

Burdine, Jaclyn, EMNRD

From: Burdine, Jaclyn, EMNRD
Sent: Friday, May 30, 2025 9:15 AM
To: Erin Sullivan; Becky.L.Hesslen@p66.com; David Bonga
Cc: Smith, Cory, EMNRD; Romero, Rosa, EMNRD; Razatos, Gerasimos, EMNRD; Powell, Brandon, EMNRD
Subject: RE: [EXTERNAL] Denial of Technical Infeasibility Report: Phillips 66 East Hobbs Junction Site (Abatement Plan ID: AP-15; Facility ID: fAB00000000197; Incident #: nAUTOfAB000142; Application ID: 444301)

Good Morning Mr. Sullivan,

OCD has performed an additional review of the 2024 Groundwater, Monitoring, Remediation and Technical Infeasibility Closure Report received on March 20, 2025, along with the emailed clarifications that you sent in. The OCD maintains the denial of the Technical Infeasibility Closure Request for the following reasons:

1. Phillips Petroleum Co is requesting closure/ no further action due to Technical Infeasibility pursuant to 19.15.30.9.E.1 NMAC which states "If a responsible person is unable to meet the abatement standards set forth in Subsections A and B of 19.15.30.9 NMAC using commercially accepted abatement technology pursuant to an approved abatement plan, the responsible person may propose that abatement standards compliance is technically infeasible."

Phillips Petroleum Co and the OCD both conclude that the previous implemented commercial accepted abatement options of excavation, air sparge/ soil vapor extraction, enhanced fluid recovery, skimmers and chemical injections have been successful in reducing LNAPL and contaminants in the ground water as displayed by the quarterly sampling events. Therefore, Phillips Petroleum Co does not meet the requirements to request Technical Infeasibility.

2. Phillips Petroleum Co. is implying that contaminants of concerns will reach below regulatory levels without any further active abatement through natural attenuation. Natural attenuation is a recognized abatement process however, the site would have additional monitoring requirements and a change to the Stage 2 Abatement plan would be required.
3. On December 24, 2024, OCD approved the 2023 AGWM Report with the following conditions of approval:

"Content Satisfactory 1. Continue to conduct groundwater monitoring as prescribed by OCD and as scheduled. Analyze for chloride, BTEX, and TPH (DRO, GRO). 2. If Phillips 66 is considering a "risk-based" closure as suggested in the recommendations section of this report, guidelines for submitting an alternative abatement standard petition as outlined in the provisions in 19.15.30.9 NMAC paragraph (F), subparagraphs 1 through 6 must be met to be considered. 3. According to figure 8 of the annual report, all wells are dry except for 6 groundwater monitoring wells. Phillips 66 must propose a work plan to either drill dry wells deeper until groundwater levels are sufficient for sampling, submit a request for variance with justification to not sample dry wells, or propose another work plan to replace wells that have gone

dry. There may be contamination in the smear zone where groundwater levels have lowered, with contamination still present in groundwater underneath the site that is not being monitored. 4. Please propose an option within ninety (90) days from receipt of this determination”

Phillips Petroleum Co’s variance request to not deepen the required wells is approved with the following conditions:

The OCD requires Phillips Petroleum Co to deepen or redrill in a close proximity MW-7, MW-9, MW-10 and MW-11. All these wells had elevated levels of benzene or LNAPL before they went dry. These wells were trending down, and it is possible that contaminant levels decreased naturally however, Philips Petroleum Co must verify that data through sampling. Per the previous approved conditions of approval please submit a work plan through OCD Permitting to include timelines within 90 days of receipt of this email.

4. Moving forward OCD is requesting Operators submit standalone reports and not combine Annual Ground Water Reports with Closure Requests or changes to Abatement Plans. Within 30 days of receipt of this email please submit a standalone 2024 Annual Ground Water report with last year’s sampling data. Additionally, if Phillips Petroleum Co wishes to change Abatement Plans to natural attenuation, then a Modification to the Stage 2 Abatement plan is required to be submitted separately.

