

AP - 011

**STAGE 1 & 2
REPORTS**

DATE:

May 2, 2005

Price, Wayne

120938

From: Price, Wayne
Sent: Thursday, May 19, 2005 1:44 PM
To: Cal Wrangham (E-mail); Mark Larson (E-mail)
Cc: Sheeley, Paul; Johnson, Larry
Subject: Dynegy Bertha Barber Tank Battery N/2 SW/4 Sec 5-TS 20S-R37E Ref AP-11

The OCD is in receipt of the monitor well closure report and hereby approves your closure request with no further action required at this time.

Please be advised that NMOCD approval of this plan does not relieve (Dynegy) of liability should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve (Dynegy) of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Sincerely:

Wayne Price
New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505
505-476-3487
fax: 505-476-3462
E-mail: WPRICE@state.nm.us

Larson and Associates, Inc.
507 N. Marienfeld, Suite 202
Midland, Texas 79702
office - (432) 687-0901
mobile - (432) 556-8665

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AP 11

May 2, 2005

Mr. Wayne Price
New Mexico Oil Conservation Division
Environmental Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Completion Report, Dynegy Midstream Services, L.P., Pipeline Segment
Near Bertha Barber Tank Battery, N/2, SW/4, Section 5, Township 20 South,
Range 37 East, Lea County, New Mexico**

Dear Mr. Price:

Please find enclosed a copy of the above-referenced report. The report is submitted on behalf of Dynegy Midstream Services, L. P., and presents the results of monitoring well plugging and abandonment conducted by Larson and Associates, Inc. Please call Cal Wrangham at (432) 688-0542 or myself at (432) 687-0901 if you have questions.

Sincerely,
Larson and Associates, Inc.



Cindy K. Crain, PG

cc: Mr. Cal Wrangham – Dynegy
Mr. James Lingnau - Dynegy
Mr. Chris Williams – NMOCD District 1

May 2, 2005

Mr. Wayne Price
New Mexico Oil Conservation Division
Environmental Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico

**Re: Completion Report, Dynegy Midstream Services, L.P., Pipeline Segment
Near Bertha Barber Tank Battery, N/2, SW/4, Section 5, Township 20 South,
Range 37 East, Lea County, New Mexico**

Dear Mr. Price:

Dynegy Midstream Services, L.P. (Dynegy) has retained Larson and Associates, Inc. (LA) to investigate a potential release of natural gas liquids (NGL) from a segment of pipeline owned by Dynegy, and located northwest of the former Bertha Barber Tank Battery (Site) operated by Marathon Oil Company (MOC). MOC notified the New Mexico Oil Conservation Division (NMOCD) that phase-separated hydrocarbons (PSH) resembling NGL was present in a monitoring well located near Dynegy's pipeline. On May 23, 2000, the NMOCD requested Dynegy to submit information related to pipeline leaks, spills, repairs and remediation actions it had for the site. On June 9, 2000, Dynegy submitted the requested documentation, and indicated that there was no evidence of hydrocarbon impacts along the pipeline right-of-way. Dynegy noted that field personnel had identified and repaired a leak along a section of steel line approximately ¼-mile west-northwest of the Site. Dynegy representatives met with the NMOCD in May 2003, and committed to submitting a work plan to investigate its pipeline for a potential release that could have attributed to the impact. The work plan was submitted to the NMOCD on June 27, 2003, and was approved on September 10, 2003. A Subsurface Investigation Report, dated February 12, 2004, provided details of the installation of two (2) monitoring wells (MW-17 and MW-18), and groundwater monitoring results of those wells. Figure 1 presents a Site location and topographic map. Figure 2 presents a detailed Site drawing.

Analytical results from groundwater monitoring activities reported concentrations of toluene, ethylbenzene and xylene in groundwater from wells MW-17 and MW-18 below the New Mexico Water Quality Control Commission (NMWQCC) standards. The concentration of benzene in well MW-17 was below the NMWQCC standard of 0.01 milligrams per liter (mg/L). The concentration of benzene in well MW-18 (0.012 mg/L) exceeded the NMWQCC standard by 0.002 mg/L. Phase separated hydrocarbons (PSH) were not detected in either well, MW-17 or MW-18.

Mr. Wayne Price
Page 2
May 2, 2005

Dynegy concluded that the data obtained from the subsurface soil investigation, did not provide any indication that PSH found in MOC's well MW-10 originated from the leak of the Dynegy pipeline, and believed they had no further obligation at the Site. A request for approval to plug and abandon the two (2) monitoring wells was submitted to the NMOCD on April 11, 2005. Approval was granted by the NMOCD to plug and abandon monitoring wells MW-17 and MW-18 on April 13, 2005.

