

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION**

**APPLICATION OF APACHE CORPORATION
FOR AN ADJUDICATORY HEARING TO
CONTEST THE DIVISION'S CONDITIONS OF
APPROVAL ON APACHE CORPORATION'S
SCOPE OF WORK FOR ADDITIONAL
INVESTIGATION, LEA COUNTY, NEW MEXICO**

CASE NO. 24912

**APACHE CORPORATION AND THE OIL CONSERVATION DIVISION'S JOINT
MOTION TO AMEND ORDER NO. R-23728**

Apache Corporation ("Apache") and the Oil Conservation Division (the "Division"), (the "Parties") by and through their respective counsel, hereby respectfully submit to the Oil Conservation Commission (the "Commission") this Joint Motion to Amend Order No. R-23728 for the reasons specified herein.

1. This matter came before the Commission on the referral of the Division pursuant to NMSA 1978, Sections 70-2-6(B) and 70-2-11(B) of the Oil and Gas Act. The Commission held an adjudicatory hearing on this matter pursuant to 19.15.4 NMAC on January 16 and 17, 2025. Following the adjudicatory hearing, the Commission entered its findings, conclusions, and orders on February 19, 2025, in Order No. R-23728 ("Order") and Exhibit A – Final Conditions of Approval ("Order Ex. A"), attached as pages 9 and 10 of the Order. The Final Conditions of Approval relate to the Division's approval of Apache's proposal dated May 8, 2024, which proposed five new monitoring wells designated as TMW-25 to TMW-29.

2. Following the Commission's Order, Apache submitted its Application for Rehearing pursuant to NMSA 1978, Section 70-2-25(A) and 19.15.4.25 NMAC to the Commission on March 11, 2025. The Commission did not respond to Apache's Application for

Rehearing, and therefore the Commission's Order became a final disposition of Apache's Application to contest the Division's Conditions of Approval on March 25, 2025.

3. Following the hearing on this matter, Apache completed an additional round of groundwater monitoring including sampling and analysis of all existing monitoring wells and has reported the results to the Division. Apache and the Division have reviewed the results and additional historic information regarding the area to refine their understanding of site conditions and to attempt to identify possible sources of groundwater impacts. Based upon this information, Apache then proposed a revised plan for installation of additional groundwater monitoring wells and soil borings to meet all of the objectives of the Order, taking into account the additional information. The Division reviewed Apache's revised proposal and the parties then conferred and reached agreement on a modified plan, subject to the Commission's approval.

4. The revised plan jointly presented by Apache and the Division for the Commission's approval is presented in "Exhibit A – Modified Final Conditions of Approval" to this motion and, if approved, will replace Order Ex. A. Apache and the Division agree that this plan meets the objectives stated in the Order, provides equal or better spatial coverage to delineate groundwater conditions at the site, and modifies some well locations to reduce the risk of potential cross-contamination. This revised plan includes plans to drill a total of fifteen (15) monitoring wells and two (2) soil borings for further delineation and to ascertain the contents of the soils identified by the Division as areas of concern.

5. The fifteen wells specified in the Modified Conditions of Approval include (1) six monitoring well locations specified in Order Ex. A (TMW-31, TMW-33, TMW-34, TMW-36, TMW-37, and TWM-40); (2) three monitoring wells from Apache' September 23, 2024 proposal

(TMW-27, TMW-28, and TMW-30¹); and (3) six new well locations that represent changes to the locations of some of the wells specified in Order Ex. A. Based on these changes, wells TMW-35 and TMW-42 as identified in the Final Conditions of Approval 1f and 1m, and wells TMW-25, TMW-26 and TMW-29 as identified in the May 8, 2024 Apache proposal will no longer be required as their purposes are addressed by other wells or soil boring locations.

6. The six “New” well locations relate to the following wells as specified in Order Ex. A: “New 1” (32.4825050°, -103.119588°) is a modification (approximately 100 feet east) of the well identified as TMW-30 in Order Ex. A and is moved to better define background conditions; “New 2” (32.481600°, -103.119705°) is a modification (approximately 150 feet east) of the well identified as TMW-32 in Order Ex. A and is moved to reduce the distance between adjacent wells for more precise characterization; “New 3” (32.477701°, -103.123321°) is a modification (approximately 150 feet west) of the well required in Condition 6 of Order Ex. A to provide delineation of the plume boundary to the west of well TMW-19); “New 4” (32.477662°, -103.118673°) is a modification (approximately 250 feet southeast) of the well identified as TMW-38 in the Order Ex. A and is to provide characterization in the southeast part of the site; “New 5” (32.475958°, -103.121591°) is a modification (approximately 200 feet south) of the well identified as TMW-41 in Order Ex. A and is to provide characterization at the southern extent of the release area; and “New 6” (32.475825°, -103.119373°) is a modification (approximately 200 feet southeast) of first of the two wells identified as TMW-42 in Order Ex. A and is to provide downgradient characterization at the southeastern extent of the release area. Generally, the purpose of these six wells is to define the perimeter of the plume.