Thank you,

Jackie

From: Erin Sullivan <erin.sullivan@ghd.com>

Sent: Wednesday, May 21, 2025 2:07 PM

To: Burdine, Jaclyn, EMNRD <jackie.burdine@emnrd.nm.gov>; Becky.L.Hesslen@p66.com; David Bonga <David.Bonga@ghd.com>

Cc: Smith, Cory, EMNRD <cory.smith@emnrd.nm.gov>; Romero, Rosa, EMNRD <RosaM.Romero@emnrd.nm.gov>; Razatos, Gerasimos, EMNRD <GerasimosX.Razatos@emnrd.nm.gov>; Powell, Brandon, EMNRD <Brandon.Powell@emnrd.nm.gov>

Subject: RE: [EXTERNAL] Denial of Technical Infeasibility Report: Phillips 66 East Hobbs Junction Site (Abatement Plan ID: AP-15; Facility ID: fAB00000000197; Incident #: nAUTOfAB000142; Application ID: 444301)

Thank you very much.

We appreciate your review.

Kind regards,

Erin.

Erin Sullivan
Geologist

GHD

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Please consider the environment before printing this email

From: Burdine, Jaclyn, EMNRD <jackie.burdine@emnrd.nm.gov>

Sent: Wednesday, May 21, 2025 1:59 PM

To: Erin Sullivan <erin.sullivan@ghd.com>; Becky.L.Hesslen@p66.com; David Bonga <David.Bonga@ghd.com>

Cc: Smith, Cory, EMNRD <cory.smith@emnrd.nm.gov>; Romero, Rosa, EMNRD <RosaM.Romero@emnrd.nm.gov>; Razatos, Gerasimos, EMNRD <GerasimosX.Razatos@emnrd.nm.gov>; Powell, Brandon, EMNRD <Brandon.Powell@emnrd.nm.gov>

Subject: RE: [EXTERNAL] Denial of Technical Infeasibility Report: Phillips 66 East Hobbs Junction Site (Abatement Plan ID: AP-15; Facility ID: fAB00000000197; Incident #: nAUTOfAB000142; Application ID: 444301)

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Good Afternoon Mr. Sullivan,

Thank you for your quick response in this matter and for providing clarification on a few things in the report. I am currently reviewing these items and will follow up with an email on how we will proceed moving forward no later than May 30, 2025.

Thank you,

Jackie

From: Erin Sullivan <erin.sullivan@ghd.com>

Sent: Tuesday, May 20, 2025 3:26 PM

To: Burdine, Jaclyn, EMNRD <jackie.burdine@emnrd.nm.gov>; Becky.L.Hesslen@p66.com; David Bonga <David.Bonga@ghd.com>

Cc: Smith, Cory, EMNRD <cory.smith@emnrd.nm.gov>; Romero, Rosa, EMNRD <RosaM.Romero@emnrd.nm.gov>; Razatos, Gerasimos, EMNRD <GerasimosX.Razatos@emnrd.nm.gov>

Subject: [EXTERNAL] Denial of Technical Infeasibility Report: Phillips 66 East Hobbs Junction Site (Abatement Plan ID: AP-15; Facility ID: fAB00000000197; Incident #: nAUTOfAB000142; Application ID: 444301)

