



August 9, 2004

VIA FACSIMILE: (505) 393-0720

Mr. Paul R. Sheeley
New Mexico Oil Conservation Division
1625 N. French Drive
Hobbs, New Mexico 88240

Re: Excavation Backfill Results, Former M^cKinley Lease Production Facility, UL A, Section 30, Township 18 South, Range 38 East, Lea County, New Mexico

Dear Mr. Sheeley:

ChevronTexaco Exploration and Production Company (ChevronTexaco), as successor to Texaco Exploration and Production Inc. (Texaco), has retained Larson and Associates, Inc. (LA) to supervise remediation of soil at a former oilfield production facility (Site) once operated by Texaco at the McKinley Lease, located in Unit Letter A (NE/4 NE/4), Section 30, Township 18 South, Range 38 East, Lea County, New Mexico. Figure 1 presents a location and topographic map.

A remediation work plan was submitted to the New Mexico Oil Conservation Division (NMOCD) on January 28, 2002, and approved to excavate soil at three locations where the concentrations of total petroleum hydrocarbons (TPH) exceeded the NMOCD Recommended Remediation Action Level (RRAL) of 100 milligrams per kilogram (mg/kg). Following excavation of approximately 7,288 cubic yards of soil from the three locations (Hole #1, Hole #2 and Hole #3), a Final Remediation Report was submitted to the NMOCD on June 11, 2002. The NMOCD denied closure since a soil sample from the bottom of Hole #3 was above the RRAL (100 mg/kg). The NMOCD also requested that ChevronTexaco investigate an area between the excavations (Hole #2 and Hole #3) since a sample from BH-3 from 20 to 21 feet below ground surface (bgs) reported TPH at 82 mg/kg (below the RRAL).

The results of additional sampling of Hole #3, which showed that TPH was below the RRAL of 100 mg/kg, were presented to the NMOCD in a letter dated September 20, 2002. The letter also stated that Holes #1, #2 and #3 would be filled with clean soil, and a soil boring would be drilled between BH-3 and BH-4, to a depth of approximately 25 feet bgs. The NMOCD approved the work plan in a letter dated October 9, 2002.

Environmental Plus, Inc. (EPI) was retained to fill the excavations with clean soil, and began backfilling Hole #1 and Hole #2 on October 14, 2002. Backfilling was also stopped on that date, when NMOCD personnel visited the Site and observed additional

*ChevronTexaco - 216419
facility - #PAC0605525585*

application - #PAC0605525733

Mr. Paul R. Sheeley
August 9, 2004
Page 2

soil staining at the north end of Hole #2. ChevronTexaco was required to investigate, and remediate as necessary, the soil staining north of Hole #2.

On October 15, 2002, EPI began to excavate soil from the north end of Hole #2. Remediation activities progressed to the north until the final soil samples from the bottom and sides of the excavation reported TPH (DRO and GRO) below 100 mg/kg. On December 5, 2002, soil boring BH-13 was drilled between the two excavations (Hole #2 and Hole #3) and south of BH-3 and BH-4. The soil sample results from excavated areas and from soil boring BH-13 were submitted to the NMOCD on April 7, 2003. A verbal request was made by the NMOCD on April 28, 2003, to provide additional soil samples from the soil boring, as well as a groundwater sample.

On April 30, 2003, soil boring BH-14 was drilled approximately five (5) feet west of BH-13. Soil and groundwater sample results were presented to the NMOCD on May 14, 2003, with a request that the NMOCD allow ChevronTexaco to backfill the remaining excavations. Approval to backfill the excavations was granted by the NMOCD on May 19, 2003.

From September 8, 2003 through October 7, 2003, the excavations were filled with clean soil to ground surface, and a one-foot layer of gravel was placed above the soil, covering the entire property. ChevronTexaco has since purchased the property, and requests that no further action be imposed by the NMOCD. Please call Mr. Scott Toner with ChevronTexaco at (432) 687-7318 or myself at (432) 687-0901 if you have questions.

Sincerely,
Larson and Associates, Inc.



