



**CONESTOGA-ROVERS  
& ASSOCIATES**

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[www.CRAworld.com](http://www.CRAworld.com)

April 21, 2014

Reference No. 086361

Mr. Mike Bratcher  
NMOCD District 2 Office  
811 First Street  
Artesia, NM 88210

VIA EMAIL AND FEDERAL EXPRESS  
[mike.bratcher@state.nm.us](mailto:mike.bratcher@state.nm.us)

Dear Mr. Bratcher:

Re: Site Closure Work Plan, RP # not issued  
RJU South 4" Pipeline – Crude Oil Release Site  
4 miles SW of Loco Hills, Eddy County, New Mexico

## **1.0 Introduction**

Conestoga-Rovers & Associates (CRA) would like to take this opportunity to present this site closure work plan to the New Mexico Oil Conservation Division (NMOCD) regarding a crude oil release at the above referenced location (Figures 1 and 2). This work plan details proposed work to be performed on behalf of Holly Energy Partners (HEP) to advance the site toward closure.

## **2.0 Project Information and Regulatory Framework**

A crude oil pipeline release was discovered by a Concho Oil and Gas pumper at approximately 11:20 am, near the HEP RJU South 4" pipeline (the "Site") on March 9, 2014. The Site is located in the SW1/4 of Section 26, Township 17 South, Range 29-East approximately 4 miles southwest of Loco Hills, New Mexico. The 29 barrel crude oil release was immediately reported to the NMOCD by HEP. On March 10, a small hole was found on the 4" line and a clamp was installed. Vacuum trucks reportedly recovered 15 barrels of crude oil from the release area. The damaged section of pipeline was subsequently replaced. Approximately 120 cubic yards of impacted soils were removed from the release point and placed on polyvinyl sheeting adjacent to the remedial excavation. A Phillips 66 petroleum pipeline crosses the HEP RJU South 4" pipeline at the release point.

NMOCD Form C-141 Release Notification and Corrective Action, dated March 21, 2014 (attached) was submitted to the agency containing information regarding the location, nature of release, remedial actions taken and other details. CRA inspected the Site on March 26, 2014,

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along with OneSource Industrial, to evaluate site conditions and plan for additional assessment and remedial actions. CRA also met with HEP's Levi Polito to obtain details on the incident and to coordinate subsequent activities. A composite waste sample was collected for waste characterization purposes and for NMOCD Form C-138 generation and submittal/approval processing. CRA understands that the RJU South pipeline is not associated with E&P activities and the liquids have changed custody from lease operations. The waste materials associated with the release are considered "RCRA non-exempt". CRA also understands that HEP will dispose of the materials at the R360 facility located in western Lea County, New Mexico pending approval.

Surrounding properties are heavily developed for oil and gas production. The surface soils consist primarily of loose, wind-blown sand deposits that were effective in absorbing the released liquids. The Petroleum Recovery Research Center (PRRC) Web Mapping Portal was utilized to research the depth to groundwater in the general area. No groundwater wells or depth to groundwater (DTW) data was available within a 5-6 mile radius of the release. Beyond the 5-6 mile radius, the DTW ranged from 79 to 246 feet below the ground surface. CRA contacted Mr. Mike Bratcher with the NMOCD District 2 office regarding the depth and occurrence of groundwater beneath the site. In a personal communication, he reported that the agency was not aware of any protectable groundwater at the location and for ranking purposes and that the depth to groundwater would be considered to be greater than 100 feet below the ground surface. The 1993 NMOCD "Guidelines of Remediation of Leaks, Spills and Releases" document was referenced in association with the cleanup of this site. Based on ranking criteria, the total ranking score for this site is 0. Therefore, the recommended remediation action levels (RRALs) are: 5,000 mg/kg for TPH, 10 mg/kg for benzene and 50 mg/kg for total BTEX compounds.

