

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Gabriel Wade
Acting Director, Oil Conservation Division



March 18, 2019

Zach Stradling
Benson-Montin-Greer Drilling Corp.
4900 College Blvd
Farmington, New Mexico 87401
zstradling@bmgdrilling.com

RE: Requirement for Phase 1 and 2 Abatement Plans Concerning a Release at the Llaves Pipeline in Section 18 of Township 25 North, Range 3 West in Rio Arriba County

Mr. Stradling,

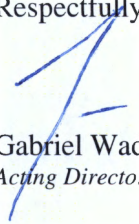
Benson-Montin-Greer Drilling Corporation (BMG) previously notified the Oil Conservation Division (OCD) of an historic release of an unknown volume of crude oil and condensate discovered on December 31, 2017. This release incident was initially given a case number of 3R-447. Investigation of the release indicates groundwater in the area has been impacted.

The OCD typically directs the responsible party to undertake corrective action of vadose zone soils under requirements of 19.15.29 NMAC. However, if groundwater or surface water has been affected, corrective action must be addressed subject to provisions of 19.15.30 NMAC. 19.15.30.10 NMAC states *"...responsible persons who are abating, or who are required to abate, water pollution in excess of the standards and requirements set for in 19.15.30.9 NMAC shall do so pursuant to an abatement plan the director approves. When the director has approved an abatement plan, the responsible person's actions leading to and including abatement shall be consistent with the abatement plan's terms and conditions."*

This letter hereby notifies BMGp that an abatement plan is required. Stage 1 of the plan is to define site conditions such that an effective abatement option can be selected. Stage 2 is implementation of the remedial option. The Stage 1 and 2 plans can be submitted simultaneously, but the Stage 1 plan must be received by the OCD no later than June 14, 2019 and conform with all applicable requirements of 19.15.30 NMAC including those for public notice.

If you have any questions, please contact Cory Smith of my staff at (505) 334-6178 or by email at cory.smith@state.nm.us. On behalf of the Oil Conservation Division, I wish to thank you and your staff for your cooperation during this permit review.

Respectfully,


Gabriel Wade
Acting Director

Smith, Cory, EMNRD

From: Smith, Cory, EMNRD
Sent: Monday, March 25, 2019 1:42 PM
To: Griswold, Jim, EMNRD; zstradling@bmgdrilling.com
Subject: RE: Abatement Plan for Llaves pipeline release

Zack,

OCD has created AP-136 for LLaves pipeline formerly 3RP-447. The letter mentioned below and any future correspondence/workplans etc will be uploaded to the AP File. All previous information regarding 3RP-447 will remain in that well file however it will be "Closed out".

Cory Smith
Environmental Specialist
Oil Conservation Division
Energy, Minerals, & Natural Resources
1000 Rio Brazos, Aztec, NM 87410
(505)334-6178 ext 115
cory.smith@state.nm.us

From: Griswold, Jim, EMNRD <Jim.Griswold@state.nm.us>
Sent: Tuesday, March 19, 2019 11:37 AM
To: zstradling@bmgdrilling.com; Smith, Cory, EMNRD <Cory.Smith@state.nm.us>
Subject: Abatement Plan for Llaves pipeline release

See attached. Original sent to Mr. Stradling today via snailmail. Cory, could you please make sure this letter gets into the administrative record. I don't know when you actually assign the case number (AP-?). Thanks.

Jim Griswold
Environmental Bureau Chief
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
505.476.3465
email: jim.griswold@state.nm.us