



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

April 11, 2001

CERTIFIED MAIL

RETURN RECEIPT NO: 5051-4294

Mr. Joe Pulido
Maralo, LLC
P.O. Box 832
Midland, Texas 79702-0832

**BEFORE THE
OIL CONSERVATION DIVISION**
Case No. 13142 Exhibit No. **14**
Submitted By:
Maralo
Hearing Date: November 10, 2004

**RE: ABATEMENT PLAN AP-26
HUMBLE STATE #3 TANK BATTERY SITE
JAL, NEW MEXICO**

Dear Mr. Pulido:

The New Mexico Oil Conservation Division (OCD) has reviewed Maralo, LLC's (Maralo) December 15, 2000 correspondence titled "HUMBLE STATE #3 TANK BATTERY SITE, LEA COUNTY, NEW MEXICO". This document declines to submit a plan to investigate the extent of contamination at the site of the former Maralo Humble State #3 Tank Battery located in Unit A, Section 36, Township 25 South, Range 36 East as required in the OCD's November 22, 2000 correspondence with Maralo.

OCD investigations at the site have shown that ground water directly underlying Maralo's former Humble State #3 Tank Battery site is contaminated with chlorides and total dissolved solids (TDS) in concentrations in excess of the New Mexico Water Quality Control Commission standards. Chlorides and TDS are constituents of oilfield wastes and OCD inspections have shown that 3 unlined pits were used to dispose of oilfield wastes at the site. Therefore, the OCD requires that Maralo submit an abatement plan for the Humble State #3 Tank Battery site to investigate and, if necessary, remediate ground water pollution pursuant to OCD Rule 19.C.1. To initiate the abatement plan process, the OCD requires that Maralo submit to the OCD by June 11, 2001 a Stage 1 Investigation Proposal pursuant to OCD Rule 19.E.1. and 19.E.3. The Stage 1 Investigation Proposal shall be submitted to the OCD Santa Fe Office with a copy provided to the OCD Hobbs District Office. Failure to submit an abatement plan will result in further enforcement actions.

If you have any questions, please contact Bill Olson at (505) 827-7154.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger C. Anderson", with a long horizontal flourish extending to the right.

Roger C. Anderson
Environmental Bureau Chief

xc: Chris Williams, OCD Hobbs District Office
Jay Anthony