According to Mr. Paul Smith, ROW Manager with HEP, the surface property is managed by the Bureau of Land Management (BLM). Mr. Jim Amos with the BLM was contacted regarding this release incident. Mr. Amos indicated that the RJU South pipeline most likely had an archeological survey performed in this area (affirmed by HEP) as part of the construction process. He also requested that prior to additional remediation/closure activities at the site, he would like for CRA/HEP to email him project information along with a request for BLM's permission to proceed with the excavation and other activities planned at the location. Mr. Amos indicated he would respond to the email to provide a written record of the notifications.



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### **3.0 Work Plan Activities**

CRA's proposed scope of work for this project will involve activities as approved by HEP. This scope of work has been developed based on existing site conditions, discussions with HEP personnel and CRA's experience with managing crude oil releases with the NMOCD and BLM in New Mexico. The proposed actions are subject to stakeholder (client, landowner, regulatory, third parties, etc.) concurrence. The objectives of this work plan are to achieve regulatory closure/no further action "status" by performing appropriate tasks in a cost effective and safe manner.

HEP will be responsible for providing access from the BLM to perform the cleanup and the management of activities associated with working around the Phillips 66 pipeline. In addition, HEP will be responsible of the clearance of any proprietary cathodic protection lines, pipeline and other subsurface utilities in the project area prior to the start of the planned field work at the release site. Proper utility notification activities (New Mexico One Call) and utility clearance protocols will be implemented in advance of planned excavation and other intrusive field activities.

The following work plan tasks are proposed for the RJU South 4" crude oil release site:

#### **3.1 Task 1: Field Preparation and Work Plan Development**

CRA will develop a scope of work and cost estimates in association with site assessment and remediation activities. A site specific health and safety plan will also be developed and procedures implemented to provide a safe workplace during field activities. This work plan is being submitted to the NMOCD and BLM for approval in advance of the planned assessment and remediation tasks. CRA will coordinate work with HEP, Phillips 66 and subcontractors as necessary. Planned work includes analytical testing of soils, waste management, excavation, transportation and disposal tasks in association with the release cleanup activities. Multiple trips to the site to meet with regulatory and other stakeholders may be required.

Existing project information and supplementary data have been summarized in this work plan for NMOCD and BLM review and consideration. CRA's experience with the two agencies in the past includes verbal, email and written work plan and scope of work submittals. This communication outlines closure tasks designed to achieve a 'no further action' designation from the agencies. At this time, the following remedial work plan activities are proposed for NMOCD and BLM consideration:



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- Waste characterization of impacted soils, including analytical testing and use of NMOCD Form C-138 for waste management purposes
- Test pit assessments to evaluate the nature and extent of impacts
- Offsite disposal of soils exhibiting concentrations above regulatory levels – volumes of which are currently not quantified at this time. An allocation of 800 cubic yards is being considered for offsite disposal for budgeting purposes.
- As appropriate, polyvinyl liners may be installed as control measures to mitigate mobilization of residual hydrocarbons in release areas.
- Perform site grading and other restoration activities (backfilling, seeding, etc.) in accordance to BLM directives
- Preparation of a Site Closure Report documenting assessment and remediation activities associated with the release and a request for 'no further action' from the NMOCD, as appropriate and on behalf of HEP.

CRA will also attend meetings and provide information and other communications to HEP, regulatory and other stakeholders as necessary to facilitate site closure objectives.

### **3.2 Task 2: Test Pit Assessment and Initial Impacted Soil Transportation/Disposal Event**

Subsequent to NMOCD/BLM approvals and the performance of subsurface clearance protocols, CRA will provide labor and equipment to excavate test pits within the release area. Figure 3 presents the location of the proposed test pits. These proposed subsurface excavations are designed to evaluate the vertical and horizontal extent of crude oil impacts of the release area. The test pits should also provide information regarding the site's subsurface lithology – believed to be primarily loose sands (but may consist of other lithologies), any historic releases and un-impacted areas. Deeper test pit excavations, 5-15' below ground surface (bgs) are proposed in the area proximate to the release point. Soil samples will be collected from the test pits based on the professional judgment of CRA in coordination with HEP's environmental staff and analyzed for horizontal and vertical impact delineation purposes. Soil samples will be field screened using a photo-ionization detector (PID) to evaluate the absence or presence of volatile organic compounds (VOCs). Selected soil samples will be submitted to Xenco Labs in Midland, Texas for TPH analysis by EPA Method 8015 Modified and BTEX by EPA Method 8021B or 8260.



