Larson & Associates, Inc.
Environmental Consultants

RECEIVED
AUG 25 2004
OIL CONSERVATION DIVISION

Hobbs

August 23, 2004

Mr. Paul Sheeley
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
1625 French Drive
Hobbs, New Mexico 88240

Re: Pipeline Spill Remediation Workplan, Dynegy Midstream Services, L.P., Unit Letter J (NW/4, SE/4), Section 31, Township 23 South, Range 37 East, Lea County, New Mexico

Dear Mr. Sheeley:

Please find enclosed a copy of the above-referenced workplan. The workplan is submitted on behalf of Dynegy Midstream Services, L. P., and presents the results of excavation backfilling, and a workplan for further action.

Please call Cal Wrangham at (432) 688-0542 or myself at (432) 687-0901 if you have questions. I can also be reached by email at Cindy@Laenvironmental.com.

Sincerely,
Larson and Associates, Inc.

Cindy K. Crain

Cindy K. Crain, CPG
Project Manager

- No C-141
- No Delineation Info Attached
- Need Site Layout Plan From 8-26-03

cc: Cal Wrangham - Dynegy
Dave Harris – Dynegy
William Olson, NMOCD

Application - pPAC0411829927

507 North Marienfeld, Suite 202 ◆ Midland, Texas 79701 ◆ Ph. (432) 687-0901 ◆ Fax (432) 687-0456

Hobbs

Larson & Associates, Inc.
Environmental Consultants

RECEIVED

AUG 25 2004

Oil Conservation Division
Environmental Bureau

August 20, 2004

Mr. Paul Sheeley
Environmental Engineer
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
1625 N. French Drive
Hobbs, New Mexico 88240

Re: Groundwater Investigation Workplan, Dynegy Midstream Services. L.P., Unit Letter J (NW/4, SE/4), Section 31, Township 23 South, Range 37 East, Lea County, New Mexico (Kelly Myers Deep Wells Lease)

Dear Mr. Sheeley:

Dynegy Midstream Services, L. P. (Dynegy) has retained Larson and Associates, Inc. (LA) to remediate impacts to soil from natural gas liquids (i.e., natural gas condensate) leaks from a natural gas pipeline located in the northeast quarter (NE/4) of the southwest quarter (SW/4), Section 31, Township 23 South, Range 37 East, Lea County, New Mexico (Site #26). Figure 1 presents a Site location and topographic map.

A Remediation Workplan was submitted to the New Mexico Oil Conservation Division (NMOCD) on August 14, 2003, for closure of an excavation at Site #26, and was approved in a letter dated September 12, 2003. Results of the excavation were submitted with a Pipeline Spill Remediation Workplan, dated April 29, 2004. Dynegy proposed to discontinue excavating soil from Site #26, and install a clay barrier to restrict further leaching of hydrocarbons from the soil below 60 feet below ground surface (bgs). The Workplan was approved by the NMOCD in a letter dated May 25, 2004, with the stipulation that Dynegy propose a plan to investigate the groundwater at the spill site.

Recent Activities

On May 25, 2004, Dynegy began backfilling of the Site #26 excavation. The excavated area was filled with clean soil from about 60 feet bgs to a depth of six (6) feet bgs. Red clay was used to fill the excavation from a depth of six (6) feet bgs to a depth of three (3) feet bgs. Clean soil was placed above the clay barrier, from a depth of three (3) feet bgs to the surface. The clay was obtained from Wallach Concrete of Eunice, New Mexico, and was analyzed for proctor density by Pettigrew and Associates, P.A. (Pettigrew), of Hobbs, New Mexico, prior to introduction into the excavation. Appendix A provides a copy of the initial density analysis.

The clay was introduced into the excavation in one (1) foot lifts, compacted, and tested for proctor density at each one (1) foot interval by Pettigrew. Appendix B provides a copy of the Laboratory Test Report.

Proposal

Dynegy proposes to install one (1) temporary monitoring well, immediately downgradient of the excavation area, in order to obtain a groundwater sample. An air rotary drilling rig will be used to install the monitoring well. As groundwater is encountered at approximately 104 feet bgs, the boring will be advanced to a depth of approximately 120 feet and completed as a temporary monitoring well. Figure 2 shows the location of the proposed soil boring.

