

AP - 073

**GENERAL
CORRESPONDENCE**

YEAR(S):

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

JUNE 19, 2007

Mr. Brad Blevins
Chesapeake Operating, Inc.
P.O. Box 190
Hobbs, NM 88240

**RE: REQUIREMENT TO SUBMIT ABATEMENT PLAN
CHESAPEAKE STATE L-2
UNIT LETTER "L", SECTION 19, TOWNSHIP 17 SOUTH, RANGE 36 EAST
LEA COUNTY, NEW MEXICO
AP073**

Dear Mr. Blevins:

The New Mexico Oil Conservation Division (OCD) has determined after reviewing the notice submitted by BBC International on behalf of Chesapeake Operating, Inc. (Chesapeake), that Chesapeake must submit a Stage 1 Abatement Plan in accordance with OCD Rule 19 (19.15.1.19 NMAC) to investigate ground water contamination at its State L-2 Tank Battery site located in Unit Letter "L", Section 19, Township 17 South, Range 36 East, Lea County, New Mexico. OCD is requiring an abatement plan because chlorides released from Chesapeake's Tank Battery has contaminated ground water at concentrations that exceed the WQCC ground water protection standards specified at 20.6.2.3103 NMAC.

The Stage 1 Abatement Plan proposal must be submitted to the OCD Santa Fe Office with a copy provided to the OCD Hobbs District Office and must meet of all the requirements specified in Rule 19 (19.15.1.19 NMAC), including, but not limited to, the public notice and participation requirements specified in Rule 19G. The Stage 1 Abatement Plan is due sixty (60) days from the receipt by Chesapeake of this written notice.

The Stage 1 Abatement Plan must meet all of the requirements specified in OCD Rule 19E.3, including, but not limited to, a site investigation work plan and monitoring program that will enable it to characterize the release using an appropriate number of isoconcentration maps and

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cross sections that depict the contamination and to provide the data necessary to select and design an effective abatement option.

In addition to the Stage 1 Abatement Plan, Chesapeake must also submit a Form C-141 to document this release and impact to ground water. Chesapeake should submit one paper copy and one electronic copy of all future workplans and/or reports and must include the Case Number (AP073) on all future correspondence. If you have any questions, please contact Glenn von Gonten of my staff at (505) 476-3488.

Sincerely,



Wayne Price
Environmental Bureau Chief

LWP:gvg

cc: Larry Johnson, OCD Hobbs District

VonGonten, Glenn, EMNRD

From: Price, Wayne, EMNRD
Sent: Friday, June 08, 2007 12:04 PM
To: VonGonten, Glenn, EMNRD
Subject: FW: Chesapeake #2 State L Tank Battery-Groundwater Impact Notification

Glenn please handle and sign an AP# 73

From: Cliff P. Brunson [mailto:cbrunson@bbcinternational.com]
Sent: Wednesday, May 30, 2007 6:15 PM
To: Price, Wayne, EMNRD
Cc: Bradley Blevins; Harlan Brown; Curtis Blake; Ken Swinney; Jennifer Gilkey
Subject: Chesapeake #2 State L Tank Battery-Groundwater Impact Notification

Change 2

*API
TSR*

Chesapeake Op., Inc - State L-2

Mr. Price,

*OCRIO —
PLA @ 11/31/2007*

TANK BATT.

This Email is formal notification that Chesapeake Operating, Inc. has encountered a chloride impacted ground water bearing formation at the #2 State L Tank Battery during a site investigation prior to reclamation of the abandoned facility. During the investigation and assessment activities, a soil boring was advanced to the south of the battery to groundwater. Hydrocarbons were encountered in the soil during the advancement and a temporary monitor well was installed. The well was developed, measured, and sampled. Hydrocarbons were non-detect, but 601 ppm of chloride was detected. The temporary well was plugged and abandoned. The following is general information regarding the site:

Name: #2 State L Battery; 30-025-23852

Operator: Chesapeake Operating, Inc.;

Location: Township 17S, Range 36E, Section 19;

UL "L"

County: Lea County, New Mexico; and

Depth to ground water: 40.8 feet (based on a measurement from the ground surface to the water encountered in the monitor well).

Chesapeake has ceased investigation activities until further direction from the NMOCD.

Chesapeake will keep the NMOCD informed of any activities at the site.

As you are aware Chesapeake is currently working with Glenn Von Gonten on another remediation site in Lea County and would like to request Glenn as our point of contact on this site.

If you have questions, please contact me at (505) 397-6388 or via email at cbrunson@bbcinternational.com or Bradley Blevins of Chesapeake at (505) 391-1462, ext. 6224 or via e-mail at bblevins@chkenergy.com.

Best regards,

Cliff Brunson

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