GW - 294

GENERAL CORRESPONDENCE

YEAR(S): 2007 - 2010

Griswold, Jim, EMNRD

From: Ron Rounsaville [rrounsaville@novatraining.cc]
Sent: Monday, December 01, 2008 4:00 PM
To: Griswold, Jim, EMNRD
Cc: Jeff Dann; Jason Henry; Britt Byerly
Subject: Plains Marketing 97-04 Townsend Response letter
Attachments: 97-04 System WP Response to Griswold 12-08.pdf

Mr. Griswold,
Attached is the response to your letter dated October 10, 2008 regarding the enhanced recovery system for the Plains Marketing 97-04 Townsend site in Lovington, NM.
Please contact Britt Byerly or myself should you have any questions regarding the information.

Thank You,

Ronald K. Rounsaville
Project Manager
NOVA Safety & Environmental
2057 Commerce
Midland, Texas 79703
PH: 432-520-7720
FX: 432-520-7701
Cell: 432-894-7166

NOVA

December 1, 2008

Mr. Jim Griswold
Hydrologist
Environmental Bureau
NMOCD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Response to October 10, 2008, e-mail from Mr. Griswold regarding Remedial Workplan 97-04 Townsend Site, Plains Marketing, L.P.
Lea County, New Mexico

Dear Mr. Griswold:

This letter is in response to the October 10, 2008, e-mail from Mr. Jim Griswold regarding system Workplan concerns at the 97-04 Townsend Site in Lea County, New Mexico. Mr. Griswold's comments are in black and responses from Nova Safety and Environmental (Nova) are in red.

To summarize some of that discussion...The NMOCD has reviewed the enhanced product recovery workplan prepared by NOVA dated August 2008 and is heading toward approval of the renewal for the discharge permit (GW-294) associated with the Townsend facility. A few things need to be clarified for permitting purposes, others so we know where we're heading over the upcoming months.

The workplan indicates 3 new total fluids recovery wells are to be installed and along with RW-1 will come online using pneumatic pumps. The anticipated pumping rate will average two gallons per minute per pump. This equates to a daily discharge of 11,520 gallons. My concern is the higher the flowrate, the lesser percentage of NAPL per unit volume of recovered groundwater, the higher the cost of carbon treatment, and the greater induced potentiometric gradient due to infiltration. The fractionation tanks should perhaps be sized based on the 2 gpm figure, but provisions should be made to throttle back the flows to as low as maybe 0.5 gpm/pump. A short-term (several hours) pump test on RW-1 could be readily undertaken using MWs-3, 4, and 5 to observe drawdown.

- Plains proposes to conduct a pump test on recovery well RW-1 and use monitor wells MW-3, MW-4 and MW-5 as observation wells to observe drawdown as suggested. Upon

completion and evaluation of the pump test and proposed pilot test data, Plains will be able to determine the proper pumping flow rate. The tank sizing is based upon the 2 gpm rate figure.

The workplan also states product skimming pumps will be used in MWs-2, 3, 4, 5, 6, and 9 in the bottom paragraph of page 1, but this is never discussed again. Based on our conversation, it is Plains intent to skim these wells until the apparent thickness of product is substantially reduced. Thereafter, they will be gauged to monitor the effect of the total fluids pumping system.

- Plains proposes to utilize skimmer pumps in order to skim the maximum amount of product from monitor wells MW-2, MW-3, MW-4, MW-5, MW-6 and MW-9. Crude oil recovered from the six monitor wells will be piped to a 500 gallon holding tank to await collection by Plain's for re-injection into the pipeline system. Upon removal of free product to the maximum extent practicable, other methods of removal of the remaining contamination within the well will be contemplated. These options include but are not limited to over-pumping of the wells, use of oxygen socks, and/or absorbent socks to remove minor thicknesses of product. Wells will be gauged to monitor progress of product removal and the effectiveness of the remediation system until final closure of the site.

The present intent is to reuse the existing infiltration galleries to deal with treated groundwater. They were originally installed as part of a multiphase extraction system. Could you please provide me with a protocol for establishing the viability of these galleries and contingencies (other than off-site disposal) for rehabilitation or replacement in case they are compromised.

- Plains proposes to rehabilitate the existing infiltration gallery and opts to construct an additional infiltration trench next to the existing infiltration gallery to ensure adequate infiltration capacity. The trench infiltration gallery will be excavated to a depth of approximately 30 feet below ground surface (bgs) and will consist of PVC piping and backfilled with approximately 10 feet of crushed gravel filter media. A poly liner will be placed over the gravel pack and covered to the surface with clean soil. Please see the attached diagram of the rehabilitated infiltration gallery.

The total depth (TD) on the proposed sparging wells is 75 ft below ground surface (DTW of ~50 ft) with two feet of 20-slot screen at each well's bottom. The deepest well previously advanced at the site (RW-1) is only 67 ft bgs and I am concerned there might be lower-permeability lithology at greater depth which would pose problems for the distribution of injected air. Greater depth also requires increased pressure to achieve aeration, thus higher initial capital costs, higher operating costs, and more heat (i.e. loss) in the discharged air from the pump. Given the soil type and an approximate well spacing of 20 feet, it is appropriate (and cheaper) to have a TD of 65 ft for the sparging wells incorporating the same 2 feet of screen. These wells can be constructed using standard 20-foot sections of 2" diameter SCH 40 PVC bell end pipe with glued joints rather than threaded well casings. If the bores stay open in the saturated zone (which I doubt), then an artificial sand pack should be placed around the screened intervals, but a natural pack will be sufficient. However, placement of the annular seal above the screens is very important. Also, considerable care must be taken to ensure the depth of the screen below the

water table in each well is approximately the same, otherwise the shallower wells will tend to take most (if not all) of the injected air. The sparging wells need to be properly developed after installation and then again immediately prior to manifolding of the supply line to ensure silt hasn't plugged the screens.

- Plains proposes to adjust the air sparging well completion depths to approximately 65 feet bgs, each constructed with 2-inch diameter pvc piping with bell ends and glued joints and two feet of screen. The well casing will be completed with the appropriate sized filter pack to allow for sufficient air transport. The filter pack will be placed approximately 2 feet above the top of the screen with the annular seal of bentonite placed above the filter media and properly hydrated. In addition, considerable care will be given to properly place each screen section at approximately the same depth. Each air sparging well will be properly developed following installation and prior to manifolding of the supply lines.

