

**From:** Tarr, Stephen S  
**To:** [Yu, Olivia, EMNRD](#); [Sanchez, Jessica L.](#); [Billings, Bradford, EMNRD](#)  
**Cc:** [Parks, Joshua C](#); [Akin, Ashley](#)  
**Subject:** RE: Chevron USA Inc. – 1RC-11 – Amended C-148s – April-July 2017  
**Date:** Tuesday, October 31, 2017 4:48:10 PM

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Ms. Yu:

Thanks for the clarifying questions below. I have answered them below in red front. If you will confirm a date in which you would like to visit the site, I would be glad to meet you there and give a detailed tour of the recycle unit and Recycle Water Containment Structure (RWCS). Just let me know please.

Note, there are strict policies around the entry of the RWCS's. Life jackets have to be worn to enter within the gated area, and all gates are locked so a Chevron person will have to be present to allow entrance. We will also have a frac on-going during the week of the 20<sup>th</sup>, so it may be a little crowded around the RWCS manifolds, but would be a good time to see how things operate. Again, be more than glad to accommodate yourself and anyone that would like to join.

Thanks,

**Stephen Tarr**  
**Production Supervisor- Water Ops.**  
**Chevron North America Exploration and Production Company**  
**(a Chevron U.S.A. Inc. division)**  
**6301 Deauville Blvd**  
**Midland, Texas 79705**  
**Phone: 432.687.7956**  
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**Office: #S4600**  
**Email: [Starr@chevron.com](mailto:Starr@chevron.com)**

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**From:** Yu, Olivia, EMNRD [mailto:[Olivia.Yu@state.nm.us](mailto:Olivia.Yu@state.nm.us)]  
**Sent:** Tuesday, October 31, 2017 4:47 PM  
**To:** Sanchez, Jessica L. <[JessicaSanchez@chevron.com](mailto:JessicaSanchez@chevron.com)>; Billings, Bradford, EMNRD <[Bradford.Billings@state.nm.us](mailto:Bradford.Billings@state.nm.us)>  
**Cc:** Tarr, Stephen S <[STarr@chevron.com](mailto:STarr@chevron.com)>; Parks, Joshua C <[KZWK@chevron.com](mailto:KZWK@chevron.com)>; Akin, Ashley <[AshleyAkin@chevron.com](mailto:AshleyAkin@chevron.com)>  
**Subject:** [**\*\*EXTERNAL\*\***] RE: Chevron USA Inc. – 1RC-11 – Amended C-148s – April-July 2017

Ms. Sanchez:

Thank you for the weekly inspection logs. Several questions to understand the calculations for the reported volumes as the logs do not indicate how the water levels are tested.

- Where are the meters situated? **There are meters located on the effluent line leaving the recycle unit.**

- How is the flow of the produced water tracked between the recycling facility and the recycling containments (North and South ponds)? There is a daily (24hr) report that is compiled by the recycle unit that depicts volumes of the influent and effluent water. There are valves at a centralized header that allows the control of flow to the needed RWCS. This allows proper metering of the volumes going into that certain pond. If the flow changes flow from one RWCS to the other, a meter reading is gathered and documented.
- NMOCD presumes that any transfer of fluids- incoming or outgoing- is recorded through an automated monitoring system on a regulated frequency. Is this an incorrect assumption? That is half true. The Recycle meter is an automated meter and the pumps at the SWD site are automated so we can see volumes sent to the recycle unit. If we have to turn third party water supply into the RWCS, there are meters located at the delivery point, but they are not automated. Most of our meters have to be manually read.

There was also an major release at the associated recycling facility for 1RC-11 on September 13, 2017 (1RP-4818). Please be advised that NMOCD plans to visit this location sometime during the week of November 20, 2017.

Thanks,

Olivia Yu  
Environmental Specialist  
NMOCD, District I  
[Olivia.yu@state.nm.us](mailto:Olivia.yu@state.nm.us)  
575-393-6161 x113

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, local laws and/or regulations.