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good afternoon Jackie,

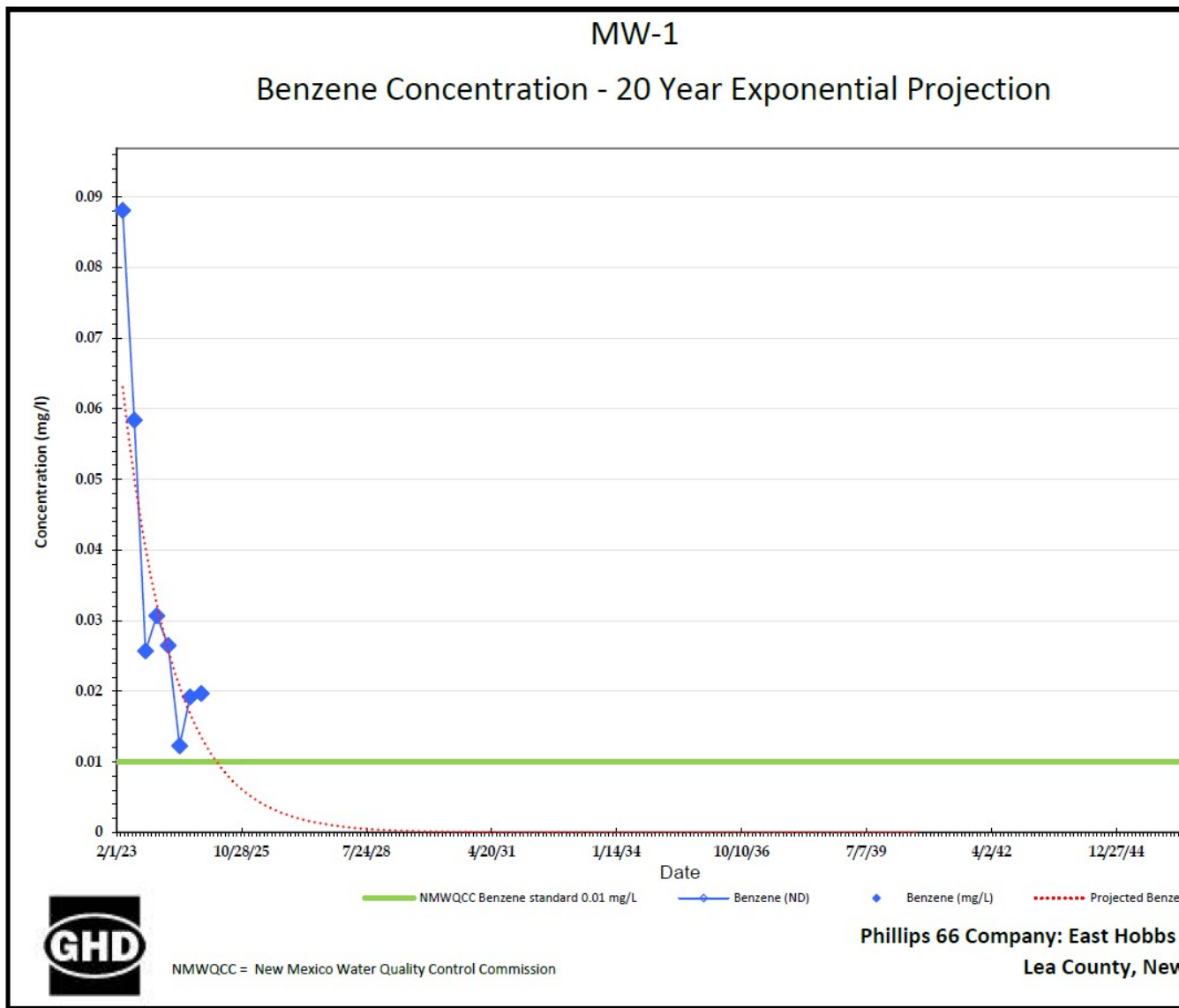
I am the current project manager for the East Hobbs Junction AP-15 site and just called and left a message to see if we could discuss the 2024 Groundwater Monitoring, Remediation and Technical Infeasibility Closure Report for AP-15 East Hobbs Junction that was denied by OCD.

