -

*** means ~~was~~ analyzed
as TIC

TIC = tentatively Id Compd
by computer search

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COMMUNICATION TO ROGER ANDERSON OCD

METHOD

CONSTITUENT

MG/KG

	8081
Aldrin	0.0017
alpha-BHC	0.0017
beta-BHC	0.0017
delta-BHC	0.0017
gamma-BHC	0.0017
Chlordane	0.0017
4,4'-DDT	0.0033
Dieldrin	0.0033
Endosulfan I	0.0017
Endosulfan II	0.0033
Endosulfan Sulfate	0.0033
Endrin	0.0033
Heptachlor	0.0017
Toxaphene	0.0092
PCB's	0.033

CONSTITUENT	MG/KG
	<u>8260</u>
Acetone	0.005
Acrylonitrile	**
Acrolein	**
Benzene	0.005
Bis (chloromethyl ether)	**
Bromodichloromethane	0.005
Bromoform	0.005
Methyl Bromide	0.005
Carbon Tetrachloride	0.005
Chlorobenzene	0.005
Chloroform	0.005
Methyl Chloride	0.005
o-Dichlorobenzene	0.005
m-Dichlorobenzene	0.005
p-Dichlorobenzene	0.005
Dichlorodifluoromethane	0.005
1,1-Dichloroethane	0.005
1,2-Dichloroethane	0.005
1,1-Dichloroethylene	0.005
cis-1,2-Dichloroethylene	0.005
trans-1,2-Dichloroethylene	0.005
cis-1,3-Dichloropropene	0.005
trans-1,3--Dichloropropene	0.005
Ethyl Benzene	0.005
Hexachlorobutadiene	0.005
Hexachloroethane	**
Methylene Chloride	0.005
1,1,2,2-Tetrachloroethane	0.005
Tetrachloroethylene (0.0005)	0.005
Toluene	0.005
1,1,1-Trichloroethane	0.005
1,1,2-Trichloroethane	0.005
Trichloroethylene	0.005
Trichlorofluoromethane	0.005
Vinyl Chloride (0.0004)	0.005
Xylene (Total)	0.005

***standard not available- will be analyzed as T1

Ethylene Dibromide 0.005

CONSTITUENT	MG/KG
	8270
Anthracene	0.330
Benzo(b)fluoranthene	0.330
Benzo(k)fluoranthene	0.330
Fluoranthene	0.330
Fluorene	0.330
1-Methylnaphthalene	0.330
2-Methylnaphthalene	0.330
Naphthalene	0.330
Phenanthrene	0.330
Pyrene	0.330
Benzidine	0.330
Hexachlorobenzene	0.330
Pentachlorobenzene	0.330
1,2,4,5-Tetrachlorobenzene	0.330
2,4-Dichlorophenol	0.330
2,4,5-Trichlorophenol	1.650
2,4,6-Trichlorophenol	0.330
Bis(2-chloroethyl) ether	0.330
Bis(2-chloro-1-methylethyl) ether	***
3,3'-Dichlorobenzidine	0.330
2,4-Dinitrotoluene	0.330
Diphenylhydrazine	0.330
Hexachlorocyclopentadiene	0.330
Isophorone	0.330
Nitrobenzene	0.330
o-Nitrophenol	0.330
p-Nitrophenol	0.660
4,6-Dinitro-o-cresol	***
N-Nitrosodi-n-butylamine	0.330
N-Nitrosodiethylamine	***
N-Nitrosodimethylamine	0.330
N-Nitrosodiphenylamine	0.330
N-Nitrosopyrrolidine	***
Pentachlorophenol	0.990
Phenol	0.330
Di-n-butyl phthalate	0.330
Diethyl Phthalate	0.330
Dimethyl Phthalate	0.330
Bis(2-ethylhexyl)phthalate	0.330
Benzo(a)pyrene	0.330

*BaP Recommended by 8270 only for soils

CONSTITUENT

MG/KG
METALS

Aluminum	10.0
Barium	0.5
Boron	10
Chromium	0.5
Cobalt	0.5
Copper	1.0
Iron	2.0
Manganese	1.0
Molybdenum	1.0
Nickel	0.5
Silver	0.5
Zinc	2.0

Arsenic	0.5
Cadmium	0.1
Lead	0.3
Selenium	0.5

Mercury	0.1
---------	-----

Uranium

Cyanide	0.25
Chloride	50.0
Fluoride	4
Nitrate	2.0
Phenols	0.5
Sulfate	200.0
TDS	N/A
pH	N/A

Ra226/Ra228

Olson, William

From: Price, Wayne
Sent: Wednesday, May 06, 1998 9:21 AM
To: Bill Olson; Roger Anderson
Cc: Chris Williams
Subject: Shell Westgate Concrete foundation removal.

Dear Roger & Bill:

Please note yesterday at 4:15 pm Cliff Brunson with BBC called to notify me that they were going to remove the concert foundations next to the Perry house. BBC indicated this has been approved by NMOCD SF letter dated April 23, 1998 Olson-Hamilton.

7:30 am Today I requested from Cliff Brunson information concerning on-site safety and air monitoring. Mr. Brunson indicated they do not have any written plan.

I recommended to BBC to put together a written plan to include action limits & emergency plans on how they were going to protect the public before starting work. I ask them to call me when they get ready to start work. Mr. Brunson Indicated he would.

cc: Cliff Brunson-BBC
Wayne Hamilton-Shell



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I Hobbs
PO BOX 1980
Hobbs, NM 88241-1981
(505) 393-6161

Jennifer A. Salisbury
CABINET SECRETARY

NMOCD INTER-OFFICE CORRESPONDENCE

TO: Shell-Westgate File
From: Wayne Price-Environmental Engineer
Date: May 06, 1998
Reference: Foundation Removal at 1329 Tasker St.
Subject: Site Inspection & Air Monitoring

RECEIVED

MAY 21 1998

Environmental Bureau
Oil Conservation Division

Comments:

Witness foundation removal and performed limited air monitoring with PID.

Collected samples of "Hot Spot" found near the NE corner of foundation area. Ran field PID headspace on sample, reading was noted at 835 ppm, moderate to strong aromatic hydrocarbon olfactory smell noted. Sample was a vary tar like substance pliable. Took Photos.

Performed spot checks on air monitoring. Wind blowing from SSW to West at 15-25 mph temp 88 deg F. 11% Hum. Party Cloudy.

The following Maximum readings were noted between 2 pm-5pm.

- ** West of project .5 ppm
 - ** Close proximately (within 10 feet) to exposed contaminated soil 13 ppm (Slight odor).
 - ** Near SE Corner of Perry's house 1.1 ppm.
 - ** Across Tasker St downwind of site 1.8 ppm. No noticeable odor.
- None of the above readings were sustained at these levels.

W. Price(NMOCD) & Cliff Brunson (BBC) made area house calls checked with Mrs. Perry (1330 Tasker) and Scott Mckee (1326) neither party indicated they smelled anything during excavation & reported no complaints.

NMOCD did receive a complaint from the area residence citizen group committee member Mr. Jose Jaques. Mr. Jaques complained about the smell when he drove by about 2:30-3 pm and again at about 3:30pm.

NMOCD gave BBC permission to work after 4pm in order to complete foundation removal and since contamination was found so it could be covered thus reducing any possible exposure to area residences. Instructed BBC to spot check & monitor air quality that night. NMOCD monitored the site between 8:30 pm-10:20 pm. There was a very slight hydrocarbon odor next to the site but the PID recorded a non-detect.

cc: Chris Williams-NMOCD District I Supervisor
Bill Olson-Environmental Bureau, Santa Fe, NM

attachments- Photos & Sampling Chain-of-Custody



NMOCID: ID#. 046787 By: W Price #1-7
Date/Time: May 06, 1998 3 pm
Site/Co. Shell-Westgate
Location: Tasker St. 1329
Subject: Foundation removal. Looking
NNW. Found Black tar substance.



NMOCD: ID#. 046787 By: W Price #6-7
Date/Time: May 06, 1998 3 pm
Site/Co. Shell-Westgate
Location: Tasker St. 1329
Subject: Foundation removal. Looking
SE. Found Black tar substance.

SHADED AREAS ARE FOR LAB USE ONLY.

PLEASE FILL THIS FORM IN COMPLETELY.

PROJECT INFORMATION				ANALYSIS REQUEST			
PROJECT MANAGER: COMPANY: <u>AMOC D</u> ADDRESS: <u>P.O. 1780</u> <u>HOBBS NM 88241</u> PHONE: <u>505-393-6161</u> FAX: _____ BILL TO: <u>AMOC D - SAB</u> COMPANY: <u>ATZ DRYCLE PRICE</u> ADDRESS: _____				ANALYSIS REQUEST Petroleum Hydrocarbons (418.1) TRPH (MOD.8015) Diesel/Direct/Inject (M8015) Gas/Purge & Trap Gasoline/BTEX & MTBE (M8015/8020) BTXE/MTBE (8020) BTEX & Chlorinated Aromatics (602/8020) BTEX/MTBE/EDC & EDB (8020/8010/Short) Chlorinated Hydrocarbons (601/8010) 504 EDB <input type="checkbox"/> / DBCP <input type="checkbox"/> Polynuclear Aromatics (610/8310) Volatile Organics (624/8240) GC/MS Volatile Organics (8260) GC/MS Pesticides/PCB (608/8080) Herbicides (615/8150) Base/Neutral/Acid Compounds GC/MS (625/8270) General Chemistry: Priority Pollutant Metals (13) Target Analyte List Metals (23) RCRA Metals (8) RCRA Metals by TCLP (Method 1311) Metals: <u>TOTAL (AMOC D)</u>			
SAMPLE ID <u>9805061520</u> DATE <u>5/4/98</u> TIME <u>3:29 PM</u> MATRIX <u>*</u> LAB I.D. _____				RELINQUISHED BY: 1. Signature: <u>[Signature]</u> Time: <u>10:00 AM</u> Printed Name: <u>ATZ DRYCLE PRICE</u> Date: <u>5/4/98</u> Company: <u>AMOC D</u>			
PRIOR AUTHORIZATION IS REQUIRED FOR RUSH PROJECTS (RUSH) <input type="checkbox"/> 24hr <input type="checkbox"/> 48hr <input type="checkbox"/> 72hr <input type="checkbox"/> 1 WEEK (NORMAL) <input checked="" type="checkbox"/> CERTIFICATION REQUIRED: <input type="checkbox"/> NM <input type="checkbox"/> SDWA <input type="checkbox"/> OTHER METHANOL PRESERVATION <input type="checkbox"/>				RELINQUISHED BY: 2. Signature: _____ Time: _____ Printed Name: _____ Date: _____ Company: _____			
COMMENTS: <u>FIXED FEE</u> <input type="checkbox"/> <u>* MATRIX - SOIL / THE SUBSTANCE</u> <u>2-202 TMS STOPPED ON ICE.</u> <u>SAMPLE COLLECTED 2 3' DEEP UNDER</u> <u>FOUNDATIONS AT 1329 TRASK ST.</u> <u>SEE FIELD LOG & PICTURES.</u>				RECEIVED BY: 1. Signature: _____ Time: _____ Printed Name: _____ Date: _____ Company: _____			
RECEIVED BY: 2. Signature: _____ Time: _____ Printed Name: _____ Date: _____ Company: <u>American Environmental Network (NM), Inc.</u>				RECEIVED BY: (LAB) 2. Signature: _____ Time: _____ Printed Name: _____ Date: _____ Company: _____			



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 1, 1998

CERTIFIED MAIL

RETURN RECEIPT NO. Z-235-437-265

Mr. Wayne A. Hamilton
Shell E&P Technology Company
P.O. Box 481
Houston, Texas 77001-0481

**RE: STAGE 1 ABATEMENT WORK PLAN
GRIMES LEASE
HOBBS, NEW MEXICO**

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed Shell E&P Technology Company's (SHELL) April 1998 "GRIMES BATTERY AND TASKER ROAD STAGE 1 ABATEMENT WORK PLAN" and April 28, 1998 "GRIMES BATTERY, TASKER ROAD, HOBBS, NM, STAGE 1 ABATEMENT WORK PLAN ADDENDUM". These documents contain SHELL's Stage 1 Abatement Plan Proposal for investigating the magnitude and extent of contamination related to a former unlined pit located in the Westgate residential subdivision at 1329 Tasker Road Hobbs, New Mexico and a former unlined pit at the adjacent Grimes Tank Battery.

Upon a review of the above referenced documents, the OCD has the following comments and requirements:

A. Westgate Subdivision

As you are aware a number of residents in the Westgate Subdivision have complained of adverse health effects as a result of oil field activities on the Grimes Lease. In order to effectively evaluate potential health threats to residents of the subdivision from the Grimes Lease, the OCD requires that the Stage 1 Abatement Plan Proposal include:

1. A map showing all oil and gas lease holders within 1 mile of the Grimes Tank Battery.
2. A map showing the location of all existing and plugged and abandoned oil and gas wells within 1 mile of the Grimes Tank Battery.
3. All available aerial photographs of the Grimes Lease spanning the time period during which the lease has been operable.
4. A plan for conducting an area wide soil gas survey of the subdivision.

A. Grimes Battery Pit

1. The investigation of the area north of the tank battery needs to include investigation of the dense hydrocarbon layer in the soil approximately 1 foot below the surface within the backyard of the Casey residence. The OCD observed this contamination area during an April 8, 1998 site inspection. Please provide a plan for investigation of this area.
2. The plan recommends investigating the area north of the tank battery where the OCD observed stained soils and paraffins on the ground surface. However, the plan does not specify the proposed soil intervals from which samples will be taken. Please provide this information.
3. The borehole pit sampling needs to include sampling of soils 2-3 feet below the surface of the excavated area in order to assess the final contaminant concentrations remaining in the base of the excavation. In addition, the 2-3 foot borehole soil samples needs to include analysis for all of the compounds listed in the New Mexico Water Quality Control Commission (WQCC) standards of sections 1101 and 3103, NMAC 6.2. Please provide a commitment to perform this sampling.
4. The OCD requires that total petroleum hydrocarbons (TPH) in soils from the boreholes be analyzed using EPA method 418.1 to get a conservative quantification of TPH in soil. Please provide a commitment to perform this sampling.
5. All boreholes need to be plugged from total depth to the surface with a cement grout containing 3-5% bentonite.
6. The plan defers installation of source area monitor wells until the remedial design phase of the project. The OCD requires that source area wells be installed during Stage 1 investigations. Please provide a plan for installation of source area monitor wells.
7. The OCD requires that 2 additional ground water monitoring wells be installed in the locations shown on Figure 4 (attached) to determine the extent of ground water contamination. Please provide a commitment to install these wells.
8. The plan does not contain the proposed monitor well construction details. Please provide this information.

B. Tasker Road Pit

1. In order to adequately determine the lateral and vertical extent of soil contamination from the pit, the borehole and monitor well soil sampling plan needs to include sampling of soils from the 2-3 foot and 5 foot interval below the surface in addition to the sample intervals proposed. Please provide a commitment to perform this sampling.

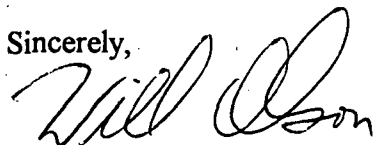
Mr. Wayne A. Hamilton
May 1, 1998
Page 3

2. The OCD requires that the pit monitor well be installed at the location of former soil sample location SS-2.
3. The OCD requires that an additional borehole be drilled at the location shown on Figure 5 (attached) in order to fully characterise the vertical extent of contamination in the pit.
4. The OCD believes that trenching is not an appropriate method for sampling volatile organics in soils at the proposed sampling locations adjacent to the Perry residence. In addition, the OCD requires that samples from each of these 3 locations also include soil samples from the 5 and 10 foot depth intervals. Please provide an alternate method for insitu sampling of soils from these locations and a commitment to collect the additional soil samples.
5. The OCD requires that the soil sample locations for determining background metals concentrations in soils be located upgradient of both the Grimes Tank Battery and the Tasker Road pit. Please provide an alternate location for determining background soil metals concentrations.
6. The OCD requires that Shell provide a site health and safety plan for the activities to be conducted in association with the Tasker Road Pit, the Grimes Tank Battery Pit and the Westgate Subdivision.

The OCD requires that SHELL submit a 2nd draft of the Stage 1 abatement plan proposal which incorporates the above requirements. The 2nd draft will be submitted to the OCD Santa Fe Office by May 18, 1998 with a copy provided to the OCD Hobbs District Office.

If you have any questions, please contact me at (505) 827-7154.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

xc: Jennifer A. Salisbury, Secretary, NM Energy, Minerals and Natural Resources Department
Lori Wrotenbery, Director, OCD
Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision

Z 235 437 265

US Postal Service

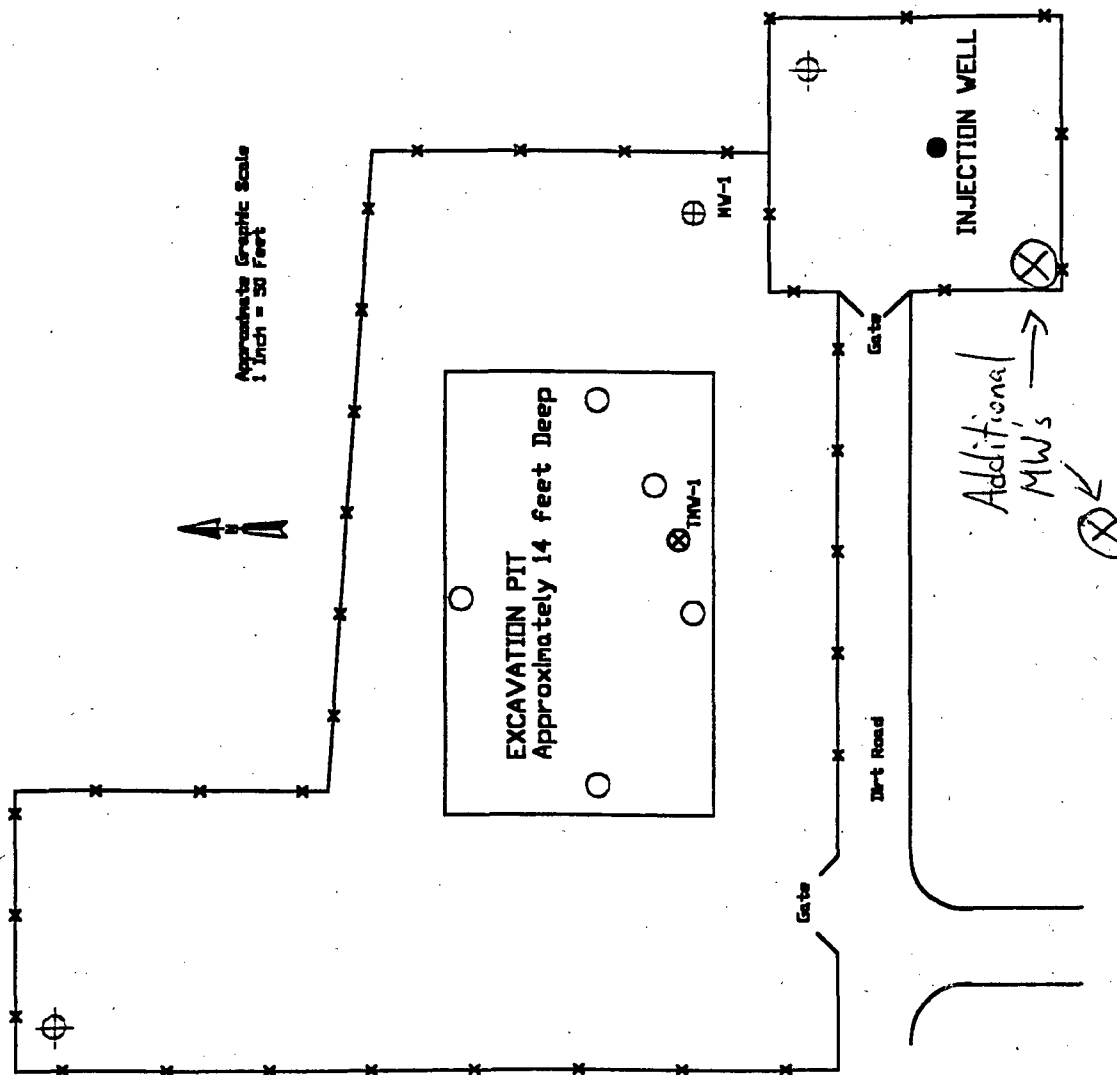
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PS Form 3800, April 1995

