STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DIVISION

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

BRUCE KING GOVERNOR ANITA LOCKWOOD CABINET SECRETARY

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (500) 334-6178

Certified #P-987-892-059

April 5, 1993

Mr. John Corbett Giant Exploration & Production Company PO Box 2810 Farmington, NM 87499

RE: Illegal Pits in Northwestern New Mexico

Dear Mr. Corbett:

On April 1, 1993 field inspections revealed the below mentioned pits contained oil and are not in compliance with Order R-8952. In order for these pits to be in compliance, you are hereby directed to remove all oil, net these pits and submit variances for those dry pits listed below by April 19, 1993.

South Bisti N-30, N-30-26N-13W

- 1. Tank Drain Pit 10 bbls water with skim of oil, no net.
- Separator Pit 10 bbls oil, no net.
 No variances requested.

South Bisti 0-30, 0-30-26N-13W

- 1. Tank Drain Pit 1/2 bbl oil, no net.
- Separator Pit 20 bbls oil and sludge, no net.
 No variances requested.

South Bisti H-31, H-31-26N-13W

- 1. Tank Drain Pit dry, no net.
- Separator Pit 15 bbls oil, no net. No variances requested.

South Bisti E-32, E-32-26N-13W

 Tank Drain/Separator Combination Pit - 20 bbls oil, no net.

No variance requested.

West Bisti 32-K #1, K-32-26N-13W

 Tank Drain/Separator Combination Pit - 5 bbls water with skim oil, no net. No variance requested.

South Bisti 32-G, G-32-26N-13W

Tank Drain Pit - dry, no net.

 Separator Pit - 10 bbls water with skim of oil, no net. No variances requested. Mr. John Corbett Page Two

Ben Whitney #1, C-04-23N-13W

- 1. Tank Drain Pit 10 bbls oil, no net.
- Separator Pit 1/2 bbl water, no net. Fence is also in need of repair.
 No variances filed with this office.

Yours truly,

Charles Gholson

Deputy Oil & Gas Inspector

CG/sh

XC: C-134 File

Well File

Don Ellsworth - BLM Farmington

Fred Holliger - Giant