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Analytical and other information obtained as part of the test pit assessment activities will be evaluated and summarized in an interim/draft assessment report for review by HEP. Analytical results will be compared to RRALs established for this release incident. The report will present a summary of findings and provide recommendations for additional assessment and remediation activities in association with closure plans anticipated at this release site. Information obtained as part of this task may be utilized to revise work scope and cost estimates based on field conditions encountered.

An initial impacted soil load out and transportation/disposal event is planned to remove existing stockpiled soils and 'obviously impacted' soils at the site. This activity is not designed to fully remediate and remove all impacted soils above regulatory levels, but rather to remove stockpiled and heavily impacted soils for disposal. Soils will be loaded and transported into 20 cubic yard trucks for disposal at the R360 facility located in western Lea County, New Mexico. For budgeting purposes, 200 cubic yards of impacted materials are included along with a 2 day allocation for excavating, loading and disposal activities. This activity is planned to occur in the same mobilization as the test pit assessment.

### **3.3 Task 3: Second Excavation, Sampling and Transportation/Disposal Event**

Subsequent to the review of the test pit assessment results, a second excavation and transportation/disposal event is planned. This activity is designed to remove any remaining soils exhibiting concentrations above regulatory levels. Soils will be loaded and transported into 20 cubic yard trucks for disposal at the R360 facility located in western Lea County, New Mexico. For budgeting purposes, 600 cubic yards are allocated for this task; however, the actual volume of soils above regulatory levels cannot be determined at this time. CRA is anticipating 2-3 days to remove the 600 cubic yards. Confirmation samples will be collected from the remedial excavation, field screened and analyzed for TPH and BTEX as described in test pit assessment activities in Task 2.

Results from the confirmatory sampling will be compiled and submitted for review by HEP. As appropriate, the data will be forwarded to the NMOCD and BLM regulatory agencies for consideration in association with moving the project toward closure. If analytical results indicate residual concentrations above regulatory levels, CRA will make recommendations to HEP for additional activities to complete the project in coordination with the NMOCD and BLM.



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### **3.4 Task 4: Site Restoration Activities**

Subsequent to regulatory approvals regarding the completeness of the delineation and removal of impacted soils above regulatory levels, site restoration activities will be implemented at the Site. At this time, specific details regarding the BLM requirements for restoration have not yet been determined. CRA envisions some form of 'put back what was taken out' arrangement with the BLM regarding soils hauled to disposal (taken out) to be replaced with soils from a BLM-designated location (put back). For budgeting purposes a BLM backfill pit location within 5 miles of the site is assumed. A volume of 800 cubic yards of backfill material are allocated for this task. The materials will be hauled by either 12 or 20 cubic yard dump/trailer trucks. The BLM most likely will require some form of seeding as part of the restoration activities. The duration of the site restoration event is anticipated to require 3-5 days to complete.

### **3.5 Task 5: Documentation and Site Closure Report**

CRA will provide daily work logs to account for CRA and subcontractor labor and equipment usage related to the field work activities. Bills of lading and/or manifests will be utilized to track shipments of waste to disposal and backfill materials.

A Site Closure Report, documenting soil assessment and remediation results of this pipeline release and cleanup, will be prepared by CRA for review by HEP. The report will present a chronology of activities, analytical data, figures and a summary of findings to accompany the final C-141 report submittal to the NMOCD. As appropriate a 'Site Closure Request' will be submitted to the NMOCD and BLM in association with this project

### **4.0 Schedule and Work Plan Approval Request**

CRA is prepared to initiate the scope of work immediately, subsequent to NMOCD, BLM and HEP approvals and stakeholder concurrence. At this time CRA is targeting May 5, 2014 as the start date to mobilize to the Site for the field work. The test pit and soil removal tasks for this project are anticipated to require 3-4 weeks to complete, not including any delays for inclement weather or other unforeseen events. CRA, of behalf of HEP, respectfully requests NMOCD approval of this site closure work plan.