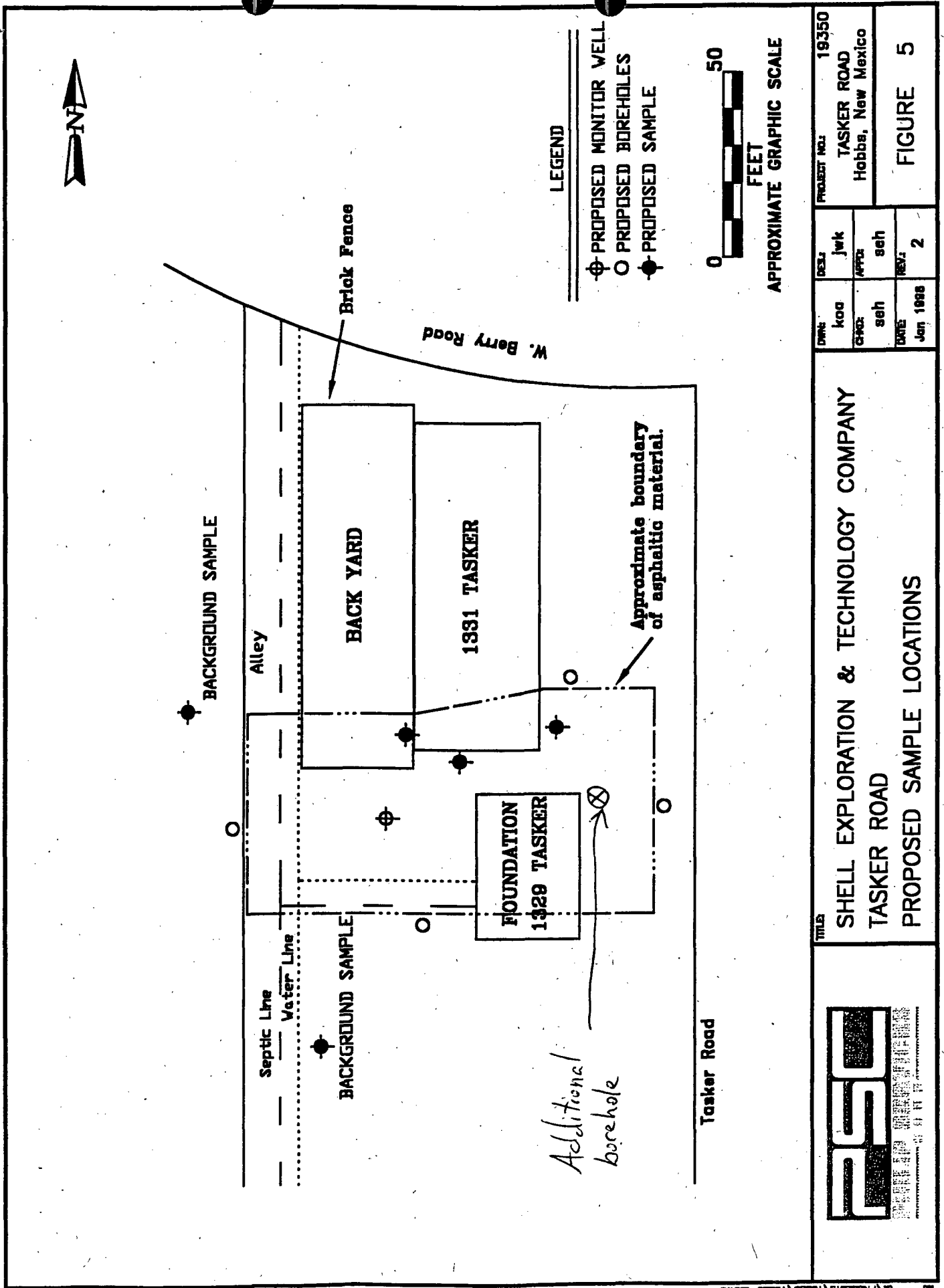


⊕ PROPOSED MONITOR WELLS
 ○ PROPOSED BOREHOLES

SHELL EXPLORATION & TECHNOLOGY COMPANY
 GRIMES BATTERY
 Proposed Monitor Well & Borehole Locations

DWG	DES	PROJECT NO:	19350
CHG	seh	TASKER ROAD	
DATE	APR 02	Hobbs, NM	
DATE	REL	FIGURE:	4
Mar. 1998	5		







INDUSTRIAL SERVICES
GROUP

Central Region

April 28, 1998

Mr. Roger C. Anderson
Environmental Bureau Chief
New Mexico Oil Conservation Division
2040 S. Pachecho
Santa Fe, New Mexico 87505

Dear Mr. Anderson,

As requested in your letter to Mr. Wayne Hamilton, Shell Exploration and Production Technology Company, attached is the November 1997 Grimes Battery pit sample analysis. Apparently this data was not included in your copy of *Grimes Battery Site Assessment Report*, Appendix II. I apologize for any inconvenience this missing information may have caused.

Sincerely,

PHILIP SERVICES CORPORATION

Sharon E. Hall
Sharon E. Hall
Operations Manager



APPENDIX I
LABORATORY ANALYSIS

**ARDINAL**
LABORATORIES

PHONE (815) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SHELL OIL CO.
ATTN: DONNIE ANDERSON
1017 W. STANOLIND
HOBBS, NM 88240
FAX TO: 505-397-8204

Receiving Date: 11/17/97
Modified Reporting Date: 11/25/97
Reporting Date: 11/19/97
Project Number: NOT GIVEN
Project Name: TASKER SITE
Project Location: EAST OF GRIMES BATTERY
Laboratory No.: H3320-1
Sample ID: COMPOSITE OF #1, 2, 3, 4, 5

Analysis Date: 11/19/97
Sampling Date: 11/17/97
Sample Type: SOIL & WASTE
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: BC

MODIFIED REPORT**Compounds Detected (GC/MS Scan)**

n-Alkanes, C13 through C40, maximum @ n-Pentacosane (C25) (Total n-Alkanes=92.2mg/Kg);
2,6,10,14-Tetramethylpentadecane (7.4mg/Kg) and 2,6,10,14-Tetramethylheptadecane (10.9mg/Kg);
Numerous branched alkanes and cyclic hydrocarbons (unresolved mixture) (4122mg/Kg);
Naphthalene (0.7mg/Kg), 1- and 2-Methylnaphthalene (2.1mg/Kg).

Methods: SW-846 8270 and 8015 modified

NOTE: Sample has chromatographic characteristics of weathered oil.


Chemist

11/25/97
Date



ARDINAL LABORATORIES

PHONE (916) 873-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SHELL OIL COMPANY
ATTN: DONNIE ANDERSON
1017 W. STANOLIND
HOBBS, NM. 88240
FAX TO: 505-397-8204

Receiving Date: 11/17/97
Reporting Date: 11/18/97
Project Number: NOT GIVEN
Project Name: TASKER SITE
Project Location: EAST OF GRIMES BATTERY

Sampling Date: 11/17/97
Sample Type: SOIL
Sample Condition: INTACT & COOL
Sample Received By: GP
Analyzed By: GP

LAB NO.	SAMPLE ID	BENZENE (mg/Kg)	TOLUENE (mg/Kg)	ETHYL BENZENE (mg/Kg)	TOTAL XYLENES (mg/Kg)
ANALYSIS DATE		11/17/97	11/17/97	11/17/97	11/17/97
H3320-1	COMPOSITE OF 5 SAMPLES	<0.002	<0.002	<0.002	0.017
Quality Control		101	99	91	306
True Value QC		100	100	100	300
% Recovery		101	99	91	102
Relative Percent Difference		0.8	2.6	9.4	5.4

METHOD: EPA SW 846-8021B, 5030, 5021 Gas Chromatography

Say W. P. Stein
Chemist

11/18/97
Date

**CARDINAL
LABORATORIES**

PHONE (815) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SHELL OIL COMPANY
ATTN: DONNIE ANDERSON
1017 W. STANOLIND
HOBBS, NM. 88240
FAX TO: 505-397-8204

Receiving Date: 11/17/97
Reporting Date: 11/18/97
Project Number: NOT GIVEN
Project Name: TASKER SITE
Project Location: EAST OF GRIMES BATTERY

Analysis Date: 11/17/97
Sampling Date: 11/17/97
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/Kg)
H3320-1	COMPOSITE OF 5 SAMPLES	128
Quality Control		480
True Value QC		500
% Accuracy		96
Relative Percent Difference		4
METHOD: STANDARD METHODS 4500 Cl B		325.3


Gayle A. Potter, Chemist

11/19/97
Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims must be made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



ARDINAL LABORATORIES

PHONE (815) 873-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2328 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
SHELL OIL COMPANY
ATTN: DONNIE ANDERSON
1017 W. STANOLIND
HOBBS, NM. 88240
FAX TO: 505-397-8204

Receiving Date: 11/17/97
Reporting Date: 11/21/97
Project Number: NOT GIVEN
Project Name: TASKER SITE
Project Location: EAST OF GRIMES BATTERY

Sampling Date: 11/17/97
Sample Type: SOIL
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: GP

TCLP METALS

LAB NO.	SAMPLE ID	As ppm	Ag ppm	Ba ppm	Cd ppm	Cr ppm	Pb ppm	Hg ppm	Se ppm
---------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------

ANALYSIS DATE:	11/20/97	11/20/97	11/20/97	11/20/97	11/20/97	11/20/97	11/21/97	11/20/97
EPA LIMITS:	5	5	100	1	5	5	0.2	1
H3320-1 COMPOSITE OF 5 SAMPLES	<1.0	<1.0	<5.0	<0.1	<1.0	<1.0	<0.02	<0.1
Quality Control	0.085	5.02	9.9	1.010	1.00	5.03	0.0101	0.108
True Value QC	0.100	5.00	10.0	1.000	1.00	5.00	0.0100	0.100
% Recovery	95	101	99	101	100	101	101	108
Relative Standard Deviation	3.9	0.4	1.8	0.5	1.1	0.7	3.7	6.4

METHODS: EPA 1311, 600/4-9	206.2	272.1	208.1	213.1	218.1	239.1	245.1	270.2
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Gayle A. Potter
Gayle A. Potter, Chemist

11/21/97
Date

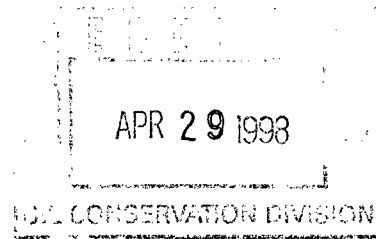
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PHONE (505) 397-6388 • FAX (505) 397-0397 • 1324 W. MARLAND • P.O. BOX 297 • HOBBS, NM 88241-0297
E-MAIL: bbc@bbcinternational.com

April 28, 1998

Mr. William C. Olson
New Mexico Oil Conservation Division
Environmental Bureau
2040 S. Pachecho
Santa Fe, New Mexico 87505



Subject: Grimes Battery, Tasker Road, Hobbs, NM, Stage 1 Abatement Work Plan
Addendum

Dear Mr. Olson:

On behalf of Shell E & P Technology Company (SEPTCo), BBC International, Inc. (BBC) submits an Addendum to the April 24, 1998, Stage 1 Abatement Work Plan.

The purpose of the addendum is to provide a Phase II assessment work plan for the remaining Los Cuatro, Inc. property.

If you have any questions, please call Wayne Hamilton (SEPTCo) at 281-544-2322 or Cliff Brunson (BBC) at 505-397-6388.

Sincerely,

BBC International, Inc.

Cliff P. Brunson
President

cc: Wayne Hamilton, SEPTCo
Chris Williams, NMOCD-Hobbs

Shell

submits

test plan

Samples to test
for contamination

STARLA JONES
HOBBS NEWS-SUN

Complying with a Friday deadline, Shell Oil Co. submitted a plan to the state last week to test for further contaminants in a west Hobbs neighborhood.

The "Stage 1 Abatement Workplan" delivered to the Oil Conservation Division's Santa Fe office Friday morning outlines a proposal to drill more bore holes and monitor wells to test for further water contamination in the Westgate Subdivision.

The action comes after the smell of excessive odors on Tasker and Cobb streets in West Hobbs last year led to OCD's discovery of oilfield contamination at two locations.

Shell has already excavated 4,259 cubic yards of soil from an oilfield tank battery site that was in operation from 1945 until 1993. Groundwater contamination was also discovered at the location just south of Cobb Street near an occupied house.

About 100 yards away, workers found an asphalt-like layer 1 to 2 feet beneath the surface while constructing a modular-home subdivision along Tasker.

A home less than 80 feet away also was found to have contaminated soil in both the back and front yards, OCD officials said.

Under Shell's workplan, four boreholes will be drilled at the Tasker site with samples taken at 5-foot intervals.

"Soil samples will be screened for volatile organic compounds and sampling will continue until no (photoionization) readings, staining and odor are observed, according to the Shell proposal.

In addition, the extent of hydrocarbon materials "will be sampled using an atomic fluorescence and excavating

News-Sun

Sunday

April 26, 1998

Test plan

from PAGE 1

of the occupied residence as practicable." A monitor well will also be installed in the Tasker area to test groundwater.

In the meantime, five boreholes will be drilled in the excavated pit near Cobb Street with samples again taken at 5-foot intervals until no readings or smells are noted, Shell said. An additional four wells will be installed to detail the path of groundwater contamination while a backhoe or other equipment will screen a field north of the tank battery site for "naturally occurring radioactive material ..."

The testing will take a minimum of 10 days working from 8 a.m. until 5 p.m. Monday through Friday, Shell said. Results of the tests and recommendations for the sites will then be submitted to OCD within 60 days as part of the Stage 2 Abatement Workplan.

Shell Company officials are scheduled to discuss Stage 1 with OCD personnel in Santa Fe next Friday, according to Shell Public Affairs Representative Rich Hansen, who said it's still the company's plan to excavate contaminated dirt from the area.

The public can request a hearing on the abatement plan, something Hansen said is likely judging from the turnout of more than 100 residents at a April 8 meeting where concerns regarding health problems in the neighborhood were aired.

During a sometimes-heated meeting that night at New Mexico Junior College, several people complained that rates of lupus and cancer are above normal in the area, an issue that will be addressed when the Public Department of Health conducts a door-to-door health survey tentatively scheduled to begin May 7.

"It appears to me that there's probably a pretty good chance that somebody will ask for a public hearing on it," Hansen said of the proposal, which can be obtained at the Hobbs OCD office. "There are rules and regulations on how things are supposed to be done. You want to make sure it's done right the first time."

Meanwhile, Shell has contacted city officials about the possibility of locating a park, baseball field or other recreational area along Tasker once the cleanup is complete.

"We would like to see a green area out there for the benefit of the entire community," Sam Cobb said on Friday. "We don't have any predetermined ideas of what to do out there ... If that entails soccer fields, baseball fields, a walk area or whatever. We're basically providing funds for design and construction."

Cobb is a partner in Monumental Develop Co., the business that was developing the 20-home modular home subdivision when the contamination was discovered. Los Cuatro, a company in which his father has a financial interest, would be paid a lease fee during the remediation period, then would deed the land to the city, Cobb said.

But remediation is the first priority, Shell officials say.

"I think you've got to do first things first," Hansen said on Friday from his Houston office. "The first thing Shell has to do is clean up what it's left behind from its oilfield

operations. Until it's cleaned up, all the rest is sort of academic. ... The safety of our employees and the people in the community and the quality in the environment is our priority right now."

Date	7671
Post-it Fax Note	To Sharon Hall
From	Walter Hamilton
Co.	
Phone #	
Fax #	915-863-9526



FAX TRANSMISSION

BBC INTERNATIONAL, INC.
World-Wide Environmental Specialists
P. O. Box 297
1324 W. Marland Blvd.
Hobbs, New Mexico 88241
505-397-6388
Fax: 505-397-0397
E-Mail: bbc@bbcinternational.com

To: Bill Olson **Date:** April 24, 1998
Company: Oil Conservation Division **Pages:** 2, including this cover sheet.
Fax #: 1-505-827-8177
From: Cliff P. Brunson, CEI, CRS
Subject: Grimes Bat./Tasker Street

COMMENTS:

Dear Mr. Olson:

Please find a copy of a fax to the Hobbs office concerning the activities scheduled for the Grimes/Tasker site.

Regards,

Cliff P. Brunson
President



FAX TRANSMISSION

BBC INTERNATIONAL, INC.
World-Wide Environmental Specialists
P. O. Box 297
1324 W. Marland Blvd.
Hobbs, New Mexico 88241
505-397-6388
Fax: 505-397-0397
E-Mail: bbc@bbccinternational.com

To: Chris William/Wayne Price **Date:** April 24, 1998
Company: OCD-Hobbs **Pages:** 2, including this cover sheet.
Fax #: 393-0720
From: Cliff P. Brunson, CEI, CRS
Subject: Grimes Bat./Tasker Street-Shell

COMMENTS:

Dear Mr. Williams and Mr. Price:

The following is the neighborhood flyer that Shell has created and has been approved by Roger Anderson and Bill Olson for distribution. We will be starting to pass this out among the neighborhood around 10:00 a.m. Monday morning, the 27th.

The clean up and yard maintenance of the Perry's home will begin on Monday, April 27th. The removal of the concrete foundation immediately south of the Perry home should commence on Tuesday, April 28th. It is anticipated to start the construction of the fence around the Grimes Battery pit site on Wednesday, April 29th. After the removal of the concrete foundation the scraping and raking of the lot will be done with the top soil and seeding activities afterwards. All activities will be performed according to the letter to Shell from Bill Olson dated April 23rd.

Everything on this schedule is tentative except for the Perry home clean up and maintenance. We will confirm to you on Monday of the final schedule. Thank you. If you have any questions, please do not hesitate to contact me.

Sincerely,


Cliff P. Brunson

President

cc: Bill Olson-OCD; Wayne Hamilton-Shell E & P

HOBBS, NEW MEXICO HOUSTON, TEXAS KUWAIT CITY, KUWAIT CALGARY, ALBERTA FORT HARCOURT & WARRI, NIGERIA



FAX TRANSMISSION

BBC INTERNATIONAL, INC.
World-Wide Environmental Specialists
P. O. Box 297
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Hobbs, New Mexico 88241
505-397-6388
Fax: 505-397-0397
E-Mail: bbc@bbcinternational.com

To: Bill Olson **Date:** April 24, 1998
Company: Oil Conservation Division **Pages:** 2, including this cover sheet.
Fax #: 1-505-827-8177
From: Cliff P. Brunson, CEI, CRS
Subject: Grimes Bat./Tasker Street Hobbs

COMMENTS:

Bill,

The following is the flyer that Wayne had read to you. We will be starting to pass this out among the neighborhood around 10:00 a.m. Monday morning, the 27th.

Enjoyed the visit this morning and thank you for faxing me your letter to Wayne. We will inform Chris and Wayne here of all activities beforehand.

Any questions, give me a call. Look forward to seeing you on Friday, May 1.

Regards,

Cliff



Because We Want You to Know

- **Shell operated the Grimes Lease** (North and West of Sanger and Tasker Streets) as part of the North Hobbs Unit for over 50 years.
- **Oil Field Products** have been found at the site of Shell's former Grimes Tank Battery and along Tasker Street.
- **Shell will correct the problem.** Shell is working closely with the New Mexico Oil Conservation Division (OCD) to develop a cleanup plan for these two properties. Shell will clean up the properties in line with OCD standards.
- **Shell will make several immediate temporary steps to improve the safety and appearance of the area.**

Shell will build a six-foot high chain link fence around the Grimes Battery excavation site with a locked gate to improve the safety of the location.

Shell will clean up Roland and Virginia Perry's front and back yards where soil, rocks and asphalt have been left from the earlier soil sampling on the Perry property. We will fill in the disturbed areas with clean top soil and plant sod.

Shell will remove Monument Development's concrete foundation just south of the Perry property. We will rake this property to clean up the soil, rocks and asphalt left from taking soil samples. We will temporarily fill the area with clean topsoil, level it, seed and water the area to provide a grass cover

- **These are temporary visual improvements** but are not intended to be permanent solutions. Shell is committed to working with the New Mexico OCD to follow their cleanup guidelines for these two sited.
- **Thank you for your patience.** For more information on Shell's cleanup plans, please call toll free (800) 489-8109.



**Shell Oil Company
200 North Dairy Ashford
Houston, TX 77079**

April 27, 1998



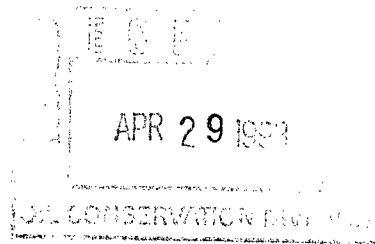
J. ALEX VALDEZ
SECRETARY

LARRY A. MARTINEZ
DEPUTY SECRETARY

PAT CLEAVELAND
DEPUTY SECRETARY

WILLIAM H. WIESE, MD, MPH
DIVISION DIRECTOR

April 24, 1998



Roger Anderson, Chief
Environmental Bureau
Oil Conservation Division
Energy, Minerals and Natural Resources Division
2040 S. Pacheco
Santa Fe, NM 87505


This letter is being written concerning the Westgate neighborhood in Hobbs, New Mexico which is currently being investigated for contamination and its potential health effects on the citizens. A work group established to further define the potential health risks in the community is quite concerned about safety hazards presented by the open pit at the former site of the Grimes Tank Battery. At this time there are reportedly numerous children who are playing in this area which potentially places them at risk from injury as well as the at this time unknown environmental contamination that could occur. In addition, there are potential injury hazards from exposed trenches, open foundations at the unfinished building site adjacent to the Perry residence, and by a pile of dirt behind a recently completed modular home near the Perry residence.

The Department of Health strongly recommends that these hazards be minimized. The secure fencing of the Grimes Tank Battery area should be done as quickly as possible to minimize the above health risks. At the present time, the barbed wire does not secure the area and is easily passed through by the children in the neighborhood. The other areas in question that pose a risk to personal injury of the residents in the area should also be addressed as quickly as possible.