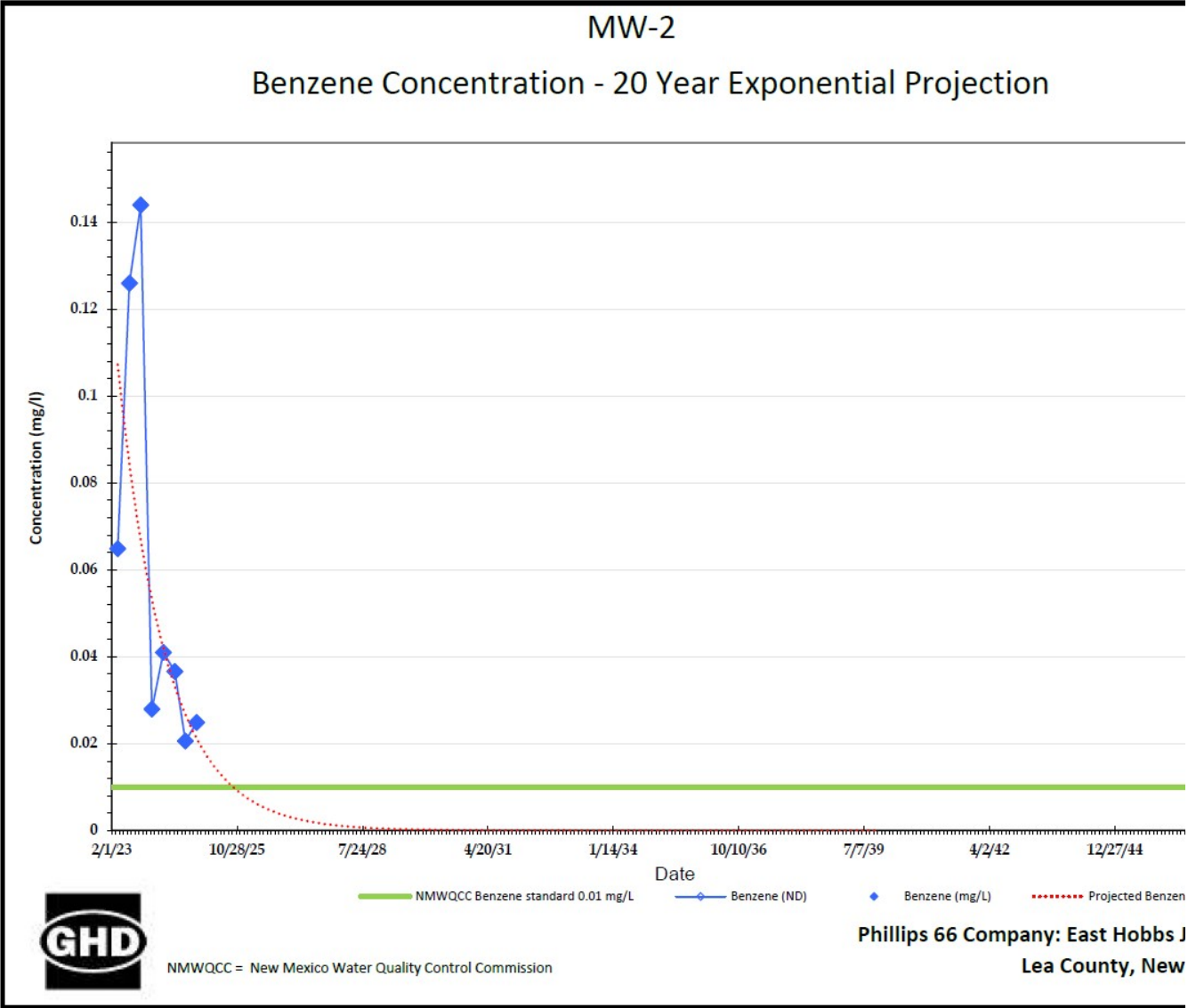
Please see below the Responses to the Denial of Technical Infeasibility Report letter.