The workplan says you intend to use stinger/packer combinations in each sparging well operating at anywhere from 10 to 50 psi. Why not just manifold directly from the blower into the wellheads? Try not to run this at much more than a few psi above the pressure required to push out the water from the well casings and begin aeration. Otherwise you can dewater the zone completely and defeat the purpose. Excessively high flowrates can also cause a significant problem for fugitive vapor emissions at the surface, especially when there isn't any vapor extraction in the vadose zone. One psi is equivalent to 27.7 inches of water, so if the top of the screens are 13 feet beneath the water table, then it should require only 6 psi (plus piping loss and minimum formation entry pressure) to begin bubbling from the screens. I would estimate as a first stab to try and run the system at no more than 9 or 10 psi depending on the flowrate you can get, which is also a function of the pump and how fast you spin it. Anywhere from 5 to 10 cfm of air per well will be adequate, so the overall blower requirement would be between 40 and 80 cfm.

- Plains proposes to manifold directly from the blower to the wellheads and maintain a pressure of approximately 5 to 10 psi in each well. A blower already secured by Plains will be utilized to produce an approximate maximum flow rate of 80 cfm. If necessary, excess blower capacity will be vented to control flow rates, pressure, and temperature produced at the blower.

I would agree that a Roots-type blower (rotary-lobe compressor) would be appropriate, just don't buy a pump which doesn't have lubricant or it will die in a few months. Be sure to include an intake air filter, silencers on both intake and exhaust, a check valve, a bleed valve, and a pressure relief valve. I would recommend the blower be belt-driven such that you can change pulley ratios to get the blower speed you want. If 3-phase power is available it will save electricity if the motor is 2 hp or bigger. You need to be wary of heat at the outlet of the blower as this can cause piping failures even in CPVC especially if the pipe is exposed.

- The blower will be a 3-phase blower utilizing all required filters, check valves, muffling systems and relief valves to prevent or control upset events. Heat buildup within the

system piping system will be monitored, and steps taken to control heat damage to piping taken if necessary.

No volumes were provided for the proposed frac tanks or carbon filters which I need to know as part of the permit. There also must be impermeable secondary containment for tanks and filters capable of holding 130% of the volume. If liquids are released into the secondary containment, they cannot be allowed to remain for more than 72 hours.

- An oil-water separator tank will be installed as the first vessel that produced water will enter. This tank is capable of 20 gpm flow and will be used as a product separation tank that all free phase crude oil will be captured and isolated. A 1200 gallon holding tank will function as a backup separation tank to allow for the capture of any groundwater passing through the oil water separator. Fluid leaving the main holding tank will pass through a bag filter and then into the carbon filter system. A system of two 500 pound granulated activated carbon canisters (GAC) will be utilized, plumbed in series to ensure complete removal of organic compounds from the effluent stream prior to discharge into the infiltration gallery. Flow meters will be used prior to the oil water separator tank and after the last GAC filter. Product captured by the oil water separator will be piped to a separate 500 gallon tank for holding crude oil. Please see attached diagram for system layout. All tankage will be enclosed in sufficient secondary containment, and no released fluids will be allowed to remain in the containment for more than 72 hours.

Effluent assays must be: BTEX: 8021/ PAH: 8270/ WQCC metals at startup and annually. BTEX: 8021/ PAH: 8270 monthly. All monitoring wells need to be checked monthly for both depth to product and depth to water.

- Plain's agrees to sample and analyze effluent water on the schedule above. All monitoring wells will be gauged monthly for product thickness and depth-to-water.

Assay groundwater in monitoring wells without NAPL by BTEX: 8021/ PAH: 8270/ WQCC metals at startup and after one year. BTEX: 8021/ PAH: 8270 quarterly. I would also like to see measurements of dissolved oxygen in each well every quarter. Use a drop count titration kit (Hach Model OX-2P, for example) rather than an electronic meter and be sure to do the measurement on an un-agitated sample (i.e. first bailer).

- Plain's agrees to sample and analyze groundwater on the schedule above. Plain's also agrees to measure dissolved oxygen on a quarterly schedule with the recommended methodology and protocol.

Minimum monthly sparging system monitoring should include injection flow, pressure, and temperature. You can obviously check the system more often if you want. Change the oil and filter on the blower every quarter or whatever the manufacturer recommends. You should also keep track of monthly pumping and NAPL recovery rates from both the total fluid and product skimming systems. You need to provide me with an equipment maintenance plan and schedule as part of the renewal application.

- Nova will monitor the system during startup on a daily schedule. The schedule of monitoring and maintenance at the site will at a minimum comply with the manufactures suggested frequency of maintenance. At a minimum, weekly visits to the site will be made to monitor the operational parameters of the system, and to conduct maintenance and repairs as needed. These visits will include pump inspection, sampling, hand bailing of product if required, adjustments to flow, and any other maintenance as required. BTEX and PAH effluent samples will be collected between the two GAC filters and after the final GAC filter monthly as directed. Upon breakthrough of the first filter, the filters will be rotated with the second filter moved to the primary position and a new GAC filter installed in the secondary position. System records will be maintained showing flow totals, product recovered, and amounts of fluid discharged to the infiltration system.

I checked the NM Office of the State Engineer's online database to identify water supply wells in the area. In Sections 11, 12, 13, and 14 of T16S, R35E there are a total of 36 wells, 6 of them potentially within a ¼-mile radius of the Townsend site and completed at similar depths to the affected part of the aquifer. Two of those are nominally downgradient; well files L-00270 and L-00960. One appears to be used for commercial purposes (water for drilling mud) and the other a domestic well. Please "check the neighborhood" and see if you can't find them and see what the current usage status is. If they are pumping, then they could be pulling dissolved-phase contamination off-site. We might need to sample them from time to time. If they aren't pumping, then I wonder if this could be the reason the local water table seems to have rebounded nearly one foot since early-2005.