¹ This well TMW-30 is at a much different location than well TMW-30 as referenced in the Order Ex. A. It is near the location of well TMW-39 as referenced in OCD’s Conditions of Approval, which was not included in Order Ex. A.

7. Here is a comparison of the wells specified in the numbered conditions of Order Ex. A with those specified in the attached Modified Conditions of Approval:

<u>Order Ex. A</u>	<u>Modified Conditions</u>
1a: TMW-30	New 1
1b: same as Condition 5	TMW-31
1c: TMW-32	New 2
1d: TMW-33	TMW-33 with modified location
1e: TMW-34	No change
1f: TMW-35	Omitted
1g: TMW-36	No change
1h: TMW-37	No change
1i: TMW-38	New 4
1j: TMW-40	No change
1k: TMW-41	New 5
1l: TMW-42	New 6
1m: TMW-42	Omitted
5: ½ way between TMW-17 and windmill	TMW-31 (same as 1b)
6: 200' west of TMW-19	New 3

8. The Division has identified areas of concern which Apache and the Division seek to address through soil boring and sampling as well as strategic placement of groundwater monitoring wells. Specifically, the locations for proposed monitoring wells TMW-42 (condition 1m) and TMW-30/TMW-39 were selected by the Division in areas devoid of vegetation and identified as possible historic sources of contaminants detected in groundwater. The Division and

Apache agreed that soil borings will be drilled in these locations, as described in Exhibit A hereto. Soil borings will enable evaluation of the soil column without creating a potential conduit to the groundwater. TMW-42 (condition 1m) will not be installed given the presence of existing TMW-13, proposed well New 2, and proposed well TMW-13. TMW-30 will be installed approximately 70 feet south of the location for the boring in this location.

9. Attached as Exhibit “B” hereto is a map to illustrate the locations of the wells and soil borings as specified in Exhibit “A” hereto.

10. The specifications for groundwater sampling and chemistry analysis are unchanged from requirements set forth in the Commission’s Order Ex. A, and are in Condition 3 a-h of Exhibit “A” hereto.

11. Apache will comply with the deadlines for sampling and report submission as set forth by the Division.

12. The revised Conditions of Approval, attached as Exhibit A, shall be enforceable by the Division pursuant to 19.15.5 NMAC. Apache may submit a revised technical plan, in conformance with the Modified Conditions of Approval, with additional details for the Division’s approval.

13. Apache and the Division respectfully request that the Commission amend Order No. R-23728 to replace “Exhibit A – Final Conditions of Approval” with the Modified Conditions of Approval attached hereto as “Exhibit A – Modified Final Conditions of Approval.” Apache and the Division also respectfully request that the Commission amend Order No. R-23728 to reflect that “The Division may administratively extend deadlines related to drilling or sampling activities specified in this Order and may approve minor adjustments of well locations for good cause shown.”

14. Apache agrees to waive its right to appeal the Order if the Commission grants this Joint Motion.

15. Pursuant to NMSA 1978, Sections 70-2-23 and 10-15-1(B), the Parties respectfully request that the Commission set this matter for hearing on its calendar during the week of April 21 to April 25, 2025.

WHEREFORE, the Parties respectfully request that the Commission grant their Joint Motion to Amend Order No. R-23728 to reflect the contents of Exhibit A, attached, and grant a hearing as stated in Paragraph 15, *supra*.

Respectfully submitted,

GALLAGHER & KENNEDY, PA

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CERTIFICATE OF SERVICE

I certify that on April 17, 2025, the foregoing pleading was filed with the Oil Conservation Commission via the OCD Permitting website and served via electronic mail on:

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Oil Conservation Commission Clerk