Current Activities

On April 20, 2005, monitoring wells MW-17 and MW-18 were plugged according to New Mexico State Engineer (NMSE) guidelines. The above grade cover, concrete pad, well box and surrounding steel railing was removed. The well casing was removed to a depth of approximately three (3) feet below grade, and the remaining borehole was grouted from bottom to top with a bentonite/cement grout consisting of one (1) to three (3) percent bentonite powder. Appendix A provides the plugging reports for monitoring wells MW-17 and MW-18.

Dynegy requests that a No Further Action status be granted pertaining to the Pipeline Segment near Bertha Barber Tank Battery, N/2, SW/4, Section 5, Township 20 South, Range 37 East, Lea County, New Mexico.

Please call Mr. Cal Wrangham at (432) 688-0542 or myself at (432) 687-0901 if you have questions. We may also be reached by email at cal.wrangham@dynegy.com or cindy@laenvironmental.com.

Sincerely,
Larson & Associates, Inc.

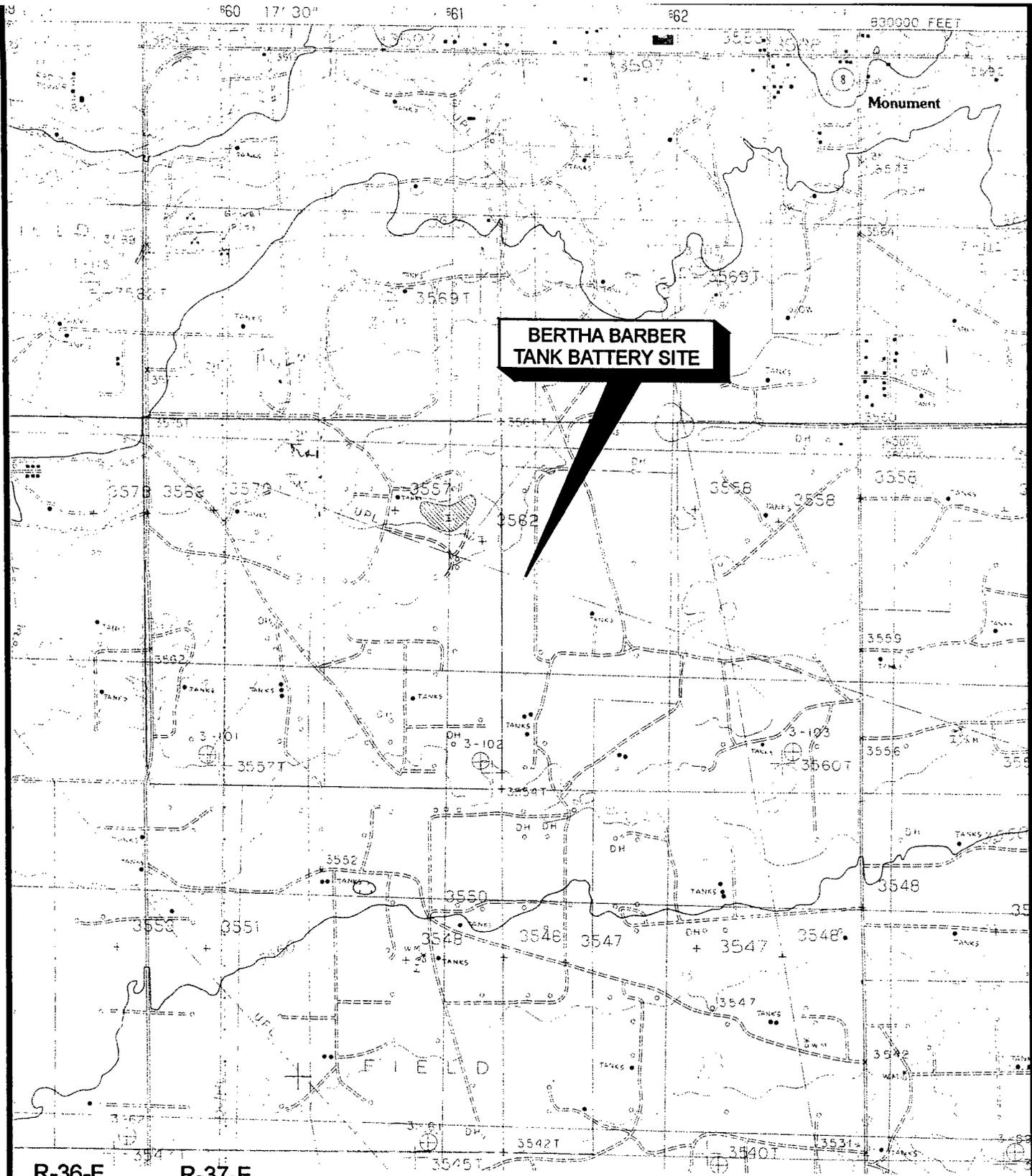


Cindy K. Crain, CPG

Encl.