- NOVA conducted a walking water well survey which identified four water wells located within a ¼ mile radius of the 97-04 site. One well was located approximately ¼ mile west and upgradient of the site and is the active water supply well for the Megert residence, identified as well No. 09648. The groundwater plume identified with the 97-04 site is defined in the upgradient direction eliminating the potential of impact to the Megert well from the 97-04 release. An active stocktank windmill well is located approximately ¼ to ½ mile east and cross gradient of the site and is identified as well No. 01385 on the State Engineer database. Due to the distance, cross-gradient orientation, and the definition of the 97-04 groundwater plume, impact from the 97-04 release is unlikely. One well identified as well No. 00270 could not be found and is considered to be inactive or nonexistent. The fourth well identified as well No. 00960 is located approximately 2/10 mile south of the 97-04 site and appeared to be an operational irrigation well. This well is considered cross gradient of the site and not threatened. Several other water wells were identified to the west and northwest of the site and do not appear to be potential receptors of the 97-04 release due to the local and regional groundwater gradient.

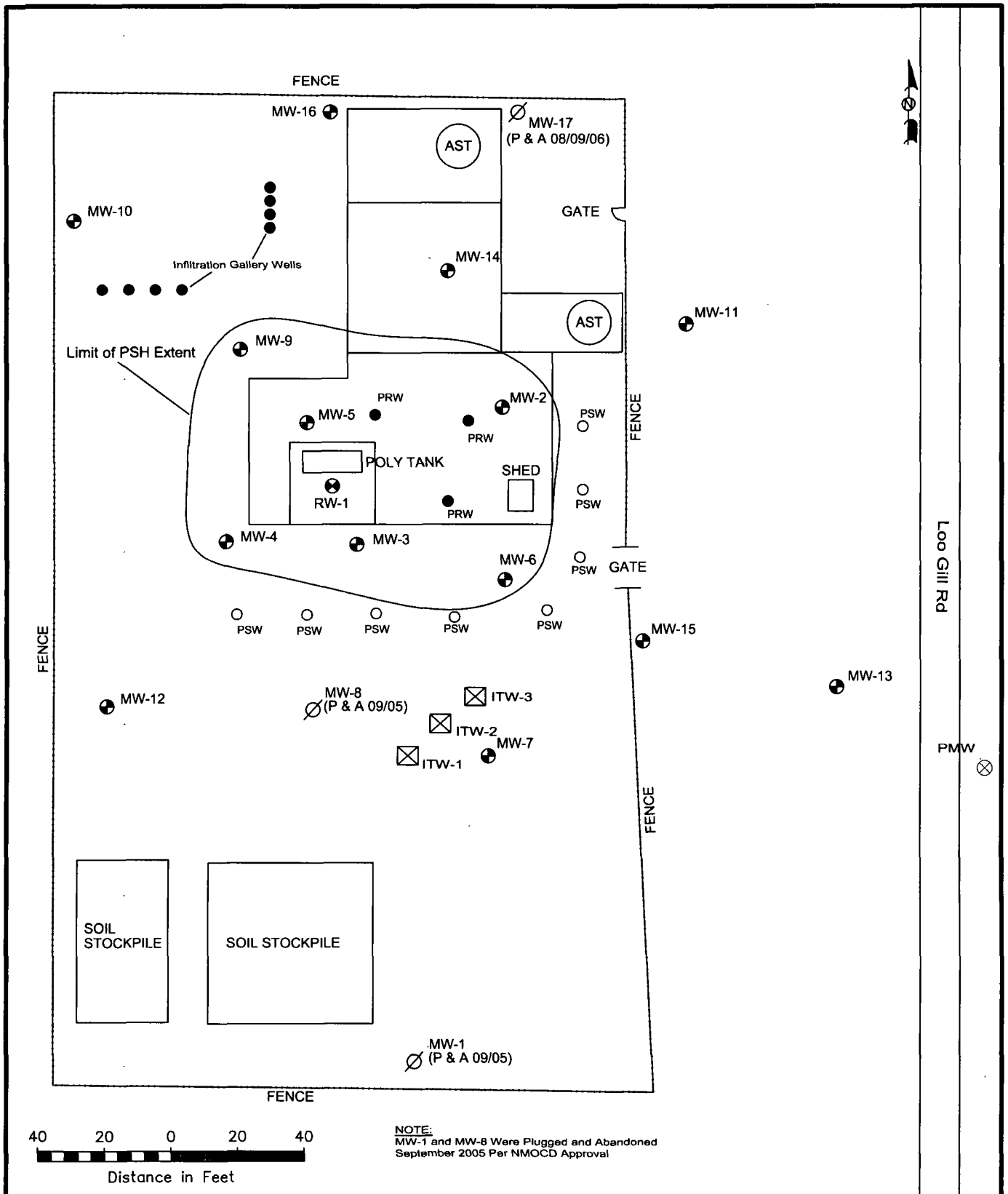
If you have any additional questions, or if additional information is needed, please call Brittan Byerly or myself at 432-520-7720.

Sincerely,

Ronald Rounsaville
Senior Project Manager
Nova Safety and Environmental
rrounsaville@novatraining.cc