By: /s/Samantha H. Catalano

Samantha H. Catalano

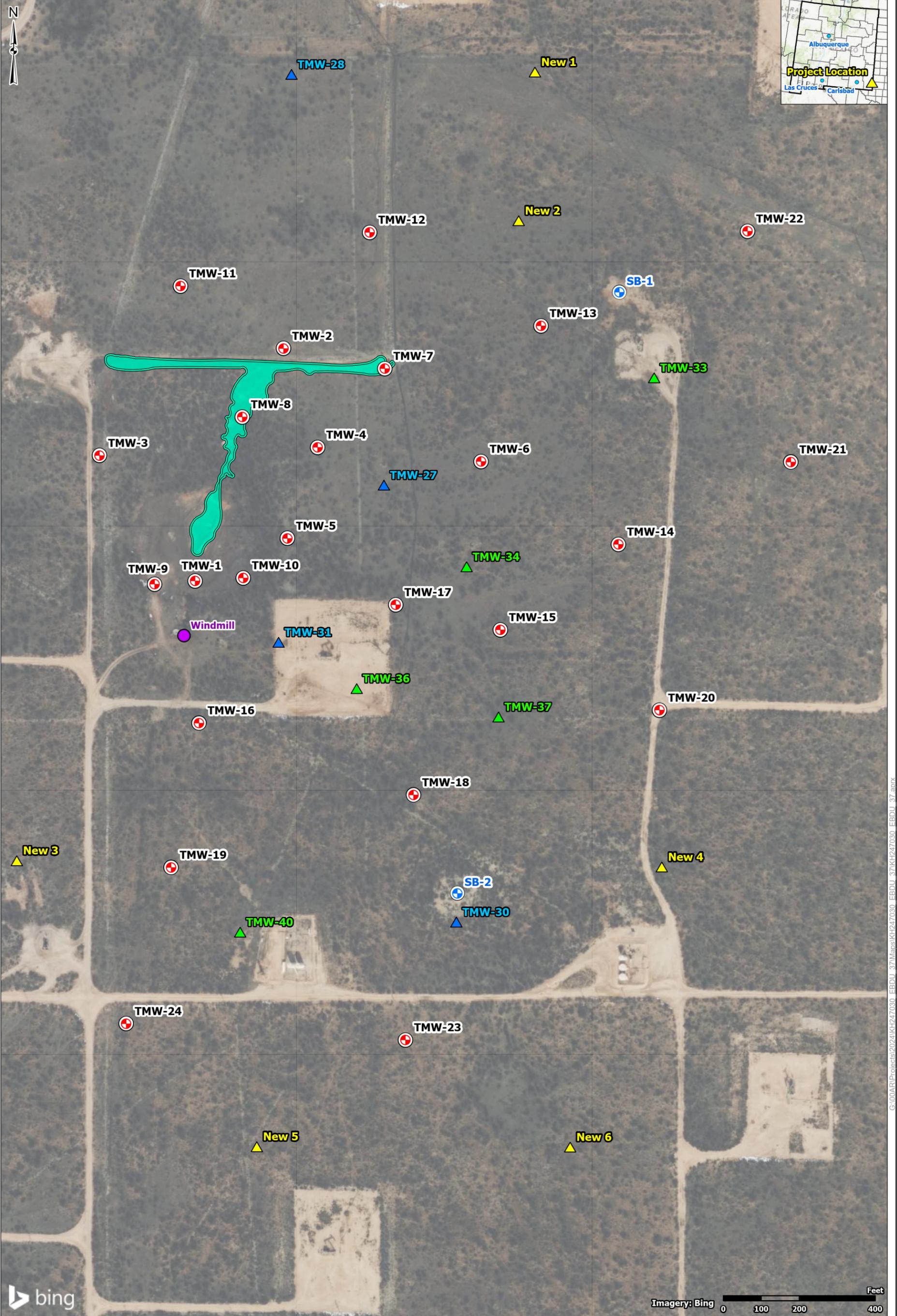
EXHIBIT A

Exhibit A: Modified Final Conditions of Approval

1. As part of Permit API 30-025-06556, Apache Corporation must commence the following within ninety (90) days of the date of the Oil Conservation Commission's Order granting the Joint Motion to Amend Order No R-23728. The coordinates for each monitoring well are included below. Groundwater Monitoring Wells:
 - a. TMW-27 (32.479989°, -103.120675°) will serve to confirm the chloride plume is continuous between the source (near TMW-7) and TMW-17, which has shown elevated chlorides in recent sampling.
 - b. TMW-28 (32.482492°, -103.121341°) will provide upgradient delineation. This well will be located approximately 750 feet upgradient of the source.
 - c. TMW-30 (32.477327°, -103.120154°) will be located approximately 200 feet southeast of TMW-18 to provide information on stratigraphy and groundwater chemistry in the space between current TMW-18, TMW-23, and proposed New 4. This is the location identified as TMW-39 from the original OCD Conditions of Approval.
 - d. TMW-31 (32.479032°, -103.121434°) will be installed approximately 200 feet east of the Windmill. This well is also requested in condition 5 of the OCD final order.
 - e. TMW-33 (32.480650, - 103.118951) will be installed approximately 415 feet southwest of TMW-22. Reduces the distance between TMW-21 and TMW-13 for more precise characterization.
 - f. TMW-34 (32.479492, - 103.120080) will be installed approximately 350 feet west of TMW-14. Achieves more characterization near TMW-17.
 - g. TMW-36 (32.478749, -103.120871) will be installed approximately 175 feet southwest of TMW-17. Addresses need for more characterization near TMW-17
 - h. TMW-37 (32.478577, -103.119850) will be installed approximately 275 feet southeast of TMW-17. Provides additional characterization near TMW-17.
 - i. TMW-40 (32.477265°, -103.121711°) will be installed approximately 200 feet southeast of TMW-19. Addresses lack of characterization and assessment between TMW-19 and TMW-18
 - j. New 1 (32.482505°, -103.119588°) This is a modification (approximately 100 feet east) of the OCD final order well TMW-30. Better defines background concentrations.
 - k. New 2 (32.481600°, -103.119705°) This is a modification (approximately 100 feet northeast) of the OCD final order well TMW-32. Reduces distance between adjacent wells for more precise characterization.
 - l. New 3 (32.477701°, -103.123321°) This is a modification (approximately 150 feet west) of the well requested in Condition 6 of the OCD final order well. Provides delineation west of TMW-19.

- m. New 4 (32.477662°, -103.118673°) This is a modification (approximately 250 feet east) of the OCD final order well TMW-38. Better defines background concentrations. Provides characterization in the southeast of the site.
 - n. New 5 (32.475958°, -103.121591°) This is a modification (approximately 200 feet south) of the OCD final order well TMW-41. Provides downgradient characterization at the southern extent of the release area.
 - o. New 6 (32.475825°, -103.119373°) This is a modification (approximately 200 feet southeast) of the OCD final order well TMW-42 (condition 11). Provides downgradient characterization at the southeastern extent of the release area.