cc: Cal Wrangham
James Lingnau
Chris Williams – NMOCD District I

FIGURES



**BERTHA BARBER
TANK BATTERY SITE**

R-36-E R-37-E

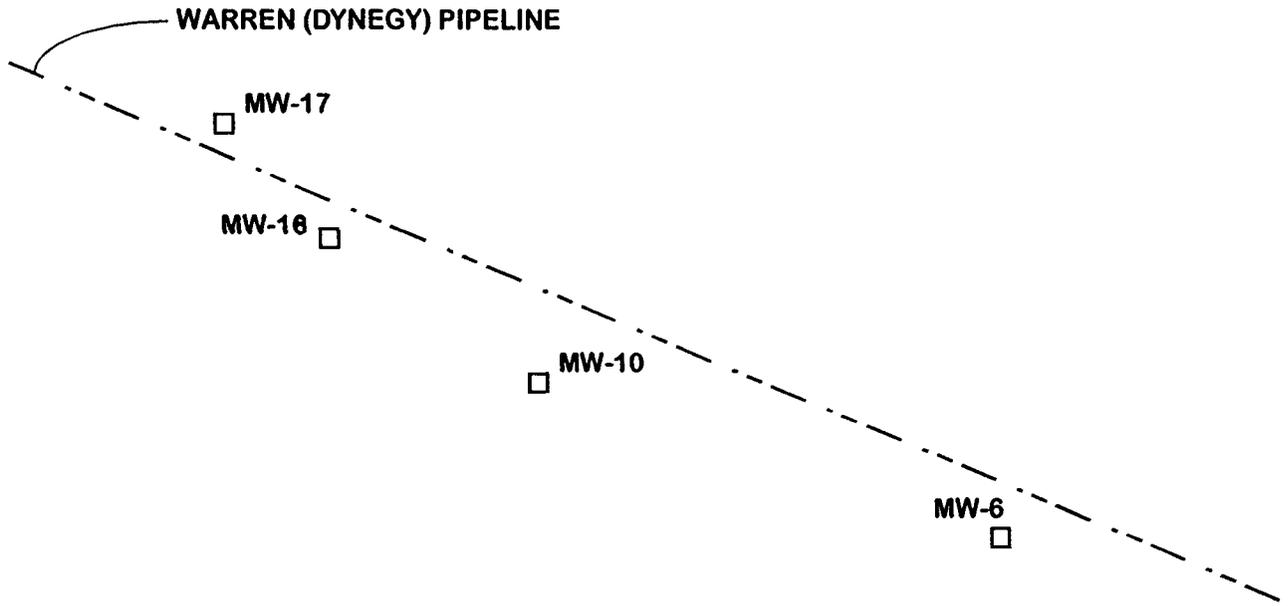
TAKEN FROM U.S.G.S.
MONUMENT SOUTH, N. MEX. 1985
7.5' QUADRANGLES



SCALE: 1"=2000'

DATE:
8/21/03
NAME:
FILE:
0-0100-21

FIGURE #1	
LEA COUNTY, NEW MEXICO	
DYNEGY MIDSTREAM SERVICES, L.P.	
BERTHA BARBER TANK BATTERY SITE	
N/2, SW/4, SECTION 5, T-20-S, R-37-E	
TOPOGRAPHIC MAP	



LEGEND
 MW-10
 □ MONITORING WELL LOCATION

DATE:
 1/22/04
 NAME:
 FILE:

FIGURE #2	
LEA COUNTY, NEW MEXICO	
DYNEGY MIDSTREAM SERVICES, L.P.	
BERTHA BARBER TANK BATTERY SITE	
SECTION 5, T-20-S, R-37-E	
SITE DRAWING	
 Larson & Associates, Inc. Environmental Consultants	

APPENDIX A

NEW MEXICO STATE ENGINEER OFFICE

MONITORING WELL PLUGGING REPORTS

Larson
Revised June 1972

STATE ENGINEER OFFICE
WELL RECORD

Section 1. GENERAL INFORMATION

(A) Owner of well Dynegy Midstream Services, L.P. Owner's Well No. ML 17
Street or Post Office Address P.O. Box 1000
City and State Eunice, New Mexico 88231

Well was drilled under Permit No. _____ and is located in the:
Barber Bertha % of Section _____ Township _____ Range _____ N.M.P.M.

b. Tract No. _____ of Map No. _____ of the _____

c. Lot No. _____ of Block No. _____ of the _____
Subdivision, recorded in Lea County.

d. X= _____ feet, Y= _____ feet, N.M. Coordinate System _____ Zone in
the _____ Grant.

