

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley**  
Director, Oil Conservation Division



October 30, 2018

Kijun Hong  
Harvest Energy Company  
1755 Arroyo Drive  
Bloomfield, New Mexico 87413  
khong@harvestmidstream.com

AP-127  
PCS 1830931847

**RE: Requirement for Stage 1 and 2 Abatement Plans Concerning a Release at the Kutz Canyon Gas Plant**

Mr. Hong,

Harvest Energy Company (Harvest) previously notified the Oil Conservation Division (OCD) of an historic release of an unknown volume of hydrocarbons on August 17, 2018 which was discovered by third-party pipeline activities in October, 2017. Investigation of the release indicates groundwater in the area has been impacted.

The OCD typically directs the responsible party to undertake corrective action of vadose zone soils under requirements of 19.15.29 NMAC. However, if groundwater or surface water has been affected, corrective action must be addressed subject to provisions of 19.15.30 NMAC. 19.15.30.10 NMAC states "...*responsible persons who are abating, or who are required to abate, water pollution in excess of the standards and requirements set for in 19.15.30.9 NMAC shall do so pursuant to an abatement plan the director approves. When the director has approved an abatement plan, the responsible person's actions leading to and including abatement shall be consistent with the abatement plan's terms and conditions.*"

This letter hereby notifies Harvest that an abatement plan is required. Stage 1 of the plan is to define site conditions such that an effective abatement option can be selected. Stage 2 is implementation of the remedial option. The Stage 1 and 2 plans can be submitted simultaneously, but the Stage 1 plan must be received by the OCD no later than December 30, 2018 and conform with all applicable requirements of 19.15.30 NMAC including those for public notice.

If you have any questions, please contact Jim Griswold of my staff at (505) 476-3465 or by email at [jim.griswold@state.nm.us](mailto:jim.griswold@state.nm.us). On behalf of the Oil Conservation Division, I wish to thank you and your staff for your cooperation during this permit review.

Respectfully,

for  
Heather Riley  
Director