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If you have any questions or comments with regards to this submittal of closure plans for the RJU South 4" Pipeline crude oil release incident, please do not hesitate to contact our Midland office at (432) 686-0086. Your timely response to this correspondence is appreciated.

Yours truly,

CONESTOGA ROVERS & ASSOCIATES

Thomas C. Larson, PG  
Principal, Midland Operations Manager

Bernie Bockisch  
Senior Project Manager

TCL/pd/1

Encl: C-141 Form  
Figure 1 – Site Location Map  
Figure 2 – Site Aerial Map  
Figure 3 – Site Detail and Proposed Test Pits Map  
CD of Site Closure Work Plan

cc: Allison Stockweather w/encl.



District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-141  
Revised August 8, 2011

Submit 1 Copy to appropriate District Office in  
accordance with 19.15.29 NMAC.

## Release Notification and Corrective Action

### OPERATOR

☒ Initial Report ☐ Final Report

Name of Company: Holly Energy Partners	Contact: Allison Stockweather, Senior EHS Manager	
Address: 1602 West Main Street, Artesia, NM 88210	Telephone No.: 575-746-9338	
Facility Name: RJU South 4" Pipeline, Crude Oil Gathering	Facility Type: Pipeline	
Surface Owner	Mineral Owner	API No.

### LOCATION OF RELEASE: see latitude and longitude below.

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County Eddy County
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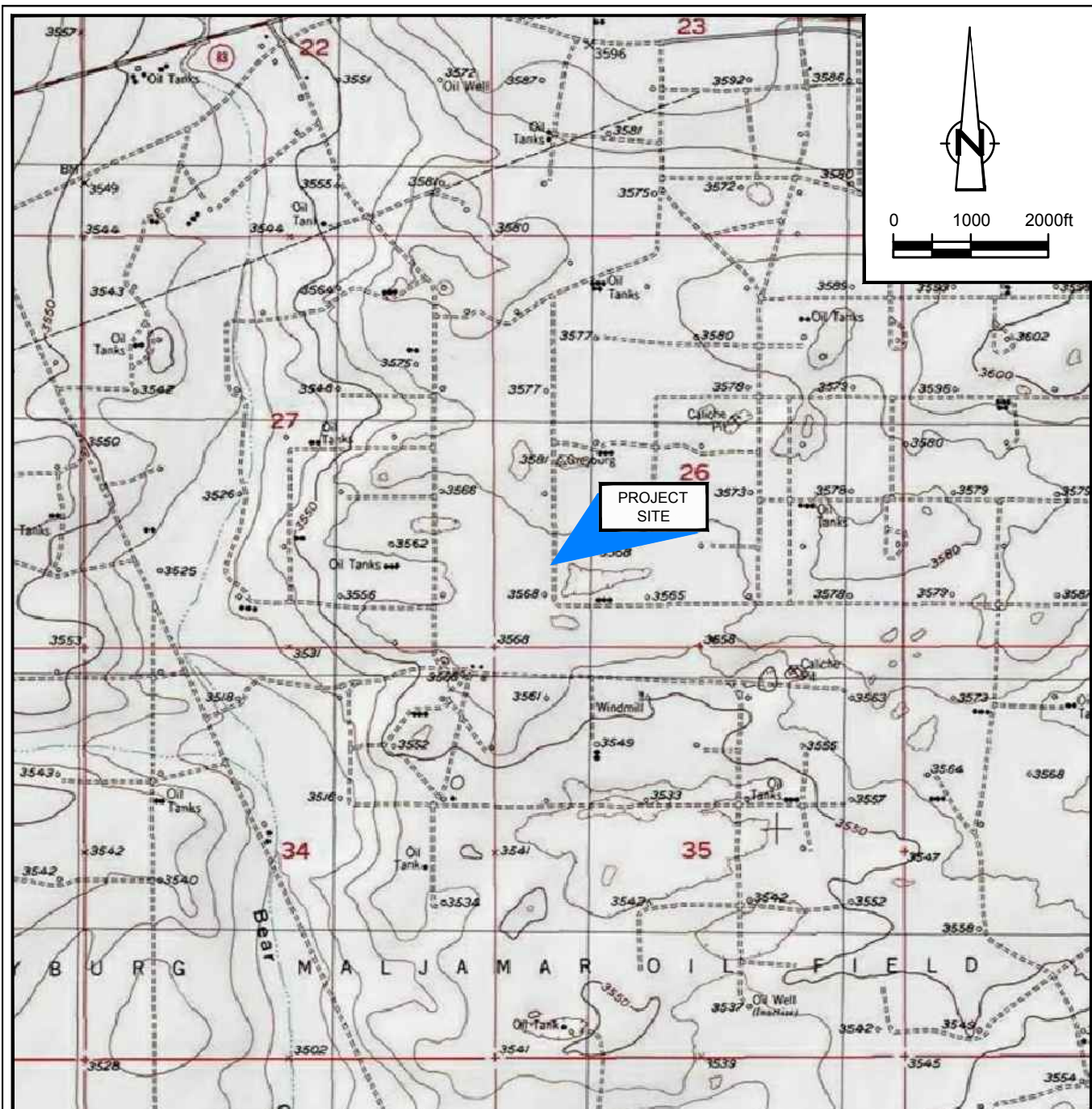
Latitude 32.801149 Longitude -104.051554