The monitoring well will be constructed with 2-inch diameter screw coupled schedule 40 PVC casing and screen. Approximately 20 feet of well screen will be placed in the well, with approximately 15 feet of screen extending into groundwater, and 5 feet extending above groundwater. Silica sand will be placed around the well screen to about 2 feet above the screen. The well will be bailed after installation to remove fine-grained sediment disturbed during drilling. No less than 48 hours after development, a groundwater sample will be collected from the well, and analyzed for BTEX using EPA method SW-846-8021B. Depth-to-groundwater will be measured in the monitoring well before the well is purged and sampled. The groundwater sample will be collected using a dedicated disposable polyethylene bailer, and carefully poured into laboratory-prepared containers. The sample containers will be labeled, immediately chilled in an ice chest, and transferred under chain-of-custody control to Environmental Lab of Texas I, Ltd., located in Odessa, Texas. The field observations will be documented in a bound field notebook, and a construction diagram and geologic log will be prepared for the temporary monitoring well. A summary report will be prepared following completion of the investigation.

If laboratory results from the groundwater sample show BTEX concentrations below the New Mexico Water Quality Control Commission (NMWQCC) drinking water standards, the temporary monitoring well will be plugged according to New Mexico state guidelines. If the laboratory results from the groundwater sample show BTEX concentrations above the NMWQCC standards, the well will be completed as a permanent monitoring well. The remainder of the well annulus will be filled with cement and bentonite grout, to about one (1) foot bgs. The well will be secured with an above-grade locking steel cover anchored in a concrete pad measuring approximately 3 feet by 3 feet. Notification will be given to the NMOCD at least 48 hours prior to installation of the soil boring, in order that a representative may be present during investigation activities. A summary report will be prepared following completion of the investigation.

If you should have any questions, please contact Mr. Cal Wrangham with Dynegy at (432) 688-0542 or myself at (432) 687-0901. I can also be reached by e-mail at Cindy@laenvironmental.com.

Sincerely,
Larson & Associates, Inc.