2. Soil borings:
- a. SB-1 (32.481164°, -103.118979°) This boring is proposed in a location approximately 180 feet northeast of existing monitoring well TMW-13. The boring is located centered on an area with restricted vegetation growth suspected of being a potential source of contaminants leaching to groundwater.
 - b. SB-2 (32.477502°, -103.120147°) This boring is proposed approximately 230 feet southeast of existing TMW-18. The boring is located centered on an area with restricted vegetation growth suspected of being a potential source of contaminants leaching to groundwater.
3. Sampling and monitoring:
- a. The windmill well must be sampled and analyzed for barium in the next round of groundwater monitoring.
 - b. All additional monitoring wells must be logged by a qualified person and have soil sample analyses for TPH, chloride, and BTEX by EPA Methods 8260, EPA Method 300 and EPA Method 8015. Five (5) foot interval composite samples are acceptable.
 - c. Drilling for all wells is required to commence within ninety (90) days from the date of approval of the Order approving the Modified Conditions of Approval.
 - d. Include general chemistry water analysis on all samples including Cation/Anion results to understand TDS exceedances that are not chloride related.
 - e. In the next sampling event, sample all wells for the following 20.6.2.3103 NMAC constituents: (add all constituents with exceedances or which were not yet tested for)
 - i. Barium, Cyanide, Boron, due to exceedances of their regulatory limits.
 - ii. Pentachlorophenol, atrazine, Ethylene dibromide (EDB) also known as 1,2-Dibromoethane as these constituents were either not previously analyzed or had reporting limits and/or minimum detection limits that are above the regulatory limits.
 - iii. Temperature and pH must be analyzed for in the field as they were reported out of hold time.

- f. Apache shall complete and sample each additional well within thirty days of completion of drilling.
 - g. Apache must continue taking quarterly sampling and provide the results to the Division via the online permitting system. Results received by Apache must be submitted (via email) within 30 days, even if the report is still pending or waiting on additional results.
 - h. Apache shall include all field notes and calibration logs for field equipment used during groundwater monitoring events in all subsequent reports submitted through the OCD permitting system.
4. The Division may administratively extend deadlines related to drilling or sampling activities specified in this Order and may approve minor adjustments to the specified well locations for good cause shown.



- Inferred Release
- ⊕ Soil Boring
- ⊕ Existing Monitoring Well
- Windmill
- ▲ Newly Proposed Wells
- ▲ OCD Final Order Wells
- ▲ Original Apache Proposed Wells

Project No.:
KH247030

Date:
Apr 15 2025

Drawn By:
JWL

Reviewed By:
JRG



5847 50th St
Lubbock, TX

PH. 806-300-0140 terracon.com

Proposed Monitoring Wells

EBDU 37
32.4807053, -103.123085
Apache Corporation
Eunice, Lea County, New Mexico

Exhibit

1.0

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