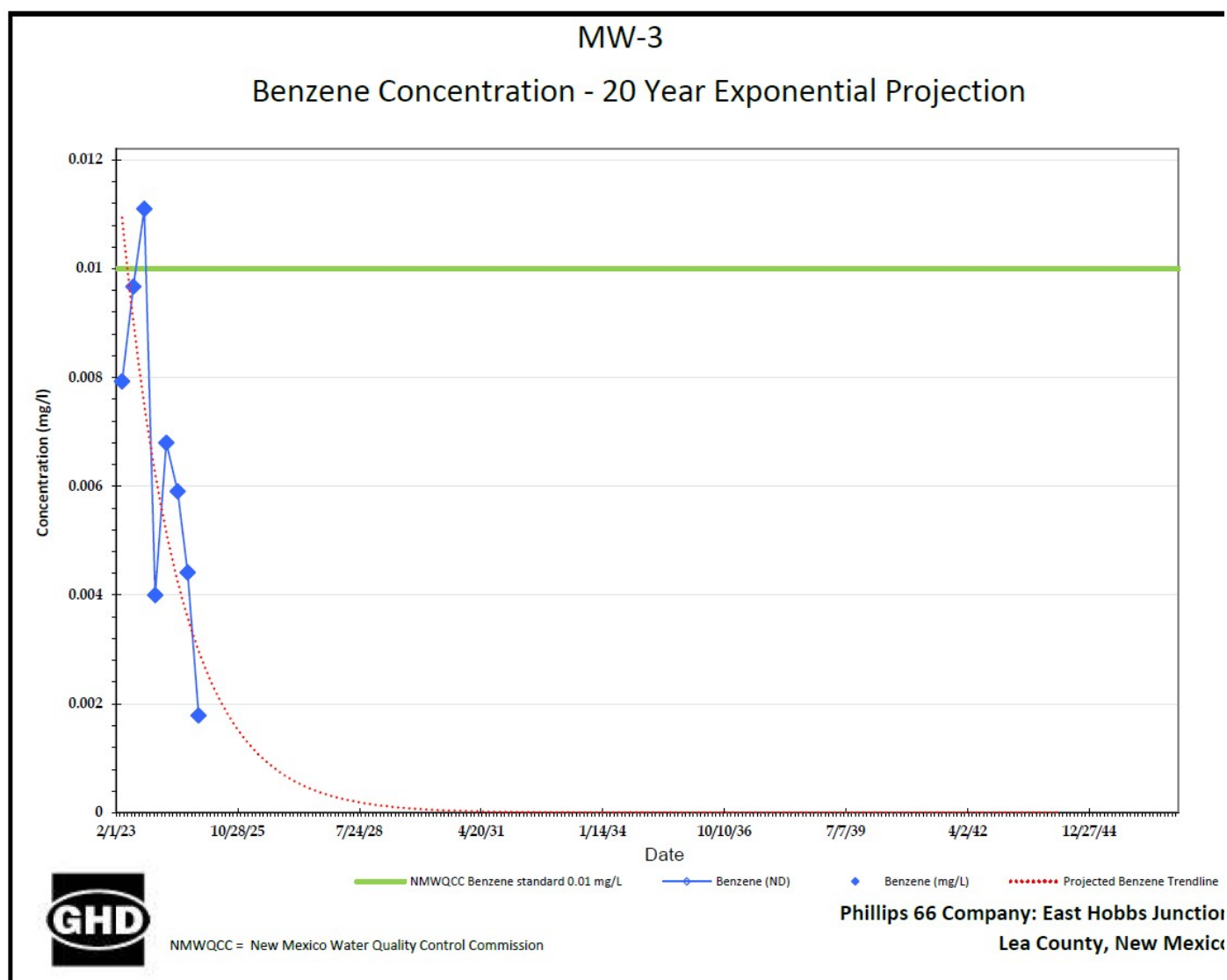
• **Paragraph 1:** While Sections 5 and 5.1 of the report claim eight quarters of data (Q1 2023 – Q4 2024) were collected and used, the Executive Summary description of the extrapolation presented in Appendix B appears to reference only four quarters of monitoring data from **2024**.

Response:

- Due to being an Annual report and Technical Infeasibility Closure Request combined- The executive summary describes the groundwater sampling activities in 2024 separately.
- Appendix B References 8x quarters of groundwater analytical data for MW-1, MW-2 and MW-3 from 3/21/2023 though to 12/10/2024 (The 20-year Exponential Extrapolation of the projected decreasing Benzene concentrations is on the Date (X) Axis).
- 8x blue data points can be counted on the Exponential Projection graphs
- The 8 quarters of groundwater analytical data referenced can also be reviewed on Table 2 of the Report.







- Based on the information presented linking the extrapolation (Appendix B) to the 2024 data, the statistical demonstration does not meet the minimum data period requirement of eight consecutive quarters mandated in the rule

Response:

- See above and refer to Table 2 in report. 8x quarters of groundwater analytical data has been obtained
- Based on the information provided, Natural Attenuation is not a Technical Infeasibility option. Phillips 66 has the potential to meet the abatement standards set forth in Subsections A and B of 19.15.30.9 NMAC using commercially accepted abatement technology pursuant to their OCD approved Stage 2 abatement plan.
 - Refer to Site description and History section of the report
 - "In May 2023, Phillips 66 attended an in-person meeting with State Regulators from the New Mexico Oil Conservation Division (OCD): Nelson Velez and Michael Buchanan. Nelson suggested that the East Hobbs Junction site as a strong candidate for demonstrating a statistically valid extrapolation of decreasing constituent of concern concentrations in groundwater analytical data without the presence of LNAPL NMAC 19.15.30.9 This evaluation guided remediation efforts at the site from the first quarter in 2023 to the fourth quarter of 2024.
 - Section 5 of the report refers to all the commercially accepted abatement technology the site has undergone following the stage II abatement plan over the course of 20 years plus
- **Paragraph 2:** As these reported benzene concentrations exceed 200 percent of the abatement standard, the Technical Infeasibility for benzene cannot be approved under 19.15.30.9.E(2) NMAC.

- Current concentrations in 2 wells exceed 200% abatement standard, but the 20-year extrapolation of concentrations reach below the standard and follow 19.15.30.9.E(1) b. NMAC

Responses to The Oil Conservation Division (OCD) has rejected the application, Application ID: 444301 email:

• **Technical Infeasibility report denied. While Sections 5 and 5.1 of the report claim eight quarters of data (Q1 2023 – Q4 2024) were collected and used, the Executive Summary description of the extrapolation presented in Appendix B appears to reference only four quarters of monitoring data from 2024.**

- Refer to 8 quarters of groundwater data discussed above

• **Natural Attenuation is not a Technical Infeasibility option. Phillips 66 has the potential to meet the abatement standards set forth in Subsections A and B of 19.15.30.9 NMAC using commercially accepted abatement technology pursuant to their OCD approved Stage 2 abatement plan.**

- Section 5 of the report demonstrates all the abatement technology that has been used at the site following the approval of the Stage 2 abatement plan, and approved work plans. Remedial efforts have consisted of excavation, air sparge/soil vapor extraction, enhanced fluid recovery, skimmers and chemical injections

Please let me know if you have time to set up a call to discuss the above responses, or the opportunity to reevaluate and review the submitted Report.

Let me know if any further details are needed, and appreciate your time,

Kind regards,

Erin.

Erin Sullivan
Geologist

GHD

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Please consider the environment before printing this email

From: Burdine, Jaclyn, EMNRD <jackie.burdine@emnrd.nm.gov>
Sent: Tuesday, May 20, 2025 11:50 AM
To: Becky.L.Hesslen@p66.com; David Bonga <david.bonga@ghd.com>; Erin Sullivan <erin.sullivan@ghd.com>
Cc: Smith, Cory, EMNRD <cory.smith@emnrd.nm.gov>; Romero, Rosa, EMNRD <RosaM.Romero@emnrd.nm.gov>; Razatos, Gerasimos, EMNRD <GerasimosX.Razatos@emnrd.nm.gov>
Subject: Determination of Technical Infeasibility Reportt: Phillips 66 East Hobbs Junction Site

Some people who received this message don't often get email from jackie.burdine@emnrd.nm.gov. [Learn why this is important](#)

Good Afternoon Ms. Hesslen,

Please see the attached determination for the Technical Infeasibility Report received by the OCD on 03/20/2025, incident ID [NAUTOFAB000142], App ID: 444301 . If you have questions, please feel free to reach out.

Jackie Burdine • Environmental Specialist
Environmental Bureau
EMNRD - Oil Conservation Division
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<http://www.emnrd.state.nm.us/OCD/>

Effective 12/1/2024: OCD has updated guidance on karst potential occurrence zones. This notice can be found at: <https://www.emnrd.nm.gov/o cd/o cd-announcements-and-notifications/> under "2024 OCD ANNOUNCEMENTS AND NOTIFICATIONS".

The Digital C-141 guidance documents can be found at <https://www.emnrd.nm.gov/o cd/o cd-announcements-and-notifications/> or <https://www.emnrd.nm.gov/o cd/o cd-forms/>.

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 476274

CONDITIONS

Operator: PHILLIPS PETROLEUM CO 411 S. Keeler Ave. #207 AB Bartlesville, OK 74006	OGRID: 17643
	Action Number: 476274
	Action Type: [IM-SD] Incident File Support Doc (ENV) (IM-BNF)

CONDITIONS

Created By	Condition	Condition Date
jburdine	None	6/18/2025