### NATURE OF RELEASE

Type of Release: Crude Oil Release, Pipeline	Volume of Release: 28 bbls	Volume Recovered: 15 bbls
Source of Release: Hole in pipeline	Date and Hour of Occurrence: 03/09/14, 11:20 am	Date and Hour of Discovery: Updated information provided to EHS on 03/10/14, 11:00 am
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required  HEP EHS telephone notification to NMED was made w/in 24 hours to Ruth Horowitz who submitted the notification to OCD.	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.* NA		
Describe Cause of Problem and Remedial Action Taken.* HEP was notified of the release by Concho. A HEP operator isolated the 4" hand-run line; notified the appropriate HEP contacts; and dispatched excavation crews. A small hole was found in the pipeline on 03/10/14. HEP Operations installed a clamp and subsequently replaced the pipe. The majority of the release was contained on the right-of-way. The pipeline is a non-regulated asset.		
Describe Area Affected and Cleanup Action Taken.* Vacuum trucks recovered 15 bbls of free product. The site will be assessed and remediated in accordance with NMOCD regulations.		
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.		
Signature: <u>Allison Stockweather</u>	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: Allison Stockweather		
Title: Senior EHS Manager	Approved by Environmental Specialist:	
E-mail Address: Allison.Stockweather@hollyenergy.com	Approval Date:	Expiration Date:
Date: 03/21/14 Phone: 575-746-5475	Conditions of Approval:	Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary





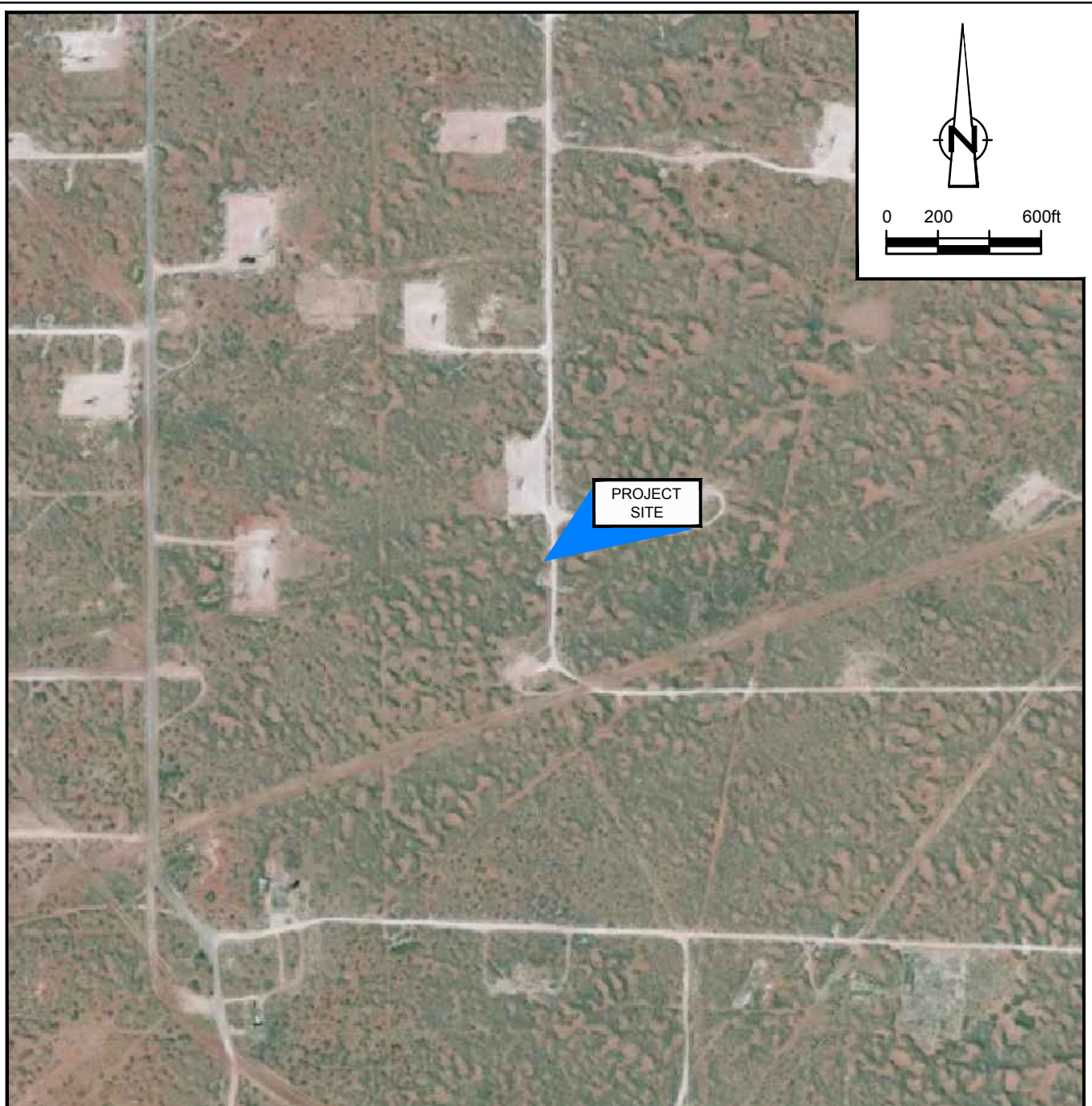
SOURCE: USGS 7.5 MINUTE QUAD  
"RED LAKE SE, NEW MEXICO"

LAT/LONG: 32.8011° NORTH, 104.0515° WEST  
COORDINATE: NAD83 DATUM, U.S. FOOT  
STATE PLANE ZONE - NEW MEXICO EAST

figure 1

SITE LOCATION MAP  
RJU SOUTH 4" CRUDE OIL RELEASE SITE  
SECTION 26, T-17-S, R-29-E  
EDDY COUNTY, NEW MEXICO  
*Holly Energy Partners*