Cindy K. Crain, CPG, CGWP
Project Manager

CC: Mr. Cal Wrangham, Dynegy
Mr. Dave Harris, Dynegy
Mr. William Olson, NMOCD

FIGURES

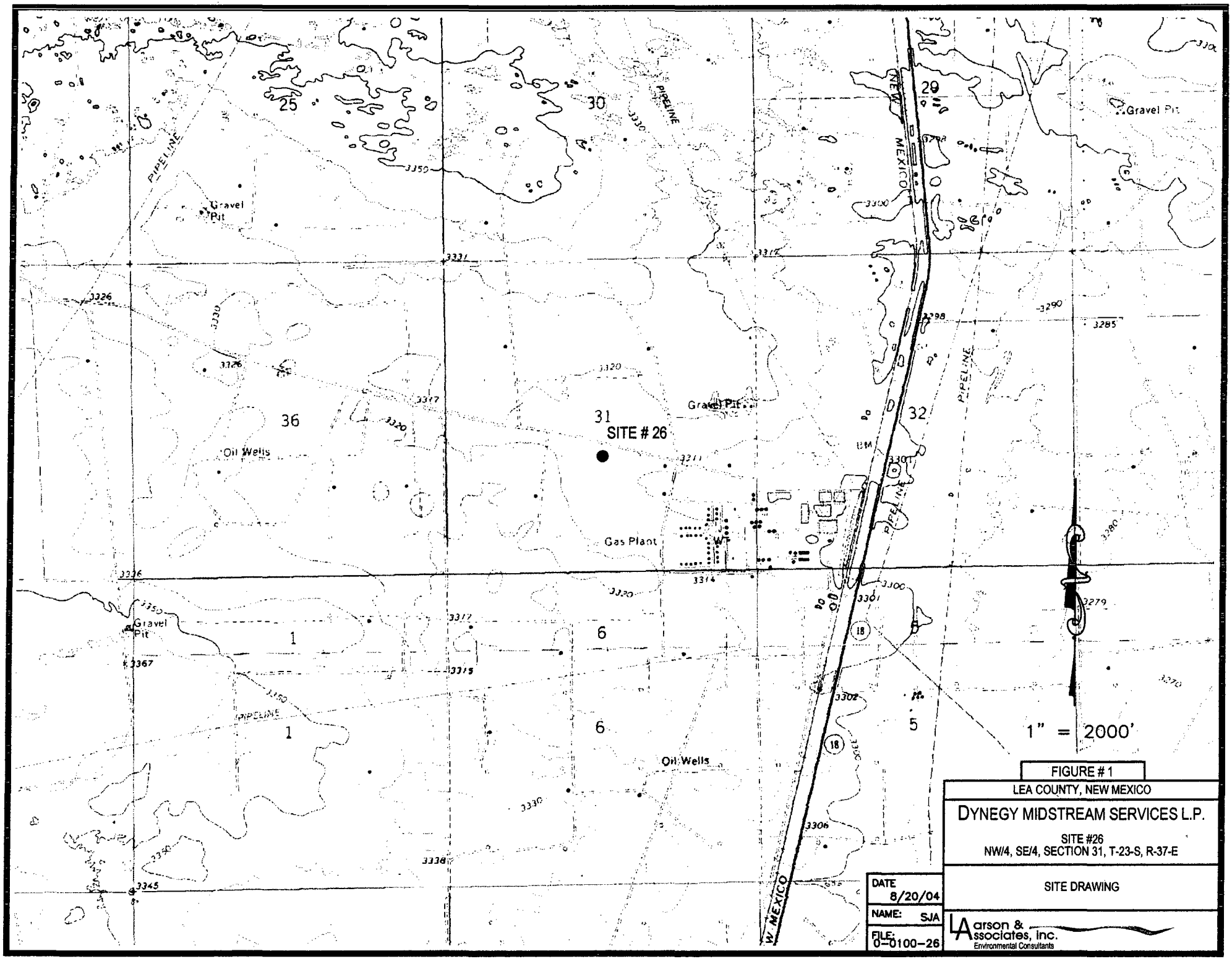


FIGURE # 1

LEA COUNTY, NEW MEXICO

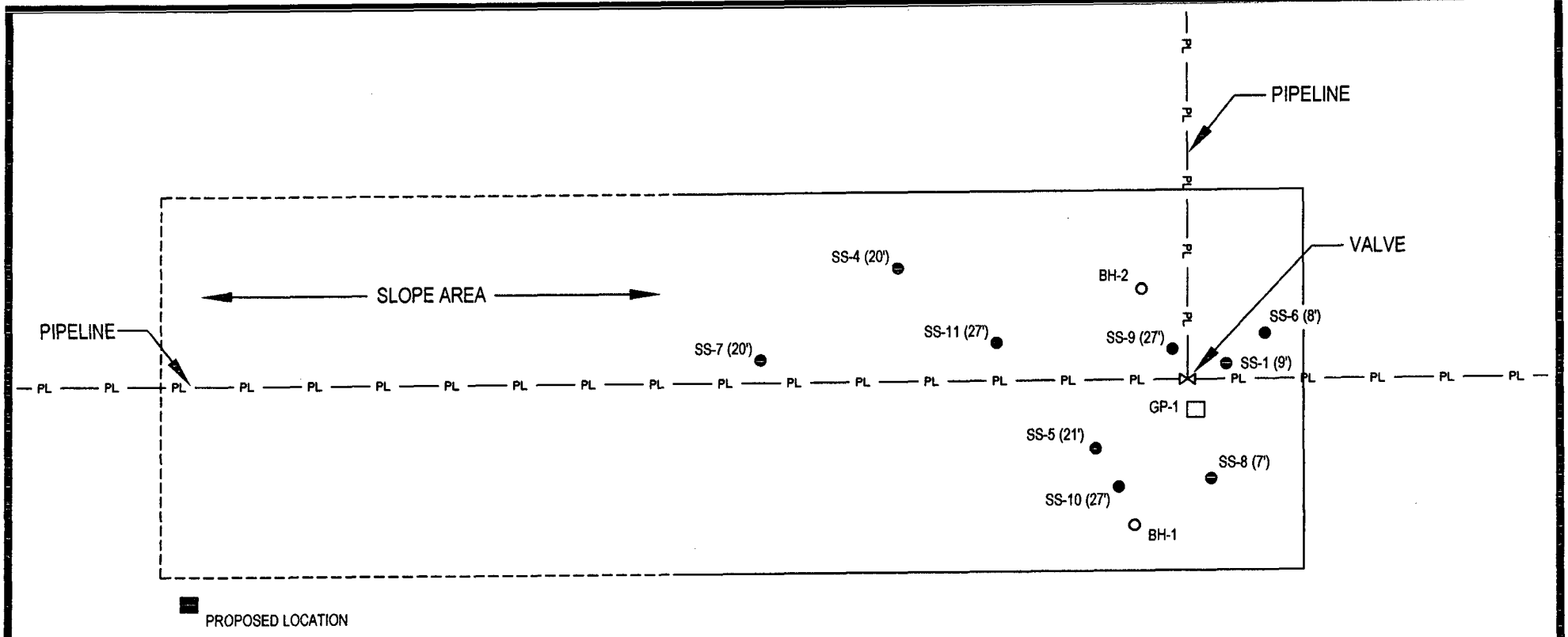
DYNEGY MIDSTREAM SERVICES L.P.