enclousures

cc: file



NOTE:
MW-1 and MW-8 Were Plugged and Abandoned September 2005 Per NMOCD Approval

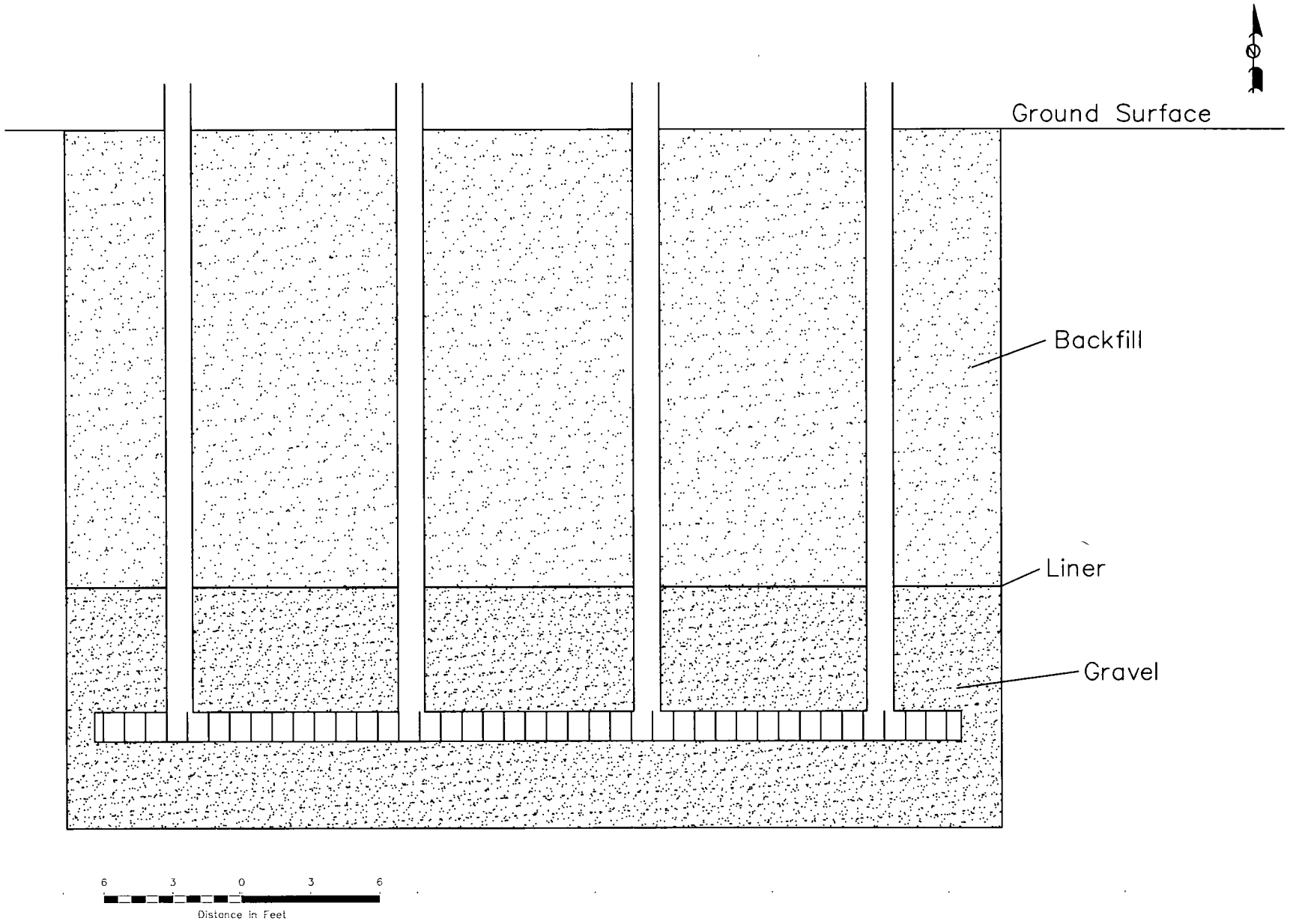
LEGEND:
- Monitoring Well Location
- Proposed Recovery Well Location (PSW)
- Proposed Monitor Well Location (PMW)
- Proposed Sparging Well Location (PRW)
- Infiltration Test Well Location (ITW-1)
- Infiltration Gallery Well Location

Figure 2
Site Map and Proposed Well Locations Map
Plains Marketing, L.P.
TNM 97-04
Lea County, NM

NOVA Safety and Environmental

NOVA safety and environmental

Scale: 1" = 40'	Drawn By: DPM	Prepared By: CDS
September 22, 2005	NW1/4 SE1/4 Sec 18 T18S R36E	
	Lat. N32° 44' 50.3" Long. W103° 23' 38.5"	



Legend:

Figure 3

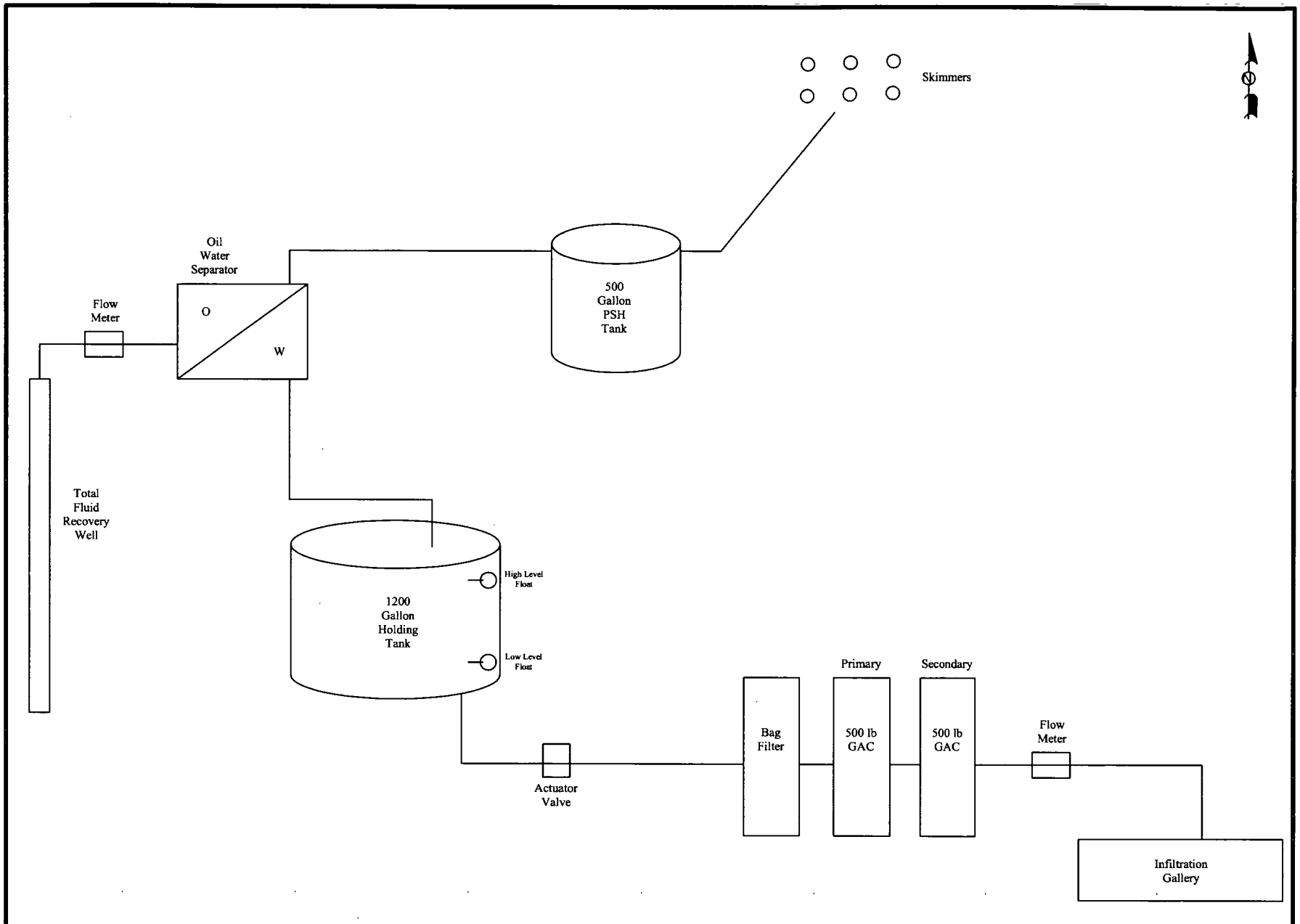
Infiltration Gallery Diagram

Plains Pipeline, L.P.
Townsend 97-04
Lea County, NM

NOVA Safety and Environmental

NOVA safety and environmental

Scale: 1" = 6'	CAD By: DGC	Checked By: BKB
November 25, 2008		



Legend:

