From:	Shemaria, Mark A.
To:	Jimenez, Yolanda; Scott.Foord@ghd.com
Cc:	Yu, Olivia, EMNRD; Nolan, Melanie A.; Raaj.Patel@ghd.com; Vince.Nacewski@ghd.com;
	<u>ashley@linamresources.com;</u> <u>Cardwell, Greg</u>
Subject:	RE: {EXTERNAL}Re: [EXTERNAL] RE: 1RP-5154 - WTX to EMSU Release Work Plan
Date:	Tuesday, September 18, 2018 3:59:33 PM

Yolanda,

Greg Cardwell has provide use with the following message:

Yolanda, good afternoon. I received a message from Scott Foord our GHD environmental contractor who is doing the delineation work at the EMSU site. He forwarded your questions concerning our actions on the pipe and future plans. Subsequent to our meeting with you at the location on August 24 we filled the segment with water and performed and 8 hour hydro test to ensure the line integrity was assured and no other leak was occurring. The segment was pressured to 350 psi and held for 8 hours with no leakage which assured us the segment is leak free as the normal operating pressure is 80 psi. We performed some further evaluations of the segment and have made a decision to purge the segment empty and to not perform any pipe replacements or repairs at this time. Our plan is to cease operations on the segment empty by October 1, 2018. Please contact me if you have any further questions and thanks Yolanda.

Regards

Greg Cardwell Holly Energy Partners Regional Manager South West Operations 1602 West Main Street Artesia, NM 88210 Office 575-746-5417 Cell 214-695-3718 <u>Greg.Cardwell@hollyenergy.com</u>

Let us know if you have additional questions.

Regards,

Mark Shemaria

Senior Manager Regulatory & EHS

Holly Energy Partners 2828 North Harwood, Suite 1300 Dallas, TX 75201 Phone: 214.954.6668 Cell: 469.265.8658



From: Jimenez, Yolanda <yjimenez@blm.gov>
Sent: Tuesday, September 18, 2018 2:02 PM
To: Scott.Foord@ghd.com
Cc: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>; Shemaria, Mark A.
<Mark.Shemaria@hollyenergy.com>; Nolan, Melanie A. <Melanie.Nolan@hollyenergy.com>;
Raaj.Patel@ghd.com; Vince.Nacewski@ghd.com; ashley@linamresources.com
Subject: {EXTERNAL}Re: [EXTERNAL] RE: 1RP-5154 - WTX to EMSU Release Work Plan

Please, I need a response from a HollyFrontier representative regarding the pipe replacement. Thank - you, Mr. Scott.

Regards,

Yolanda

On Mon, Sep 17, 2018 at 2:24 PM <u>Scott.Foord@ghd.com</u> <<u>Scott.Foord@ghd.com</u>> wrote:

Ms. Jimenez,

Please see responses to your questions and comments below:

1. This initial assessment is for soil only. The scope includes installation and sampling 4 soil borings to just above the water table (anticipated to depths of approximately 35 ft bgs). If impacted soil is determined at depths potentially affecting the water table, monitoring wells will be installed following NMOSE and BLM monitoring well permit approval. BLM and the property owner will be notified of any additional assessment activities and sampling within the requested time span. An additional work plan will also be submitted for approval prior to any additional activities. Please let me know if you need any further information in regard to this question.

2. I do not have information regarding the pipeline repair and will let the Holly Energy representatives respond to that question.

Thank you for your quick response.

Scott

From: Jimenez, Yolanda <<u>yjimenez@blm.gov</u>> Sent: Monday, September 17, 2018 2:45 PM

To: Scott Foord <<u>Scott.Foord@ghd.com</u>>

Cc: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>; <u>Mark.Shemaria@hollyenergy.com</u>; Nolan, Melanie A. <<u>Melanie.Nolan@hollyenergy.com</u>>; Raaj Patel <<u>Raaj.Patel@ghd.com</u>>; Vince Nacewski <<u>Vince.Nacewski@ghd.com</u>>; <u>ashley@linamresources.com</u>
Subject: Re: [EXTERNAL] RE: 1RP-5154 - WTX to EMSU Release Work Plan

Hello, Mr. Foord. I met with HollyFrontier and the landowner on 8/24/18. There were some items that were discussed during our meeting that I want to make sure are addressed, please. They items are as follows:

1. The water table in that area is at 40'. Will there be water testing completed? Water testing must be completed and when the samples are performed, the BLM wants to be notified. The landowner requested to be notified seven (7) days prior so that they may be present during the sampling. The landowner plans to obtain a sample for their 3rd party to test the water also.

2. The photos showed that the pipe that was replaced was in poor condition. Has the pipe been replaced? If not, when will the pipe be replaced? The landowner would like to be present so that new photos may be obtained of the new pipe. The BLM would like for the rust pipe to be replaced with pipe that is of good condition.

I know that HollyFrontier has a timeline, but there are a few items that must be addressed. Contact me soon with a response to the items given above, please. I also included the landowner in this email. Thank - you.