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**From:** Sanchez, Jessica L. [<mailto:JessicaSanchez@chevron.com>]

**Sent:** Monday, October 30, 2017 1:43 PM

**To:** Yu, Olivia, EMNRD <[Olivia.Yu@state.nm.us](mailto:Olivia.Yu@state.nm.us)>; Billings, Bradford, EMNRD <[Bradford.Billings@state.nm.us](mailto:Bradford.Billings@state.nm.us)>

**Cc:** Tarr, Stephen S <[STarr@chevron.com](mailto:STarr@chevron.com)>; Parks, Joshua C <[KZWK@chevron.com](mailto:KZWK@chevron.com)>; Akin, Ashley <[AshleyAkin@chevron.com](mailto:AshleyAkin@chevron.com)>

**Subject:** RE: Chevron USA Inc. – 1RC-11 – Amended C-148s – April-July 2017

Hello Ms. Yu:

I apologize for the delay in getting this information to you. As requested the pond inspections for 1RC-11 are attached.

Reasons for incorrect volumes reported:

- Recycle facility meter was read by Field Representative before end of the month; so monthly total reported was incorrect
- Water blended outside the pond during frac job; individual collecting water volumes did not take that into account.
- Field Rep miscalculated volumes being put into the frac pond and being discharged during the frac

Please let me know if you should require further documentation. Thank you!

**Jessica Sanchez**

Technical Assistant

**MidContinent Business Unit**

Chevron North America Exploration and Production Co.

6301 Deauville Blvd.

Midland, Texas 79706

Phone: 432.687.7472

Email: [JessicaSanchez@chevron.com](mailto:JessicaSanchez@chevron.com)

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**From:** Yu, Olivia, EMNRD [<mailto:Olivia.Yu@state.nm.us>]

**Sent:** Wednesday, October 18, 2017 3:57 PM

**To:** Sanchez, Jessica L. <[JessicaSanchez@chevron.com](mailto:JessicaSanchez@chevron.com)>; Billings, Bradford, EMNRD <[Bradford.Billings@state.nm.us](mailto:Bradford.Billings@state.nm.us)>

**Cc:** Tarr, Stephen S <[STarr@chevron.com](mailto:STarr@chevron.com)>; Parks, Joshua C <[KZWK@chevron.com](mailto:KZWK@chevron.com)>

**Subject:** [\*\*EXTERNAL\*\*] RE: Chevron USA Inc. – 1RC-11 – Amended C-148s – April-July 2017

Ms. Sanchez:

What is the rationale for the incorrect volumes reported for these months at 1RC-11? Please provide inspection logs for the months of April to July 2017.

Thanks,

Olivia Yu

Environmental Specialist

NMOCD, District I

[Olivia.yu@state.nm.us](mailto:Olivia.yu@state.nm.us)

575-393-6161 x113

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of

responsibility for compliance with any other federal, state, local laws and/or regulations.

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**From:** Sanchez, Jessica L. [<mailto:JessicaSanchez@chevron.com>]  
**Sent:** Wednesday, October 18, 2017 12:40 PM  
**To:** Yu, Olivia, EMNRD <[Olivia.Yu@state.nm.us](mailto:Olivia.Yu@state.nm.us)>  
**Cc:** Tarr, Stephen S <[STarr@chevron.com](mailto:STarr@chevron.com)>; Parks, Joshua C <[KZWK@chevron.com](mailto:KZWK@chevron.com)>  
**Subject:** Chevron USA Inc. – 1RC-11 – Amended C-148s – April-July 2017

To Whom it May Concern:

It has come to our attention that previous C-148s for the Salado Draw Section 23 Recycling Containment (1RC-11) contained inaccurate water volumes. We have identified the cause of the inaccuracies and have taken steps to ensure this does not occur in the future. The C-148s for the months of April 2017 through July 2017 have been corrected and are attached in this email.

Please let me know if you have any questions.

Sincerely,

**Jessica Sanchez**

Technical Assistant

**MidContinent Business Unit**

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