

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John Bemis
Cabinet Secretary

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

Jami Bailey
Division Director
Oil Conservation Division



March 7, 2013

Larry Wooten
Chesapeake Operating, Inc.
PO Box 18496
Oklahoma City, Oklahoma 73154-0496

RE: State M-1 Tank Battery (AP-72) in Unit Letter O of Section 18, Township 17 South, Range 36 East NMPM in Lea County, New Mexico

Mr. Wooten,

The Oil Conservation Division (OCD) has reviewed the *Stage 1 Abatement Plan* submitted on behalf of Chesapeake by BBC International, Inc. dated August of 2007 along with the *Stage 1 Abatement Report* and *Stage 2 Abatement Plan* submitted on your behalf by ARCADIS US, Inc. both dated March of 2012, all in regards to the above-referenced release site.

The OCD finds the *Stage 1 Abatement Plan* of 2007 administratively complete. While that plan was never formally approved by the OCD, Chesapeake nonetheless did fulfill the public notice requirements under the oil and gas regulations (19.15.30.15.A NMAC) and the field effort did characterize the magnitude and extents of soil and groundwater contamination to a significant degree. As such, the OCD does accept the findings of the *Stage 1 Abatement Report* of 2012.

Furthermore, the OCD has determined the *Stage 2 Abatement Plan* of 2012 is administratively complete. Chesapeake should proceed with public notice of the Stage 2 plan as required under 19.15.30.15.A and B NMAC. The wording of that notice must be pre-approved by the division.

Respectfully,

Jim Griswold
Senior Hydrologist

cc: Geoff Leking, OCD District I Office, Hobbs
Sharon Hall, ARCADIS Midland Office

Griswold, Jim, EMNRD

From: Griswold, Jim, EMNRD
Sent: Thursday, June 27, 2013 4:14 PM
To: Larry Wooten
Cc: 'Hall, Sharon'; Chase Acker
Subject: Stage 2 Abatement Plan Approval: AP-72 Former State M-1 Tank Battery located in Unit Letter O of Section 18 in Township 17 South, Range 36 East, NMPM in Lea County, NM

Mr. Wooten,

The Oil Conservation Division (OCD) has reviewed the Stage 2 Abatement Plan for the above-referenced site submitted on your behalf by Arcadis and dated 3/27/12. That plan has substantially met the requirements of 19.15.30 NMAC and is hereby approved. Please proceed with field activities.

Be advised this approval does not relieve Chesapeake of responsibility should the situation continue to pose a threat to groundwater, surface water, human health, or the environment. Furthermore, this approval does not relieve your responsibility for compliance with any federal, state, or local laws and/or regulations. Please retain a copy of this email for your files, as no hardcopy will be sent. If you have any questions, please feel free to contact me at any time.

Jim Griswold

Senior Hydrologist

EMNRD/Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

505.476.3465

email: jim.griswold@state.nm.us