Bill Richardson Governor

Joanna Prukop

Cabinet Secretary

Mark Fesmire Division Director Oil Conservation Division



Marks and Garner Production LTD Co. PO Box 1089 Hobbs, NM 88241 ATTN: Quinton Wellborn

Dear Mr. Wellborn,

August 19, 2009

Mailes 8/21/2009

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of a remediation work plan proposal (plan) for the sites operated by your company as listed below:

Levers Federal 007	30-015-25091	J-33-16s-29e	OCD Reference: 2RP-304
Levers 003Y	30-015-02787	N-33-16s-29e	OCD Reference: 2RP-305
Red 12 Federal 001	30-015-25058	O-33-16s-29e	OCD Reference: 2RP-306
Cave State 004	30-015-24742	F-04-17s-29e	OCD Reference: 2RP-307
Red 12 State 002	30-015-24966	H-04-17s-29e	OCD Reference: 2RP-308
Red 12 State 003	30-015-24989	J-05-17s-29e	OCD Reference: 2RP-309
Red 12 State 004	30-015-24991	O-05-17s-29e	OCD Reference: 2RP-310

The plan was formulated and submitted by your agent, R.T. Hicks Consultants, LTD. The plan was received by OCD via email August 12, 2009 and a hard copy received via USPS on August 17, 2009.

The overall scope of the proposed remediation for these sites is not approved. More specific reasons for denial of this plan are as follows:

OCD's criteria for remediation and/or removal of contamination due to the release of oil and gas related produced fluids, are based on current OCD Rules and Guidelines. The Guidelines are from the 1993 OCD publication, Guidelines for Remediation of Leaks, Spills and Releases. This document sets the criteria for determining a site ranking. The Recommended Remediation Action Levels (RRAL) for hydrocarbon based contaminants is specific dependent upon the site ranking. The RRAL may be modified by OCD in some instances based on site specific conditions. However, the site ranking, as described in the publication, is to be provided in any remediation proposal. It has not been provided in this plan.

The plan for some of the sites states that even though contaminant levels exceed the OCD Guidelines, they do not exceed the 2006 NMED Guideline levels. NMED Guidelines typically would have no relevance in determining the methods of remediation and/or RRAL for contaminants for cleanup of these sites.

In most instances, the sites have not been fully delineated for contaminants. For example, the analytical data provided for the Levers No. 3 well shows TPH levels from the surface samples to be 48,990 mg/kg. The next data provided was from a sample obtained at 6' bgs. The TPH levels



August 20, 2009 Page 2

in this sample are 8,911 mg/kg. No other data was provided. Under OCD Guidelines, the maximum TPH level allowed at a site (with a site ranking of 0 points) is 5,000 mg/kg. The data provided not only does not show how deep the contaminants have migrated, it does not even show where the contaminants reach the RRAL. Also, no testing was performed for chloride contaminants.

In general, the plan proposes to only excavate a minimal amount of contaminated soils, blend this material with clean soils and use for building berms at tank batterys. Any extra material would be stockpiled for future use. This is not an acceptable method of remediation.

The plan also includes proposed methods to be used when the sites are abandoned. Since the abandonment of these sites may be decades away, this portion of the proposal has no relevance in what will be required for the remediation of contamination that currently exists at these sites.

In most of the site remediation proposals, no analysis has been done for chloride contamination. Testing for this constituent is required in performing site delineation.

In my letter dated May 14, 2009, I requested that a corrective action work plan proposal be submitted to the OCD District 2 Office. The work plans were to be formulated based on <u>vertical</u> and <u>horizontal delineation</u> of contaminants, <u>site ranking</u>, and <u>OCD Rules and Guidelines</u>.

Please send a revised work plan that more adequately meets these criteria not later than September 10, 2009.

If you have any questions or concerns please contact me.

Sincerely,

Mike Bratcher
NMOCD District 2
1301 W. Grand Ave.
Artesia, NM 88210
575-748-1283 Ext.108

mike.bratcher@state.nm.us

Distribution: email - <u>gwelborn@valornet.com</u>; <u>dale@rthicksconsult.com</u>; <u>Mikal.altomare@state.nm.us</u>

USPS Certified: PO Box 1089 Hobbs, NM 88241

2 8520	(Domestic Mail O	DETVICE TO DEMAIL TO REC INIV: No Insurance C atton visit our website	The state of the s			
560 0002 222	Postage Certified Fee Return Receipt Fee (Endorsement Required) Aestricted Delivery Fee (Endorsement Required) Total Postage & Fees	\$.44 2.80 2.30 \$5.54	Postmark Here			
5 7007	Sirk ach + Dame Robertion TD					