SITE #26
NW/4, SE/4, SECTION 31, T-23-S, R-37-E

SITE DRAWING

DATE	8/20/04
NAME:	SJA
FILE:	0-0100-26

Larson & Associates, Inc.
Environmental Consultants



LEGEND

- SS-1 ● SOIL SAMPLE LOCATION, WITH DEPTH
- BH-1 ○ SOIL BORING LOCATION (8/13 AND 8/14/02)
- GP-1 □ SOIL BORING LOCATION (3/2/04)
- ■ PROPOSED SOIL BORING LOCATION
- ---- EXCAVATION BOUNDARY

GRAPHIC SCALE IN FEET

0' 10' 20' 30'

1" = 20'

FIGURE #2

LEA COUNTY, NEW MEXICO

DYNEGY MIDSTREAM SERVICES L.P.

SITE #26
NW/4, SE/4, SECTION 31, T-23-S, R-37-E

SITE DRAWING
AND PROPOSED BORING LOCATION

DATE 8/12/04

NAME: SJA

FILE: 0-0100-26

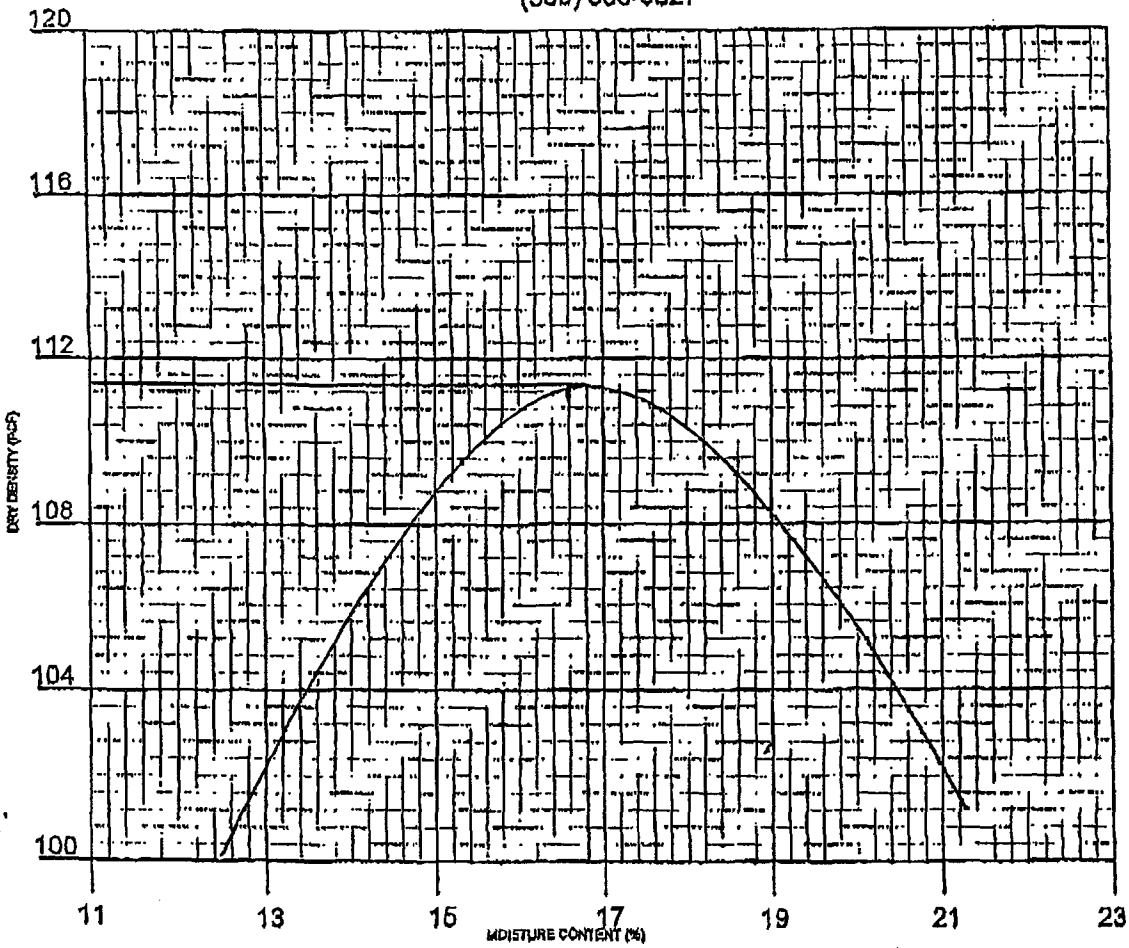
Larson & Associates, Inc.
Environmental Consultants

