

From: [Smith, Cory, EMNRD](#)
To: dmcinturff@dufrane.com; [Josh Brooks](#)
Cc: ["Jenni Usher"](#); ["Gonzales, Clair"](#); [Tremaine, Jesse K, EMNRD](#); [Crosby, Faith](#); rmann@slo.state.nm.us
Subject: RE: [EXTERNAL] Permian Water Solutions - Kaiser State #9 SWD - Remediation Plan Extension Request
Date: Monday, March 14, 2022 2:27:00 PM
Attachments: [image001.png](#)
[image002.png](#)

Dusty,

OCD Approves the submitted Extension request for the Kaiser State SWD #9 to complete phase 1 no later than March 25, 2022 and an anticipated completion date of September 2022 for phase 2.

Please note the extension request approval will not have any effect on the required remediation plans required by NMOCD-ACO-201813.

Please save this approval for your records as a hard copy will not be sent to you, in addition please include this approval in your Final C-141.

Cory Smith • Environmental Specialist Supervisor
Environmental Bureau
EMNRD - Oil Conservation Division
5200 Oakland Avenue N.E Suite 100 | Albuquerque, NM 87113
505.419.2687 | Cory.Smith@state.nm.us
<http://www.emnrd.state.nm.us/OCD/>

From: dmcinturff@dufrane.com <dmcinturff@dufrane.com>
Sent: Friday, January 21, 2022 12:05 PM
To: Smith, Cory, EMNRD <Cory.Smith@state.nm.us>
Cc: 'Jenni Usher' <jenni@permianws.com>; 'Josh Brooks' <jbrooks@dufrane.com>; 'Josh Brooks' <jbrooks@permianws.com>; 'Gonzales, Clair' <Clair.Gonzales@tetrattech.com>; Ames, Eric, EMNRD <Eric.Ames@state.nm.us>
Subject: RE: [EXTERNAL] Permian Water Solutions - Kaiser State #9 SWD - Remediation Plan Extension Request

Cory,

See attached for the revised extension request and the revised KMZ file with the light green polygon on the west side of the red polygon that I am calling phase 1 extension.

Kind regards,



Dusty McInturff
Project Manager
Dufrane Construction, LLC.
dmcinturff@dufrane.com
432-634-7865 Mobile
www.dufrane.com

From: Smith, Cory, EMNRD <Cory.Smith@state.nm.us>
Sent: Thursday, January 13, 2022 3:22 PM
To: dmcinturff@dufrane.com
Cc: Jenni Usher <jenni@permianws.com>; Josh Brooks <jbrooks@dufrane.com>; Josh Brooks <jbrooks@permianws.com>; 'Gonzales, Clair' <Clair.Gonzales@tetrattech.com>; Ames, Eric, EMNRD <Eric.Ames@state.nm.us>
Subject: RE: [EXTERNAL] Permian Water Solutions - Kaiser State #9 SWD - Remediation Plan Extension Request

Dusty,

I have review the PWS extension request and I need some additional information.

I had mentioned my concerns to PWS during our weekly meetings regarding the efficiency of the remediation project. Reviewing the proposed extension PWS has not provided the OCD with the requested timeline on when all of the impacted soils from phase 1 would be removed. The fact that soil samples have failed is irrelevant as the impacted soils and scattered equipment is halting any other work being accomplished because they are ontop of the areas that PWS could have been working on while waiting for Soil sample results, and DCP approval.

Please revise your extension request to include when PWS proposes that all of current phase 1 soil piles will be removed and how PWS intends to meet that target date. In addition please include an intended start and completion date for Phase 2.

Please provided the Updated Extension request No later than January 21, 2022. In the interim OCD will not consider PWS not out of compliance for failing to meet the approved remediation plan.

Cory Smith • Environmental Specialist Supervisor

Environmental Bureau
EMNRD - Oil Conservation Division
5200 Oakland Avenue N.E Suite 100 | Albuquerque, NM 87113
505.419.2687 | Cory.Smith@state.nm.us
<http://www.emnrd.state.nm.us/OCD/>

From: dmcinturff@dufrane.com <dmcinturff@dufrane.com>

Sent: Monday, December 20, 2021 3:31 PM

To: Smith, Cory, EMNRD <Cory.Smith@state.nm.us>

Cc: Jenni Usher <jenni@permianws.com>; Josh Brooks <jbrooks@dufrane.com>; Josh Brooks <jbrooks@permianws.com>; 'Gonzales, Clair' <Clair.Gonzales@tetrattech.com>

Subject: [EXTERNAL] Permian Water Solutions - Kaiser State #9 SWD - Remediation Plan Extension Request

Importance: High

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Cory,

Please see attached for the request for extension from the OCD on the remediation of the Kaiser State #9 SWD location. Let me know if you need anything further.

