

3R - 418

**GENERAL
CORRESPONDENCE**

**YEAR(S):
2/3/09**

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



February 3, 2009

Mr. Allen Lain
Operations Manager
Beeline Gas Systems
2001 E. Blanco Blvd.
Bloomfield, NM 87413

**RE: REQUIREMENT TO SUBMIT REMEDIATION PLAN
BEELINE GAS 8 INCH TRUNK GAS PIPELINE
UNIT LETTER M, SECTION 9, TOWNSHIP 23 NORTH, RANGE 5 WEST
RIO ARRIBA COUNTY, NEW MEXICO
OCD CASE NO. 3R418**

Dear Mr. Lain:

The Oil Conservation Division (OCD) has determined that Beeline Gas System (Beeline) must submit a remediation plan to investigate the vadose zone and ground water contamination at its 8 inch Trunk Gas Pipeline located in Section 9, Township 23 North, Range 5 West, Rio Arriba County, New Mexico. Beeline's C-141 and analytical data documents that its release has contaminated ground water.

OCD hereby requires Beeline to submit a remediation plan pursuant to OCD Rule Part 29; the workplan is due is due sixty (60) days from the receipt by Beeline of this written notice. Beeline's remediation plan must specify how it will investigate the extent of contamination in both the vadose zone and in ground water. The remediation plan must also include a complete description of the site, including a site map, the site history including the nature of the release, and a summary of any previous investigations and remediation activity. Beeline must install as many soil borings and monitoring wells (or temporary monitoring points, if the area is located in an arroyo) as necessary to delineate the extent of the contamination in both the vadose zone in ground water using an appropriate number of isoconcentration maps and cross sections.

After it has completely delineated the release, OCD will determine whether to require additional action from Beeline. Beeline should submit one paper copy and one electronic copy of all workplans and/or reports to OCD's Environmental Bureau, OCD's Aztec District Office, and



Mr. Allen Lain
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Mr. Dixon Sandoval of the Jicarilla Environmental Protection Office. Please refer to ***OCD Case No. 3R418*** on all future correspondence. If you have any questions, please contact me at (505) 476-3488.

Sincerely,

A handwritten signature in cursive script that reads "Glenn von Gonten". The signature is written in black ink and is positioned above the printed name.

Glenn von Gonten
Senior Hydrologist

GvG/gvg

cc: Charlie Perrin, OCD District 3
Brandon Powell, OCD District 3
Dixon Sandoval, Jicarilla Environmental Protection Office

3R 418

Elm Ridge Exploration Co., LLC d.b.a.

Beeline Gas Systems

RECEIVED

2009 JAN 15 PM 1 20

2001 E. Blanco Blvd.
P. O. Box 1280
Bloomfield, NM 87413
(505) 634-1144

January 13, 2009

New Mexico Oil Conservation Division
Attn: Glenn Von Goten
1220 South St. Francis Dr.
Santa Fe, NM 87505

Subject: Notification of Pipeline Leak

Beeline Gas Systems recently had a pipeline leak on the Jicarilla Apache Reservation near the well named AXI Apache A-2. Since water was encountered during the excavation of the contaminated soil, Mr. Brandon Powell of the NMOCD District III office instructed me to send a copy of my report to you.

Please see the attached Form C-141 pertaining to the leak. If you have any questions or require additional information, I can be reached at the telephone number shown above.

Sincerely,



Allen Lain
Operations Manager

Attachment: Completed and executed Form C-141

Cc: Mr. Brandon Powell, NMOCD District III

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company Elm Ridge Exploration Co. LLC d.b.a. Beeline Gas Systems OC210 169310	Contact Allen Lain
Address P.O Box 1280, Bloomfield, NM 87413	Telephone No. (505) 634-1144
Facility Name Otero Gathering System	Facility Type 8-in Trunk Line near well named AXI Apache A-2

Surface Owner Jicarilla Apache Nation	Mineral Owner Jicarilla Apache Nation	Lease No. Jicarilla Contract #77
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LOCATION OF RELEASE