Figure 4

Enhanced Recovery System
Layout Diagram

Plains Pipeline, L.P.
Townsend 97-04
Lea County, NM

NOVA Safety and Environmental

NOVA safety and environmental

	CAD By: DGC	Checked By: BKB
November 26, 2008		

Griswold, Jim, EMNRD

From: Griswold, Jim, EMNRD
Sent: Monday, July 28, 2008 10:08 AM
To: Camille Bryant (cjbryant@paalp.com)
Subject: Discharge Permit GW-294 for Townsend site (Plains TNM 97-04)

Good Morning Camille,

I received and reviewed your email of Friday 7/25/08 responding to my earlier requests.

Plains All American Pipeline is hereby authorized by the OCD to properly abandon the three infiltration test wells (ITWs-1, -2, and -3) at the Townsend release site. Please comply with all requirements of the Office of the State Engineer in this regard. If bentonite chips are used to plug the wells, be sure the material is added to the bore in multiple lifts each no more than two feet in thickness and the bentonite is fully hydrated with fresh water between each lift.

Please let me know when you are scheduled to install the new downgradient monitoring well, MW-18.

Plains is also granted an extension until no later than 8/30/08 to provide the OCD with a plan for more effective remediation of this release. Thanks.

Jim Griswold
Hydrologist
Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
direct: 505.476.3465
email: jim.griswold@state.nm.us

Griswold, Jim, EMNRD

From: Camille J Bryant [CJBryant@paalp.com]
Sent: Friday, July 25, 2008 11:41 AM
To: Griswold, Jim, EMNRD
Subject: Plains TNM 97-04 (GW-294) Response Letter
Attachments: Townsend Response letter to NMOCD.doc; SCAN0226_000.pdf

Jim,

Please find attached below for your approval the Response Letter for the Plains TNM 97-04 Release Site (GW-294). This document is a response to the June 30, 2008 e-mail from you regarding issues at the site. A hard copy will follow.

Should you have any questions or comments, please contact me at (505) 441-0965.

Sincerely,

Camille Bryant
Remediation Coordinator
Plains All American

office: 505/396-3341
fax: 505/396-2754
cellular: 505/441-0965

<<Townsend Response letter to NMOCD.doc>> <<SCAN0226_000.pdf>>

PLAINS PIPELINE

July 24, 2008

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

Re: Plains Pipeline, L.P. TNM 97-04 Release Site
NMOCD Reference # GW-294
UL-P (SE¼ of the SE¼) of Section 11, T16S, R35E
Lea County, New Mexico

Dear Mr. Griswold:

Plains Pipeline, L.P. (Plains) submits this response to the email sent by New Mexico Oil Conservation Division (OCD) dated June 30, 2008 regarding issues at the site. The issues are reiterated below followed by the Plains response.

1. "The entrance gate was secured with a chain and padlock, but the lock was open."

   Response: NOVA technical personnel have been advised to assure the gate lock is secured prior to departing the site following all field activities.

2. "The poly tank for storage of recovered crude oil appeared half full, but did not have a cover. Please place a vented cover on this tank."

   Response: NOVA technical personnel have removed the PVC piping and tubing associated with the former product recovery system and installed a vented cap on the fluid storage poly tank.

3. "Despite being located within a subsurface vault, RW-1 was not properly fitted with a plug or cap to prevent the infiltration of surface water down the bore. Please secure this well."

   Response: NOVA technical personnel have installed a J-plug cap into the 6-inch diameter recovery well RW-1.

4. "Infiltration test wells ITW-1, -2, and -3 are not located on recent maps nor are the actual infiltration wells (farther north) used as part of the earlier dual-phase extraction system as required under Condition 5b of prior discharge plan approval (dated January 12, 2000). If any or all of these wells are of no further use, Plains should consider abandonment, but only after proper approval from the OCD."

   Response: Plains requests formal approval from the NMOCD to properly plug and abandon the three Infiltration wells, identified as ITW-1, ITW-2 and ITW-3, located adjacent to monitor well MW-7. The three ITW wells are approximately 17 feet in depth

and will be properly plugged and abandoned according to NMOCD regulations by a drilling contractor licensed in the State of New Mexico (See the attached Site Map for well locations). At this time, Plains proposes that the eight infiltration gallery wells located between MW-9 and MW-10 be left in place.

5. "Under Condition 5g of the prior approval, reporting of the monthly volume of recovered product is required. This information was not included in recent annual reports, only a total for the year. Would you please forward this information to me. It is useful data especially given the observed increase in water table over the past several years. It would be best if it were provided as a recovered volume per bailing event per well for each of the affected wells."

   Response: Plains is currently preparing a spreadsheet tabulating monthly PSH recovery volumes on each affected well. Once the tables are complied, the data will be submitted to the NMOCD on a monthly basis.

6. "Under the prior renewal application, the method of intended product recovery was a group of skimming pumps. This method was switched to hand bailing at some point. When? The OCD should have been notified of the intended change."

   Response: A pneumatic product recovery system was operational at the site until late 2005. Due to multiple theft incidents involving compressors and other ancillary system equipment, the system was subsequently shut down and manual product recovery was utilized by means of hand bailing. In 2006, the NMOCD requested that Plains resume operation of the pneumatic recovery system. Following system re-start, pump failures continued due to high dissolved solids concentrations existing in the groundwater. The system was decommissioned in late 2006.

7. "Under Condition 6, OCD was to have been notified one week in advance of each field event. This does not appear to have been the case."