We are contacting your agency because of its knowledge of the situation and with the detailed information and understanding of who is responsible for this type of remediation. Thank you for your consideration to this matter and please do not hesitate to contact us if we can be of any additional assistance.

Sincerely,

Evan Nelson MD (505) 627-6960
District Health Officer

Randy Merker MS (505) 827-3709 
Environmental Health Specialist - Epidemiology

PUBLIC HEALTH DIVISION
DISTRICT IV
2909 W. 2ND STREET, SUITE A
ROSWELL, NEW MEXICO 88201
(505) 627-8277
FAX: (505) 627-7445



Thursday

April 23, 1998

HOBBBS
NEWS-Sun

Health survey planned where contamination found

STARJONES
HOBBBS NEWS-SUN

Public Health Department officials have made tentative plans to conduct a door-to-door health survey in a Hobbs neighborhood where contaminated soil and water were discovered last winter.

The discovery halted construction of a modular-home subdivision and fueled concerns about what residents say is an unusually high incidence of lupus, cancer and upper-respiratory infections.

"The survey would give us a better idea of the health concerns within the community," said Dr. Evan Nelson, public health officer for this district. "This is kind of a preliminary survey to focus additional resources and effort."

Plans for the survey — tentatively scheduled for May 7-9 — were made during a Tuesday meeting between neighborhood residents, city and state officials.

The meeting was closed to the media at the request of residents, according to

Randy Merker, a state epidemiologist who said he was disappointed that only six residents showed up.

"There were fewer people there than we had hoped," Merker said on Wednesday. Although the 2 p.m. meeting time barred some people from attending because of work schedules, others were advised by their lawyers not to attend, according to Merker.

"Some people probably didn't not come as a result of that advice," Merker said. "It's something I need to look into, to call the attorney to see if he won't cooperate in completing this survey."

For the survey, Merker has drafted questions that not only ask what health problems residents have, but also how to get in touch with people who have moved from the neighborhood.

Contamination was discovered in the Westgate subdivision last year at two sites: a modular-home housing development on Tasker and a former tank battery

site 100 yards away near Cobb Street. In addition, water table contamination was discovered about 60 feet below the tank battery site, prompting City of Hobbs Water Department personnel to be present at Tuesday's meeting.

During an April 8 public meeting attended by more than 100 neighborhood residents, several voiced complaints that the area is plagued by high cancer and lupus rates.

The health survey will address those allegations and be administered in homes by specially-trained Public Health Department workers, according to Merker.

Other questions to be answered include whether homeowners have identified any environmental concerns on their property or in their neighborhood.

But the question of who and how many residents will be surveyed still remains. "The only number I have heard is about

Please see SURVEY, Page 7

to appropriate sources. And officials will address the question of air quality by arranging testing through the Environmental Department.

"I do think that whatever it is they come up with, it'll take a while to get in place and probably will be a longer-term survey," Merker said. "(Air quality) in their homes isn't always the same. Some days it smells worse than other days. They were concerned in checking it once, it might be a day that we check it and it doesn't smell."

In addition, the health department said it will take steps to insure the tank battery area is fenced and open

holes or other potential hazards covered at the construction site.

A meeting to firm up details of the survey is scheduled for 6:30 until 8:30 p.m. April 30 at the Hobbs Public Library and is open to the public.

Marshaling personnel — some bilingual — to conduct a survey within the next two weeks is an "ambitious" undertaking, according to Merker.

"I think it was prompted by the community's concern that they wanted to see something now," the environmental specialist explained. "They're hearing a lot about, 'We're going to do this and we're going to do that,' and they're worried right now."

Survey

from PAGE 1

200 people living in the neighborhood," Merker said. "I guess there is some debate about what is the neighborhood. ... One of the tasks is trying to poll together different lists of names."

In addition to the survey, Nelson said the Health Department has made tentative plans to send a mobile clinic to the neighborhood to screen for high blood pressure, diabetes, provide immunizations, TB testing and other needed services. Residents who don't have a doctor or want medical information will also be referred

Discovery of contaminated soil and water has fueled health concerns in the neighborhood near this location. A health survey is the next step in the investigation.

DIANE WICK/HOBBS INC.



WAH
Copy**Shell Continental Companies**

A Division of Shell Western E&P Inc.

P.O. Box 576
Houston, TX 77001

April 17, 1998

Post-it* Fax Note	7671	Date	# of pages
To	Bill Olson	From	Wayne Hamilton
Co./Dept.		Co.	
Phone #		Phone #	281-544-2322
Fax #	505-827-8177	Fax #	

Mr. Chris Williams
Mr. Wayne Price
New Mexico Oil Conservation Division
1000 W. Broadway
Hobbs, New Mexico 88240

Gentlemen:

SUBJECT: TASKER STREET SITE AND GRIMES BATTERY SITE

This letter is to advise OCD of the following actions Shell and BBC International, Inc. would like to commence on the above mentioned sites. We plan to proceed with this work immediately unless you advise us otherwise.

We propose to secure the Grimes Battery Site and to clean the Tasker Street site to improve the safety and appearance of both the Cobb's property (where the Monument foundation is) and the Perry's yard (where the previous sampling was conducted).

The actions proposed are:

1. Build a standard 6 foot high chain link fence around the Grimes Battery excavation site with a gate that will be locked when site activities are not ongoing. This will replace the current temporary fence and improve site safety and security.
2. Remove rocks, asphalt, and soil relating to past sampling activities from both the front and back yard of the Perry's home and replace with clean top soil. There will be no major excavation and we will only be removing enough soil to allow for grass to grow. A backhoe will be used in the backyard to remove the mounded soil that was excavated in the earlier sampling process. All contaminants will be disposed of properly at an OCD-approved disposal facility.

Messrs Williams & Price

April 17, 1998

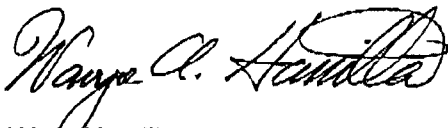
Page 2

3. Scrape and rake the surface of the Cobb property directly south of the Perry's home where additional sampling was done to remove the asphalt clods from the surface. Thereafter we will spread clean top soil and grass seed, and water to improve site appearance. All contaminated soils will be disposed of properly at an OCD-approved disposal facility. There will be no excavation activities conducted.
4. Remove and dispose of the existing, unused concrete foundation and backfill with clean topsoil to allow for grass to grow.

Shell Oil proposes the above work to improve the safety and appearance of the area. Shell acknowledges that these are not final abatement remediation efforts. We are working on our remediation plan and will provide that to you soon. BBC International personnel will walk the neighborhood, prior to any activities, and attempt to inform homeowners on both Tasker and Cobb streets of the proposed activities. Additionally, a flyer describing the actions will be passed out to all homeowners and the OCD. It is not anticipated that any offensive odors will be released by these temporary measures.

If you have any questions, please do not hesitate to contact me.

Sincerely,



W. A. Hamilton
Manager Retained Properties

MEMORANDUM OF MEETING OR CONVERSATION

☒ Telephone

☐ Personal

Time

11:30

Date

4/13/98

Originating Party

Roger Anderson

Other Parties

Cecilia Williams 7-0042
Bureau Chief - Air Quality

Subject

Air Monitoring @ Westgate subdivision

Discussion

Informed Cecilia of the Westgate residents desire to have their air quality monitored. She said Erik had filled her in on our conversation. Cecilia informed me they do not have standards to enforce for volatiles and do not have the instruments to conduct monitoring.

Conclusions or Agreements

NMED Air Quality will not be able to assist us in determining air contaminants from the contamination

Distribution

File
OCD Hobbs

Signed

R. Anderson

MEMORANDUM OF MEETING OR CONVERSATION

☒ Telephone

☐ Personal

Time

11:00

Date

4/10/98

Originating Party

Other Parties

Roger Anderson

Erik Aaboe 7-0040

Air Quality

Subject

Air Monitoring @ Westgate subdivision

Discussion

Informed Erik of the Westgate residents desire to have their air quality monitored for volatiles.

Conclusions or Agreements

He said he would inform Cecilia Williams - Bureau Chief

Distribution

File
OCD-Hobbs

Signed

R. A. Anderson

HOBBS News-Sun

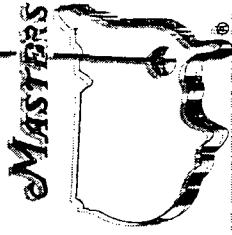
Serving Hobbs, Lea County and West Texas

16 Pages 50 cents

TIGER TEES IT UP

Can Tiger Woods repeat? Masters drama begins today.

Page 9



Residents question area's safety

Worried homeowners want answers

STARLA JONES
HOBBS NEWS-SUN

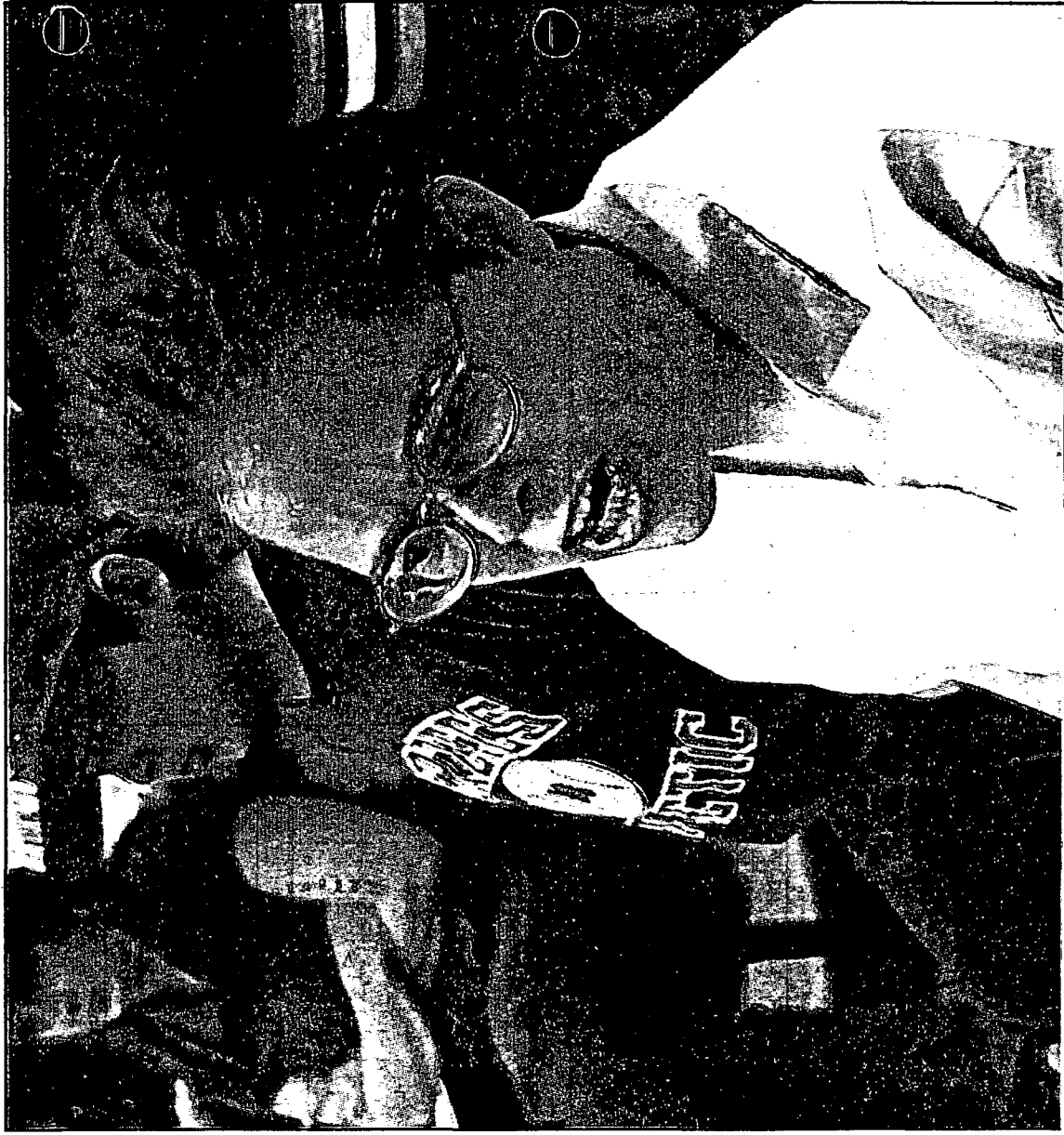
Holding a charcoal-size chunk of contaminated ground in his bare hand, a Shell Oil Co. official last night claimed the substance dug up from a west Hobbs neighborhood is inert and nonvolatile.

The same couldn't be said of a standing-room-only crowd frightened by what they maintain are alarmingly high lupus and cancer rates on streets where they say houses will soon be unmarketable.

And the biggest question of the night appeared to be whether inhaling petroleum fumes for years or liv-



Wayne Hamilton, an environ-



STARLA JONES
HOBBS NEWS-SUN

Holding a charcoal-size chunk of contaminated ground in his bare hand, a Shell Oil Co. official last night claimed the substance dug up from a west Hobbs neighborhood is inert and nonvolatile.

The same couldn't be said of a standing-room-only crowd frightened by what they maintain are alarmingly high lupus and cancer rates on streets where they say houses will soon be unmarketable.

And the biggest question of the night appeared to be whether inhaling petroleum fumes for years or living above water contaminated by oil produces a harmful result that can't be measured by state scientists or held in a bare hand.

"Would either one of you buy land on Tasker or Cobb and move in and raise your family there?" a woman in the audience of more than 100 people asked oil company officials who propose cleaning up the mess.

"Yes, I would," Shell Public Affairs Representative Rich Hansen told concerned residents and several lawyers who packed a New Mexico Junior College lecture hall for nearly three hours last night. "I don't see a problem. But I'm not an epidemiologist."

Contamination was discovered in the Westgate Subdivision last fall at two locations: a modular-home housing development on Tasker and at a former tank battery site 100 yards away near Cobb Street.

Shell Environmental Engineer Wayne Hamilton explained that the property was leased in 1928 by Shell and was the site of oil well production for the ensuing seven decades.

During that time, the ground may have been contaminated when tank bottoms were discarded and water may have been polluted when a pit went unlined, part of "normal, legal practices" in the oilfield at that time.

"No one was hiding anything," Hamilton said. "This is the way my father's generation did things. It isn't a waste dump."

Test wells earlier this year revealed that the tank battery contamination extended to the water table



Wayne Hamilton, an environmental engineer with Shell Oil Co., holds up a piece of "hardpan," the substance discovered more than a foot below ground level at a housing construction site on Tasker. Hamilton compared the material to the "asphalt you play basketball on."

Chief Roger Anderson.

In response to a petition filed by Westgate residents, OCD officials from Santa Fe were in town for last night's meeting as were health specialists.

"Aromatic" compounds found at the Tasker site included ethylbenzenes, xylenes and toluenes, according to environmental specialist Randy Merker, a state epidemiologist.

"When you've inhaled this stuff, the effect is immediate," Merker said. "Headaches, dizziness, drowsiness and unconsciousness are things that you could experience."

Naphthalene, another substance found at the site, destroys red blood cells at high levels, causing fatigue and nausea, he added.

And benzene, detected in two groundwater samples, can cause cancer, typically leukemia.

"But (benzene's) occurrence was



Merker



JOEL RARKIN/NEWS-SUN PHOTOS

Pat Buss angrily questions Shell Oil Co. contamination in a neighborhood she moved from because of health concerns.

Park offered; answers sought

STARLA JONES
HOBBS NEWS-SUN

Shell Oil Co. has proposed building an eight-acre park at the location of oilfield contamination it hopes to have cleaned up in a matter of

'Do you really think people will want to

"When I first started working with Shell, I was planning on having a battle," Cobb said. "But to date, Shell has been very amicable. ... and they understand we need to resolve the issue."

Contamination

from PAGE 1

200 people.

"Fifteen cases?" Merker said. "This is something new to me."

The range for the disease — which attacks the body's autoimmune system and varies in severity — is from one in 3,000 people to one in 17,000 people, according to the Santa Fe scientist.

"I think our first responsibility is to remove the problem we've created," Hansen said. "If there's a health problem, then the health people have to determine what it is."

"Should I be concerned six or seven blocks east of where you are now?" another resident asked.

"It's not mobile. It's a hard asphalt. We're not talking about an underground river of stuff flowing," Hamilton replied.

One man wanted to know why an air-quality study hasn't been done. "I think that's what most of us are worried about."

Anderson, who lives in Santa Fe, said he will contact the environmental department about such a study when he returns home this week.

What are the long-term health effects for her children, one mother asked.

"While symptoms could be aggravated over a period of years, they wouldn't change," Merker said, adding that if chemical levels are high enough, they could cross the placenta in pregnant women.

During the time Shell works on a plan to clean up both sites, its chemists, along with state scientists, will do further sampling and testing on compounds found in the neighborhood. The first of two abatement plans is due April 24.

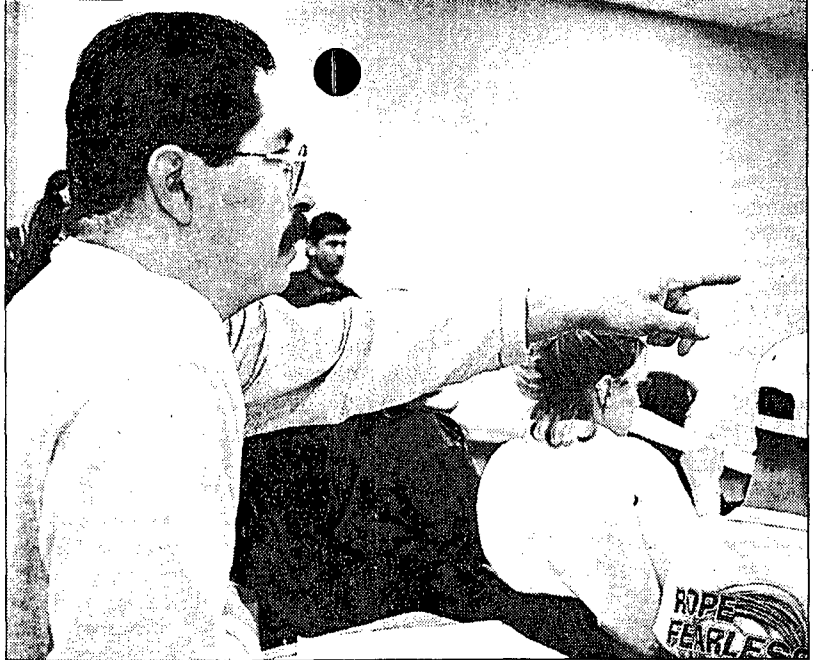
In the meantime, Merker and District Health Officer Dr. Evan Nelson will be back in Hobbs on April 21 when they hope to meet with a core group of Westgate residents and take steps to launch a survey of health problems in the neighborhood.

The state can help people obtain diagnostic services, can provide information about particular illnesses and can provide therapy or group support.

"If you don't have insurance, we can try and find services that may be available to you," Merker said.

However, during a visit to both contamination sites on Wednesday, Merker said he was unable to detect benzene, a substance he said most people receive their highest exposure to while pumping gas.

"Are we to believe that our breath-



JOEL RAKFINK/HOBBS NEWS-SUN

Placido Ramirez points as he questions Shell officials during last night's meeting. For the past six years, Ramirez has lived at 1412 Tasker Drive. Oil contamination of the soil was found across the street from his home last fall.

ing this type of air is no more dangerous than pumping gas?" Robert Egans asked. "You have to understand that we don't pump gas eight to 10 hours a day."

"You go home and you fall asleep unwilling — like you've been drugged," Egans' wife, Cynthia, would say later in the meeting. "It may not be there now, but over the years, the gas was there, inside the home."

"I took my family out of there because of the health problems we were experiencing," said Buss, who moved from her home on Cobb in January. "We couldn't wait."

"I've had cancer," said another man, apparently in his mid-30s, during the often emotionally charged meeting.

"You don't need tests to tell these housewives that they've got oily rings in their toilet bowls," Buss added. "You guys aren't listening to the people. We have a bigger problem than the ones you are describing. ... and that's why we are angry."

"I hear a lot of fear in this room," Shell's Hamilton said while circling the lecture hall with the "hard-pan" sample held high in his hand. "Here it is. It's asphalt. It's old weathered oil. It's like the asphalt that you play basketball on."

Shell plans to bulldoze the material out of the area on Tasker and has already extracted 4,000 yards of contaminated soil from the tank battery, Hansen said.

Before Shell's remediation plan is accepted, the public can demand a public hearing where its own specialists and consultants can question the

procedure, Anderson said.

And although Shell officials last night said they planned only to dig out the "hardpan" on Tasker, Anderson rose to his feet to contradict that statement.

"Whether they just remove the asphalt layer or go 25 feet (below the asphalt layer) will be determined by OCD," Anderson said. "We'll tell them what to do. They don't tell us what they're going to do."

While many residents were angry, Virginia Perry — whose home is closest to the contaminated area and may be built on top of an abandoned pit — urged calm heads to prevail.

"I'm not as emotional as a bunch of people," Perry said. "I've lived in the oilfield 40 years. There's wells all over town. Every well has a pit. ... This has become not only a very economic, but a very emotional problem for the people who live out there."

"I think people need to be calmer and give OCD a chance to show that they are really looking out for our best interests."