Kind regards,



Dusty McInturff
Project Manager
Dufrane Construction, LLC.
dmcinturff@dufrane.com
432-634-7865 Mobile
www.dufrane.com

January 20, 2021

EMNRD – Oil Conservation Division
Environmental Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Reference: Remediation work plan for Permian Water Solutions, LLC
Kaiser State SWD #009, 30-025-02538, SWD-330
Section 13, Township 21S, Range 34E, Lea County, New Mexico
Extension Request to current Conditions of Approval due December 22, 2021
OCD Incidents: nCH1834760902, nOY1823336566, nOY1821950108, nCH1821239639,
nOY1803834027, nOY1730058924, nKL1632848695, nJXK1616127644, nKJ1512041707,
nTO1502927174

Mr. Cory Smith,

Permian Water Solutions (PWS) has been working on a remediation project for the above referenced saltwater disposal facility and incident numbers. On September 21, 2021 the OCD granted conditions for approval for the proposed remediation plan prepared by Tetra Tech in conjunction with the State Land Office (SLO) remediation plan. The completion date for remediation of phase 1 and 2 of the SLO remediation plan was December 22, 2021. We are reaching out to you to request a formal extension to this deadline. PWS and Dufrane Construction know that an extension can only be granted for good cause. Please consider the following items to understand reasons why the December 22, 2021 deadline will not be met.

The original Tetra Tech remediation plan scope of work was to excavate and sample approximately 14,000 cubic yards of soil. Once we started the remediation process the SLO mandated that we excavate to a depth of 15 foot for the entire phase 1 area per their phase 1 remediation plan, which increased the excavation to approximately 24,000 cubic yards of soil. Unfortunately, soil sample results for numerous areas within the 'pit' exceeded the threshold standards for SLO and OCD closure. Additional excavation and soil sampling is necessary. This increased the scope of work again by approximately 1,300 cubic yards. We are taking further soil samples from this extension on 12/22/2021. Extra field work led to extra work and time spent.

Another issue that added time to being able to sample the newly extended 'hot' areas was the location of the DCP pipeline along the western edge of the excavation area. PWS needed a letter of release for financial responsibility if damages occurred at the line, or they wanted to remove and reroute the line. It took weeks of communication for DCP to finally come out and remove the portion of their line running through phase 1.

Anything that was outsourced to a third party added time to the project's timeline – one calls for identifying pipelines, operators coming out to mark their lines in the field, DCP removing their line, lab performing analysis of soil samples, hiring truck drivers to haul dirt around.

Obtaining enough truck drivers to continually haul bad dirt off location and good dirt in has been an issue. It has been inconsistent due to the inability to retain good drivers throughout the process. The CDL industry is like many other industries since Covid seeing staffing shortages. There has also been

road construction right at the entrance/exit of the road to the facility, which has slowed down dirt hauling and traffic flow.

There was an original expectation of the cost for this remediation project that has been surpassed also due to the scope of work increasing. This causes internal renegotiations and pivots to take place as the project continues to draw more resources away from other things that will still need to be addressed. PWS is also working with the OCD on Settlement Agreement WQZ-OCD-CO 2020-001 to plug three brine wells that were neglected by previous operators. The Kaiser remediation plan was the first of several significant compliance issues that will need to be addressed.

The latest soil sample results from the areas of phase 1 excavation west side have yielded hot spots along that edge. I am classifying phase 1 excavation complete and 50% completion of back fill on phase 1 excavation. The area west of the excavation should be classified as phase 1 extension. I have attached an updated KMZ of the area with a light green shaded area to indicate the phase 1 extension with a +/- of 10 feet around the well bore. This would become part of phase 2 in the south western portion of the light green shaded area. Please note that the KMZ polygons are not to scale in dimension and should be used as reference to the location. The light green shaded area looks to be an additional +/- 1,000 cubic yards if we stop there. Based on the work for spoils removal of phase 1, the excavation of phase 1 extension, testing of phase 1 extension soil, and removal of spoils from phase 1 extension it is estimated at a total of 45 business days not including holidays or weekends or a completion date of March 25, 2022. If the sampling results in further hot spots past the light green shaded area of phase 1 extension, then that date will push and will become part of phase 2 at that point.

The start of phase 2 would start after the phase 1 extension is complete since working multiple areas and excavation sizes will limit location functionality and traffic flow. The phase 2 is estimated to be +/- 27,000 cubic yards and is estimated to take 150 business days not including holidays or weekends or a completion date of September 30, 2022. I am providing these dates as to the best of my ability as there are outside and uncontrollable forces in this sequence of work thus creating a moving target for completion.

Please let me know additional questions or requests you have for this. I hope you will consider this request for more time as we have been continually working on this, although it may seem slow, we are working toward the common goal of completion and compliance.

Thank you.

Sincerely,

Dusty McInturff

Project Manager

Dufrane Construction, LLC

(432) 634-7865 Cell

dmcinturff@dufrane.com

www.dufrane.com