   Response: Plains will assure that contractors will properly notify the local NMOCD office, either by phone or e-mail, prior to scheduled field work site visits.

8. "The 2007 annual report stated the monitoring wells were purged before sampling using either a disposable bailer, or submersible pump and the purged water was collected in a poly tank for disposal. Which mode of development was used, bailing or pumping, and when? If pumped, where was the pump set in the water column, what was the pumping rate, and how much drawdown was observed? Also, I did not see a purged water tank at the site. Does your contractor take the water with them for disposal during each product bailing and/or sampling event?"

   Response: Groundwater purging is conducted by means of hand bailing using disposable bailers during each quarterly groundwater sampling event. A minimum of three well volumes of groundwater are purged from each well prior to sampling. Purged groundwater is stored in the on-site poly tank and the fluids properly disposed of by a licensed waste hauler and disposal facility.

PLAINS PIPELINE

9. "A new groundwater monitoring well is needed downgradient of existing well MW-13 to better define the dissolved-phase contaminant plume which is migrating toward the southeast."

   Response: A new monitor well, identified as MW-18, is scheduled to be installed downgradient and to the southeast of existing well MW-13. The drilling will be scheduled upon written approval of the off-site property landowner. The new monitor well will be drilled to a total depth of approximately 65 feet below ground surface and constructed with 25 feet of slotted screen. Soil samples will be collected by utilizing a split barrel core sampler with soil samples being analyzed for Total Petroleum Hydrocarbons (TPH) by EPA Method 8015B and for BTEX by EPA Method 8021B. Upon drilling completion, the new monitor well will be properly developed by purging approximately 3 well volumes of groundwater. Groundwater samples will be collected by using a clean disposable bailer with samples analyzed for BTEX, EPA Method 8021B.

10. "In reviewing available data, it appears continued product recovery by means of bailing or skimming has passed a point of effectiveness. The original release was more than a decade ago and although a significant volume of product has been recovered, most of that was during the first few years of activity, the groundwater plume has not stabilized and the site is not approaching closure. It is unlikely the OCD will approve the renewal application as currently drafted. Please consult with your contractor regarding a more aggressive remedial approach for this site."

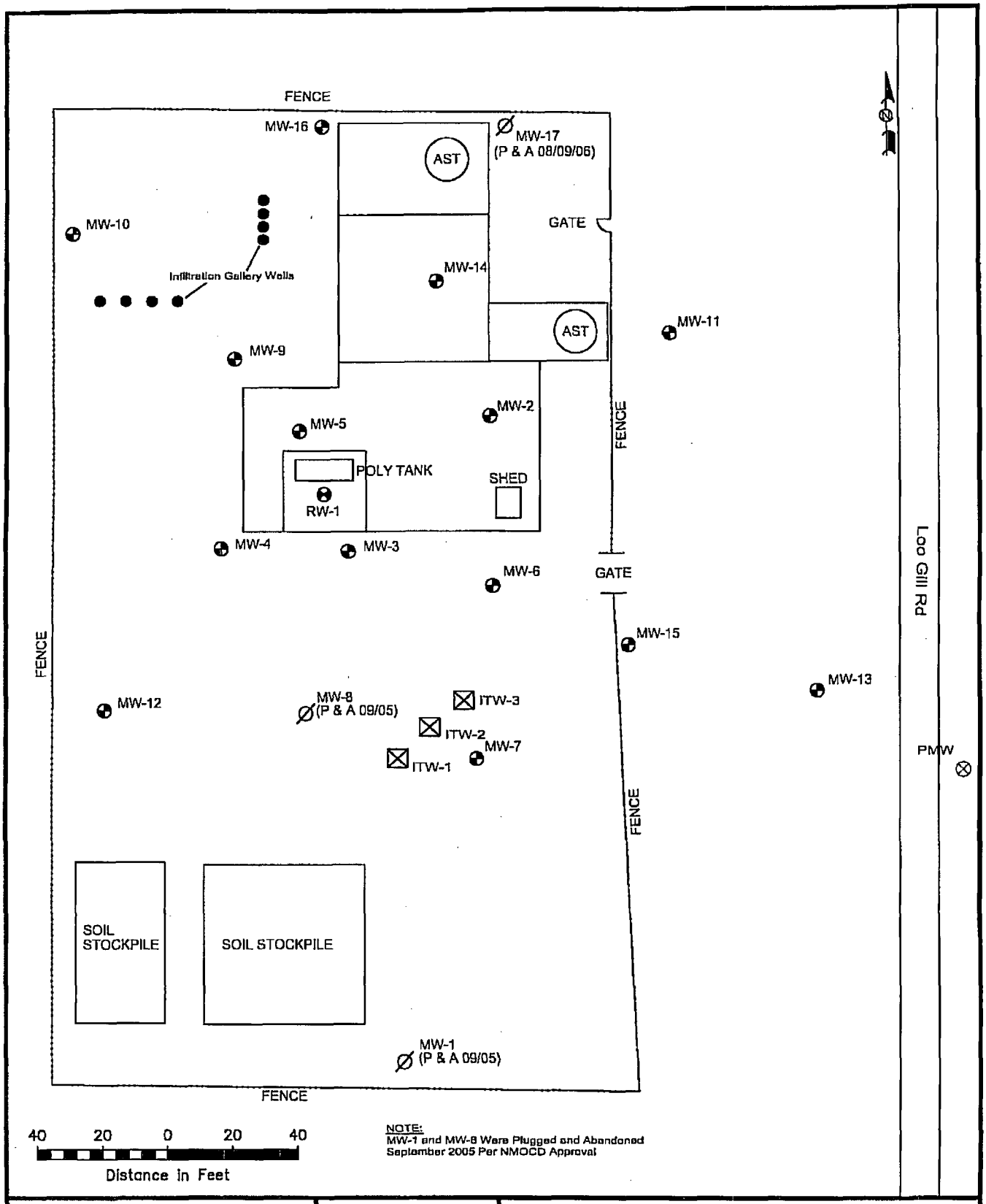
    Response: Plains requests an extension until August 30, 2008 to more thoroughly evaluate options and remedial technologies and to incorporate additional data from the planned assessment activities.

If you have any questions or require further information, please contact me at (505) 441-0965.