APPENDIX A

PROCTOR DENSITY TESTING OF WALLACH CLAY

Proctor

PETTIGREW and ASSOCIATES, P.A.
1110 N. GRIMES ST.
HOBBS, NM 88240
(505) 393-9827



CLIENT: Wallach Concrete PROJECT: General Information

SAMPLE LOCATION: Stockpile

SOIL DESCRIPTION: Red Clay

SOIL CLASSIFICATION: ____ TEST METHOD: ASTM: D 698

ATTERBERG: LL ____ PI ____ Delivered 3/9/04

DATE: 3/11/04 LAB NO. 04 4518

DRY WEIGHT LB/CU. FT. 111.4 MOISTURE CONTENT % 16.8

SIEVE ANALYSIS - % PASSING									

PETTIGREW and ASSOCIATES

COPIES: Wallach

BY: [signature] P.E.T.

APPENDIX B

PROCTOR DENSITY LABORATORY TEST REPORT

LABORATORY TEST REPORT

PETTIGREW & ASSOCIATES, P.A.

1110 N. GRIMES
HOBBS, NM 88240
(505) 393-9827

AASHTO R18

DEBRA P. HICKS, P.E./L.S.I.
WILLIAM M. HICKS. III, P.E./P.S.

To: Larson & Associates
507 N. Marienseld Suite 202
Midland, TX 79701

Material: Red Clay

Test Method: ASTM: D 2922

Project: Kelly Myers Site
Project # 0-0100-26

Date of Test: June 17, 2004

Depth: See Below

Test No.	Location	Dry Density % Maximum	% Moisture	Depth
SG-1	Pit - 25' N. & 15' W. of the SE Corner	105.0	15.2	2' Below Finished Subgrade
SG-2	Pit - 30' N. & 50' W. of the SE Corner	102.1	17.4	1' Below Finished Subgrade
SG-3	Pit - 15' S. & 20' E. of the NW Corner	102.1	13.8	1' Below Finished Subgrade
SG-4	Pit - 25' S. & 15' E. of the NW Corner	101.8	13.8	Finished Subgrade
SG-5	Pit - 20' N. & 20' E. of the SW Corner	105.5	12.7	Finished Subgrade

Control Density: 109.5
ASTM: D 698

Optimum Moisture: 16.6%

Required Compaction: 95%

Lab No.: 04 7004-7011

Copies To: Larson

PETTIGREW & ASSOCIATES

BY: S.E.T.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-141
Revised March 17, 1999

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: Dynegy Midstream Services, L. P.	Contact: Dave Harris
Address: PO Box 1909 Eunice, NM 88231	Telephone No (505) 631-7069
Facility Name: Eunice Plant Gathering System	Facility Type: Gas Plant Low Pressure Gathering Lines ☐

Surface Owner: Kelly Meyer Deep Wells Ranch	Mineral Owner	Lease No.☐

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County☐ Lea
NW Q of the SE Q	31	23S	37E					

NATURE OF RELEASE

Type of Release Natural gas condensate	Volume of Release ??	Volume Recovered none
Source of Release Pipeline leak	Date and Hour of Occurrence 6/7/03 4:30 PM	Date and Hour of Discovery same
Was Immediate Notice Given? ☐ Yes ☒ No ☐ Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? ☐ Yes ☒ No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*
10" Pipeline leak due to interior and exterior corrosion. While line was dug out for clamping leak other contaminated soil was seen adjacent to leak. Dug up approximately 600 feet of line exposing some historic contamination.

Describe Area Affected and Cleanup Action Taken.*
Spots of stained soil along right of way. Will cleanup per NMOCD guidelines and submit documentation to district office.

Describe General Conditions Prevailing (Temperature, Precipitation, etc.)*
Mid 90 degree daytime temperatures with dry conditions.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: Cal Wrangham

Printed Name: Cal Wrangham

Title: ES&H Advisor

Date: 6/23/03 Phone: 915 688-0542

OIL CONSERVATION DIVISION

Approved by☐District Supervisor:

Approval Date: Expiration Date:

Conditions of Approval: Attached ☐

* Attach Additional Sheets If Necessary