

2R - 8

**GENERAL  
CORRESPONDENCE**

**YEAR(S):  
1995-1997**



**Marathon  
Oil Company**

June 23, 1995

P.O. Box 552  
Midland, TX 79702-0552  
Telephone 915/682-1626

95 JUN 23 1995 8 52

Mr. Ray Smith  
Field Representative II  
State of New Mexico  
Oil Conservation Division  
P. O. Drawer DD  
Artesia, New Mexico 88211

RE: Indian Basin Field  
Line #4 Junction Box Leak  
Section 15, T22S, R23E

Dear Mr. Smith:

On June 12, 1995, a spill of produced water and condensate was discovered at the junction box immediately east of Chevron Helbing Federal #1 (315) located in Section 15, T22S, R23E. Personnel were initially alerted to the possibility of a leak in the Indian Basin Field Liquid Gathering System by observing discrepancies between metered volumes of liquids produced from field wells and metered volumes entering and leaving the Indian Basin Gas Plant (IBGP). These volumes are regularly monitored in accordance with the IBGP leak detection system.

The resulting volume discrepancy seemed to indicate a spill volume of approximately 125 and 181 barrels of condensate and water, respectively. However, the Oil Conservation Division (OCD) inspection of the spill site performed by you and Mike Stubblefield jointly with Marathon personnel on June 13 revealed only a small amount of liquid had reached the drainage bottom at the base of the slope north of the junction box. This suggests the spill quantity was much less than indicated by the metered volumes, possibly as small as 20 to 30 barrels of total fluid.

The discrepancy between the spill volume observed and that suggested by the leak detection system can be explained by the equilibrium of the gathering system inventory being disturbed both by the leak at Chevron Helbing Federal #1 and by the intermittent flow of Citation's Getty Federal IB well during this period. Both of these phenomenon would cause movement and redistribution of the stabilized 'gas caps' (created by condensate flashing) present in the liquid line during stable flow periods. The displacement of these gas pockets by the liquid in the line would result in a decrease in liquid volumes observed at the gas plant inlet until the liquid line reached a stable steady-state condition.

In spite of the small impact from the release, Marathon is submitting this workplan for your approval to address hydrocarbon contamination of soil and bedrock associated with the released fluids. Marathon proposes to treat the contaminated surface soil and fractured bedrock by enhancing the natural biodegradation process. This can be accomplished by introducing a treatment fluid mix of freshwater, chemical nutrients, and microbes at the spill source (i.e., the junction box). The volume infiltrated into the junction box will be sufficient to saturate the surface and subsurface pathways that the leaked fluids traveled (i.e., enough of the treatment fluid mix will be poured into the junction box to overflow it in the same manner that the release occurred at the surface down the slope north of the junction box.

In addition, the volume of treatment fluid mix introduced will be sufficient to travel to the drainage at the base of the slope north of the junction box. This will ensure that all contaminated areas will be contacted by the fluid mix. The volume of fluid used will be documented.

After approval of this workplan is received, Marathon will schedule the treatment activities so that OCD and Bureau of Land Management representatives may witness the operation. If you have any questions regarding the workscope please call me (800-351-1417).

Sincerely,



Robert J. Menzie, Jr.  
Production Environmental Representative

c: William Olson, Oil Conservation Division, Santa Fe  
Jim Amos, Bureau of Land Management, Carlsbad  
C. K. Curlee  
N. R. Garza  
L. J. Oswald  
R. F. Unger



**Chevron**

OIL CONSERVATION DISTRICT  
RECEIVED  
JUN 27 1995 8 52

June 27, 1995

**Chevron U.S.A. Production Company**  
P.O. Box 1635  
Houston, TX 77251

**U.S. Environmental Protection Agency**  
**Storm Water Notice of Termination**  
P. O. Box 1185  
Newington, Virginia 22122

**NPDES SW Permit No. NMROOA134**

Gentlemen:

Enclosed is a completed Notice of Termination (NOT) form. The discharge at the Helbing Federal #1 has been discontinued. A 210 barrel tank has been placed on location. The float on the high level controller in the separator has been replaced. All equipment on location has been bermed and lined to prevent soil contamination. All previously impacted soil has been bioremediated.

Please terminate coverage under the NPDES General Permit For Storm Water Discharges associated with industrial activity for permit number NMROOA134.