Cindy K Crain, PG
Project Manager
Encl.

cc: Scott Toner, ChevronTexaco
William Olson, OCD Hydrologist

FIGURES

**FORMER
TEXACO EXPLORATION and
PRODUCTION INC.
McKINLEY SITE**

R-37-E

R-38-E

FIGURE #1

LEA COUNTY, NEW MEXICO

**TEXACO EXPLORATION and
PRODUCTION, INC.**

McKINLEY LEASE

NW¼, SE¼, SECTION 30, T18S, R38E

TOPOGRAPHIC MAP

TAKEN FROM U.S.G.S.
HOBBS WEST, N. MEX. 1979
7.5 QUADRANGLES



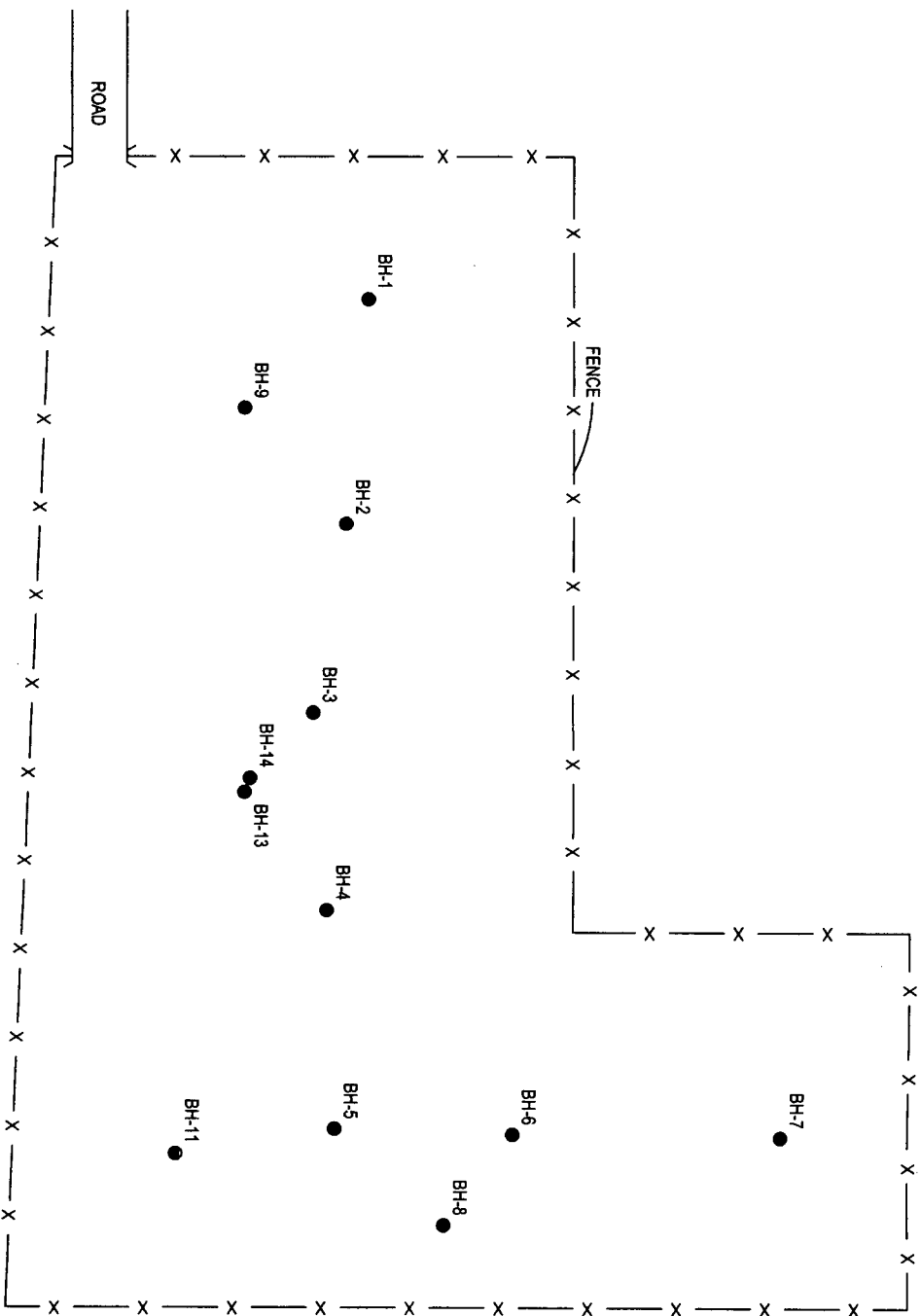
SCALE: 1"=2000'

DATE:
4/22/01

NAME:

FILE:
2-001

Larson &
ssociates, Inc.
Environmental Consultants



LEGEND

BH-13 ● SOIL BORING LOCATION



GRAPHIC SCALE IN FEET



SCALE: 1" = 50'

FIGURE #2

LEA COUNTY, NEW MEXICO	
CHEVRON TEXACO	
EXPLORATION AND PRODUCTION COMPANY	
MCKINLEY LEASE	
NE 1/4, NE 1/4, SEC. 30, T-18-S, R-38-E	
EXCAVATION DRAWING AND BOREHOLE LOCATIONS	
DATE	8-2-04
NAME	SJA
FILE	2-0100