Unit Letter M	Section 9	Township 23N	Range 5W	Feet from the approx 850	North/South Line South	Feet from the approx 1000	East/West Line West	County Rio Arriba
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Latitude 36° 14.117' Longitude -107° 22.380'

NATURE OF RELEASE

Type of Release Produced water & condensate	Volume of Release est 3 - 5 Bbl	Volume Recovered 0
Source of Release Pipeline leak	Date and Hour of Occurrence Unknown	Date and Hour of Discovery December 29, 2008 Approx. 1:30 PM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? Mr. Kelly Roberts, New Mexico Oil Conservation Division, District III	
By Whom? Allen Lain	Date and Hour December 30, 2008 at 10:15 AM	
Was a Watercourse Reached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If YES, Volume Impacting the Watercourse. Unknown	

If a Watercourse was Impacted, Describe Fully.*

As was reported by telephone to Mr. Kelly Roberts, the leak occurred at a dry wash that feeds the main channel of Largo Canyon. During the excavation, water was encountered at a depth of approximately 12 feet. A water sample was collected by Greg Crabtree and analyzed in the Envirotech laboratory. (See the attached report)

Describe Cause of Problem and Remedial Action Taken.*

An 8-inch trunk line leaked due to corrosion. The pipeline was excavated and repaired with a field repair clamp.

Describe Area Affected and Cleanup Action Taken.*

Envirotech, represented by Mr. Greg Crabtree, was contracted to test the soil for contamination. Excavation of the contaminated soil, to a depth of approximately 13 feet, began on December 30, 2008 and was completed on January 9, 2009. A total of 539 cubic yards of contaminated soil was excavated and transported to a land farm operated by Envirotech. The excavation site was filled with clean soil.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: 		OIL CONSERVATION DIVISION	
		Approved by District Supervisor:	
Printed Name: Allen Lain		Approval Date:	Expiration Date:
Title: Operations Manager		Conditions of Approval: Attached <input checked="" type="checkbox"/>	
E-mail Address: alain@elmridge.net			
Date: January 13, 2009 Phone: 505-634-1144			

* Attach Additional Sheets If Necessary



EPA METHOD 8015 Modified
Nonhalogenated Volatile Organics
Total Petroleum Hydrocarbons

Client:	Beeline Gas Systems	Project #:	07152-0002
Sample ID:	Water	Date Reported:	01-06-09
Laboratory Number:	48587	Date Sampled:	12-30-08
Chain of Custody No:	6023	Date Received:	12-30-08
Sample Matrix:	Aqueous	Date Extracted:	01-05-09
Preservative:	HCl	Date Analyzed:	01-05-09
Condition:	Cool & Intact	Analysis Requested:	8015 TPH

Parameter	Concentration (mg/L)	Det. Limit (mg/L)
Gasoline Range (C5 - C10)	12.3	0.2
Diesel Range (C10 - C28)	10.7	0.1
Total Petroleum Hydrocarbons	23.0	0.1

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: **Axi Apache A #2.**

Analyst

Review



Quality Assurance Report

Client:	QA/QC	Project #:	N/A
Sample ID:	01-05-TPH QA/QC	Date Reported:	01-06-09
Laboratory Number:	48587	Date Sampled:	N/A
Sample Matrix:	Methylene Chloride	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	01-05-09
Condition:	N/A	Analysis Requested:	TPH

	I-Cal RE	C-Cal RE	% Difference	Accept. Range
Gasoline Range C5 - C10	1.0147E+000	1.0127E+000	0.20%	0 - 15%
Diesel Range C10 - C28	1.0149E+000	1.0129E+000	0.20%	0 - 15%

Blank Conc. (mg/L)	Concentration	Detection Limit
Gasoline Range C5 - C10	ND	0.2
Diesel Range C10 - C28	ND	0.1
Total Petroleum Hydrocarbons	ND	0.2