LAT/LONG: 32.8011° NORTH, 104.0515° WEST  
COORDINATE: NAD83 DATUM, U.S. FOOT  
STATE PLANE ZONE - NEW MEXICO EAST

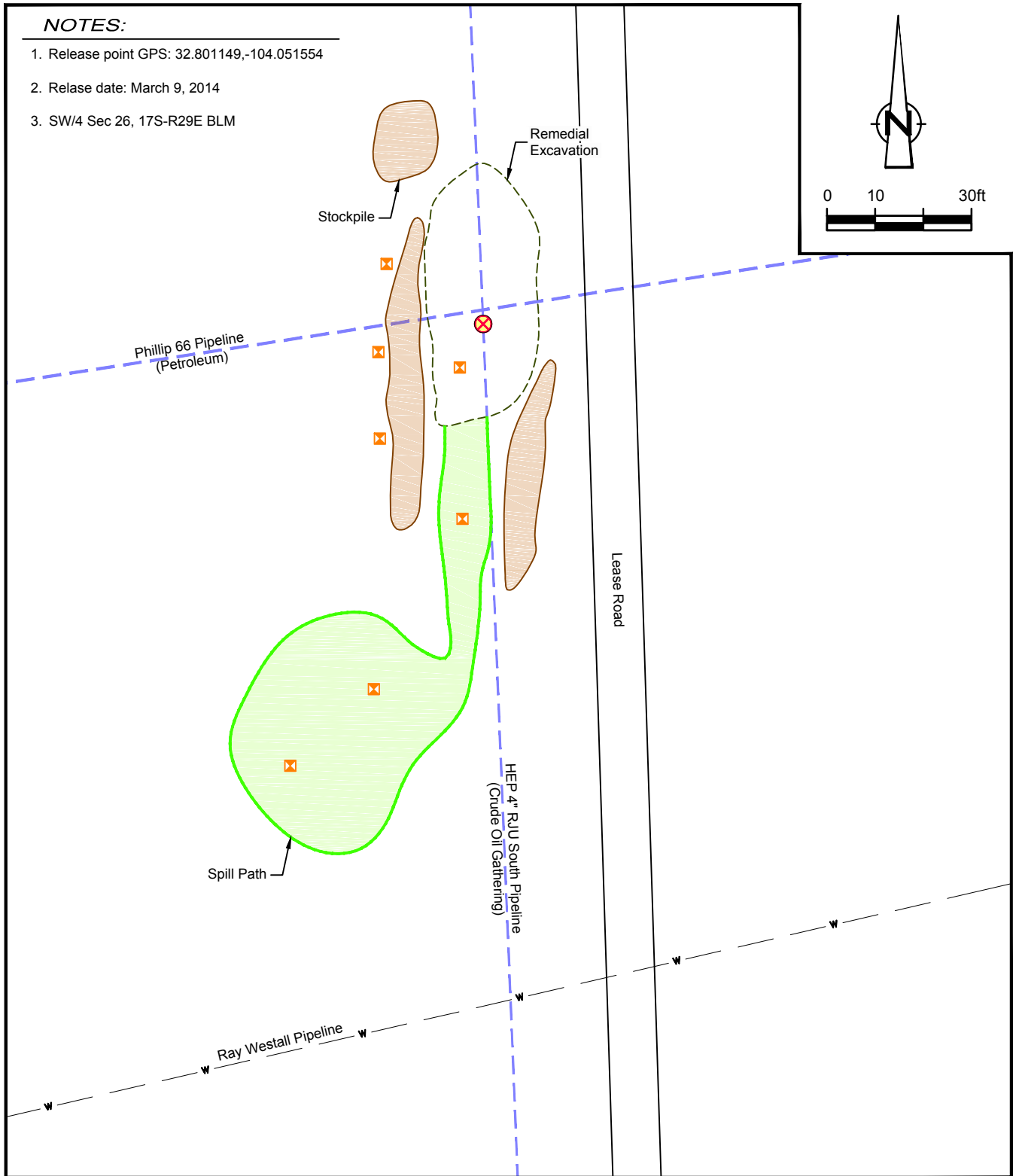
figure 2

SITE AERIAL MAP  
RJU SOUTH 4" CRUDE OIL RELEASE SITE  
SECTION 26, T-17-S, R-29-E  
EDDY COUNTY, NEW MEXICO  
*Holly Energy Partners*



**NOTES:**

1. Release point GPS: 32.801149,-104.051554
2. Release date: March 9, 2014
3. SW/4 Sec 26, 17S-R29E BLM



**LEGEND**

- Proposed Test Pit Location
- Release Point
- Water Line
- Excavation Limits
- Crude Oil Impacts/Spill Path
- Soil Stock Pile



figure 3  
**SITE DETAIL AND PROPOSED TEST PITS**  
**RJU SOUTH 4" CRUDE OIL RELEASE SITE**  
**SECTION 26, T-17-S, R-29-E**  
**EDDY COUNTY, NEW MEXICO**  
*Holly Energy Partners*