To do that, Anderson advised residents to call if they found contamination on their property. To let OCD know of any old capped oil wells in the area. And to ask questions that don't yet have answers.

"Where do you draw the line?" one man asked. "Where do you say, 'this is where you start worrying about this'?"

Whether it's a health risk, I can't say," Anderson would say later in the meeting. "But it's serious. If there's contamination above standards, it's serious."

SHELL GRIMES TANK BATTERY/TASKER STREET
SUMMARY OF EVENTS
(April 7, 1998)

- September 17, 1997 - citizen complaints of odors from Grimes Tank Battery
 - OCD inspection - Shell cleaning Grimes Tank Battery
 - - OCD required soil remediation plan
- September 18, 1997 - Shell submits Grimes Tank Battery soil remediation plan
- September 20, 1997 - OCD conditionally approves Shell plan
- September 1997 - Shell removes tank battery contaminated soils
- November 3, 1997 - Shell notifies OCD that Sam Cobb discovered soil contamination during footing construction on Tasker St.
- November 19, 1997 - OCD/Shell meeting on Tasker Street and Grimes Battery
- December 2, 1997 - Shell submits Tasker St. remediation plan
- December 5, 1997 - OCD inspects site with Shell and Sam Cobb
- December 8, 1997 - Shell notifies OCD of ground water contamination at Grimes Battery
- December 9, 1997 - OCD receives petition from Residents of Westgate reporting high incident of health problems and requesting an environmental survey of subdivision and Health Department survey of residents.
- December 12, 1997 - OCD notifies Health Department of residents petition
- December 15, 1997 - Shell submits modified site assessment work plan for Tasker St.
- December 30, 1997 - OCD conditionally approves site assessment plan
- January 14, 1998 - Shell submits requested schedule modification, OCD approves
- January 20, 1997 - OCD splits soil samples with Shell at Tasker St during assessment
- February 23, 1998 - Shell submits reports on Tasker St and Grimes Battery investigations
- March 12, 1998 - OCD meets with Shell to discuss investigations
- March 18, 1998 - OCD samples soils at Cobb St. residence from citizen complaint
- March 23, 1998 - OCD requires Shell to submit comprehensive abatement plan
- March 26, 1998 - OCD meets with Health Department

4/8/98 OCD Teske St. Public Meeting 7:00pm

Chris Williams - Intro

Bill Olson - presentation of site investigations

Randy Merker - Health Dept presentation

- can help on identifying concerns, health effects
- can compile health effects of area
- clearinghouse of health data

- high incidence of cancer, auto immune diseases

Evin Nelson - 5 to 10 people need to meet on April 21st to assist to set up study on

JEX - similar effect,
Nytholene - destroys red blood cells
Benzene - carcinogen

- concerned about leaks in water supply pipelines picking up contaminants
- concerned about arsenic in vegetables

attn: (Mike Nawell?)

lupus & cancer in neighborhood

lupus range 1 in 17,000 to 1 in 3000

10-15 cases lupus?

health effects on pregnant women?

* concerns about air quality exposure

* soil gas survey

* air monitoring of remedial actions

~~the~~ residents want water samples from every house to determine if leaky water lines are picking up contaminants

vapors in houses reported by 1-2 residents

Why were houses built on contaminated areas?

Sam Cobb Jr. - Monument Development

- what about existing houses?

- shell will enter into agreement to indemnify landowner

Cobb

What about acquiring property?

- proposes to develop all around site
- make site a park (city) - doesn't include Perry, ~~Casey~~ Casey homes
- face homes with brick
- each ^{house} site have Phase II investigation

what about compensation of existing landowners?

1320 Tasker upons from drain



WELLFIRE
Capping a blown-out well is not for the weak of heart.

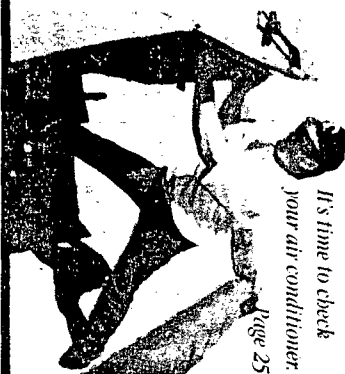
Page 17

HOBBSS News-Sun



NIGHT ON LAMUEL
Hobbs golfers tearing up fairways.

Page 9



It's time to check your air conditioner.

Page 25

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Sunday

April 5, 1998



Fair to cloudy.
West to SW winds,
10-15 mph. P2

Notable



NAME: Ruth Ann Borego
AGE: 35
COMMUNITY: Denver City, Texas
BIRTHPLACE: San Antonio, Texas
OCCUPATION: Bus driver

FAVORITE TV SHOW: Spanish soap operas
FAVORITE FOOD: Chicken Fried Steak

FAVORITE MUSIC: Pop
PERSON I MOST ADMIRE: Selena
FAVORITE SAYING: "What comes around, goes around"

Inside today

THE SPECIAL ELECTION to fill New Mexico's vacant congressional seat will be held June 23, and political parties are gearing up to choose their nominees. P3.

ATTORNEY GENERAL TOM UDALL is processing a crackdown on what he calls "dubious price discounts" for Indian souvenirs such as Kachina dolls, pottery and silver-and-turquoise jewelry. P6.
SO THE DOW twice rose above 9,000 Friday, and each time fell back down.



DUANE TINKER/HOBBS NEWS-SUN

Discovery of asphalt-like material at a proposed modular home subdivision in west Hobbs halted construction last winter. State experts will be in town Wednesday to address health concerns.

Contamination targeted

Experts to answer questions about one neighborhood's pollution woes

STARLA JONES
HOBBS NEWS-SUN
State officials will be in Hobbs next week to answer questions about contamination found last winter in a west Hobbs neighborhood.

The public meeting — set for 7 p.m. Wednesday at New Mexico Junior College's Bob Moran Hall — comes after the Oil Conservation Division's discovery of groundwater contamination at the site of an abandoned oil tank battery just west of Tasker and Cobb Streets.

The two streets are located in the Westgate subdivision north of Sanger.

In addition, nearby construction of a manufactured housing subdivision is on hold after authorities found an asphalt-like substance two to three feet below the soil surface.

The same material was located in the front and back yard of a home on Tasker and a separate,

"greasy-like substance," was located outside the back yard fence of a house on Cobb, according to OCD District Supervisor Chris Williams.

"So far, what we've seen doesn't appear to be hazardous, but we're not through sampling," Williams said on Friday.

In response to a petition signed last December by about 20 concerned residents of the neighborhood, OCD is coordinating Wednesday's meeting.

State epidemiologists, along with other technical experts, will be present to address health concerns and questions of Westgate residents.

But Williams said he'll be asking some questions of his own.

Whether homeowners have private water wells for instance.

"A lot of people used to have them," Williams said. "They may be using them just to water their grass."

Westgate's water table is located 60 to 80 feet below the ground but residents receive their water supply from city-owned wells that aren't affected by the contamination.

Oilfield operations in the area during the mid 1940s included several oil wells, flow lines and crude oil storage tank batteries.

Owned by Shell Oil Co., the Grimes battery was moved in the early 1960s and the company dug a 25-foot-deep pit last year in an attempt to remove oil-stained dirt.

It was while responding to complaints of excessive oil smell in the area, that Williams and a co-worker said they discovered Shell had submitted no remediation plan for the abandoned tank battery.

And a walk to the nearby construction site where trenching was taking place resulted in

Please see CONTAMINATION, Page 5

Teen pregnancy

Rate declines, but still high in county



cities, like Albuquerque, a
senting voices are not as
al.

ds said a district's size plays
Parents voices are more like-
heard in smaller districts.
ququerque, there are health
s on campuses that offer
control options.

n said if she were to go before
hool Board to ask for an on-
ealth center, birth control
not be offered because there
o many other things that
be offered.

alking about it discourages
d activity — not encourages
arnish said.

son said abstinence is still the
preference for birth control.

you choose not to choose abste-
e, protection of yourself
st pregnancy and disease
t be done on an individual
," Moon said.

ing programs

obbs Superintendent Stan
nds said the district has two
grams for students.

ne program, called sex respect,
ters around abstinence.

it prepares and presents an
tinance message," he said. This
gram is a three-week intensive
rogram for seventh-graders,
uns said.

his program takes place after
th-graders receive information
out biological functions about
th genders.

Another program, called the
by Think It Over program, has

There also is some informal
eeling to students who are ex-
ing at the high school, Rounds

"I feel like the two programs we
have are in response to the (per-
centage) rate and are making a dif-
ference," Rounds said.

The Lovington school district has
three programs in place that focus
around abstinence.

For seventh-graders, there is a
sex-respect program, and for junior
high students a program called
"Taking Charge" has been imple-
mented.

For high school students, who are
already teen mothers, there is a
GRADS program at the school that
provides child care and mandatory
training for the student.

Harnish said more things need to
be done.

"We have to take a driving test
before we drive a car," she said.
"There's no prerequisite for being a
parent. We can prepare them for all
types of vocations, but what differ-
ence does it make?"

Why get pregnant?

A lot of the teen pregnancies are
the result of the teenagers' mentali-
ty.

A "magical mind," which
Harnish said, deals with teens
believing they are invincible is part
of the problem. If you don't think it
will happen, it will," she said.
"Ignorance is not bliss."

Ortega, who became pregnant at
age 17, said she never thought she
would become a teen mother. "I
just didn't think it would happen to
me," Ortega said.

They are disappointed they are
not pregnant," Moon said. "They
want something to love them." She
also said they look at it as a way to
strengthen relationships with
boyfriends.

"It's illogical thinking," Moon
said.

Frances Shipp, a nurse practi-
tioner in Hobbs, said there are sev-
eral reasons why teens want to
become mothers.

"It's an attainable goal. They are
not succeeding in high school, and
they look at it as a way to become an
adult."

Teenagers, as a condary goal,
also might view pregnancy as a
way to drop out of school, Shipp
said.

Rounds said younger students
are being exposed to this type of
activity through movies, television
and now the Internet. Hollywood
views it as glamorous, and younger
students take this to heart because
they need role models.

"It may set a standard for some
parents because it's a role-model
thing," Rounds said.

"More and more of their (stu-
dents') time is spent in nonactivity
activities such as watching televi-
sion or going to movies," Rounds
said.

Rounds said he does not have a
handle on this issue, but is talking
about forming a study group to
determine what the district's role is
with teen parents.

"We want to get better detail on
this," Rounds said.

Moon said there are a multitude
of programs that work.

view from her fellow students.

"I was pretty happy but nervous
for how my father was going to
respond to it," she said. "I was happy
I was pregnant. I wanted a child."
Cynthia said she had to quit her part-
time job because of the pregnancy.

Monique said she was shocked and

parents were hurt by the news.
Monique said her father refused to
speak to her for about a week and a
half.

When the teens were asked if their
free time had been cut, Kasie
answered for her fellow students.
"We have no free time," she said.

Contamination

from PAGE 1

Williams' and a co-worker's discov-
ery of the "asphaltine layer," he said.

Today, only one modular home
stands at the 20-lot subdivision.

In response to an OCD investiga-
tion, Shell provided a 1951 aerial pho-
tograph that indicated a portion of
the construction site and contaminat-
ed house on Tasker may have once
been the site of an oilfield pit,
Williams said.

Material in the pit could have been
burned, a standard practice years ago
at "blow-down" areas where sludge
from tank bottoms was blown on the
ground, then set on fire, according to
a source.

The process, when repeated year
after year, often solidified the materi-
al.

The substance present at the con-
struction site has been compared to
asphalt, a petroleum-product used as
road-cover after it's been heated.

Tests on the "hard-pan" material
continue as scientists attempt to
determine levels or existence of sub-
ingredients like benzene and ethyl-
benzene and whether the product is
"oilfield (related) or something else."

The investigation remains in the
preliminary stage, according to the

OCD manager.

"There's going to be much more
extensive sampling over the next few
months," Williams said.

In the meantime, Shell has drilled
monitor wells near the abandoned
tank battery to determine the thick-
ness and amount of "free-floating"
product in the water supply.

The most common solution to elim-
inating the pollution is to pump the
liquid off the water table and reinject
the water.

"It's alarming," Williams said of
the contamination, "but at the same
time, it's something that's happened
(in the oilfield) before."

While OCD generally doesn't fine
companies for water contamination,
it does monitor the clean-up process.

Remediation at both the tank-bat-
tery site and contaminated area on
Tasker is still several months away,
according to Williams. Which is the
reason for Wednesday's meeting.

"It's to tell (residents) what we're
doing and how far we're going to go
with it," the OCD manager said.

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Judging at 4:00 pm

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Must Be Present To Win

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ability of top management to be competent enough to
administer the financial and personnel departments.
Tom Peveler's years of administrative experience and
training with the sheriff's department is just one of his
strong areas. Please join me in supporting Tom Peveler
for Sheriff."

- Randy Owensby

ELECT

FINANCIAL DISCLOSURE STATEMENT

STATE OF NEW MEXICO, U.S. OFFICE OF THE

SECRETARY OF STATE

STEPHANIE GONZALES

1998

Time Stamp

- Please type or print legibly with BLACK INK ONLY.
 ➤ Please read the INSTRUCTIONS before completing the form.
 ➤ Please keep a copy for your records.

1. REPORTING INDIVIDUAL

FULL NAME	Last Name		First Name		Middle
	WILLIAMS		JAMES		CHRISTOPHER
RESIDENT ADDRESS	Street Address or Description				
	409 W. TUCKER				
	City	State	Zip	Phone # (not required)	
	Hobbs	NM	88240	505-392-2499	
MAILING ADDRESS	P.O. Box or Street Address				
	City	State	Zip		

Filing Status (please check the appropriate box and fill in the requested information)

<input type="checkbox"/> Candidate for	office
<input type="checkbox"/> Incumbent in	office
<input type="checkbox"/> Official appointed to	board or commission
<input type="checkbox"/> Head of	agency
<input type="checkbox"/> Public officer with	agency
<input checked="" type="checkbox"/> Employee of	agency ENERGY, MINERALS AND NATURAL RESOURCES DEPT. - OIL CONSERVATION DIVISION

Employer Information

Full Name			
ENERGY, MINERALS AND NATURAL RESOURCES DEPT. - OCD			
P.O. Box or Street Address			
P.O. BOX 1980			
City	State	Zip	Phone # (not required)
HOBBS	NM	88241-1980	505-393-6161
Title or Position Held		Nature of Business or Occupation	
DISTRICT SUPERVISOR		REGULATORY - OIL & GAS	

2. SPOUSE					
EMPLOYER	FULL NAME		Last Name	First Name	Middle
	N/A				
	Name				
	P.O. Box or Street Address				
	City	State	Zip		
Spouse's Title or Position Held			Nature of Business or Occupation		
3. SOURCES OF GROSS INCOME OVER \$5,000 (actual dollar amount not required)					
Category			Received by		
INCOME FROM EMPLOYMENT			JAMES C. WILLIAMS		
4. LOBBYIST'S CLIENTS (of spouse or firm, if applicable)					
Name			Address		
NONE					
5. REAL ESTATE IN NEW MEXICO (other than personal residence)					
Owner	County	General Description			
NONE					
6. OTHER BUSINESS INTERESTS IN NEW MEXICO OF \$10,000 OR MORE					
Name of Business	Position Held	By Whom	Purpose of Business		
NONE					

7. MEMBERSHIPS ON BOARDS OF FOR-PROFIT BUSINESSES (if any)

Name of Business	Member
NONE	

8. PROFESSIONAL LICENSES IN NEW MEXICO (if any)

Type	Licensee
NONE	

9. BUSINESS WITH STATE AGENCIES OVER \$5,000 (if any)

Agency	Seller
NONE	

10. REPRESENTATION BEFORE STATE AGENCIES (other than a court)

Agency	Representative
NONE	

11. Additional Information

This conflict of interest form is being submitted to provide information to the public that I was once employed by SHELL WESTERN E&P in the HOBBS, NEW MEXICO AREA AND other locations. IN THE EVENT THAT LAWSUITS RISE between SHELL AND the Westgate Subdivision PARTICIPANTS ^{my employment with SHELL} WILL NOT AFFECT HOW I TREAT THE SITUATION.

Signature: _____

Chris Williams

Date: _____

4/1/98

Printed Name: _____

CHRIS WILLIAMS

Price, Wayne

From: Price, Wayne
Sent: Tuesday, March 31, 1998 12:07 PM
To: Bill Olson
Cc: Chris Williams
Subject: Shell-Westgate Pictures of Sampling event on March 18, 1998

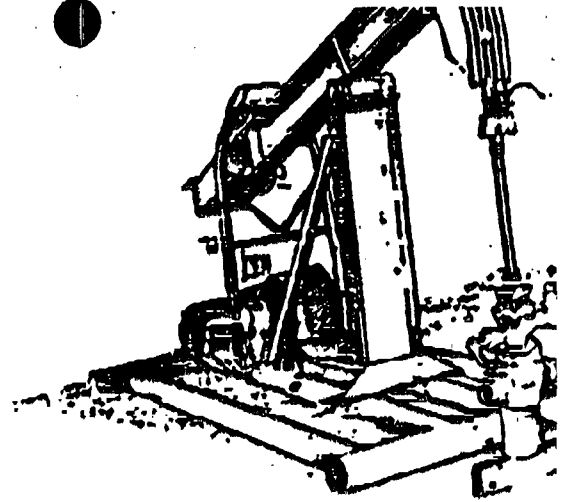
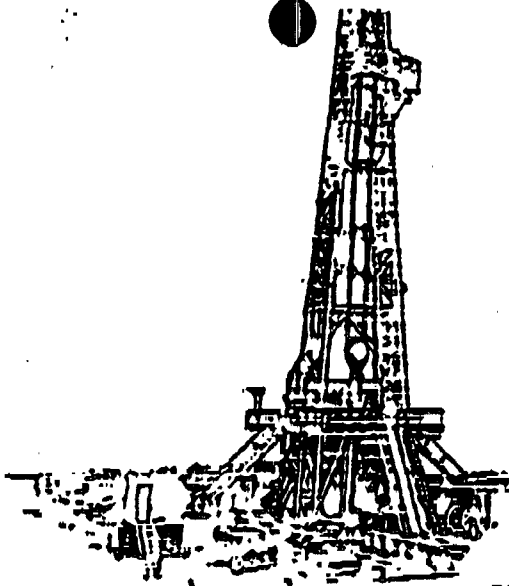
Dear Bill,

I am dropping in the mail today a set of the pictures I took on March 18, 1998.

RECEIVED

APR 02 1998

Environmental Bureau
Oil Conservation Division



STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

PHONE: (505) 393-6161

FAX: (505) 393-0720

SHOULD YOU HAVE TROUBLE RECEIVING THIS TRANSMISSION, PLEASE CALL
(505) 393-6161.

TO:

Roger Anderson, Lori Wotenberg

COMPANY:

FROM:

Chris Williams

DATE:

3/30/98

PAGES
INCLUDING
COVER PAGE:

2

COMMENTS:

**NEW MEXICO ENERGY MINERALS AND NATURAL RESOURCES DEPT.
OIL CONSERVATION DIVISION
DISTRICT 1
P.O. BOX 1980
HOBBS, NM 88241
(505)393-6161 FAX (505)393-0720**

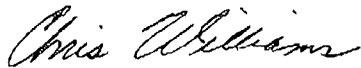
March 30, 1998

Mr. Jose Jaques
1620 Cobb
Hobbs, NM 88240

Dear Mr. Jaques:

The Oil Conservation Division (OCD) would like to meet with Westgate residents concerning the Tasker Street and Grimes Battery sampling and our plans for site work. A representative of the State Epidemiologist Office will attend and be available for questions along with members of the OCD Environmental Bureau from Santa Fe. The meeting will be held at 7:00 PM April 8, 1998, at the Bob Moran Building on the New Mexico Junior College Campus. We need your help in getting this information to the correct people in the Westgate Subdivision.

Sincerely,



Chris Williams
District 1 Supervisor

OCD/Epidemiology Meeting on Shell Grimes 3/26/98

participants - Bill Olson - OCD Environmental Bureau
Rosen Ambrose - "
Lori Wrotenberg - OCD Director
Randy Merker - Health Dept. Office Epidemiology
on conference call ← Chris Williams - OCD Hobbs District Supervisor
Ron Voorhees - Health Dept, Office of Epidemiology

OCD want meeting with residents to discuss
Grimes Battery and health issues

Epidemiological sites typically need - large population
- reference population

May not be large enough population for study
Health Dept. willing to meet with residents of OCD
* Wed April 8th meeting date set for public meeting
7:00 pm at Hobbs

Evin Nelson - HD District Health Office also needs
to be involved



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 23, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-235-437-246

Mr. Wayne A. Hamilton
Shell E&P Technology Company
P.O. Box 481
Houston, Texas 77001-0481

RE: GRIMES LEASE CONTAMINATION INVESTIGATIONS

Dear Mr. Hamilton:

The New Mexico Oil Conservation Division (OCD) has reviewed Shell E&P Technology Company's (SHELL) February 1998 "GRIMES BATTERY SOIL AND GROUNDWATER ASSESSMENT REPORT" and February 1998 "TASKER ROAD SITE ASSESSMENT REPORT" which were received by the OCD on February 23, 1998. These documents contain the results of SHELL's investigations of the magnitude of contamination related to a former unlined pit located in the Westgate residential subdivision at 1329 Tasker Road Hobbs, New Mexico and a former unlined pit at the adjacent Grimes Tank Battery.