Sincerely

**Nathan Mouser**  
**Operations Supervisor**

cc: **William Olson**  
**NMOCD**  
**2040 S. Pacheco**  
**Santa Fe, NM 87505**

**James A. Amos**  
**BLM**  
**Carlsbad Resource Area Headquarters**  
**P. O. Box 1778**  
**Carlsbad, N.M. 88221-1778**

Appendix D — NOT Form Instructions

Please See Instructions Before Completing This Form Form Approved. OMB No. 2048-0048  
Approved Expires: 8-31-95

NPDES  
FORM



United States Environmental Protection Agency  
Washington, DC 20460

Notice of Termination (NOT) of Coverage Under the NPDES General Permit for Storm Water Discharges Associated with Industrial Activity

Submission of this Notice of Termination constitutes notice that the party identified in Section II of this form is no longer authorized to discharge storm water associated with industrial activity under the NPDES program. ALL NECESSARY INFORMATION MUST BE PROVIDED ON THIS FORM.

I. Permit Information

NPDES Storm Water General Permit Number: W.M.R.O.O.A.1.3.4

Check Here if You are No Longer the Operator of the Facility:

Check Here if the Storm Water Discharge is Being Terminated:

II. Facility Operator Information

Name: R.H.E.V.R.O.N. U.S.A. I.N.C. Phone: 50.539.718.723

Address: P.O. BOX 670

City: HOBBS State: N.M. ZIP Code: 88240

III. Facility/Site Location Information

Name: H.E.L.B.I.N.G. Fed. Gas Comm 1

Address: 11.W.D.I.A.N. B.H.S.I.W. P.F.N.W.

City: 1850.F.N.L. 1.7.0.0.F.W.L. State: N.M. ZIP Code: \_\_\_\_\_

Latitude: \_\_\_\_\_ Longitude: \_\_\_\_\_ Quarter: NW Section: 15 Township: 22S Range: 23E

IV. Certification: I certify under penalty of law that all storm water discharges associated with industrial activity from the identified facility that are authorized by a NPDES general permit have been eliminated or that I am no longer the operator of the facility or construction site. I understand that by submitting this Notice of Termination, I am no longer authorized to discharge storm water associated with industrial activity under this general permit, and that discharging pollutants in storm water associated with industrial activity to waters of the United States is unlawful under the Clean Water Act where the discharge is not authorized by a NPDES permit. I also understand that the submittal of this Notice of Termination does not release an operator from liability for any violations of this permit or the Clean Water Act.

Print Name: W.A.T.H.A.N. V. MO. G.S. E.R. Date: 10/27/95

Signature: *W.A.T.H.A.N. V. MO. G.S. E.R.*

Instructions for Completing Notice of Termination (NOT) Form

Who May File a Notice of Termination (NOT) Form

Permittees who are presently covered under the EPA based National Pollutant Discharge Elimination System (NPDES) General Permit for Storm Water Discharges Associated with Industrial Activity may submit a Notice of Termination (NOT) form when their facilities no longer have any storm water discharges associated with industrial activity as defined in the storm water regulations at 40 CFR 122.26 (b)(14), or when they are no longer the operator of the facilities.

For construction activities, elimination of all storm water discharges associated with industrial activity occurs when disturbed soils at the construction site have been fully stabilized and temporary erosion and sediment control measures have been removed or will be removed at an appropriate time, or that all storm water discharges associated with industrial activity from the construction site that are authorized by a NPDES general permit have otherwise been eliminated. Final stabilization means that all soil-disturbing activities at the site have been completed, and that a uniform perennial vegetative cover with a density of 70% of the cover for unpaired areas and areas not covered by permanent structures has been established, or equivalent permanent stabilization measures (such as the use of riprap, gabions, or geotextiles) have been employed.

Where to File NOT Form

Send this form to the the following address:

Storm Water Notice of Termination  
P.O. Box 1185  
Newington, VA 22122

Completing the Form

Type or print, using upper-case letters, in the appropriate areas only. Please place each character between the marks. Abbreviate if necessary to stay within the number of characters allowed for each item. Use only one space for breaks between words, but not for punctuation marks unless they are needed to clarify your response. If you have any questions about this form, call the Storm Water Hotline at (703) 821-4823.

PLEASE SEE REVERSE OF THIS FORM FOR FURTHER INSTRUCTIONS

January 24, 1995



**Chevron**

William Olson  
New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505

**Chevron U.S.A. Production Company**  
P.O. Box 1635  
Houston, TX 77251

Chevron Helbing Federal #1 Meeting  
January 19, 1995  
SENW, Sec. 15, T22S R23E  
Eddy County, New Mexico

Dear Bill:

Thank you again for taking time to meet with us last Friday. In the interest of clarity, I thought I'd send you my understanding of the discussions that were held at that meeting. No response to this letter is necessary unless you disagree with the following discussion.

I understood that representatives of the OCD, Chevron and Marathon reached mutual agreement at the meeting on three key issues: (1) unless the current situation at the Helbing Federal site changes, Chevron will pay to have the fence removed from the arroyo after this year's spring rains are over; (2) unless significant hydrocarbons reappear in the arroyo, additional bioremediation is unnecessary; (3) should a significant reoccurrence of contamination in the arroyo take place in conjunction with this spring's rainy season, representatives from the OCD, Chevron and Marathon will meet to discuss the alternatives to address the source area of the contamination.

