Hello all,

Thank you for the synopsis. The plan to closely monitor volume/flow in the "leak detection aspect" may be as good as we have at the moment. Please be sure to watch closely early during fill-up, so that we may better estimate normal volumes of collection in system versus any increase of volume that might be indicative of additional "issues". In essence, get a baseline for comparison.

Also,

OCD did not allow "alternate closure" values at time of closure. We are aware of the values to obtain at closure, by rule, what we were looking for in soil evaluation while working on the tear, was an idea of scope and depth. While values were found that might trigger a release case, if leak were from say a pipe, they do not necessarily do so under a containment and not a surface release. Keep in mind this location of the leak(s) will likely be looked at a bit closer at closure. As the values allowed under a containment for Cl at closure are based on extremely minimal release/loss. In hopes this makes sense to all.

In any event, thank you again for this report. Please keep us informed of progress on refill.

Sincerely,

Bradford Billings EMNRD/OCD Santa Fe

From: Jennifer Knowlton <jknowlton@hrlcomp.com>
Sent: Friday, June 29, 2018 5:08 PM
To: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>
Cc: Hernandez, Christina, EMNRD <Christina.Hernandez@state.nm.us>; Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>; gerald@3bearllc.com; scott@3bearllc.com
Subject: RE: soil sampling for the 1RF-24 Libby Recycling Containment

Ms. Yu,

After conducting the initial sampling at the Libby Recycle Containment, I believe that I mentioned that we did have samples that were above the chloride threshold of 600 mg/kg for one of the five sampling points.

Sample Identification	Depth	Results
SP1	Surface	592

	1 ft bgs	64
SP2	Surface	672
	1 ft bgs	656
SP3	Surface	128
	1 ft bgs	96
SP4	Surface	576
	1 ft bgs	144
SP5	Surface	288
	1 ft bgs	32

I would like some clarification on the source of your stated chloride threshold of 600 mg/kg.

In the approved application for the Libby Recycling Facility (1RF-24-0), the closure standards for the facility are per NMAC 19.15.34.14. No variances to these standards were requested. Per 19.15.34.14 Table 1 lists the applicable closure standard for this location as 20,000 mg/kg chlorides.

The location obviously meets the current closure standards and it isn't appropriate to apply standards from the spill rule to the subsurface of a recycling facility. We propose to mark SP2 via GPS marker so when the facility is closed, this area can be characterized in more detail during the closure process.

Jennifer Knowlton, PE | Regional Manager-Permian

HRL Compliance Solutions, Inc. 112 S. 6th Street, Unit Bldg A | Artesia, NM 88210 main 575.616.7398 Ex. 414 | mobile 505-238-3588 Web | vCard | Map | _ | _ |

Confidentiality Note: This email and any attachments are confidential and only for the use as authorized by HRL Compliance Solutions, Inc. If you receive this message in error or are not the intended recipient, you should not retain, distribute, disclose or use any of this information. Permanently delete the e-mail and any attachments or copies.

From: Yu, Olivia, EMNRD <Olivia.Yu@state.nm.us>

Sent: Wednesday, June 20, 2018 8:43 AM

To: Jennifer Knowlton <jknowlton@hrlcomp.com>

Cc: Hernandez, Christina, EMNRD <Christina.Hernandez@state.nm.us>; Billings, Bradford, EMNRD <Bradford.Billings@state.nm.us>; gerald@3bearllc.com

Subject: FW: soil sampling for the 1RF-24 Libby Recycling Containment

Good morning Ms. Knowlton:

I received your call this morning at 8:17 am MST, regarding the liner at 1RF-24. Please see below for requirements in terms of release characterization. Please note that if 1 ft. bgs samples are not within permissible levels, then samples further in depth would be required. Will the samples be collected by dry vacuuming or another process?

As for your question regarding remediation permit, no. A 1RP has not been issued, although current release guidelines are in effect. This incident will be documented under 1RF-24.

Thanks, Olivia

From: Scott Spicher <<u>scott@3bearllc.com</u>> Sent: Thursday, June 14, 2018 8:17 PM To: Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>> Cc: Billings, Bradford, EMNRD <<u>Bradford.Billings@state.nm.us</u>>; Griswold, Jim, EMNRD <<u>Jim.Griswold@state.nm.us</u>>; Hernandez, Christina, EMNRD <<u>Christina.Hernandez@state.nm.us</u>>; Gerald Wyche <<u>gerald@3bearllc.com</u>>; Bo Buescher <<u>bbuescher@3bearllc.com</u>>; Mike Solomon <<u>msolomon@3bearllc.com</u>>

Subject: Re: soil sampling for the 1RF-24 Libby Recycling Containment

Ms. Yu,

Nice to meet you today as well. We will coordinate the sampling and testing per your guidance and keep you and Mr. Billings informed of all results.

Thanks,

Scott

On Jun 14, 2018, at 5:03 PM, Yu, Olivia, EMNRD <<u>Olivia.Yu@state.nm.us</u>> wrote:

Mr. Spicher:

A pleasure meeting you this morning, June 14, 2018, around 9 am MST, at the 3Bear Libby Recycling Containment (1RF-24) location. A summary of NMOCD's field visit regarding the incident at 1RF-24:

- NMOCD was shown 3 locations where the primary and secondary liners were not intact.
- NMOCD advised 3Bear to collect discrete samples from each of the identified areas where the liner(s) have been torn. Soil samples will be collected by an environmental professional and sent to an accredited laboratory.
- Samples will be taken from the surface and at least 1 ft. bgs for verification. Soil samples will be tested for BTEX, TPH extended (GRO, DRO, and MRO), and chlorides via these respective EPA methods 8260 or 8021, 8015, and 300. Permissible levels are 10 mg/kg Benzene, 50 mg/kg BTEX, 5000 mg/kg TPH, and 600 mg/kg chlorides.
- Windblown soil currently in the containment must be removed to complete inspection of the liner for any additional defects affecting liner integrity.

Please contact Mr. Bradford Billings to obtain more specific instructions on the use of a tracer dye for leak detection after repairs are completed.

• 3Bear will inform NMOCD of subsequent site visit opportunities and will provide photo documentation of the repair process.

Please confirm or inform if the above information was misunderstood or miscommunicated. Also, please pass this message to Mr. Gerald White. I do not have his email address.

NMOCD appreciates 3Bear Energy's cooperation and compliance with NMOCD environmental regulations.

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.