The OCD has the following comments on the above referenced documents:

A. Grimes Battery Pit Report

1. The report does not address residual soil contaminant concentrations in the base and sidewalls of the excavated pit. A March 18, 1998 OCD site inspection also observed contaminated soils north of the tank battery which are not addressed in the report.
2. The investigations have not completely defined the downgradient extent of ground water contamination which is in excess of New Mexico Water Quality Control Commission (WQCC) ground water standards. In addition, permanent monitoring wells need to be installed in the pit area in order to be able to monitor ground water contaminant concentrations in the source area.

B. Tasker Road Pit Report

1. Section 2.0 on page 1 references Appendix II as containing the results of the November 1997 pit sample analyses, but the analyses cannot be found in this appendix.
2. The background concentrations of metals in soil need to be determined in order to properly evaluate the potential impacts of pit contaminants.

Mr. Wayne A. Hamilton

March 23, 1998

Page 2

3. A review of the metals analytical data from the OCD's split soil samples show some discrepancies in the detections of metals in soils (see OCD's March 6, 1998 letter of transmittal to SHELL). The OCD's sample analyses show that arsenic, boron, chromium, cobalt, copper and lead were also detected in soils at sample locations SS-1 and SS-2. None of these constituents were detected in SHELL's analyses. It appears that SHELL's laboratory analyses have higher detection limits than those conducted by OCD. The true concentrations of metals in the soils need to be addressed.
4. A review of the acid and base neutrals analytical data from the OCD's split soil samples show some discrepancies in the detection of naphthalenes in soils (see OCD's March 6, 1998 letter of transmittal to SHELL). The OCD's sample analyses show that elevated levels of naphthalene and 2-methylnaphthalene were also detected in soils at sample locations SS-1 and SS-2. The true concentrations of naphthalenes in the soils need to be addressed.
5. While the investigations conducted to date address the type of contamination at the source, additional investigations need to be conducted to completely define the vertical and lateral extent and magnitude of contamination at the site. These investigations need to include the magnitude of contamination under the Perry residence and areas adjacent to the tank battery.
6. The aerial photos in Figures 1-A, 1-B, and 1-C are difficult to interpret due to the quality of the reproductions. Original copies of all aerial photos need to be provided.

Due to the nature of the impacts to ground water and the potential for public health impacts, the OCD requires that SHELL submit an abatement plan for the Grimes Tank Battery pit and Tasker Road pit in accordance with OCD Rule 19 (19 NMAC 15.A.19). To initiate the abatement plan process, the OCD requires that SHELL submit a Stage 1 abatement plan proposal to the OCD pursuant to Rule 19.E.1. and 3. The Stage 1 plan will be submitted to the OCD by April 24, 1998. The OCD's above comments will need to be addressed in the plan.

If you have any questions, please contact Bill Olson at (505) 827-7154.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

xc: Jennifer A. Salisbury, Secretary, NM Energy, Minerals and Natural Resources Department
Lori Wrotenbery, Director, OCD
Chris Williams, OCD Hobbs District Supervisor
Randy Merker, Office of Epidemiology, NM Health Department
Jose Jaques, Westgate Subdivision

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PS Form 3800, April 1995

OIL CONSERVATION DIVISION
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HOBBS NM 88241-1980

Oil Conservation Div.
2040 South Pacheco
Santa Fe, NM 87505
Attn: Bill Olson

Photos

RECEIVED

APR 02 1988

Environment
Oil Conservation Division



NMOCD: ID#. 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCD Santa Fe



NMOCID: ID#. 138818 By: W Price
Date/Time: March 18, 1998 3pm
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kielling-NMOCID Santa Fe



NMOCD: ID#. 138818 By: W Price
Date/Time: March 18, 1998 3pm
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Date/Time: March 18, 1998 3pm
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOC Santa Fe



NMOCD: ID#. 138818 By: W Price
Date/Time: March 18, 1998 3pm
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Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCD Santa Fe



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Date/Time: March 18, 1998 3pm
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCD Santa Fe



NMOCID: ID#. 138818 By: W Price
Date/Time: March 18, 1998 3pm
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCID Santa Fe



NMOCB; ID#. 138818 By: W Price
Date/Time: March 18, 1998 3pm
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCB Santa Fe



NMOCB: ID#, 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCB Santa Fe



NMOCID: ID#. 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCID Santa Fe



NMOCD: ID#. 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCD Santa Fe



MMOCD: ID#, 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project,
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-MMOCD Santa Fe



NMOCID: ID#. 138817 By: W Price

Date/Time: March 18, 1998

Site/Co. Shell-Westgate Project.

Location: 1341 N. Cobb st. Hobbs, NM

Subject: Sampling event by Bill Olson

& Martyne Kielling-NMOCID Santa Fe



NMOCID: ID#, 138817 By: W Price

Date/Time: March 18, 1998

Site/Co. Shell-Westgate Project.

Location: 1341 N. Cobb st. Hobbs, NM

Subject: Sampling event by Bill Olson

& Martyne Kielling-NMOCID Santa Fe



NMOCD: ID#. 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCD Santa Fe



NMOCOD: ID#. 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCOD Santa Fe



NMOCOD: ID#. 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCOD Santa Fe



NMOCB: ID#. 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCB Santa Fe



NMOCD: ID#. 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCD Santa Fe



NMOCD: ID#. 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCD Santa Fe



NMOCID: ID#. 138818 By: W Price
Date/Time: March 18, 1998 3pm
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCID Santa Fe



NMOCOD: ID#. 138817 By: W Price
Date/Time: March 18, 1998
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCOD Santa Fe



NMOCID: ID#. 138818 By: W Price
Date/Time: March 18, 1998 3pm
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCID Santa Fe



NMOCOD: ID#. 138818 By: W Price
Date/Time: March 18, 1998 3pm
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCOD Santa Fe



NMOCD: ID#. 138818 By: W Price
Date/Time: March 18, 1998 3pm
Site/Co. Shell-Westgate Project.
Location: 1341 N. Cobb st. Hobbs, NM
Subject: Sampling event by Bill Olson
& Martyne Kieling-NMOCD Santa Fe



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT



OIL CONSERVATION DIVISION
DISTRICT I HOBBS
PO BOX 1980, Hobbs, NM 88241
(505) 393-6161
FAX (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

March 20, 1998

Lori Wrotenbery
Director
Oil Conservation Division
2040 S Pacheco Street
Santa Fe, NM 87505

RE: Potential conflict of interest

Ms Wrotenbery

I am submitting to you in accordance with department procedures a financial disclosure statement because a potential conflict of interest may exist or appear to exist. I have also submitted copies to Jennifer Salisbury, Secretary of EMNRD and to the Ethics Administration of the Office of the Secretary of State. My family and I live in the Westgate subdivision of Hobbs, New Mexico. In this subdivision at least two contamination sites have been discovered. Word of these sites has already affect property values and doctors have indicated that these sites may have contributed medical problems in my family. I have retained legal counsel in order to protect my home investment and medical situations.

I want to avoid the appearance of any conflict of interest. I have done this by not taking part in the investigation. My supervisor and others in the Hobbs office have agreed not to discuss the investigation in my presences. Therefore, hopefully any appearance of a conflict of interest might be avoided.

Yours very truly,

Paul F. Kautz
District I, Geologist

FINANCIAL DISCLOSURE STATEMENT

STATE OF NEW MEXICO OFFICE OF THE

SECRETARY OF STATE

STEPHANIE GONZALES

~~1996~~ 1998

- ▶ Please type or print legibly with BLACK INK ONLY.
- ▶ Please read the INSTRUCTIONS before completing the form.
- ▶ Please keep a copy for your records.

1. REPORTING INDIVIDUAL

FULL NAME	Last Name	First Name	Middle
	KAUTZ	PAUL	FREDERICK
RESIDENT ADDRESS	P.O. Box or Street Address		
	1610 N COBB		
	City	State	Zip
	HOBBS	NM	88240
MAILING ADDRESS	P.O. Box or Street Address		
	1610 N COBB		
	City	State	Zip
	HOBBS	NM	88240

Filing Status (please check the appropriate box and fill in the requested information)

<input type="checkbox"/> Candidate for	office
<input type="checkbox"/> Incumbent in	office
<input type="checkbox"/> Official appointed to	board or commission
<input type="checkbox"/> Head of	agency
<input type="checkbox"/> Public officer with	agency
<input checked="" type="checkbox"/> Employee of	agency ENERGY, MINERALS, NATURAL RESOURCES DEPT

Employer Information

Full Name			
ENERGY MINERALS NATURAL RESOURCES DEPT - OCD			
P.O. Box or Street Address			
PO BOX 1980			
City	State	Zip	Phone (not required)
HOBBS	NM	88240	
Title or Position Held		Nature of Business or Occupation	
GEOLOGIST III		GOVERNMENT (STATE)	

7. MEMBERSHIPS ON BOARDS OF FOR-PROFIT BUSINESSES (If any)

Name of Business	Member
NONE	

8. PROFESSIONAL LICENSES IN NEW MEXICO (If any)

Type	Licenses
NONE	

9. BUSINESS WITH STATE AGENCIES OVER \$5,000 (If any)

Agency	Seller
NONE	

10. REPRESENTATION BEFORE STATE AGENCIES (other than a court)

Agency	Representative
NONE	

11. Additional Information

In the subdivision where my family and I live, there has been at least two contamination sites discovered. The Oil Conservation Division District office for which I work is presently investigating these sites. My family as well as other neighbors have retained legal counsel. Since I live in the subdivision I have not taken part in the investigation and my supervisor has agreed that I should not take part in any discussions or in any part of the investigation. I want to avoid the appearance of any conflict of interest by remaining apart form any investigation.

Signature:

Paul F. Kautz

Date:

3/18/98

Printed Name:

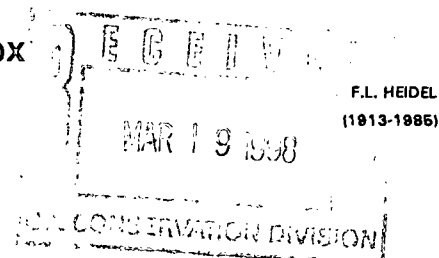
PAUL F KAUTZ

C. GENE SAMBERSON
MICHAEL T. NEWELL
LEWIS C. COX, III

Patrick B. McMahon

LAW OFFICES
HEIDEL, SAMBERSON, NEWELL & COX

311 NORTH FIRST STREET
POST OFFICE DRAWER 1588
LOVINGTON, NEW MEXICO 88260
TELEPHONE (505) 396-5303
FAX (505) 396-5305



March 17, 1998

VIA FACSIMILE/MAIL

William C. Olson
Hydrogeologist
Environmental Bureau
Oil Conservation Division
Energy, Miners and Natural Resources Department
2040 S. Pacheco
Santa Fe, NM 87505

Re: Grimes Lease Contamination - Hobbs, New Mexico

Dear Mr. Olson,

Thank you for your letter dated March 11, 1998. The request made in this firm's letter of February 12, 1998, was per the instruction of OCD personnel. This firm has been requested to look into the situation on behalf of homeowners and residents in the adjoining area. It was viewed that providing copies of documents to this firm would facilitate and expedite the flow of information to the affected community.


Please understand that people living near these contamination sites have a great deal of anxiety. The information vacuum which exists is being filled with unsubstantiated rumors. To date none of the promised meetings with Shell and the OCD to address concerns of the community have taken place. Instead, people hear on the news that your office is meeting with Shell in Santa Fe. Such actions obviously foster suspicion in absence of hard facts.

From the file in Hobbs it appears that residents are complaining about illnesses which they are concerned may be related. It also appears the state epidemiologist has been contacted. Can you advise as to the status of these efforts.

Finally, please make the file available in the morning. I will review same while in Santa Fe. Thank you.

Sincerely,

HEIDEL SAMBERSON NEWELL & COX

By: 
Michael Newell

MTN/cd
pc: Chris Williams

LAW OFFICES

HEIDEL, SAMBERSON, NEWELL & COX

C. GENE SAMBERSON
MICHAEL T. NEWELL
LEWIS C. COX, III

311 NORTH FIRST STREET
POST OFFICE BOX 1688
LOVINGTON, NEW MEXICO 88260
TELEPHONE (505) 396-5303
FAX (505) 396-5305

F.L. HEIDEL
(1913-1986)

CONFIDENTIALITY NOTE

THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS LEGALLY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED BELOW. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION, OR COPY OF THIS TELECOPY IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TELECOPY IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US AT THE ADDRESS SET FORTH ABOVE VIA THE UNITED STATES POSTAL SERVICE.

TELECOPY TRANSMITTAL SHEET

DATE TRANSMITTED: March 17, 1998 TIME: 10:15

PLEASE DELIVER THE FOLLOWING PAGES TO:

William C. OlsonRE: Grimes Lease Contamination
Hobbs, New MexicoEnvironmental Bureau - ADEnergy, Mines + Natural Resources DepartmentFAX NUMBER: (505) 827-8177

YOU SHOULD RECEIVE 3 PAGES OF COPY, INCLUDING THIS COVER PAGE. PLEASE NOTIFY US IMMEDIATELY AT (505) 396-5303 IF NOT RECEIVED PROPERLY.

☐ FOR YOUR COMMENTS☐ AS YOU REQUESTED☐ PLEASE CALL ME ABOUT THIS☐ AS WE DISCUSSED

IF CHECKED ORIGINAL WILL BE FORWARDED TO YOU BY:

☐ Federal Express☐ Regular mail

Thank you,

HEIDEL, SAMBERSON, NEWELL & COX

by: Michael Newell

LAW OFFICES

HEIDEL, SAMBERSON, NEWELL & COX

C. GENE SAMBERSON
MICHAEL T. NEWELL
LEWIS C. COX, III

311 NORTH FIRST STREET
POST OFFICE DRAWER 1500
LOVINGTON, NEW MEXICO 88260
TELEPHONE (505) 398-5303
FAX (505) 398-5305

F.L. HEIDEL
(1813-1006)

Patrick B. McMahon

March 17, 1998

VIA FACSIMILE/MAIL

William C. Olson
Hydrogeologist
Environmental Bureau
Oil Conservation Division
Energy, Minerals and Natural Resources Department
2040 S. Pacheco
Santa Fe, NM 87505

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From the file in Hobbs it appears that residents are complaining about illnesses which they are concerned may be related. It also appears the state epidemiologist has been contacted. Can you advise as to the status of these efforts.

Finally, please make the file available in the morning. I will review same while in Santa Fe. Thank you.

Sincerely,

HEIDEL SAMBERSON NEWELL & COX

By: 
Michael Newell

MTN/cd
pc: Chris Williams

Olson, William

From: Price, Wayne
Sent: Monday, March 16, 1998 4:00 PM
To: Bill Olson; Martyne Kieling
Cc: Chris Williams
Subject: Shell Westgate

Dear Bill:

I have set-up a sampling event at the Casey residence between 1-2pm on Wensday March 18, 1998.

OCD/Shell Meeting 3/12/98 8:30 am

attendees - Bill Olson - OCD Envir. Bureau
Roger Anderson - " " "
Wayne Price - OCD Hobbs
Wayne Hamilton - Shell
Rich Hanson - "
George DeVaul - "

Wayne Hamilton presentation (see handout #1)

- Grimes battery pit last used in approx. 1993
- Tesker pit believed to be blow down pit
- Shell lease encompasses Tesker & Cobb rds at subdivision
need to check with landman for exact lease area

Perry's at current residence since 1976

Perry's lived in other part of subdivision from 1950's - 70's

George DeVaul presentation (see handout #1)

- RBCA risk assessment approach

* Out copies of TPH Working Group publications
* ~~Out~~ copies of overheads (handout #2)

provided - ASTM RBCA slides E-1739-95
- RBCA video

Bill Olson - ~~see~~ OCD review of reports
will be in letter to shell in next week

Craig Lewis atty from Texas working with residents.

OCD planning on holding a public meeting

Site needs to be investigated + remediated under framework of abatement regulation (Rule 19)



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 11, 1998

Mr. Michael Newell
Heidel, Samberson, Newell & Cox
P.O. Drawer 1599
Lovington, New Mexico 88260

RE: GRIMES LEASE CONTAMINATION
HOBBS, NEW MEXICO

Dear Mr. Newell:

The New Mexico Oil Conservation Division (OCD) is in receipt of your February 12, 1998 correspondence requesting that the OCD put your law firm on the mailing list to receive documents that the OCD acquires in reference to the Shell Oil Company Grimes Lease.

The OCD has no such mailing list. All documents received by the OCD are public information and are available to be reviewed and copied by the public. If you wish to review or make copies of this information, please make an appointment to inspect and copy any information that you feel is relevant.

If you have any questions, please call me at (505) 827-7154

Sincerely,

A handwritten signature in cursive script, appearing to read "William C. Olson".

William C. Olson
Hydrogeologist
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Supervisor



State of New Mexico
ENERG MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505

STATE OF
NEW MEXICO
DEPARTMENT OF
ENERGY, MINERALS
AND NATURAL RESOURCES
CONSTRUCTION
DIVISION

MEMORANDUM OF MEETING OR CONVERSATION

<input checked="" type="checkbox"/> Telephone <input type="checkbox"/> Personal	Time 0920	Date 3/11/98
Originating Party Bill Olson - Envir. Bureau		Other Parties Ron Vorhees - Office of Epidemiology 827 - 2980

Subject

Shell - Tasker St 3/12/98 Meeting

Discussion

Requested that Epidemiology Office provide staff member to attend 3/12/98 meeting with Shell

Told him that Shell will be bringing risk assessment expert to address health threats to residents in house overlooking the Tasker St. pit.

Conclusions or Agreements

He will try to have representative present

Distribution

Signed

Bill Olson

file

Rogn Anderson - Envir. Bureau Chief



State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505

STATE OF
NEW MEXICO
DEPARTMENT OF
ENERGY, MINERALS
AND NATURAL RESOURCES
OFFICE OF THE
COMMISSIONER

MEMORANDUM OF MEETING OR CONVERSATION



Telephone



Personal

Time

approx.

0830

Date

3/11/98

Originating Party

Other Parties

Randy Merker - Office of Epidemiology
(827-3709)

Bill Olson - Environmental Bureau

Subject

Shell - Tasker St.

Discussion

He will not be able to attend 3/12/98 meeting

He is a contract employee and was informed that all
contracts are temporarily on hold

He suggested that I call Ron Vorhees - Deputy Epidemiologist
(827-2980)

to supply a representative for the meeting

Conclusions or Agreements

I will contact Ron Vorhees

Distribution

Signed

Bill Olson

File

Roger Anderson - Envir. Bureau Chief



Date: March 12, 1998, Thursday

Location: Oil Conservation Division, Santa Fee, New Mexico

Time: 8:30-10:30

Materials needed

Viewgraph machine and screen

Meeting Purpose

Discuss Grimes Lease assessment and remediation activities

Meeting Agenda

- Discussion of Current Activities
- Discuss of Future Issues
- Summary
- Conclusions

Post-it™ Fax Note	7671	Date	3/5/98	# of pages	1
To	Bill Olson	From	Wayne Hamilton		
Co./Dept.	OCD	Co.	Shell		
Phone #		Phone #	713 245-7782		
Fax #	505-827-8177	Fax #			

LAW OFFICES
HEIDEL, SAMBERSON, NEWELL & COX

311 NORTH FIRST STREET
POST OFFICE DRAWER 1599
LOVINGTON, NEW MEXICO 88260
TELEPHONE (505) 396-5303
FAX (505) 396-5305

F.L. HEIDEL
(1913-1985)

C. GENE SAMBERSON
MICHAEL T. NEWELL
LEWIS C. COX, III

February 12, 1998

Chris Williams
District 1 Supervisor
State of New Mexico
Oil Conservation Division
P.O. Box 1980
Hobbs, NM 88240

FEB 27 1998

Dear Mr. Williams,

This letter is to request that this firm be put on the mailing list to receive documents that the OCD acquires in reference to the Shell Oil Company - Grimes Lease matter.

Your attention in this matter is greatly appreciated. If you have any questions, please do not hesitate to call.

Sincerely,

HEIDEL SAMBERSON NEWELL & COX

By: *Michael Newell*
Michael Newell

MTN/cd



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 6, 1998

Mr. Wayne A. Hamilton
Shell E&P Technology Company
P.O. Box 481
Houston, Texas 77001-0481

RE: GRIMES LEASE CONTAMINATION
HOBBS, NEW MEXICO

Dear Mr. Hamilton:

Enclosed you will find copies of the New Mexico Oil Conservation Division's (OCD) laboratory analytical results of soil samples that the OCD split with Shell on January 20, 1998.

If you have any questions, please call me at (505) 827-7154

Sincerely,

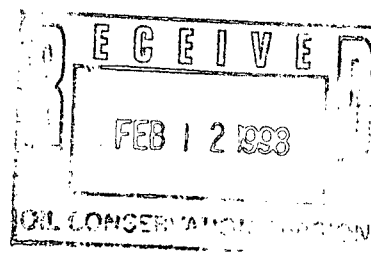
A handwritten signature in cursive script, appearing to read "Will Olson".

