

San Juan Energy Resources, Inc

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October 7, 1999

Mr. Denny Foust, Environmental Geologist
NM Oil Conservation Division
100 Rio Brazos Road
Aztec, New Mexico 87410

RECEIVED
OCT - 8 1999
OIL CON. DIV.
DIST. 3

Re: W. B. Hamilton Estate
State 16 # 1 L-16-25N-08W

Dear Mr. Foust:

The oil-contaminated soil around the well head has been removed and contained on the well pad. The soil has been thin spread on the well pad and treated with chemicals.


The water in the pit was removed. An attempt was made to remove the skim of oil in the earthen pit, but was unsuccessful.

As a plan for the future, the residue oil in the pit and in the soil around the pit is being biologically treated. This will allow for faster evaporation of produced water, but it is anticipated that this treatment will take several months to become effective.

W. B. Hamilton Estate will evaluate the condition of the pit in the spring. A decision on a course of action will be made at that time with Oil Conservation Commission approval.

If you have any further questions please call.

Respectfully,


Dave Simmons
Agent
W. B. Hamilton Estate

XC: W. B. Hamilton Estate

OK
L-927