Regards,

Yolanda

On Mon, Sep 17, 2018 at 7:27 AM <u>Scott.Foord@ghd.com</u> <<u>Scott.Foord@ghd.com</u>> wrote: Ms. Jimenez,

Just checking in on the status of your review of the attached work plan for 1RP-5154. We have the drilling assessment tentatively scheduled to begin next Tuesday (9/25/2018), drilling subcontractors in the area are very busy and we would like to get this done ASAP while we have a window. Please let me know if you have any concerns.

Take care,

Scott Foord GHD From: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>> Sent: Monday, September 10, 2018 12:19 PM To: Scott Foord <<u>Scott.Foord@ghd.com</u>>; yjimenez@blm.gov Cc: Shemaria, Mark A. <<u>Mark.Shemaria@hollyenergy.com</u>>; Nolan, Melanie A. <<u>Melanie.Nolan@hollyenergy.com</u>>; Raaj Patel <<u>Raaj.Patel@ghd.com</u>>; Vince Nacewski <<u>Vince.Nacewski@ghd.com</u>>

Subject: RE: 1RP-5154 - WTX to EMSU Release Work Plan

Mr. Foord:

NMOCD approves of the proposed delineation plan for 1RP-5154 with several points for clarification:

- Provide relevant chloride data to complete site assessment.

- All laboratory analyses must have corresponding field data. For depths not submitted for laboratory analyses, NMOCD requests field data to complete release plume documentation.

Approval from BLM required. BLM may have additional concerns and stipulations.

Thanks,

Olivia Yu Environmental Specialist NMOCD, District I <u>Olivia.yu@state.nm.us</u> 575-393-6161 x113

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 ground water, 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, local laws and/or regulations.

From: <u>Scott.Foord@ghd.com</u> <<u>Scott.Foord@ghd.com</u>> Sent: Monday, August 20, 2018 3:18 PM To: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>; <u>yjimenez@blm.gov</u> Cc: Shemaria, Mark A. <<u>Mark.Shemaria@hollyenergy.com</u>>; Nolan, Melanie A. <<u>Melanie.Nolan@hollyenergy.com</u>>; <u>Raaj.Patel@ghd.com</u>; <u>Vince.Nacewski@ghd.com</u> Subject: 1RP-5154 - WTX to EMSU Release Work Plan

Ms. Yu and Ms. Jimenez,

Work Plan for soil assessment activities at 1RP-5154 –(Holly Energy Partner – WTX to EMSU Battery Release Site) attached for your review. Please contact me with any questions or concerns.

Warm regards,

Scott Foord, P.G. | GHD | (832) 485-5208

C: 281-725-7477 | F: 713-734-3391 | E: <u>william.foord@ghd.com</u> 6320 Rothway Ste.100, Houston, Texas 77040 | <u>www.ghd.com</u> <u>WATER | ENERGY & RESOURCES | ENVIRONMENT | PROPERTY & BUILDINGS | TRANSPORTATION</u>

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Yolanda Jordan Jimenez

Environmental Protection Specialist Bureau of Land Management Carlsbad Field Office 620 E. Greene Street Carlsbad, NM 88220 Office: (575) 234-5916 Cell: (575) 361-4586



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Yolanda Jordan Jimenez

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Mr. Carl J. Chavez, CHMM (#13099) New Mexico Oil Conservation Division Energy Minerals and Natural Resources Department 1220 South St Francis Drive Santa Fe, New Mexico 87505 Ph. (505) 476-3490 E-mail: <u>Carl J. Chavez@state.nm.us</u> **"Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?"** (To see how, go to: <u>http://www.emnrd.state.nm.us/OCD</u> and see "Publications")

From: Jimenez, Yolanda <yjimenez@blm.gov>
Sent: Tuesday, September 18, 2018 1:09 PM
To: Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us>; Billings, Bradford, EMNRD
<Bradford.Billings@state.nm.us>
Cc: ashley@linamresources.com; Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>; Griswold, Jim, EMNRD
<Jim.Griswold@state.nm.us>
Subject: Re: [EXTERNAL] RE: Leak 1RP-5154

Good afternoon, Mr. Carl. I did have the opportunity to converse with Ms. Ashley on yesterday. Hopefully, the BLM will be able to assist Ms. Ashley with her requests since she also informed the BLM. Thank - you, Mr. Carl.

Regards,

Yolanda

On Tue, Sep 18, 2018 at 11:35 AM Chavez, Carl J, EMNRD <<u>Carl J.Chavez@state.nm.us</u>> wrote:

Ashley:

Good morning!

Thanks for the communication.

Mr. Carl J. Chavez, CHMM (#13099) New Mexico Oil Conservation Division Energy Minerals and Natural Resources Department 1220 South St Francis Drive Santa Fe, New Mexico 87505 Ph. (505) 476-3490 E-mail: <u>CarlJ.Chavez@state.nm.us</u> "Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?" (To see how, go to: http://www.emnrd.state.nm.us/OCD and see "Publications")

From: Ashley Klein <ashley@linamresources.com>
Sent: Monday, September 10, 2018 10:19 AM
To: Chavez, Carl J, EMNRD <<u>CarlJ.Chavez@state.nm.us</u>>
Cc: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>>; Griswold, Jim, EMNRD
<<u>Jim.Griswold@state.nm.us</u>>; bradford.billings.@state.nm.us; Yolanda Jimenez
<<u>yjimenez@blm.gov</u>>
Subject: Leak 1RP-5154

Carl et al.,

As I mentioned in my last email, thank you for your help. I am grateful for your assistance. I did notice an error or two in previous communications involving the Hobbs district office. While not necessarily essential in continuing discussions with the leak at hand, I think clarification may serve as a benefit in building a stronger relationship between our business and the OCD.