William C. Olson
Hydrogeologist
Environmental Bureau

xc w/enclosures: Chris Williams, OCD Hobbs District Supervisor
Jose Jaques, Westgate Subdivision

Price, Wayne

From: Price, Wayne
Sent: Tuesday, February 10, 1998 2:25 PM
To: Bill Olson
Cc: Chris Williams
Subject: Westgate Field Report for Jan 26, 1998



Dear Bill:

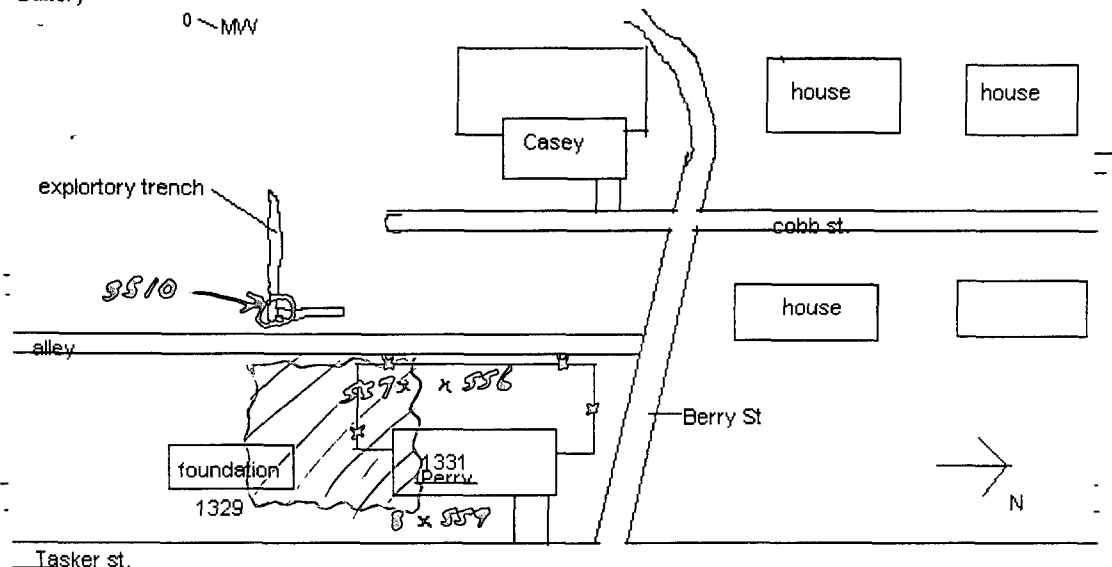
I am dropping in the mail today another field report with pictures: This was when we delineated the old pit under the Perry House. Looks like approximately the South 1/3 of this house sits on top of the old pit area.

DELINEATION of OLD SHELL PIZ

old Grimes
Battery

excavated

0 - MW



Shell Oil Westgate Investigation

Area Sketch-By Wayne Price NMOCD Jan 26, 1998 Pictures attached

IO 024605

No scale

ss soil sample points MW- Monitor Well

SS6 - CLEAN 85' FROM S FENCE (u) NO OIL, DARK HUMK SOIL PID=8.9 ppm

SS7 - 4'3" DEEP ≈ 18' FROM S FENCE

FOUND CONTAMINATION, 2-3' DEEP DARK BS ONLY

4'3" CALICHE ROCKS HAS PLEX OILS
NO VISUAL, 11 MA(PIN)

SS8 &

SS9 - 1' DEEP FOUND DARK BS ONLY, FOUND EDGE of
CONTAMINATION TO NORTH of TRENCH 4'
EAST of u ≈ 5'

SS10 - 46' DEEP CLEAN HAS WHITE CALICHE

EXPLORTORY
TRENCH

CLEAN HOLD!

CONCLUSION:

CONTAMINATION FOUND IN BOTH FIELDS BY
YARD of PERRY HOUSE, PROBABLY GOES UNDER
HOUSE. ≈ 5 1/3 of HOUSE ON CONTAMINATION!

W. PRICE

OIL CONSERVATION DIVISION
P O BOX 1980
HOBBS NM 88241

Photos

Bill Olson
OIL CONSERVATION DIVISION
2040 S PACHECO
Santa Fe, NM 87505



NMOCID: ID#.024605 By: W Price #6
Date/Time: Jan 26, 1998 11 am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: 1331 Tasker St. Front yard
Subject: Delineating contamination.
looking SW.



NMDCD: ID#.024605 By: W Price #5
Date/Time: Jan 26, 1998 11 am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: 1331 Tasker St. Front yard
Subject: Delineating contamination.



NMOCD: ID#.024605 By: W Price #1
Date/Time: Jan 26, 1998 9:30 am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: 1331 & 1329 Tasker St.
Subject: Alley behind 1331 Tasker ST.
Digging in Perry's backyard. look NNE

NMOCD: ID#.024605 By: W Price #1
Date/Time: Jan 26, 1998 9:30 am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: 1331 & 1329 Tasker St.
Subject: Excavating to delineate
contamination.



NMOCB: ID#.024605 By: W Price #3
Date/Time: Jan 26, 1998 10 am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: 1331 Tasker St. Backyard
Subject: Excavating to delineate area
15-25' N of S fence. Pos ID look W.



NMOCB: ID#.024605 By: W Price #4
Date/Time: Jan 26, 1998 10 am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: 1331 Tasker St. Backyard
Subject: Same as #3 found contamination approx 20' from S fence.



NMOCID: ID#.024605 By: W Price #2
Date/Time: Jan 26, 1998 9:30 am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: 1331 Tasker St. Backyard
Subject: Excavating to delineate area
25' N of S fence. NO here. look S.



NMOCID: ID#.024605 By: W Price #9
Date/Time: Jan 26, 1998 11 am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: Lot west of alley behind
Tasker 1331&1329. Trench.
Subject: very small layer of blk soil.



NMOCB: ID#.024605 By: W Price #11
Date/Time: Jan 26, 1998 11:30am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: Lot west of alley behind
Tasker 1331&1329. Looking NW.
Subject: Bkgd shows Cobbs ST.



NMDCD: ID#.024605 By: W Price #8
Date/Time: Jan 26, 1998 11 am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: Lot west of alley behind
Tasker 1331&1329.
Subject: Exploratory Trench



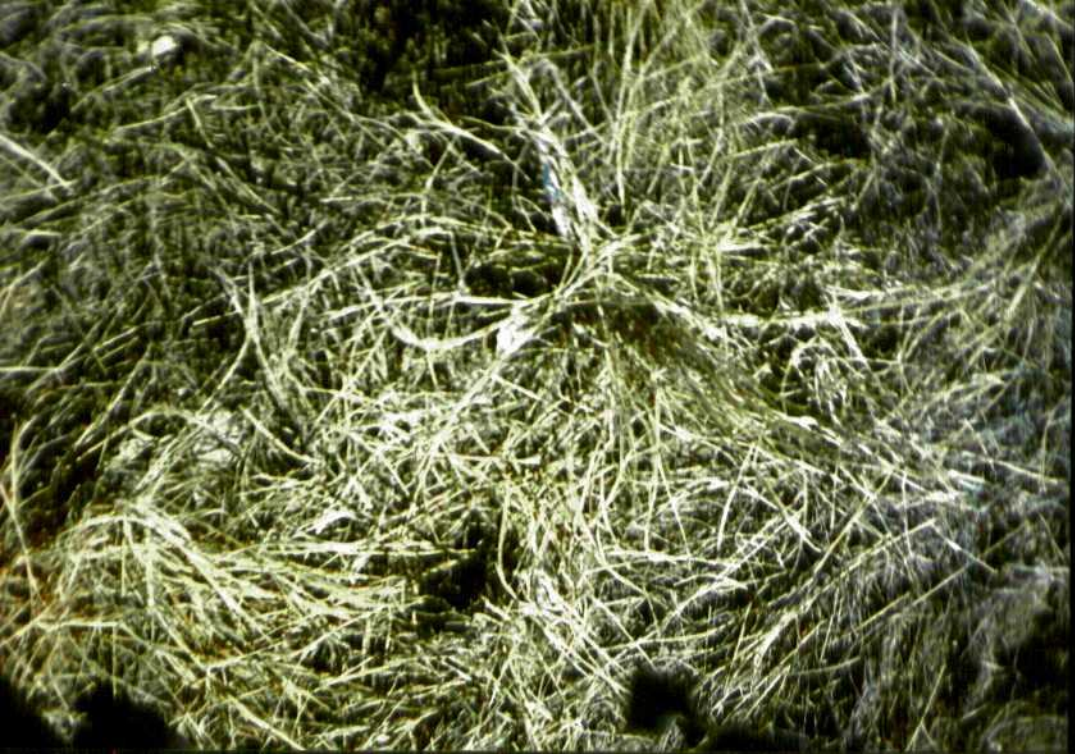
NMOCID: ID#.024605 By: W Price #?
Date/Time: Jan 26, 1998 11 am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: 1331 Tasker St. Front yard
Subject: Black contaminated soil
found in front yard near dead tree.



NMOCB: ID#.024605 By: W Price #10
Date/Time: Jan 26, 1998 11:30am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: Lot west of alley behind
Tasker 1331&1329. Looking west.
Subject: Bkgd shows Grimes Tk Batt



NMDCD: ID#.024605 By: W Price #12
Date/Time: Jan 26, 1998 11:30am
Site/Co.Shell Oil-Westgate, Hobbs, NM
Location: Lot west of alley behind
Tasker 1331&1329. Looking North.
Sub ject: 5-6' deep trench-Clean hole



Price, Wayne

From: Price, Wayne
Sent: Saturday, January 24, 1998 1:52 PM
To: Bill Olson
Cc: Roger Anderson; Chris Williams
Subject: Shell Oil Tasker St- Westgate Hobbs

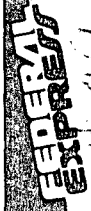
Dear Bill:

I am dropping in the mail a copy of my field report and pictures for the split sampling event that was conducted on Jan 20, 1998.

We are schedule to sample again on Jan 26, to determine the northern and western extent. This will mainly be in the front and back yard of Mr. Rolland Perry house at 1331 Tasker St.

Also I had an opportunity to visit the residence located at 1341 N. Cobb st. I talked to a Chase Casey she indicated they have experienced the same type of material that we are finding on Tasker St. She said her husband was digging and found what appeared to be a heavy grease.

They would like to be included in the investigation. The house is closest to the Grimes Batt. I have marked pictures for you for orientation reference.



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UM OCD

Street Address

1000 W BRADWAY

City

HOBBS

NM

State

ZIP Required

88240

Your Phone Number (Very Important)

(505) 393-6161

Department/Floor No.

Company

To (Recipient's Name) Please Print

ALL MITCH-LAB

Recipient's Phone Number (Very Important)

(505) 344-3777

Department/Floor No.

AMERICAN ENVIRONMENTAL NETWORK

Exact Street Address (We Cannot Deliver to P.O. Boxes or P.O. Zip Codes.)

2709-D PAN AMERICAN FREEWAY

State

NM

ZIP Required

87107

YOUR INTERNAL BILLING REFERENCE INFORMATION (First 24 characters will appear on invoice.)

IF HOLD FOR PICK-UP, Print FEDEX Address Here

PAYMENT 1 ☐ Bill Sender 2 ☒ Bill Recipient's FedEx Acct. No. 3 ☐ Bill 3rd Party FedEx Acct. No. 4 ☐ Bill Credit Card

5 ☐ Cash/Check 6 ☐ Credit Card 7 ☐ Bill Recipient's Account Number below (req'd.) 8 ☐ Bill in Credit Card No. below (req'd.)

9 ☐ Other 10 ☐ Other 11 ☐ Other 12 ☐ Other

13 ☐ Other 14 ☐ Other 15 ☐ Other 16 ☐ Other

17 ☐ Other 18 ☐ Other 19 ☐ Other 20 ☐ Other

21 ☐ Other 22 ☐ Other 23 ☐ Other 24 ☐ Other

25 ☐ Other 26 ☐ Other 27 ☐ Other 28 ☐ Other

29 ☐ Other 30 ☐ Other 31 ☐ Other 32 ☐ Other

33 ☐ Other 34 ☐ Other 35 ☐ Other 36 ☐ Other

37 ☐ Other 38 ☐ Other 39 ☐ Other 40 ☐ Other

41 ☐ Other 42 ☐ Other 43 ☐ Other 44 ☐ Other

45 ☐ Other 46 ☐ Other 47 ☐ Other 48 ☐ Other

49 ☐ Other 50 ☐ Other 51 ☐ Other 52 ☐ Other

53 ☐ Other 54 ☐ Other 55 ☐ Other 56 ☐ Other

57 ☐ Other 58 ☐ Other 59 ☐ Other 60 ☐ Other

61 ☐ Other 62 ☐ Other 63 ☐ Other 64 ☐ Other

65 ☐ Other 66 ☐ Other 67 ☐ Other 68 ☐ Other

69 ☐ Other 70 ☐ Other 71 ☐ Other 72 ☐ Other

73 ☐ Other 74 ☐ Other 75 ☐ Other 76 ☐ Other

77 ☐ Other 78 ☐ Other 79 ☐ Other 80 ☐ Other

81 ☐ Other 82 ☐ Other 83 ☐ Other 84 ☐ Other

85 ☐ Other 86 ☐ Other 87 ☐ Other 88 ☐ Other

89 ☐ Other 90 ☐ Other 91 ☐ Other 92 ☐ Other

93 ☐ Other 94 ☐ Other 95 ☐ Other 96 ☐ Other

97 ☐ Other 98 ☐ Other 99 ☐ Other 100 ☐ Other

SERVICES (Check only one box)

1 ☐ Standard Overnight (Delivery by next business day)

2 ☐ Priority Overnight (Delivery by next business day)

3 ☐ 2nd Day Air (Delivery by second business day)

4 ☐ 3rd Day Air (Delivery by third business day)

5 ☐ Economy (Delivery by third business day)

6 ☐ International Priority Overnight (Delivery by next business day)

7 ☐ International Priority Overnight (Delivery by next business day)

8 ☐ International Priority Overnight (Delivery by next business day)

9 ☐ International Priority Overnight (Delivery by next business day)

10 ☐ International Priority Overnight (Delivery by next business day)

11 ☐ International Priority Overnight (Delivery by next business day)

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29 ☐ International Priority Overnight (Delivery by next business day)

30 ☐ International Priority Overnight (Delivery by next business day)

DELIVERY AND SPECIAL HANDLING (Check services required)

1 ☐ HOLD FOR PICK-UP (if in Box #1)

2 ☐ DELIVER WEEKDAY

3 ☐ DELIVER SATURDAY (Extra charge)

4 ☐ DANGEROUS GOODS (Extra charge)

5 ☐ DRY ICE

6 ☐ OTHER SPECIAL SERVICE

7 ☐ SATURDAY PICK-UP (if other than #1)

8 ☐ HOLIDAY DELIVERY (if other than #1)

9 ☐ HOLIDAY DELIVERY (if other than #1)

10 ☐ HOLIDAY DELIVERY (if other than #1)

11 ☐ HOLIDAY DELIVERY (if other than #1)

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29 ☐ HOLIDAY DELIVERY (if other than #1)

30 ☐ HOLIDAY DELIVERY (if other than #1)

SERVICE CONDITIONS, DECLARED VALUE AND LIMIT OF LIABILITY

Use of this airbill constitutes your agreement to the service conditions in our

Service Guide. See U.S. Government Service Guide for details.

We will not be responsible for any claim in excess of \$100 per package.

Whether the result of loss, damage, delay, non-delivery, misdelivery, or mis-

information, unless you declare a higher value, pay an additional charge, and

document your actual loss for a timely claim. Limitations found in the current

Federal Express Service Guide apply. Your right to recover from a Federal

Express carrier is limited to the actual cash value of the property, including

income interest, profit, attorney's fees, costs, and other forms of damage

whether direct, incidental, consequential or special, is limited to the greater of

\$100 or the declared value specified to the kit. Recovery cannot exceed

actual documented loss. The maximum Declared Value for FedEx Letter and

FedEx Pak packages is \$10000.

In the event of untimely delivery, Federal Express will pay your request and with

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Federal Express Use:

Base Charges

Declared Value Charge

Other 1

Other 2

Total Charges

REVISION DATE 4/91

FORMAT #082

082

Printed in:

USA

NEW MEXICO OIL CONSERVATION COMMISSION
FIELD TRIP REPORT

INSPECTION	CLASSIFICATION	FACILITY	HOURS	QUARTER HOURS
------------	----------------	----------	-------	---------------

Name WAYNE PRICE Date 1/20/98 Miles _____ District I
Time of Departure 7 AM Time of Return 4 PM Car No. G 04721

In the space below indicate the purpose of the trip and the duties performed, listing wells or leases visited and any action taken.

Signature Wayne Price

SHELL OIL CO TASHEN SL PROJECT (132911331)

MET SHARON HALL PHILLIP ENGR -

WITNESS & SPLIT SOIL SAMPLES

TOOK PICTURES - SEE ATTACHED C-0-C

	PID		PID	
PID READINGS:	PHOOD	CLARK	SHELL/PHILLIP	VISUAL
SHELL/PHILLIP 55-1 2-3'		SLIGHT		YES BLACK HAN CREAM COLO SLIGHT ODR
OCA 55-1 5'	110 MM		50 PM	AK SAE OILY BS&W.
55-2 2-3'			346 PM	AK SAE OILY BS&W.
STRONG 55-2 6'	1652 PM	VERY STRONG NO ODR	511 PM	VERY STRONG NO ODR
55-3 2-3'		YES	189 PM	AK VISUAL BS&W
55-3 5.5'	212 PM	YES	178 PM	NO ODR MOD/YES
55-4 2-3'				
55-4				
55-5 2'			60 PM	
55-5 5'			320 PM	

Hot spot
5000
ODORS &
2500
A 2X 6'

VISITED CASEY RESIDENCE AT 1341 N CDBS
CONTAMINATION IN BACK YARD!

Mileage	Per Diem	Hours
UIC _____	UIC _____	UIC _____
RFA _____	RFA _____	RFA _____
Other _____	Other _____	Other _____

TYPE INSPECTION
PERFORMED

INSPECTION
CLASSIFICATION

NATURE OF SPECIFIC WELL
OR FACILITY INSPECTED

H = Housekeeping
P = Plugging
C = Plugging Cleanup
T = Well Test
R = Repair/Workover
F = Waterflow
M = Mishap or Spill
W = Water Contamination
O = Other

U = Underground Injection Control - Any inspection of or related to injection project, facility, or well or resulting from injection into any well. (SWD, 2ndry injection and production wells, water flows or pressure tests, surface injection equipment, plugging, etc.)
R = Inspections relating to Reclamation Fund Activity
O = Other - Inspections not related to injection or The Reclamation Fund

D = Drilling
P = Production
I = Injection
C = Combined prod. inj. operations
S = SWD
U = Underground Storage
G = General Operation
F = Facility or location
M = Meeting
O = Other

E = Indicates some form of enforcement action taken in the field (other immediately below the letter U, R or O)

SHADED AREAS ARE FOR LAB USE ONLY

PLEASE FILL THIS FORM IN COMPLETELY.