Thanks again for your participation in resolving these issues.

Sincerely,

A handwritten signature in cursive script that reads "Robin M. Smith".

Robin M. Smith

RMS:mag

cc: N. V. Mouser - Chevron (Hobbs, N. M.)

Robert Menzies  
Marathon Oil Company  
P. O. Box 52  
Midland, TX 79702-5233

Jim Amos  
BLM  
P. O. Box 1778  
Carlsbad, N. M. 88220

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY



2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

November 21, 1994

**CERTIFIED MAIL**

**RETURN RECEIPT NO. P-667-242-174**

Mr. D.B. McDaniel  
Mid-Continent Business Unit  
Chevron USA Production Co.  
P.O. Box 1635  
Houston, Texas 77251

**RE: HELBING FEDERAL #1 WELL  
CHEVRON USA PRODUCTION COMPANY  
EDDY COUNTY, NEW MEXICO**

Dear Mr. McDaniel:

The New Mexico Oil Conservation Division has completed a review of Chevron's August 29, 1994 and June 20, 1994 correspondence and Chevron's May 18, 1993 "ENVIRONMENTAL INVESTIGATION, CHEVRON U.S.A., INC., HELBING FEDERAL GAS WELL SITE, EDDY COUNTY, NEW MEXICO. These documents contain conclusions and recommendations regarding Chevron's investigation of contamination of soils in an arroyo adjacent to Chevron's Helbing Federal #1 well site.

The OCD disagrees with Chevron's June 20, 1994 conclusion that the most probable cause of the migrating hydrocarbons surfacing in the arroyo was from a Marathon operated gathering system flowline paralleling the arroyo. While this flowline may have had some impact on the site, the EM survey results contained in the May 18, 1993 investigative report show that the Helbing Federal well location is the most likely source of contaminants at the site. The soil gas survey also shows that the well location is the most likely source of contaminants at the site, although the OCD believes that the soil gas survey has a limited value at this site due to the lack of surface penetration at 50 % of the sampling points.

Mr. D.B. McDaniel  
 November 21, 1994  
 Page 2

Regardless of disagreement over the source of contaminants, the OCD approves of Chevron's remedial actions and Chevron's recommendation to monitor the arroyo for the presence of hydrocarbons after rainfall events. The OCD requests that Chevron notify the OCD within 24 hours of discovery of any hydrocarbons.

If you have any questions, please contact me at (505) 827-7154

Sincerely,



William C. Olson  
 Hydrogeologist  
 Environmental Bureau

xc: OCD Atresia Office  
 J. Amos, BLM Carlsbad Resource Area  
 Robert Menzie, Marathon Oil Company

P 667 242 J74  
**Certified Mail Receipt**  
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Return Receipt Showing to Whom, Date, & Address of Delivery	
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PS Form 3800, June 1990

Fold at line over top of envelope to the right of the return address.



August 29, 1994

**Chevron U.S.A. Production Company**  
P.O. Box 1635  
Houston, TX 77251

**Certified Mail Return Receipt**

Mr. William C. Olson  
Hydrogeologist  
Environmental Bureau  
OCD  
State of New Mexico  
P. O. Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

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SEP 01 1994

OIL CONSERVATION DIV.  
SANTA FE

**CHEVRON HELBING FEDERAL #1  
EDDY COUNTY, NEW MEXICO**

Dear Mr. Olson:

In response to your August 12, 1994 letter requesting information regarding the Helbing Federal #1 site assessment, I have attached a copy of the final report by Roberts/Schornick & Associates, Inc. (RSA).

I have also forwarded a copy of this report to Mr. Mark Ashely at the OCD Artesia office for his review.

Your letter also contained a request for copies of the locations and laboratory analytical data sheets for the soil samples referenced in my January 6, 1994 letter to the BLM.

I have attached copies of the laboratory analytical data sheets. Both the soil samples were taken at the point in the arroyo where the RSA report indicated the highest levels of contamination. I have marked the attached map to show where the soil samples were obtained.

Please contact Robin Smith at (713) 754-5046 when you have reviewed the requested information.

I look forward to an early resolution of this concern.

Sincerely,

*Robin M. Smith for D. B. McDaniel*

RMS:mag

**Attachments**

cc w/attachments: Mark Ashley  
OCD  
P. O. Drawer DB  
Artesia, New Mexico 88211

w/o attachments: BLM  
Carlsbad Resource Area Headquarters  
P. O. Box 1778  
Carlsbad, NM 88220  
Attn: J. Amos