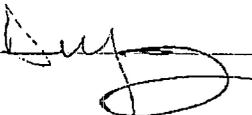
Duplicate Conc. (mg/L)	Sample	Duplicate	% Difference	Accept. Range
Gasoline Range C5 - C10	12.3	12.4	0.8%	0 - 30%
Diesel Range C10 - C28	10.7	10.3	3.7%	0 - 30%

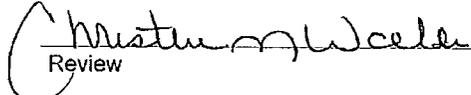
Spike Conc. (mg/L)	Sample	Spike Added	Spike Result	% Recovery	Accept. Range
Gasoline Range C5 - C10	12.3	25.0	35.1	94.1%	75 - 125%
Diesel Range C10 - C28	10.7	25.0	33.6	94.1%	75 - 125%

ND - Parameter not detected at the stated detection limit.

References: Method 8015B, Nonhalogenated Volatile Organics, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Comments: QA/QC for Sample 48587.

Analyst 

Review 



EPA METHOD 8021
AROMATIC VOLATILE ORGANICS

Client: Beeline Gas Systems Project #: 07152-0002
Sample ID: Water Date Reported: 01-06-09
Chain of Custody: 6023 Date Sampled: 12-30-08
Laboratory Number: 48587 Date Received: 12-30-08
Sample Matrix: Aqueous Date Analyzed: 01-05-09
Preservative: HCl Analysis Requested: BTEX
Condition: Cool & Intact

Parameter	Concentration (ug/L)	Dilution Factor	Det. Limit (ug/L)
Benzene	119	1	0.2
Toluene	1,940	1	0.2
Ethylbenzene	248	1	0.2
p,m-Xylene	1,790	1	0.2
o-Xylene	582	1	0.1

Total BTEX 4,680

ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	fluorobenzene	97 %
	1,4-difluorobenzene	97 %
	4-bromochlorobenzene	97 %

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: Axi Apache A #2.

Analyst

Review



**EPA METHOD 8021
AROMATIC VOLATILE ORGANICS
QUALITY ASSURANCE REPORT**

Client:	N/A	Project #:	N/A
Sample ID:	01-05-BT QA/QC	Date Reported:	01-06-09
Laboratory Number:	48587	Date Sampled:	N/A
Sample Matrix:	Aqueous	Date Received:	N/A
Preservative:	N/A	Date Analyzed:	01-05-09
Condition:	N/A	Analysis:	BTEX

Calibration and Detection Limits (ug/L)	I-Cal RF:	C-Cal RF:	%Diff:	Blank Conc	Detect Limit
		Accept Range: 0 - 15%			
Benzene	2.9285E+005	2.9373E+005	0.30%	ND	0.2
Toluene	3.1132E+005	3.1225E+005	0.30%	ND	0.2
Ethylbenzene	3.2791E+005	3.2890E+005	0.30%	ND	0.2
p,m-Xylene	8.4665E+005	8.4919E+005	0.30%	ND	0.2
o-Xylene	3.7102E+005	3.7214E+005	0.30%	ND	0.1

Duplicate Conc. (ug/L)	Sample	Duplicate	%Diff:	Accept Limit
Benzene	119	125	4.5%	0 - 30%
Toluene	1,940	1,920	1.0%	0 - 30%
Ethylbenzene	248	236	4.9%	0 - 30%
p,m-Xylene	1,790	1,750	2.2%	0 - 30%
o-Xylene	582	569	2.4%	0 - 30%

Spike Conc. (ug/L)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept Limits
Benzene	119	50.0	168	99.4%	39 - 150
Toluene	1,940	50.0	1,970	99.0%	46 - 148
Ethylbenzene	248	50.0	296	99.2%	32 - 160
p,m-Xylene	1,790	100	1,900	101%	46 - 148
o-Xylene	582	50.0	629	99.5%	46 - 148

ND - Parameter not detected at the stated detection limit.

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.
Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: QA/QC for Samples 48587 and 48630.

Analyst

Review