Here is the error I noticed in one of your last emails: You wrote to the Hobbs office:

"In all her frustration, I informed her that the operator was proceeding to address the problem, but she saw some report and thinks they are finished with the corrective action"

I think this statement involves continued confusions between the old Caza leak in 2017 and the present leak with Holly Energy. Any "report" I referenced would have only involved the Caza leak and my interactions with Ms. Yu.

For clarity's sake, and hopefully in building a positive relationship with the OCD, I will restate what took place with Caza from November 2017-January 2018. Please see attached document entitled "Caza Leak Incident." I hope this restatement clarifies the Caza incident. Please note, the document is not a complaint or an attack on any OCD personnel. It is simply meant as a background to how I have approached matters with the current leak involving Holly Energy Partners.

In reference to the Holly Energy leak concerns, I have attached our timeline of events. I believe Yolanda Jimenez from the BLM forwarded the document to one or more NMOCD employees. The main concerns involve water contamination (and remediation delays). The ranch water source including an open pond and well is less than 1,000 feet from the leak site. The water level is estimated at 30-39 feet below surface. The site, which was/is significantly contaminated with crude oil in a sandy pit, remained uncovered and exposed to the elements with estimates of 3-4 inches of rain over the course of 6 weeks. Please note, the aforementioned water source is our main water source in this cattle operation. At this point, we have no other options for water for our cattle and would lose an entire pasture if the water was found contaminated.

Here are our continued requests:

- 1. We would like to see a site assessment characterization plan and/or remediation plan.
- 2. We want to see the timeline of remediation continue without delay. Holly Energy submitted their proposal to both the BLM and NMOCD on August 20th. I have checked with Ms. Jimenez as well, but are there certain delays with the NMOCD that can be expedited?
- 3. Please clarify the 15 day requirement found in the New Mexico Administrative Code 19.15.29.10 B as it pertains to the Holly Energy leak.

I would like to reiterate that I understand the NMOCD has a considerable work load, new procedural changes as of late, and likely many leaks/incidents with which to address. It is my aim to be an aid to your important work.

Thank you for your time.

Sincerely,

Ashley Klein

Yolanda Jordan Jimenez

Environmental Protection Specialist

Bureau of Land Management Carlsbad Field Office 620 E. Greene Street Carlsbad, NM 88220 Office: (575) 234-5916 Cell: (575) 361-4586



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Notes:

- NMOCD databases indicates Fee surface and Federal minerals ownership. BLM can verify.
- USGS and NMOSE water databases as well as NMOCD groundwater data indicate depth to groundwater < 50 ft. bgs. NMOCD recommends that this release be placed on a higher priority list.

The 1RP for this incident is

			Holly Energy	WTX to EMSU battery to	20S-36E-	
5154	8/10/2018	А	Partners	Byrd pump segment	11P	7/11/2018

Please remember to include this 1RP identifier to all communications. Also, please be advised that NMOCD recommends a completed site characterization/delineation report be reviewed or approved by NMOCD BEFORE any significant remediation work towards closure.

Thanks,

Olivia Yu Environmental Specialist NMOCD, District I <u>Olivia.yu@state.nm.us</u> 575-393-6161 x113

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 ground water, 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, local laws and/or regulations.

From: Nolan, Melanie A. < Melanie.Nolan@hollyenergy.com>

Sent: Friday, August 10, 2018 10:33 AM

To: Hernandez, Christina, EMNRD <Christina.Hernandez@state.nm.us>; Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us> Subject: Reporting of Release for Holly Energy Partners - Lea County

Good morning,

I am submitting the attached C-141 on behalf of Holly Energy Partners for a release that occurred on July 11th a pinhole leak in a pipe segment. The release is just now being reported due to more recent estimations of release amount. We still do not have an exact amount and are in process of delineating the location. We are awaiting a delineation proposal from an outside consulting firm to proceed with the remediation process. If there are any questions or concerns please feel free to contact me.

Melanie Nolan Environmental Specialist I Holly Energy Partners 1602 W. Main St. Artesia, NM 88210 Phone: 575-748-8972 Cell: 214-605-8303 Fax: 575-748-4052 Email: <u>Melanie.Nolan@hollyenergy.com</u> CONFIDENTIALITY NOTICE: This e-mail, and any attachments, may contain information that is privileged and confidential. If you received this message in error, please advise the sender immediately by reply e-mail and do not retain any paper or electronic copies of this message or any attachments. Unless expressly stated, nothing contained in this message should be construed as a digital or electronic signature or a commitment to a binding agreement.