

GW - 010

**GENERAL
CORRESPONDENCE**

2005 - Present

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Wednesday, April 02, 2008 1:17 PM
To: Chavez, Carl J, EMNRD; 'Alberto A. Gutierrez, RG'
Cc: Price, Wayne, EMNRD; Ezeanyim, Richard, EMNRD
Subject: RE: GW-010 renewal/R118 review

Alberto:

Good afternoon. This message is to document our meeting today at around 11:00 a.m. where we discussed the OCD Rule 118 H2S Contingency Plan (CP) comments associated with the acid gas injection well at the discharge permit facility (GW-10).

It was a very instrumental meeting where you indicated that you would work to complete a "stand alone" final H2S CP within 30 days and submit it to the OCD. The OCD will expedite the review of the CP upon receipt and are confident that it will be approvable in its final form. We agreed that Rule 118 requires a finalized H2S CP be approved and in affect in advance of any injection.

Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Chavez, Carl J, EMNRD
Sent: Tuesday, March 25, 2008 4:51 PM
To: 'Alberto A. Gutierrez, RG'
Cc: Price, Wayne, EMNRD; Ezeanyim, Richard, EMNRD
Subject: RE: GW-010 renewal/R118 review

Alberto:

Good afternoon. In general, the draft H2S Contingency Plan (CP) looks good. However, the OCD has identified some general observations or concerns and Rule 118 comments and/or recommendations that may assist you with the finalized submittal to the OCD for the acid gas injection (AGI) well and facility. Please find OCD comments and/or recommendations below.

There is some concern about H2S migration of H2S gas into low-lying areas toward the southwest and southeast away from the facility when prevailing winds are not in affect. Poison gas signs do not appear to be posted around the facility and transecting roadways for road traffic or trespassers to be cognizant of H2S gas at the facility (See Rule 118 E) . Each H2S alarm system should be equipped with a red flag or wind sock or a representative red flag or wind sock within visual distance from monitors and be set to trigger or activate at 20 ppm and not 50 ppm as specified in XVI Emergency Shutdown Equipment (Page 23). A red flag or wind sock should also be placed at the AGI well location.

V. Response Procedures for Unintentional (Accidental) Releases (Page 9) does not concur with the Hydrogen

4/2/2008

Sulfide Contingency Plan Flowchart (Page 34). In addition, the order of requirements on Page 9 do not appear to be practicable in application or order. The recommended order based on the numbering system is as follows:

1. Ok.
2. Ok.
3. Ok.
4. Add "Activate BOP/Control Check to kill operations (Christmas Tree/Downhole Completion Equipment)." Do you think the description in Page 23 addresses this language?
9. Move #9 here.
5. Ok.
8. Move #8 here.
6. Ok.
7. Ok.
10. Ok.
11. Move to #4 above.
12. Move to #4 above.
13. Ok.
14. Ok.
15. Ok.
16. Add "Notify OCD immediately, but not more than 4 hours after H2S Contingency Plan (CP) is activated. Submit completed C-141 Form to OCD within 15 days of CP activation. In bulleted items include: "injury; death; evacuation; and road block or closure locations"

VII. Personnel Vehicles and Equipment

Reference map locations (Attachment 5).

A detailed description of the H2S/SO2 alarm system(s) should be included here.

The exact number of SCBA cylinders and supplies with number of employees and duration of breathable air for emergency response is needed here. For example, 25 air cylinders w/ 30 minutes for 5 SUGS emergency responder. One SCBA for 30 minutes does not appear to be adequate to address the H2S CP items specified in the report.

VIII. Evacuation Procedure

Shouldn't the Section XIV evacuation areas be depicted in Attachment 5 and 6?

X. Notification of the Oil Conservation Division

One hour should be replaced with 4 hours per Rule 118. The phone number should be: Emergency Beeper for OCD Lea County Office (575) 370-7106 or during hours: Mobile District Supervisor (575) 370-3182.

XI. Plan Activation

Make the flowchart consistent with Section V. Response Procedures for Unintentional (Accidental) Releases (Page 9).

VIV. Detail Information- Potentially Hazardous Areas

Public Receptors Located Inside Radius of Exposure (ROE): Please list Highway 209 due west of the facility, but note the distance and that it is beyond the 100 and 500 ppm radii. Also, list low-lying topographic areas SW and SE of the facility and note on calm days or nights and in the event a major release occurs, there is a potential for gas migration to low-lying areas.

Evacuation Route: Depict Evacuation Route on Map and post for employees to read and for training.

Road Blocks: List Road Block areas around facility that could be closed in an emergency.

XVI. Emergency Shutdown Equipment

Assess whether Rule 118 language

Shouldn't Page 24 Emergency Equipment be included in Section VII (Page 12) or should Page 12 be included on Page 24?

Rule 118 contains BOP w/ pressure and H2S rated well control choke to kill the system with manifold and BOP- that meets API 16C and API RP53 or other approved system. Evaluate your AGI Well system and verify that your system will satisfy the above to the OCD. Rule 118 G4B states that any well shall possess a secondary means of immediate well control through Christmas Tree/ down hole completion equipment. Allow down hole accessibility (reentry) under pressure for permanent well control. Evaluate your AGI Well system and verify that your system will satisfy the above to the OCD.

Attachment 5

Shouldn't North arrow be pointing to the top of the page and affect the prevailing wind direction on the map? Red flag or wind sock needed near AGI well head. Depict poison gas warning signs on map. Evacuation area(s) may also be helpful for SUGS Personnel to know about.

Attachment 6

Shouldn't North arrow be pointing to the top of the page and affect the prevailing wind direction on the map?

A H2S monitor due west of AGI well may be appropriate?

Attachment 7

Include a "Date & Time" section under "Caller" in the table.

Miscellaneous

Acknowledge Federal reporting of major releases from the facility to the NRC under 40 CFR 302 and 355.

Please contact me next Tuesday morning, April 1, 2008 to discuss the above comments and/or recommendations to assist you with a final H2S Contingency Plan submittal. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Alberto A. Gutierrez, RG [mailto:aag@geolex.com]
Sent: Wednesday, March 19, 2008 10:21 AM
To: Chavez, Carl J, EMNRD
Subject: RE: GW-010 renewal/R118 review

Carl,

When I spoke to Wayne a couple of weeks ago, it was my understanding that you guys were going to review the rule 118 plan and let us know if you need any changes. As far as we were concerned, the plan we submitted is final unless you all have any different requirements for placement of sensors etc. If you think that it is fine as submitted, we can basically finalize it as is and submit it as a final; but in fact what you have is what we would

4/2/2008

submit as final unless you guys have any deficiencies to point out. Let me know and I will proceed as required.

Thanks
Alberto

Alberto A. Gutiérrez, RG

Geolex, Inc[®]

500 Marquette Avenue, NW Suite 1350

Albuquerque, NM 87102

505-842-8000 Ext. 105

505-842-7380 Fax

PRIVILEGED & CONFIDENTIAL

This message and attachment(s) contain confidential information belonging to the sender which is intended for the sole use of the individual(s) or entity named above. If you receive this message in error, you are hereby notified that any disclosure, copying, distribution, resending, forwarding or taking of any action in reliance on the contents of this email and/or any attachment(s) is strictly prohibited. If you have received this message in error, please notify the sender via return email and permanently delete this message and any attachment(s) from any computer(s).

This inbound email has been scanned by the MessageLabs Email Security System.
