

Hamlet, Robert, EMNRD

From: Littrell, Kyle <Kyle_Littrell@xtoenergy.com>
Sent: Monday, March 30, 2020 12:32 PM
To: Hamlet, Robert, EMNRD
Cc: Bratcher, Mike, EMNRD; Venegas, Victoria, EMNRD; Eads, Cristina, EMNRD
Subject: [EXT] RE: Deferral Denied - XTO - Pickett Draw Fed #1 (Incident #NAB1919955454)
Attachments: 012919150_FIG04_DELINEATION_MODIFY_5537.pdf

Rob,

XTO respectfully disagrees with certain portions of your denial and proposes a plan forward for others:

- Three additional potholes were advanced to investigate background chloride concentrations at the site. An average was established for the 3 background soil sample locations of 974 mg/kg for chlorides.

XTO collected 29 samples from 7 separate potholes to establish background concentrations. Four potholes were advanced north of the road in an area that is arguably more representative of the background area of the release, due to proximity. NMOCD guidance indicates background samples are to be collected within 50 and 100 feet of the release area. Although those pothole samples do not extend to past 4 feet to 6 feet in depth, they appear to be outside the area of the historical pits. Is it not reasonable to use the data to evaluate a background range?

XTO does not believe the average of all background concentrations is the sole method for determining a background closure standard. A range of concentrations, as applied in the report, is more accurate. Based on the definition of average, it will always be lower than some of the actual background conditions. For example, how can 1,550 mg/kg chloride from PH18E@6' bgs not be considered background just because the average of all data is less than that value? The same should apply to chloride concentrations within the release area. If concentrations are within range of established background concentrations, they should not have to meet a lower average value. XTO requests NMOCD reconsider the method used to establish background and approve a value less than 4,330 mg/kg chloride as background.

- Reserve Pits were discussed on this week's environmental conference call. If a spill leaks into a reserve pit, the pit must be sampled and delineated. It is impossible to distinguish between legacy pit contaminants and contaminants from a new release. Soil sample locations SS01, SS02, and SS03 need to be delineated to 974 mg/kg for chlorides and 100 mg/kg for TPH. The pit near SS01 is totally enveloped by the release and will need to be delineated deeper. The pit between soil sample locations SS02 and SS03 will need to be delineated also. If a liner is encountered, sample underneath it and continue forward with the delineation process.

We believe any remaining impact and impact from the two historical eastern pits are vertically delineated. SS01 and the northern pit are vertically delineated by PH02 at 6' bgs and PH04 at 20' bgs. SS02 and the southern pit are vertically delineated by PH03 at 20' bgs. The area between those pits is vertically delineated by PH10. Additionally, the impacted soil identified by SS01 was removed during excavation. Please see the attached new figure for clarification.

- Sample PH03, PH04, PH05, PH06, PH10, FS16, FS20, FS21, FS24, and FS26 appear to be in the pasture and must contain a minimum of four feet of non-waste containing, uncontaminated, earthen material with chloride concentrations less than 974 mg/kg (average background sample) and less than 100 mg/kg for TPH. In the

pasture area, 4 feet below the ground surface, soil contamination limits revert back to Table 1 "Closure Criteria for Soils Impacted by a Release" included in the spill rule <http://164.64.110.134/parts/title19/19.015.0029.html>

The top four feet of material at PH03, PH-4, PH05, PH06, PH10, FS16, FS20, FS21, FS24, and FS26 were removed during excavation and the reclamation standard is met, assuming XTO's identified range of background chloride concentration is applied.

- Please finish the delineation process and resubmit the deferral request to the payment portal after completion.

XTO believes delineation of the release and two historical pits has been achieved based on the statements provided above. XTO proposes to advance a pothole near SS04 to vertically delineate the final historical pit. Once vertical delineation is achieved, XTO will submit a revised deferral request.

Thanks for your consideration. --Kyle

From: Hamlet, Robert, EMNRD [<mailto:Robert.Hamlet@state.nm.us>]

Sent: Friday, March 20, 2020 5:03 PM

To: Littrell, Kyle <Kyle.Littrell@xtoenergy.com>

Cc: Bratcher, Mike, EMNRD <mike.bratcher@state.nm.us>; Venegas, Victoria, EMNRD <Victoria.Venegas@state.nm.us>; Eads, Cristina, EMNRD <Cristina.Eads@state.nm.us>

Subject: Deferral Denied - XTO - Pickett Draw Fed #1 (Incident #NAB1919955454)

External Email - Think Before You Click

Kyle,

We have received your Deferral Request Addendum for **Incident #NAB1919955454 Pickett Draw Fed #1**, thank you. This Deferral Request is denied.

- Three additional potholes were advanced to investigate background chloride concentrations at the site. An average was established for the 3 background soil sample locations of 974 mg/kg for chlorides.
- Reserve Pits were discussed on this week's environmental conference call. If a spill leaks into a reserve pit, the pit must be sampled and delineated. It is impossible to distinguish between legacy pit contaminants and contaminants from a new release. Soil sample locations SS01, SS02, and SS03 need to be delineated to 974 mg/kg for chlorides and 100 mg/kg for TPH. The pit near SS01 is totally enveloped by the release and will need to be delineated deeper. The pit between soil sample locations SS02 and SS03 will need to be delineated also. If a liner is encountered, sample underneath it and continue forward with the delineation process.
- SW05 and SW12 sample locations can be deferred, since they are within 10 feet of an active wellhead and within 2 feet of an active pipeline.
- Sample PH03, PH04, PH05, PH06, PH10, FS16, FS20, FS21, FS24, and FS26 appear to be in the pasture and must contain a minimum of four feet of non-waste containing, uncontaminated, earthen material with chloride concentrations less than 974 mg/kg (average background sample) and less than 100 mg/kg for TPH. In the pasture area, 4 feet below the ground surface, soil contamination limits revert back to Table 1 "Closure Criteria for Soils Impacted by a Release" included in the spill rule <http://164.64.110.134/parts/title19/19.015.0029.html>
- Please finish the delineation process and resubmit the deferral request to the payment portal after completion.

Please let me know if you have any further questions.

Thank you,

Robert J Hamlet
State of New Mexico
Energy, Minerals, and Natural Resources
Oil Conservation Division
811 S. First St., Artesia NM 88210
(575) 748-1283
Robert.Hamlet@state.nm.us

OCD approval does not relieve the operator of liability should their operations fail to adequately investigate and remediate contamination that may pose a threat to groundwater, surface water, human health or the environment. In addition, OCD approval does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.