Sincerely,

Camille Bryant
Remediation Coordinator
Plains Pipeline

Enclosure



LEGEND:

- Monitoring Well Location
- Soil Boring Location
- Proposed Monitor Well Location (PMW)
- Infiltration Test Well Location (ITW)
- Infiltration Gallery Well Location

Figure 2
Proposed Monitor Well Locations
Plains Marketing, L.P.
TNM 97-04
Lea County, NM

NOVA Safety and Environmental

NOVA safety and environmental

Scale: 1" = 40'	Drawn By: DPM	Prepared By: CDS
September 22, 2005	NW1/4 SE1/4 Sec 18 T18S R36E	
	Lat. N32° 44' 50.3" Long. W103° 23' 36.5"	

Griswold, Jim, EMNRD

From: Griswold, Jim, EMNRD
Sent: Monday, June 30, 2008 1:57 PM
To: Camille Bryant (cjbryant@paalp.com)
Subject: GW-294, Townsend

Hi Camille,

I want to thank you and Daniel for taking the time to visit with me last week. It was a pleasure meeting both of you. With respect to the Townsend remediation site and renewal of the discharge plan (GW-294) here is a list of items that need to be addressed:

The entrance gate was secured with a chain and padlock, but the lock was open.

The poly tank for storage of recovered crude oil appeared half full, but did not have a cover. Please place a vented cover on this tank.

Despite being located within a subsurface vault, RW-1 was not properly fitted with a plug or cap to prevent the infiltration of surface water down the bore. Please secure this well.

Infiltration test wells ITW-1, -2, and -3 are not located on recent maps nor are the actual infiltration wells (farther north) used as part of the earlier dual-phase extraction system as required under Condition 5b of prior discharge plan approval (dated January 12, 2000). If any or all of these wells are of no further use, Plains should consider abandonment, but only after proper approval from the OCD.

Under Condition 5g of the prior approval, reporting of the monthly volume of recovered product is required. This information was not included in recent annual reports, only a total for the year. Would you please forward this information to me. It is useful data especially given the observed increase in water table over the past several years. It would be best if it were provided as a recovered volume per bailing event per well for each of the affected wells.

Under the prior renewal application, the method of intended product recovery was a group of skimming pumps. This method was switched to hand bailing at some point. When? The OCD should have been notified of the intended change.

Under Condition 6, OCD was to have been notified one week in advance of each field event. This does not appear to have been the case.

The 2007 annual report stated the monitoring wells were purged before sampling using either a disposable bailer, or submersible pump and the purged water was collected in a poly tank for disposal. Which mode of development was used, bailing or pumping, and when? If pumped, where was the pump set in the water column, what was the pumping rate, and how much drawdown was observed? Also, I did not see a purged water tank at the site. Does your contractor take the water with them for disposal during each product bailing and/or sampling event?

A new groundwater monitoring well is needed downgradient of existing well MW-13 to better define the dissolved-phase contaminant plume which is migrating toward the southeast.

In reviewing available data, it appears continued product recovery by means of bailing or skimming has passed a point of effectiveness. The original release was more than a decade ago and although a significant volume of product has been recovered, most of that was during the first few years of activity, the groundwater plume has not stabilized and the site is not approaching closure. It is unlikely the OCD will approve the renewal application as currently drafted. Please consult with your contractor regarding a more aggressive remedial approach for this site.

Please report back to me on these issues ASAP and certainly no longer than within the next 30 days. Thanks again.

Jim Griswold
Hydrologist
Environmental Bureau
ENMRD/Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
direct: 505.476.3465

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Tuesday, February 19, 2008 3:35 PM
To: Price, Wayne, EMNRD; 'Wayne E Roberts'
Subject: RE: Discharge Permit (GW-289)
Attachments: gw-294.tif

Please find enclosed GW-294

From: Price, Wayne, EMNRD
Sent: Tuesday, February 19, 2008 3:19 PM
To: Price, Wayne, EMNRD; Wayne E Roberts
Subject: RE: Discharge Permit (GW-289)

Please find enclosed GW-351 for Lea Station.

From: Price, Wayne, EMNRD
Sent: Tuesday, February 19, 2008 1:33 PM
To: 'Wayne E Roberts'
Subject: RE: Discharge Permit (GW-289)

Dear Wayne, please find enclosed part of the file.

From: Wayne E Roberts [mailto:weroberts@paalp.com]
Sent: Monday, February 18, 2008 12:52 PM
To: Price, Wayne, EMNRD
Subject: Discharge Permit (GW-289)

Mr. Price:
Per your email **Sent:** Friday, February 15, 2008 4:13 PM **To:** Jeffrey P Dann regarding the **Subject:** Discharge Permits -Attention Wayne Roberts; Discharge Permit (GW-289) has expired.

I have received this notice and wish to comply fully with renewal requirements. Can you tell me the site/facility name and location for this permit? I have no record of this permit and our Houston office is unable to locate any applicable files.

Thank you for your consideration in this matter.
Thanks & Best Regards,
Wayne E. Roberts
Director, Environmental & Regulatory Compliance
S & SW Divisions - Plains All American
3705 E. Hwy. 158
Midland, TX 79706
432.686.1767 office
432.413.2574 cell
432.686.1770 fax

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Tuesday, February 19, 2008 3:19 PM
To: Price, Wayne, EMNRD; 'Wayne E Roberts'
Subject: RE: Discharge Permit (GW-289)
Attachments: gw-351.tif

Please find enclosed GW-351 for Lea Station.

From: Price, Wayne, EMNRD
Sent: Tuesday, February 19, 2008 1:33 PM
To: 'Wayne E Roberts'
Subject: RE: Discharge Permit (GW-289)

Dear Wayne, please find enclosed part of the file.

From: Wayne E Roberts [mailto:weroberts@paalp.com]
Sent: Monday, February 18, 2008 12:52 PM
To: Price, Wayne, EMNRD
Subject: Discharge Permit (GW-289)

Mr. Price:
Per your email **Sent:** Friday, February 15, 2008 4:13 PM **To:** Jeffrey P Dann regarding the **Subject:** Discharge Permits -Attention Wayne Roberts; Discharge Permit (GW-289) has expired.

I have received this notice and wish to comply fully with renewal requirements. Can you tell me the site/facility name and location for this permit? I have no record of this permit and our Houston office is unable to locate any applicable files.