(B) Drilling Contractor Scarborough Drilling, Inc. License No. WD1188

Address P.O. Box 305 Lamesa, Texas 79331

Drilling Began 12/16/2003 Completed 12/16/2003 Type tools air Size of hole 2 in.

Elevation of land surface or _____ at well is _____ ft. Total depth of well 40 ft.

Completed well is shallow artesian. Depth to water upon completion of well 33.8 ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
From	To			

Section 3. RECORD OF CASING

Diameter (inches)	Pounds per foot	Threads per in.	Depth in Feet		Length (feet)	Type of Shoe	Perforations	
			Top	Bottom			From	To
<u>2</u>	<u>sch 40 pvc</u>	<u>+2</u>	<u>20</u>			<u>.020</u>	<u>20</u>	<u>40</u>

Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet		Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement
From	To				
<u>0</u>	<u>15</u>	<u>2</u>	<u>sand</u>		<u>poured</u>
<u>15</u>	<u>18</u>	<u>2</u>	<u>bentonite</u>		<u>poured</u>
<u>18</u>	<u>40</u>	<u>2</u>	<u>sand</u>		<u>poured</u>

Section 5. PLUGGING RECORD

Plugging Contractor Scarborough Drilling, Inc.
Address P.O. Box 305 Lamesa, Texas 79331
Plugging Method poured
Date Well Plugged 4-20-05
Plugging approved by: _____

No.	Depth in Feet		Cubic Feet of Cement
	Top	Bottom	
<u>1</u>	<u>0</u>	<u>40</u>	<u>2 bags</u>
<u>2</u>			<u>cement</u>
<u>3</u>			<u>& bentonite</u>
<u>4</u>			

State Engineer Representative

FOR USE OF STATE ENGINEER ONLY

Date Received _____

Quad _____ FWL _____ FSL _____

FDs No. _____ Use _____ Location No. _____

Revised June 1973

STATE ENGINEER OFFICE
WELL RECORD

Section 1. GENERAL INFORMATION

Owner of well Dynegy Midstream Services, L.P. Owner's Well No. MW 18
Street or Post Office Address P.O. Box 1909
City and State Deming New Mexico 88231

Well was drilled under Permit No. _____ and is located in the:
Barber Bertha
_____ % _____ % _____ % of Section _____ Township _____ Range _____ N.M.P.M.

b. Tract No. _____ of Map No. _____ of the _____

c. Lot No. _____ of Block No. _____ of the _____
Subdivision, recorded in _____ Lea _____ County.

d. X= _____ feet, Y= _____ feet, N.M. Coordinate System _____ Zone in
the _____ Grant.

B) Drilling Contractor Scarborough Drilling, Inc. License No. WD1188

Address P.O. Box 305 Lamesa, Texas 79331

Drilling Began 12/1/2003 Completed 12/1/2003 Type tools air Size of hole 2 in.

Location of land surface or _____ at well is _____ ft. Total depth of well 42 ft.

Completed well is shallow artesian. Depth to water upon completion of well 35.6 ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
From	To			

Section 3. RECORD OF CASING

Diameter (inches)	Pounds per foot	Threads per in.	Depth in Feet		Length (feet)	Type of Shoe	Perforations	
			Top	Bottom			From	To
2	sch 40 pvc		+2	22		.020	22	42

Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet		Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement
From	To				
	17	2	cement		poured
17	20	2	bentonite		poured
20	42	2	sand		poured

Section 5. PLUGGING RECORD

Contractor Scarborough Drilling, Inc.
Address P.O. Box 305 Lamesa, Tx 79331
Plugging Method poured
Well Plugged 4-20-05
Approved by: _____

No.	Depth in Feet		Cubic Feet of Cement
	Top	Bottom	
1	0	42	3 bags
2			cement &
3			bentonite
4			

State Engineer Representative

FOR USE OF STATE ENGINEER ONLY

Received _____ Quad _____ FWL _____ FSL _____

No. _____ Use _____ Location No. _____