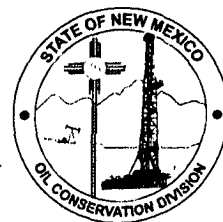


# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



February 3, 2009

*elect file  
of*

Mr. Allen Lain  
Operations Manager  
Beeline Gas Systems  
2001 E. Blanco Blvd.  
Bloomfield, NM 87413

**RE: REQUIREMENT TO SUBMIT REMEDIATION PLAN  
BEELINE GAS 8 INCH TRUNK GAS PIPELINE  
UNIT LETTER M, SECTION 9, TOWNSHIP 23 NORTH, RANGE 5 WEST  
RIO ARriba COUNTY, NEW MEXICO  
OCD CASE NO. 3R418**

Dear Mr. Lain:

The Oil Conservation Division (OCD) has determined that Beeline Gas System (Beeline) must submit a remediation plan to investigate the vadose zone and ground water contamination at its 8 inch Trunk Gas Pipeline located in Section 9, Township 23 North, Range 5 West, Rio Arriba County, New Mexico. Beeline's C-141 and analytical data documents that its release has contaminated ground water.

OCD hereby requires Beeline to submit a remediation plan pursuant to OCD Rule Part 29; the workplan is due is due sixty (60) days from the receipt by Beeline of this written notice. Beeline's remediation plan must specify how it will investigate the extent of contamination in both the vadose zone and in ground water. The remediation plan must also include a complete description of the site, including a site map, the site history including the nature of the release, and a summary of any previous investigations and remediation activity. Beeline must install as many soil borings and monitoring wells (or temporary monitoring points, if the area is located in an arroyo) as necessary to delineate the extent of the contamination in both the vadose zone in ground water using an appropriate number of isoconcentration maps and cross sections.

After it has completely delineated the release, OCD will determine whether to require additional action from Beeline. Beeline should submit one paper copy and one electronic copy of all workplans and/or reports to OCD's Environmental Bureau, OCD's Aztec District Office, and



Mr. Allen Lain  
February 3, 2009  
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Mr. Dixon Sandoval of the Jicarilla Environmental Protection Office. Please refer to ***OCD Case No. 3R418*** on all future correspondence. If you have any questions, please contact me at (505) 476-3488.

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn von Gonten". The signature is fluid and cursive, with the first name "Glenn" being more prominent than the last name "von Gonten".

Glenn von Gonten  
Senior Hydrologist

GvG/gvg

cc: ~~Charlie Perrin, OCD District 3~~  
Brandon Powell, OCD District 3  
Dixon Sandoval, Jicarilla Environmental Protection Office