

STATE H #4
D-23N-7W

October 9, 1981

Harry R. Bigbee
BCO INC.
135 Grant
Santa Fe, NM 87501

Dear Mr. Bigbee:

Enclosed is a copy of a report which we received from the USGS in Farmington. I visited this location on October 8th and found conditions every bit as bad as described, or worse.

You are in violation of several New Mexico Oil Conservation Division Rules and Regulations. Specifically, you have a syphon in the #1 pit which runs salt water into a nearby arroyo. This syphon has washed out pit dike and pit could rupture at any time. The pit fence is very poorly constructed and has only two wires on the south side. One post has fallen down and wire is on the ground. The blow line and separator dump line spray and discharge is not contained in the pit. Vegetation on downslope side is covered with oil. Tank bottom is bled off on location and oil and water have run onto location, across access road and down a small watercourse to the large arroyo, where it has soaked up. The storage tank has run over and is filthy. The location is junky and oil stained. There is no well sign.

You are hereby directed to initiate immediate remedial action. Remove syphon from pit and repair pit dike. Reconstruct pit fence, using at least four wires or net wire. Corner posts must be anchored so wire can be stretched. If these are to be permanent pits fence must be constructed outside perimeter of pits, not down the top of the pit dike. Swirls or other acceptable devices must be put on blow line and separator water dump line. You must have a well-constructed, fenced, pit to drain tank bottom. Tank must be cleaned and oil inside firewall removed or covered. Oil stain from tank bottom drainage is to be covered. A dike or berms should be constructed on the upslope side to prevent

Harry R. Bigbee

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runoff from running into pits. The location and oil
below pit is to be cleaned up and a well sign installed.

Failure to comply with this directive will result in
the well being shut in and possible legal action.

Yours truly,

Charles Gholson
Deputy Inspector

CG:gc

cc: Perry Pierce
Dick Stamets
Reading File
State Land Office
John R. Keller, USGS Farmington



United States Department of the Interior

GEOLOGICAL SURVEY
Drawer 600
Farmington, New Mexico 87499-0600

October 6, 1981

New Mexico Oil Conservation Commission
Attention: Mr. Frank Chavez
1000 Rio Brazos Road
Aztec, NM 87410

Gentlemen:

This letter is in reference to BCO, Inc., well No. H-4 located 970' FNL, 910' FWL, sec. 2, T. 23 N., R. 7 W., Rio Arriba County, New Mexico, on state lease LG 3748.

We have inspected this well several times within the past year and have always found the well pad in a filthy condition. This well was most recently inspected on September 30, 1981. On the downslope side of the well pad, adjacent to the arroyo, are three large, full reserve pits. The southernmost pit is close to overflowing. All three pits lack berms on the upslope side to prevent surface fluids from entering. In addition, BCO, Inc., is blowing into the southern and central pits. They have blown over the pits onto the vegetation adjacent to the arroyo. A previous spill runs from the tank, across the access road, and down-slope along the edge of the southern reserve pit. On September 30, 1981, the hatch on top of the tank was found open and gas was seen escaping.

Perhaps your office can accomplish the correction of these environmental violations. If we can be of service, please advise us.

Sincerely yours,

John L. Keller
Acting District Oil and Gas Supervisor



AREA CODE 505
983-1228

BCO, Inc.
OIL WELL OPERATOR
135 GRANT
SANTA FE, N. M. 87501

October 16, 1981

1003

Mr. Charles Gholson, Deputy Inspector
New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

Dear Mr. Gholson:

The purpose of this letter is to advise you that the work required by your letter dated October 9, 1981 on our State H #4 Well has been completed.

The pits on the location mentioned in your letter are temporary pits and our fence was therefore not moved to the outside perimeter. These pits will be covered up as soon as the water evaporates enough that a Cat can perform the work.

We would appreciate your contacting Mr. Robert Ramirez at 325-8262, Car #5, prior to your field inspection of the work performed in order that he may meet with you and make sure the work was done to your satisfaction.

1873

Very truly yours,



Harry R. Bigbee
President

HRB:dm

cc: Mr. John L. Keller
U.S. Geological Survey
P. O. Drawer 600
Farmington, NM 87499-0600