PROJECT MANAGER: <u>TYPE PRICE</u>		ANALYSIS REQUEST	
COMPANY: <u>AMOC</u>		Petroleum Hydrocarbons (418.1) TRPH	
ADDRESS: <u>PO 1980</u>		(MOD.8015) Diesel/Direct/Inject	
PHONE: <u>HOHNS PM 88241</u>		(M8015) Gas/Purge & Trap	
FAX: <u>505-393-6161</u>		Gasoline/BTEX & MTBE (M8015/8020)	
BILL TO: <u>AMOCO-ALT PAPER AMMO</u>		BTXE/MTBE (8020)	
COMPANY: <u>AMOCO</u>		BTEX & Chlorinated Aromatics (602/8020)	
ADDRESS: <u>2040 S PACHICO</u>		BTEX/MTBE/EDC & EDB (8020/8010/Short)	
<u>SAUTIA FC PM 807505</u>		Chlorinated Hydrocarbons (601/8010)	
SAMPLE ID		504 EDB <input type="checkbox"/> / DBCP <input type="checkbox"/>	
DATE	TIME	Polynuclear Aromatics (610/8310)	
MATRIX	LAB ID	Volatile Organics (624/8240) GC/MS	
		Volatile Organics (8260) GC/MS	
		Pesticides/PCB (608/8080)	
		Herbicides (615/8150)	
		Base/Neutral/Acid Compounds GC/MS (626/8270)	
		General Chemistry:	
		Priority Pollutant Metals (13)	
		Target Analyte List Metals (23)	
		RCRA Metals (8)	
		RCRA Metals by TCLP (Method 1311)	
		Metals: <u>TCR, Hg, Se</u>	
		NUMBER OF CONTAINERS	

PROJECT INFORMATION		PRIOR AUTHORIZATION IS REQUIRED FOR RUSH PROJECTS	
PROJ NO: <u>SHELL oil co.</u>	(RUSH) <input type="checkbox"/> 24hr <input type="checkbox"/> 48hr <input type="checkbox"/> 72hr <input type="checkbox"/> 1 WEEK	(NORMAL) <input checked="" type="checkbox"/>	
PROJ NAME: <u>THICKER ST-HOHS</u>	CERTIFICATION REQUIRED: <input type="checkbox"/> NM <input type="checkbox"/> SDWA <input type="checkbox"/> OTHER		
P.O. NO:	METHANOL PRESERVATION <input type="checkbox"/>		
SHIPPED VIA:	COMMENTS: <u>FIXED FEE</u> <input type="checkbox"/>		
SAMPLE RECEIPT	<u>THICKER ST</u>		
NO. CONTAINERS	<u>55-3</u>		
CUSTODY SEALS	<u>NEW</u>		
RECEIVED INTACT	<u>EXAMINER</u>		
BLUE ICE/ICE	<u>55-2</u>		

RELINQUISHED BY:		RELINQUISHED BY:	
Signature: <u>[Signature]</u>	Time: <u>2:30pm</u>	Signature: <u>[Signature]</u>	Time: <u></u>
Printed Name: <u>TYPE PRICE</u>	Date: <u>1/20/98</u>	Printed Name: <u></u>	Date: <u></u>
Company: <u>AMOCO</u>		Company: <u></u>	
RECEIVED BY: <u>1.</u>	Time: <u></u>	RECEIVED BY: (LAB) <u>2.</u>	Time: <u></u>
Signature: <u></u>	Date: <u></u>	Signature: <u></u>	Date: <u></u>
Printed Name: <u></u>		Printed Name: <u></u>	
Date: <u></u>		Date: <u></u>	

Client: NM - OCD

Phone: _____

Address: _____

Attention: Wayne Price

Fri AM

Date Needed: _____ Time: _____ am/pm

☐ Pick up by Client

☐ Deliver to client

Kit Prepared by: ☐ John

☐ Other _____

SAMPLE KIT

PARAMETER		HOLDING TIME	BOHEE DESCRIPTION			
			WATER - PRESERVATIVE		SOIL - PRESERVATIVE	
VOLATILES	624 (8240)	14 DAYS	5X40ML VOA	HCL/HgCL ₂	1 X 4 oz Jar	4 ^{oc}
	601/602		5X40ML VOA	HCL/HgCL ₂	1 X 4 oz Jar	4 ^{oc}
	8010/8020		5X40ML VOA	HCL/HgCL ₂	1 X 4 oz Jar	4 ^{oc}
			5X40ML VOA	HCL/HgCL ₂	1 X 4 oz Jar	4 ^{oc}
	504		5X40ML VOA	Na ₂ S ₂ O ₃	NA	NA
FUELS	8015 (TPH)	14 DAYS	5X40ML VOA	HCL/HgCL ₂		
	8015/8020	14 DAYS	5X40ML VOA	HCL/HgCL ₂	1 X 4 oz Jar	4 ^{oc}
	418.1	28 DAYS	2X500ML AMB.	H ₂ SO ₄		
ORGANICS	625 (8270)	7 DAYS			1 X 4 oz Jar	4 ^{oc}
	608 (8080)		2 X 1L	4 ^{oc}		
	615 (8150)		AMBER			
	610(8310)					
	TOC	28 DAYS	1X250ML AMB.	H ₂ SO ₄	1 X 4 oz Jar	4 ^{oc}
	TOX	7 DAYS	1X250ML AMB.	H ₂ SO ₄		
METALS		6 MONTHS	1X ML PL	HNO ₃	1 X 4 oz Jar	4 ^{oc}
			1X ML PL			
			1X ML PL			
GEN. CHEM.		14 DAYS	1X ML PL	4 ^{oc}	1 X 4 oz Jar	4 ^{oc}
			1X ML PL			
			1X ML PL			
	6010 + Cr, Hg, Pb				4 oz 8oz Jar	
	TRIP BLANK	14 DAYS	1X40ML VOA	HCL/HgCL ₂	NA	NA
	AIR: _____	3 DAYS	1 X 1L TEDLAR AIR BAG VALVE: STAINLESS STEEL/POLYPROPYLENE			
	METHANOL PRESERVED		2 X 60ML Amber Preweight, 2 X 10ML Methanol Vials, 1 X 2oz jar (4oz jar for diesel)			

- ☒ COC
- ☒ BLUE ICE
- ☒ LABELS
- ☒ SEALS
- ☒ PENS/GLOVES

State of New Mexico

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

2040 South Pacheco

P.O. Box 6429

Santa Fe, New Mexico 87505-5472

Photos



NMOCID: ID#. 022517 By: W Price #8
Date/Time: Jan 20, 1998 11:27 am
Site/Co. Shell Oil-Westgate Hobbs, NM
Location: 1329 Tasker SS-2 location
Subject: Asphaltic layer from SS-2
Sample 2 feet deep. Soaf, Oil Sat.



NMOCID: ID#. 022517 By: W Price #7
Date/Time: Jan 20, 1998 11:27 am
Site/Co. Shell Oil-Westgate Hobbs,NM
Location: 1329 Tasker SS-2 location
Subject: Asphaltic layer from SS-1.
Found approx. 2 feet deep.



NMOCID: ID#. 022517 By: W Price #5
Date/Time: Jan 20, 1998 10:49 am
Site/Co. Shell Oil-Westgate Hobbs,NM
Location: 1329 Tasker SS-1 location
Subject: Shows hard asphaltic layer.



OLD GRIMES BASE
SITE & PIT

1341 N COBR



SS-1



NMOCB: ID#. 022517 By: W Price #3
Date/Time: Jan 20, 1998 ~~9:45 am~~
Site/Co. Shell Oil-Westgate Hobbs, NM
Location: 1331 & 1329 Tasker St.
Subject: 1329 st. Taking Soil Samples
SS-1, Look West. BkGd. Old Grimes Bat

~ 10:49 AM



NMOCB: ID#. 022517 By: W Price #6
Date/Time: Jan 20, 1998 11:27 am
Site/Co. Shell Oil-Westgate Hobbs,NM
Location: 1329 Tasker SS-2 location
Subject: Looking NW.



NMOCB: ID#. 022517 By: W Price #11
Date/Time: Jan 20, 1998 appx. 12:30p
Site/Co. Shell Oil-Westgate Hobbs,NM
Location: 1331 Tasker Front yard.
Soil Sample SS-3. 2 feet deep, oily
blk. contaminated soil. Near Dead tree



010 000 0000
NMOCB: ID#. 022517 By: W Price #4
Date/Time: Jan 20, 1998 10:49 am
Site/Co. Shell Oil-Westgate Hobbs, NM
Location: 1329 Tasker SS-1 location
Subject: Shows hard asphaltic layer.
010 000 0000



HMDCD: ID#. 022517 By: W Price #10
Date/Time: Jan 20, 1998 ~~4:27 am~~
Site/Co. Shell Oil-Westgate Hobbs, NM
Location: 1329 Tasker SS-2 location
Subject: Soil Sample ss-2 hole.

12:08 PM



NMOCB: ID#. 022517 By: W Price #2
Date/Time: Jan 20, 1998 ~~9:15 am~~
Site/Co. Shell Oil-Westgate ,Hobbs,NM
Location: 1331 & 1329 Tasker St.
Subject: 1329 st. SS-1 location.
Pic. Look NE. BkGd. 1331 Tasker St.

~ 10:49 AM



NMOCID: ID#, 022517 By: W Price #12
Date/Time: Jan 20, 1998 appx. 12:30p
Site/Co. Shell Oil-Westgate Hobbs, NM
Location: 1331 Tasker Front yard.
Soil Sample SS-3. 6 feet deep, oily
contaminated soil. Mod. oily smell.

1341 N COBB ST

1331 TASKER



1329 TASKER
55-1

Stack - 2000
NMOCB: ID#. 022517 By: W Price #1
Date/Time: Jan 20, 1998 9:15 am
Site/Co. Shell Oil-Westgate ,Hobbs,NM
Location: 1331 & 1329 Tasker St.
Subject: 1329 st. SS-1 location.
Pic. Look NW. BGKG 1341 N Cobb ST.

3 1 0000 0000



Central Region

January 14, 1998

Mr. William C. Olson
New Mexico Oil Conservation Division
Environmental Bureau
2040 S. Pachecho
Santa Fe, New Mexico 87505

Subject: Grimes Lease, Tasker Road, Hobbs, New Mexico Sampling Plan

Dear Mr. Olson,

Pursuant to my telephone conversation with Mr. Roger Anderson and you yesterday, Philip Services Corporation (Philip) respectfully submits this revised work plan on behalf of Shell Exploration and Production Technology Company (SEPTCO) for sampling of the above-referenced site. This revised plan replaces the letter submitted to you by Mr. Wayne Hamilton of SEPTCO on January 9, 1998.

Philip representatives will be on site January 20, 1998 to perform sampling activities. Two samples will be collected at each of five sample locations. The sample locations will consist of each of the four corners and the center of the suspected area of asphaltic material impact. One sample will be collected from the asphaltic material at each location, and one sample will be collected from soils beneath the asphaltic material at an anticipated depth of five feet below ground surface. Each of the soil samples (a total of ten) will be submitted for laboratory analysis for the constituents listed in 20 NMAC 6.2.3103 and 20 NMAC 6.2.1101.

The anticipated schedule for providing you with results of the sampling activities is as follows:

Laboratory analysis, Organic Constituents and Metals	January 23, 1998
Laboratory analysis, Inorganic Constituents	February 10, 1998
Laboratory analysis, Radioactive Constituents	February 17, 1998

This schedule is based on the time required by the laboratory to perform these analyses.

A report of these activities will be submitted to you by February 23, 1998 and will include the information you requested in your letter dated December 30, 1997.

Your approval of this revised plan will be appreciated. If you have any questions, please call Mr. Wayne Hamilton (SEPTCO) at 713 245-7782 or me at 915 563-0118.

Sincerely,
PHILIP SERVICES CORPORATION

Sharon E. Hall
Sharon E. Hall
Operations Manager

cc: Wayne Price, NMOCD
Wayne Hamilton, SEPTCO

Helping Clients Obtain a Competitive Advantage in a Global Market

7904 I-20 WEST, MIDLAND, TEXAS 79706, MAIN (915) 563-0118 FAX (915) 563-9526

Please Deliver This Fax To:

Ms Ellen Kenney

From:

Roger Anderson

Oil Conservation Division

2040 S. Pacheco

Santa Fe, NM 87505

(505) 827-7131 Office

(505) 827-8177 Fax

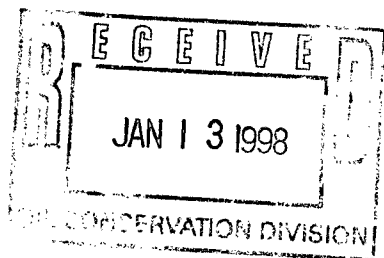
Date: *1/14/97*

Pages: *8*

Subject: _____

(If you have trouble receiving this fax, please call the phone number above.)

JAN-14-98 WED 04:14 PM



Shell E&P Technology Company

A Division of Shell Exploration & Production Company



Bellaire Technology Center
P.O. Box 481
Houston, TX 77001-0481

3737 Bellaire Boulevard
Houston, TX 77025

January 9, 1998

Certified Mail
Return Receipt Requested

Mr. William C. Olson
Environmental Bureau
State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 S. Pacheoc
Santa Fe, New Mexico 87505

**SUBJECT: GRIMES LEASE CONTAMINATION
HOBBS, NEW MEXICO**

Dear Mr. Olson:

This letter is in reply to December 30, 1997 letter concerning the assessment work plan for 1329 Tasker Road, New Mexico.

I request that Tasker Road and Grimes Battery investigation reports be submitted to the OCD within 45 days of receipt of your letter or on February 20, 1998.

Since I did not receive the letter until January 7, 1998 it is not possible to conduct the assessment, obtain the analytical results and write the report in nine days. However, Shell will submit the analytical data to OCD once it is received prior to the assessment report. Shell is committed to conducting assessment work in a scientifically acceptable manner but, time is necessary to provide a quality report.

If you have any questions, please e-mail or call me at: wahamilton@shellus.com or (713) 245-7782.

Sincerely,

Wayne A. Hamilton
Environmental Engineer

Shell E&P Technology Company

A Division of Shell Exploration & Production Company



Bellaire Technology Center
P.O. Box 481
Houston, TX 77001-0481

3737 Bellaire Boulevard
Houston, TX 77025

January 9, 1998

Certified Mail
Return Receipt Requested

Mr. William C. Olson
Environmental Bureau
State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 S. Pacheoc
Santa Fe, New Mexico 87505

Post-it™ Fax Note	7671	Date	1/9/98	# of pages	1
To	Bill Olson	From	Wayne Hamilton		
Co./Dept.	Env. Division	Co.	Shell E&P Tech.		
Phone #	505	Phone #	713 245-7782		
Fax #	505 827-8177	Fax #			

**SUBJECT: GRIMES LEASE CONTAMINATION
HOBBS, NEW MEXICO**

Dear Mr. Olson:

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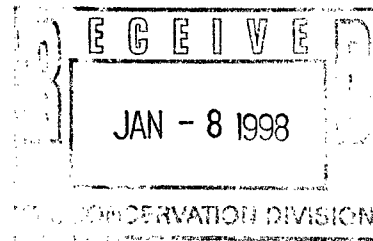
If you have any questions, please e-mail or call me at: wahamilton@shellus.com or (713) 245-7782.

Sincerely,

Wayne A. Hamilton
Environmental Engineer

January 5, 1998

Mr. William Olsen
Environmental Bureau
Energy, Minerals and Natural Resources Department
2040 South Pacheco
P.O. box 6429
Santa Fe, New Mexico 87505-5472



Mr. Olsen:

I would like to take this opportunity to thank you for your letter dated December 30. Our concern on the Grimes Lease Contamination seems to be justified. I only hope the results received will be beneficiary to everybody concerned. I have had several residents of Westgate subdivision ask me for results from the petition taken last month. I was very pleased to receive your letter regarding the duties of Shell E&P, as the residents of Westgate can perceive what is being done on this matter. I ask for your continued cooperation and at the same time I thank you for it.

I would also like to take the time to mention the cooperation of your District 1 supervisor, a Mr. Chris Williams. Though we have not met personally, through his written contacts, Mr. Williams has demonstrated his willingness to cooperate in this matter. I think Mr. Williams is to be lauded for his professional attitude.

I thank you in advance for your cooperation!

A handwritten signature in black ink, appearing to read "Jose Jaques". The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping underline.

Jose Jaques



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 6, 1998

Mr. Wayne A. Hamilton
Shell E&P Technology Company
P.O. Box 481
Houston, Texas 77001-0481

**RE: GRIMES LEASE CONTAMINATION
HOBBS, NEW MEXICO**

Dear Mr. Hamilton:

Enclosed you will find copies of the New Mexico Oil Conservation Division's (OCD) laboratory analytical results of soil samples that the OCD split with Shell on January 20, 1998.

If you have any questions, please call me at (505) 827-7154

Sincerely,

William C. Olson
Hydrogeologist
Environmental Bureau

xc w/enclosures: Chris Williams, OCD Hobbs District Supervisor
Jose Jaques, Westgate Subdivision



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

MEMORANDUM

TO: JENNIFER A. SALISBURY, SECRETARY
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

THRU: WILLIAM J. LEMAY, DIRECTOR
OIL CONSERVATION DIVISION

FROM: ROGER C. ANDERSON, BUREAU CHIEF *RA*
ENVIRONMENTAL BUREAU

SUBJECT: HOBBS TASKER ST. & GRIMES CONTAMINATION INVESTIGATION

DATE: DECEMBER 29, 1997

The contamination investigations for the Shell Grimes Lease and the Tasker Street pit were referred to the Santa Fe Environmental Bureau on December 16, 1997. On December 16, the OCD was notified of potential groundwater contamination from activities at the Grimes lease tank battery. The contamination was discovered as a result of work performed in accordance with a work plan approved by the Hobbs District office. The OCD is waiting on analytical results of the groundwater. If the results of the analyses show contaminants exceed groundwater standards, the OCD will require Shell to submit an abatement plan pursuant to OCD Rule 19.

The Tasker Street pit appears to be an old burn pit or emergency pit. Shell has submitted an investigation plan to determine the extent of contamination. The OCD has reviewed the plan and will approve it with conditions. Once the constituents in the source of the contamination are determined, Shell will be required to determine the extent of contamination in the residential area. Based on the petition from the Tasker street residents the State Epidemiologist has been contacted for their assistance.

Price, Wayne

From: Price, Wayne
Sent: Wednesday, December 17, 1997 2:45 PM
To: Roger Anderson
Cc: Chris Williams
Subject: Shell E & P Westgate Tasker St Plan

Dear Roger:

Per our telephone conf. I am dropping in the mail today the Assessment Work Plan submitted by Shell.!

Please let us know how we may assist you, thanks!



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
PO BOX 1980, Hobbs, NM 88241
(505) 393-6161
FAX (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

December 17, 1997

Wayne A. Hamilton
Shell E & P Technology Company (SE&PTC)
P.O. Box 481
Houston, Tx 77001-0481

Re: Assessment Work Plan
1329 Tasker Road
Hobbs, New Mexico
Dated: December 15, 1997

Dear Mr. Hamilton:

New Mexico Oil Conservation Division (NMOCD) District I is in receipt of the above referenced plan submitted by Philip Services Corp. (PSC). Due to the complexity of this situation the NMOCD Environmental Bureau in Santa Fe, NM will be the lead agency in this matter. Please be advised this work plan is being forward to Roger Anderson Environmental Bureau Chief located at 2040 South Pacheco, Santa Fe, NM 87505. Please feel free to contact Mr. Roger Anderson at 505-827-7152 concerning this issue.

The NMOCD respectfully request that (SE&PTC) copy the NMOCD District I on all correspondence concerning this matter. If you require any further information or assistance please do not hesitate to call (505-393-6161) or write this office.

Sincerely Yours,

Wayne Price-Environmental Engineer

cc: Chris Williams-NMOCD District I Supervisor
Roger Anderson-Environmental Bureau Chief, Santa Fe, NM
Sharon Hall-Philip Services Corp. (PSC)
7904 Interstate 20 West,
Midland, Tx 79706



NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
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Jennifer A. Salisbury
CABINET SECRETARY

NMOCD INTER-OFFICE CORRESPONDENCE

TO: Roger Anderson-Environmental Bureau Chief, Santa Fe, NM
From: Wayne Price-Environmental Engineer
Date: December 15, 1997
Reference: Shell Oil Co. WD Grimes lease near Westgate Sub-division, Hobbs, NM.
Subject: Chronological summary for the above referenced project.

Comments:

On September 17, 1997 OCD received calls from residences located on Cobb & Tasker St. concerning dust and odors. OCD District Sup. Chris Williams and Field Sup. Gary Wink investigated. They found Altura-Shell was dismantling and cleaning up the old WD Grimes tank battery located in UL N-Sec 28-T18s-R38e.

After further investigation Altura indicated they had discovered quite a bit of contaminated soil and were planning to landfarm on-site. NMOCD discovered this site was going to be located nearby and/or part of a new housing project. NMOCD requested that Altura submit a site investigation and clean-up work plan for approval.

Shell submitted the plan on Sep. 18, 1997, NMOCD approved the plan with conditions on September 20, 1997. Altura-Shell excavated several hundred yards of soil that has been disposed of off-site at an NMOCD approved facility.

Between Sep. 18, & Nov 3, 1997 there were resultant site visits, telephone calls, and meetings, between NMOCD District & SF, Altura-Shell, and Sam & SG Cobb (Monument Dev. Corp).

Nov. 19, 1997: Shell requested a meeting concerning the contamination found by Sam Cobb on Tasker ST. and at the closure site of the Tank Battery project.

Nov. 25, 1997: Shell sent the Hobbs News Sun Paper press release at the request of the newspaper. As of this date there has not been an article published.

Dec. 3, 1997: NMOCD received (fax) Shells\PSC work plan and analytical results for the Tasker Site.

Dec 5, 1997: An on site meeting was requested by Sam Cobb & Shell.

Shell presented historical photos and street over-lays showing that some other existing residences might be impacted by the contamination. Shells notified an existing adjacent residence at 1331 Tasker St. about possible contamination under their house. Ground Water contamination was found at the battery site. Cobb indicated there was rumor that the house at 1341 Cobb St. which is the nearest house to the old tank battery site, has contamination in the backyard. Since it was only rumor Shell's Rep. Wayne Hamilton did not feel comfortable notifying the owner. The NMOCD indicated they would check it out.

Dec 9, 1997: Shell canceled their Tasker St. Plan and will re-submit. This was primarily due to the complex issues concerning possible risk to public health and how to properly approach this problem. Also, Shell is still in the process of auditing the property and lease ownership.

Dec 9, 1997: NMOCD received a written complaint from Residents of Westgate.

Dec 11, 1997: NMOCD Conf: Call District I to SF. NMOCD Environmental Bureau will contact the appropriate agencies concerning the possible public health issue and take over the clean-up of the old tank battery site since groundwater has been impacted.

Dec 15, 1997: NMOCD notified Residents of Westgate we are in receipt of their petition.

cc: Chris Williams-NMOCD District I Supervisor
attachments- Complete CC of NMOCD I file & pictures.



Central Region

December 16, 1997

Mr. William Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**Subject: Written Notification of Potential Groundwater Impacts, Shell Grimes Lease,
Hobbs, New Mexico**

Dear Mr. Olson,

On behalf of Shell E&P Technology Company (SEPTCO) Philip Services Corporation (Philip) respectfully submits this written notification of potential groundwater impacts at the above referenced lease. Verbal notification was provided to the NMOCD on December 5 and 8, 1997.