Thank you for your consideration in this matter.
Thanks & Best Regards,
Wayne E. Roberts
Director, Environmental & Regulatory Compliance
S & SW Divisions - Plains All American
3705 E. Hwy. 158
Midland, TX 79706
432.686.1767 office
432.413.2574 cell
432.686.1770 fax

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Friday, February 15, 2008 3:13 PM
To: Jeffrey P Dann
Cc: Williams, Chris, EMNRD; Johnson, Larry, EMNRD
Subject: Discharge Permits -Attention Wayne Roberts
Attachments: Renewal WQCC Notice Regs.pdf; Discharge Plan App Form.pdf; Guidelines For Discharge Plans.pdf; PN Flow Chart.20.6.2renewal.pdf

Please forward to Mr. Wayne Roberts: I would like a return E-mail from Mr. Roberts indicating he has received the notice.

Dear Discharge Permit (GW-289) Holder:

The New Mexico Oil Conservation Division's (NMOCD) records indicate that your ***discharge permit has expired.*** New Mexico Water Quality Control Commission regulations (WQCC) Section 3106.F (20.6.2.3106.F NMAC) specifies that if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. You may be operating without a permit. Please submit a permit renewal application, identifying any changes and updates, with a filing fee (20.6.2.3114 NMAC) of $100.00 by February 29, 2008. Please make all checks payable to the **Water Quality Management Fund** and addressed to the OCD Santa Fe Office. There is also a discharge plan permit fee, based on the type of facility, which OCD will assess after processing your application. An application form and guidance document is attached in order to assist in expediting this process.

In accordance with the public notice requirements (Subsection A of 20.6.2.3108 NMAC) of the newly revised (July 2006) WQCC regulations, "...to be deemed administratively complete, an application shall provide all of the information required by Paragraphs (1) through (5) of Subsection F of 20.6.2.3108 NMAC and shall indicate, for department approval, the proposed locations and newspaper for providing notice required by Paragraphs (1) through (4) of Subsection B or Paragraph (2) of Subsection C of 20.6.2.3108 NMAC." You are required to provide the information specified above in your permit renewal application submittal. Attached are a flow chart and the regulatory language pertaining to the new WQCC public notice requirements for your convenience. After the application is deemed administratively complete, the revised public notice requirements of 20.6.2.3108 NMAC must be satisfactory demonstrated to OCD. OCD will provide public notice pursuant to the revised WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

The Oil Conservation Division's (OCD) records indicate that the following discharge plans will expire this year:

GW-351 Lea Station Expiration Date: 08/01/2008

New Mexico Water Quality Control Commission regulations (WQCC) Section 3106.F (20.6.2.3106.F NMAC) specifies that if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved.

Please submit a permit renewal application, identifying any changes and updates, with a filing fee (20.6.2.3114 NMAC) of $100.00 at least 120 days before the discharge plan expires. Please make all checks payable to the **Water Quality Management Fund** and addressed to the OCD Santa Fe Office. There is also a discharge plan permit fee, based on the type of facility, which OCD will assess after processing your application. An application form and guidance document is attached in order to assist in expediting this process.

In accordance with the public notice requirements (Subsection A of 20.6.2.3108 NMAC) of the newly revised (July 2006) WQCC regulations, "...to be deemed administratively complete, an application shall provide all of the information required by Paragraphs (1) through (5) of Subsection F of 20.6.2.3108 NMAC and shall indicate, for department approval, the proposed locations and newspaper for providing notice required by Paragraphs (1) through (4) of Subsection B or Paragraph (2) of Subsection C of 20.6.2.3108 NMAC." You are required to provide the information specified above in your permit renewal application submittal. Attached are a flow chart and the regulatory language pertaining to the new WQCC public notice requirements for your convenience. After the application is deemed administratively complete, the revised public notice requirements of 20.6.2.3108 NMAC must be satisfactory demonstrated to OCD. OCD will provide public notice pursuant to the revised WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

Wayne Price-Environmental Bureau Chief
Oil Conservation Division
1220 S. Saint Francis
Santa Fe, NM 87505
E-mail wayne.price@state.nm.us
Tele: 505-476-3490
Fax: 505-476-3462

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

GW 294
Gen. Cor.
2007

August 09, 2007

Mr. Jeffrey P. Dann
Plains All American Pipeline, L.P. (Plains)
333 Clay Street, Suite 1600
P.O. Box 4648
Houston, Texas 77210-4648

Subject: NOTICE OF Permit Expiration
Discharge Permit GW-294

Dear Mr. Dann:

Oil Conservation Division records' indicate that the Plains discharge permit for the TNM-97-04 Townsend remediation and re-injection site, located west of Lovington, NM in UL P of Section 11, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico expired on May 28, 2003.

Plains may be in violation of the New Mexico Water Quality Control Regulations 20.6.2 NMAC operating without an approved permit as required by 20.6.2.3104 NMAC.

If Plains wishes to continue operations it is required to submit a discharge permit renewal application with the required $100 filing fee and flat fee of $2600.00 made out to the New Mexico Water Quality Management Fund within 30 days of receipt of this letter.

If you have any questions please do not hesitate to call me at 505-476-3490 or E-mail wayne.price@state.nm.us.

Sincerely,

Wayne Price-Environmental Bureau Chief

Cc: Daniel Sanchez- Enforcement
Glenn von Gonten- Senior Hydrologist
OCD-Hobbs District office

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Thursday, August 09, 2007 1:16 PM
To: 'jpdann@paalp.com'
Cc: VonGonten, Glenn, EMNRD; Johnson, Larry, EMNRD
Subject: permit expired GW-294 Townsend
Attachments: GW-294 Plains DP Expired . Aug 07.doc

Dear Mr. Dann:

Please find attached a letter that went out in the US mail today. Please address ASAP!

Wayne Price-Environmental Bureau Chief
Oil Conservation Division
1220 S. Saint Francis
Santa Fe, NM 87505
E-mail wayne.price@state.nm.us
Tele: 505-476-3490
Fax: 505-476-3462

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Thursday, August 09, 2007 1:30 PM
To: 'bls54@aol.com'
Subject: Permit expired letter attached
Attachments: R&R DP Expired N.O.V. Aug 07.doc

Please respond ASAP!

Wayne Price-Environmental Bureau Chief
Oil Conservation Division
1220 S. Saint Francis
Santa Fe, NM 87505
E-mail wayne.price@state.nm.us
Tele: 505-476-3490
Fax: 505-476-3462