

1R – 255

CLOSURE
APPROVAL

10 / 20 / 2014

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary



OCTOBER 20, 2014

Mr. Luke Welch
Environmental Project Manager, Upstream Business Unit
Chevron Environmental Management Company
1400 Smith St, 07069B
Houston, TX 77002

**RE: FINAL REPORT - 2013 ANNUAL GROUNDWATER MONITORING AND
CLOSURE REPORT - J.R. PHILLIPS NO. 2 TANK BATTERY
SE/4, NW/4, SECTION 6, TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
LEA COUNTY, NEW MEXICO
OCD CASE NO.: 1R-255**

The Oil Conservation Division (OCD) has reviewed Chevron's *Final Report 2013 Annual Groundwater Monitoring and Closure Report - J.R. Phillips No. 2 Tank Battery*. OCD has also considered additional information related to the upgradient Climax Chemical site provided during and after our teleconference of October 15, 2014. Based on Chevron's report, OCD has determined that the ground water contamination at Chevron's tank battery is largely due to the upgradient Climax Chemical site.

Therefore, OCD approves of final closure of this site on the condition that Chevron plug and abandon all monitor wells in accordance with the plugging requirements of the Office of the State Engineer. Chevron must provide OCD with a final closure report that documents the plugging operations which Chevron followed. Please be advised that OCD closure approval does not relieve Chevron of responsibility for compliance with any other federal, state, or local laws and regulations. If you have any questions, please contact me at (505) 476-3488.

Sincerely,

Glenn von Gonten
Senior Hydrologist

GvG/gvg

Cc: Jim Griswold