On December 5, 1997 a four-inch borehole was installed in a former tank battery location. The borehole was drilled to a depth of 65 feet below ground surface (bgs), ten feet below where groundwater was encountered. The groundwater observed on the augers had a hydrocarbon odor and sheen. Since the borehole had been installed in the bottom of an excavation, a decision was made to convert the borehole to a 2-inch temporary well, sample, and subsequently plug the temporary well. Mr. Wayne Price and Mr. Chris Williams of the NMOCD Hobbs office were on-site.

A second monitor well was installed on December 8, 1997. A 4-inch monitor well was drilled to a depth of 75 feet bgs, and groundwater was encountered at a depth of 65 feet bgs. The groundwater had a hydrocarbon odor.

The initial well was completed as a 2-inch temporary monitor well on December 8, 1997. Both wells were developed, and groundwater samples were obtained from each, and submitted for laboratory analysis. Free-phase hydrocarbons were not observed in either well. Analytical results have not been received as of the date of this letter.

If you have any questions, please call Wayne Hamilton (SEPTCO) at 713 245-7782 or Sharon Hall (Philip) at 915 563-0118.

Sincerely,

PHILIP SERVICES CORPORATION

Sharon E. Hall

Sharon E. Hall
Operations Manager

cc: Wayne Hamilton, SEPTCO
Wayne Price, NMOCD

Helping Clients Obtain a Competitive Advantage in a Global Market



Central Region

December 16, 1997

Mr. William Olson
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**Subject: Written Notification of Potential Groundwater Impacts, Shell Grimes Lease,
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If you have any questions, please call Wayne Hamilton (SEPTCO) at 713 245-7782 or Sharon Hall (Philip) at 915 563-0118.

Sincerely,

PHILIP SERVICES CORPORATION

Very truly yours,

Sharon E. Hall
Operations Manager

cc: Wayne Hamilton, SEPTCO
Wayne Price, NMOCD

Helping Clients Obtain a Competitive Advantage in a Global Market





NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT 1 Hobbs
PO BOX 1980
Hobbs, NM 88241-1981
(505) 393-6161

Jennifer A. Salisbury
CABINET SECRETARY

Wayne

December 15, 1997

Mr. Jose Jaques
1620 Cobb
Hobbs, NM 88240

Dear Mr. Jaques:

We are in receipt of the letter and petition from the residents of Westgate Sub-division. The New Mexico Oil Conservation Division (NMOCD) is currently in preliminary investigation and evaluation of the sites near the sub-division. The NMOCD is consulting with division personnel to develop a course of action to be pursued.

At the present time, we do not have enough technical data to come to any conclusions. The specific testing and agencies that need to be alerted will be determined as quickly as possible to establish if and where problems may exist.

If there are any questions please contact myself or Wayne Price-Environmental Engineer NMOCD-Hobbs at (505)-393-6161. We will keep you informed as information becomes available.

Sincerely,

Chris Williams

Chris Williams
District 1 Supervisor

DATE: 12/10/97

To ROGER ANDERSON - NMOC
BILL OLSON -

-827-8177

From

WAYNE PRICE - ENVIRONMENTAL ENGR. - NMOC DISTRICT I

Energy & Minerals Department

Telephone Number 505-393-6161 FAX # 505-393-0720

- | | |
|---|---|
| <input type="checkbox"/> For Your Files | <input type="checkbox"/> Prepare a Reply for My Signature |
| <input type="checkbox"/> For Your Review and Return | <input type="checkbox"/> For Your Information |
| <input type="checkbox"/> For Your Handling | <input type="checkbox"/> For Your Approval |
| <input type="checkbox"/> As Per Your Request | <input type="checkbox"/> For Your Signature |
| <input checked="" type="checkbox"/> Please Advise | <input checked="" type="checkbox"/> For Your Attention |

SHELL OIL / WESTGATE (HOBBS, NM)TOTAL # of PAGES INCL COVER 6

Residents of Westgate

Oil Conservation District
P. O. Box 1980
Hobbs, New Mexico 88240

Dear Sir (s):

Over the past 17 years, there has been what many believe to be a high incidence of cancers and immune system diseases over the blocks of Tasker and Cobb which make up the Westgate Addition. Recently, when Mr. Cobb tried to expand the development on Tasker, so much oilfield contamination was found that Shell Oil could not properly clean it up and development stopped. We have heard the rumors that Shell Oil is currently buying back that land from Sam Cobb's son.

We are deeply concerned that this contamination is on our own home sites and is the cause of some serious and potentially debilitating health problems in this area. Many of the original home owners have moved to away due to health problems or deaths in their families. Newer, younger families are moving in and the concern is more acute for the young children being exposed to potentially crippling environmental hazards. Many long term residents want answers to continuing health problems as well.

We respectfully request an environmental survey which will include surveys for the presence of toxic gases/particulates in the air, background radiation, water quality at each home site and soil contaminants inclusive of heavy metals and hydrocarbon saturation. Further, we request a study be conducted by the Health Department so determine if the incidence of cancer and auto-immune diseases in this area exceed what would randomly be found in the general population. We need your help to resolve these issues and insure that we are not exposing our families to health hazards in our environment.

Attached are the signatures of the homeowners within the Westgate Addition requesting this assistance. Thank you for your help in this matter. Please address all replies to this issue to: Mr. Jose Jaques, 1620 Cobb, telephone (505) 397-6078, or Mr. Gerald Ledbetter, 1614 Cobb, telephone (505) 397-2234.

Thank You.
The Residents of Westgate

Attachments (2):

1. Signatures, Residents of Cobb Dr.
2. Signatures, Residents of Tasker Dr.

ATTACHMENT 1 : SIGNATORIES COBB DR.

PRINTED NAME
SIGNATURE

ADDRESS

1. Jane Kaytz

~~J. Jane Kaytz~~

1610 Cobb

2. LEONARD & VICKI TREVINO

1601 Cobb DR.

3. Daniel Bridge

1513 Cobb DR.

4. Laeise Gandy Lewis Gandy

1301 Cobb Dr.

5. David Gutierrez David Gutierrez

1421 Cobb Dr.

RAFAEL MENCHACA

6. Rafael Manchaca

1415 N COBB.

Gerard Ledbetter

7. DEDRAH Ledbetter

1614 North Cobb

8. Andrew Am. Stokes

1610 Pines Lane

9. John Brewer

~~John Brewer~~

1500 Cobb

10. ~~Stacy Thompson~~~~Stacy Thompson~~~~1500 Cobb~~

11. Robert Mendoza

~~Robert Mendoza~~

1514 N. Cobb Dr.

ATTACHMENT 1 : SIGNATORIES COL DR. (Pg 2)

PRINTED NAME
SIGNATURE

ADDRESS

12. CHARLES HUTCHINGS

Charles Hutchings

1520 COBB - HOBBS, NM 88240

13. Blanca Quiroga

1600 Cobb Hobbs NM 8824

14. Dulces Marquez

1607 N Cobb Hobbs NM. 8
92

15. Alan K Thompson

Alan K Thompson

1617 N Cobb Hobbs

16. Joe Jacques

Joe Jacques

1620 N Cobb

17. _____

18. _____

19. _____

20. _____

21. _____

22. _____

ATTACHMENT 2: SIGNATORIES TASKER

PRINTED NAME
SIGNATURE

ADDRESS

1. Manuel Velasquez

1605 TASKER

Manuel Velasquez

2. Jeany Velasquez

1605 TASKER

Jeany Velasquez

3. Glenora Chapman

1611 Tasker

4. Pelm Malady

1600, Tasker

5. Lupe Barrera

1592 Tasker

6. Patricia Luna

1527 Tasker

7. Charles C. Hagan

all over

8. Jimmy Lewino

1513 Tasker

9. Hershel Bangs

1425 TASKER

10. Don R. Hurell

1419 TASKER

11. Aurora Martinez

1418 Tasker

ATTACHMENT 2: SIGNATORIES TABLE (Pg 2)

PRINTED NAME
SIGNATURE

ADDRESS

12. Elsa Escamilla

1400 N. Tasker

Elsa Escamilla

13. Donna Hornsby

1415 N. Tasker

14. Rev. Tina Dominguez

1401 Tasker

15. Manuel Dominguez

1401 Tasker

16.

17.

18.

19.

20.

21.

22.

Shell E&P Technology Company

A Division of Shell Exploration & Production Company



Bellaire Technology Center
P.O. Box 481
Houston, TX 77001-0481

3737 Bellaire Boulevard
Houston, TX 77025

December 9, 1997

Mr. Wayne Price
Environmental Engineer
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
POB 1980
Hobbs, New Mexico 88240

**SUBJECT: HOBBS, NEW MEXICO; TASKER STREET SITE: REMEDIATION
WORKPLAN**

Dear Mr. Price:

Based on our conversations of December 5 and 9, Shell will modify the Remediation Workplan; Shell E&P Technology Grimes Lease; Hobbs New Mexico, submitted by Philip Services on December 2, 1997.

The new workplan will include site delineation, additional analytical work and a description of site remediation.

Shell will send the modified remediation workplan to you by December 15, 1997.

All the above work is depend upon Shell's land review to determine who is responsible and accountable for the hydrocarbons at the this location.

If you have any questions, please give me a call at 713-245-7782.


Sincerely,

A handwritten signature in cursive script, reading "Wayne A. Hamilton", is written over a horizontal line.

Wayne A. Hamilton
Staff Environmental Engineer

NMOCD INTER-OFFICE CORRESPONDENCE

TO: File of Altura/Shell Oil Co.

From: Wayne Price-Environmental Engineer 

Date: December 05, 1997

Reference: WD Grimes lease tank battery site and Tasker street project.

Subject: Minutes of meeting and site visit findings.

Comments:

Wayne Hamilton of Shell E&P Technology Co. (Houston) office requested an on-site meeting concerning the remediation work plans submitted for the above referenced sites.

Personal present: Wayne Hamilton- Shell Donnie Anderson-Altura; Sharon Hall- PSC Environmental consultant; Sam & SG Cobb, Jody Taylor Monument developers; Wayne Price & Chris Williams-NMOCD.

Tasker Street Location: Toured Tasker street lot where developer found a dark hard visual layer of unknown substance when excavating the footers and trenches for the new house. This lot is just south of an existing house located at 1331 Tasker Street, located in the west side of Hobbs, NM.

On site discussions included various sampling, testing, and remediation plans. NMOCD District I will evaluate submitted plan by Shell and seek input from the NMOCD Environmental Bureau. Due to the close proximity of nearby residences the NMOCD expressed concerns for public health.

Shell had an old aerial photo and a street overlay of the area and it appears there may also be a possible problem for the residence just north of this site. Shell is planning on notifying the people who live at 1331 Tasker.

The developers expressed their concern concerning the timing of the clean-up and the negative impact to the overall housing project.

Grimes Tank Battery:

Shell/PSC drilled a soil boring to determine vertical extent in the old pit area. Preliminary results (elevated PID readings) were found all the way down to the water table (approx. 54'). Shell will complete as a monitor well and sample for WQCC constituents.

Discussions included another possible problem at a nearby residence located at 1341 Cobb St. The NMOCD will contact the owners to see if there is a problem.

Housing developers requested that Altura/Shell maintain better security in the area. There were two nearby E&P locations that the gates were either open or not working.

Agreements: Shell to provide copy of aerial photo and street overlay to NMOCD files.;

Requirements from NMOCD: Altura will up-grade security in area and provide H2S and other applicable warning signs.

cc: Chris Williams-NMOCD District I Supervisor
Roger Anderson-Environmental Bureau Chief, Santa Fe, NM
Wayne Hamilton-Shell
Sam Cobb-Monument Dev.
Altura Hobbs office- Gary Bullock, Donnie Anderson
NMOCD Environmental File.



DATE: 12/17/97 PAGES (including cover): 2

TO: Bill Olson

COMPANY: _____

FAX #: 505 827-8177 PHONE #: _____

FROM:

SHARON HALL, OPERATIONS MANAGER

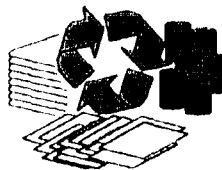
7904 INTERSTATE 20 WEST, MIDLAND, TX 79706

TELEPHONE: (915) 563-0118 FAX (915) 563-9526

MESSAGE:

Written notification of ~~the~~ possible impacts to
groundwater. Hard copy will follow in overnight
mail.

Sharon Hall



CONFIDENTIALITY CAUTION

This message is intended only for the use of the individual or entity to which it is addressed and contains information that is privileged and confidential. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communications is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the address at our cost.



STATE OF
NEW MEXICO
OF
CONSERVATION
DIVISION

MEMORANDUM OF MEETING OR CONVERSATION

 Telephone

☐ Personal

Time 1313

Date

Originating Party

Other Parties

Subject

Discussion

Distribution

Signed

F. K.
Wye - Pa. 2000

Roger Anderson

From: Williams, Chris
Sent: Tuesday, November 25, 1997 8:56 AM
To: William Lemay
Cc: Roger Anderson; Wayne Price
Subject: Pits and other items

Bill, just trying to keep you up to date on a couple of issues that have come up recently.

A.

1) I met with a Shell Oil Co. representative last Wednesday Nov 19th on the clean up and remediation of the old Shell Grimes Battery. Shell is currently working to delineate the vertical extent of the contamination from the the battery site. Horizontal extent appears to be delineated. They are currently working on options to monitor the groundwater since it may have been impacted.

2) Since our meeting with Shell, Sam Cobb a local builder has become involved. Mr. Cobb owns the land where the Grimes Battery and adjacent properties sit. Shell and Mr. Cobb are negotiating on the sites. I believe that Mr. Cobb thinks that the battery clean up has put his housing development at risk. He wants to be able to inform his financiers that the possible contamination has made it impossible to continue and that it is the NMOCD orders that have caused the problem. Wayne and I have told him that how he handles his negotiations with his financiers is up to him. We don't have the authority to tell him to shut down, but we do have the authority to see that the site is remediated.

3. Since that conversation, I believe Mr. Cobb decided to talk to the local newspaper and they have subsequently called the office. Ms. Starla Jones of the Hobbs News Sun contacted me 11/24/97 and ask me about the situation. I told her that we are working with Shell Oil Co. on the site remediation and at this time without testing we are not sure of the type of contamination that exist at the old battery. At that point she asked if I had any complaints about health issues in that area. I told her we have had no formal complaints about health issues and if one were to be made then it would probably have to be handled by NMED since they primarily deal with public health issues. I'm sure this will hit the papers here soon. When it does I will send a copy of the article to Santa Fe.

HOBBS SUN INQUIRY**GRIMES LEASE**

Shell's environmental engineering group learned of the asphalt-like layer at the construction site west of Hobbs several weeks ago. We visited the location on Tasker Road, took a number of samples of the material and discussed the situation with the New Mexico Oil Conservation Division. The material is about one inch thick and is buried about one foot below the soil surface.

The asphalt-like substance appears to be oil that was probably spread on the ground under then-normal operating practices about 50 years ago. We analyzed the samples and it is our opinion that they present no threat to human health. We looked for hydrocarbons, salts, metals and radioactive materials and found them all to be below levels believed to be hazardous.

While the layer does not present a health hazard, it does create a nuisance for gardening and other construction. Therefore, Shell will take immediate action to remove the material.

Nov. 25, 1997

▲
11/25/97
Received
Hobbs
OCD

Meeting Minutes:
November 19th, 1997
Shell Oil Company and State of New Mexico: Oil Conservation Division
Remediation Planning: Grimes Lease

Attendees

Wayne Hamilton, Shell E&P Technology Company
Donnie Anderson, Altura

Wayne Price, OCD
Paul Kautz, OCD
Chris Williams, OCD

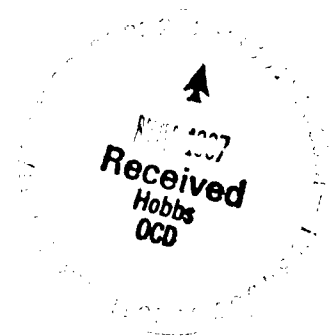
Subject: Assessment and Remediation Activities: Grimes Lease

Meeting Purpose

Inform and discuss Shell's assessment and remediation proposal with regulatory agency.

Meeting Action Items

- 1) Obtain samples of hydrocarbon "hardpan" for analyses of: TPH, BTEX, Metals, Chloride and NORM. Based on chemical analyses Shell will propose remediation plan for OCD review.
- 2) Drill a boring next to former tank battery to determine vertical extent of hydrocarbons. Hydrocarbon analyses to include: TPH, BTEX and Chloride. Once chemical analyses are received Shell will propose remediation plan to OCD for review.



Price, Wayne

From: Price, Wayne
Sent: Monday, November 17, 1997 11:15 AM
To: Chris Williams
Cc: Roger Anderson; Rand Carroll
Subject: Meeting with Altura-Shell

Memorandum of Telephone Conversation:

Date/Time: Nov 17, 1997 9am

Subject: W.D. Grimes Lease/ Future site of new housing project on Tasker St. west side of Hobbs, NM.

Shell's Envr. Engr. Mr. Wayne Hamilton has requested to met with NMOCD this Wednesday Nov. 19, 1997 at 10 am MST to discuss their site investigation plans for the above mentioned site. Shell has made a preliminary environmental audit of the area and has determined that the contamination found by the housing project developers might be related to an old Shell lease. Shell is concerned about both possible groundwater contamination and future public health issues for people living in the area.

Altura/Shell also wants to discuss closure of the nearby old tank battery site in which they already submitted a site investigation and work plan to NMOCD.



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
PO BOX 1980, Hobbs, NM 88241
(505) 393-6161
FAX (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

NMOCD INTER-OFFICE CORRESPONDENCE

TO: File of Altura Energy LTD

From: Wayne Price-Environmental Engineer *Wayne Price*

Date: November 3, 1997 10:40am

Reference: Memorandum of telephone conversation.
Donnie Anderson-Altura to W. Price-NMOCD

Subject: W.D. Grimes lease.

Comments:

Mr. Anderson gave NMOCD progress report on above lease. They are waiting on Shell's environmental representative, Mr. Wayne Hamilton to tour site on Nov. 19, 1997. They will then make a determination as to how to check vertical extent and to properly close site.

I advised Mr. Anderson that the land owner (Mr. Sam Cobb) had made an inquiry concerning closure of the above referenced site and about some contamination they have found during excavating trenches and footers for their new housing project in this area on Tasker St. They were concerned about the large hole at the old tank battery and public access to the site. They indicated the fence was down.

I recommended to Mr. Anderson to ensure that the site was properly isolated and signs were installed to protect & inform the public. I also requested Mr. Anderson to call Mr. Cobb (393-1490) to coordinate Altura's clean-up with Mr. Cobb's new housing project. Mr. Anderson indicated he will call and meet them at the site.

cc: Chris Williams-NMOCD District I Supervisor
Sam Cobb- Monument Development
801 N. Grimes
Hobbs, NM 88240
tele; 505-393-1490; fax 505-393-9576 *51

Donnie Anderson- Altura Energy LTD
1017 W. Stanolind RD
Hobbs, NM 88240
tele; 397-8205; mobile 390-9299

State of New Mexico

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

2040 South Pacheco

P.O. Box 6429

Santa Fe, New Mexico 87505-5472



291245

NMOCB: ID#. 291245 By: W Price #10
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: looking NE-Contaminated soil
pile. Bkgd shows houses on Cobb ST.

ON OLD PIT?



291245

NMOCB: ID#. 291245 By: W Price #4
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: Looking East-Bkgd shows
house on old pit 1331 Tasker St.



291245

NMOCB: ID#. 291245 By: W Price #5
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: Looking East



291245

NMDCD: ID#. 291245 By: W Price #6
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: Looking NE-BKgd shows
house on 1341 Cobb St.



291245

NMOCID: ID#, 291245 By: W Price #2
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts10s-R38e.
Subject: Standing south of Batt.
looking NW.



291245

NMOCD: ID#. 291245 By: W Price #7
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: looking North


EMER PIT



LOOKING SE (TASHER SE)
BACKGROUND

291295

NMOCB: ID#, 291245 By: W Price #12
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: Excavated area looking SE
area where Old Emer. Pit located



Altura ENERGY LTD.
NORTH HOBBS (G/SA) UNIT
NO: 28-242
UNIT N SEC. 28-T18S-R38E
LFA COUNTY, NEW MEXICO

32
ACE
IC

29/245

NMOCB: ID#. 291245 By: W Price #1
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: Location sign just SE of
Old Battery location.



291245

NMOCB: ID#. 291245 By: W Price #3
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: Looking NE- house in back-
ground is 1341 Cobb St.



291245

NMOC: ID#. 291245 By: W Price #8
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: looking NW-Contractor, bkgd
shows diluted soil pile.



291245

NMOCD: ID#. 291245 By: W Price #9
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: looking NW-Contractor, bkgd
shows diluted soil pile.



291245

NMOCB: ID#. 291245 By: W Price #11
Date/Time: Sept. 17, 1997 11am
Site/Co. Altura-Shell WD Grimes Lse.
Location: UL N-Sec 28-Ts18s-R38e.
Subject: Excavated area looking East
new houses to be built in bkgd.