

NM - 13

**GENERAL
CORRESPONDENCE**

YEAR(S):
2003-2002

Figure 1

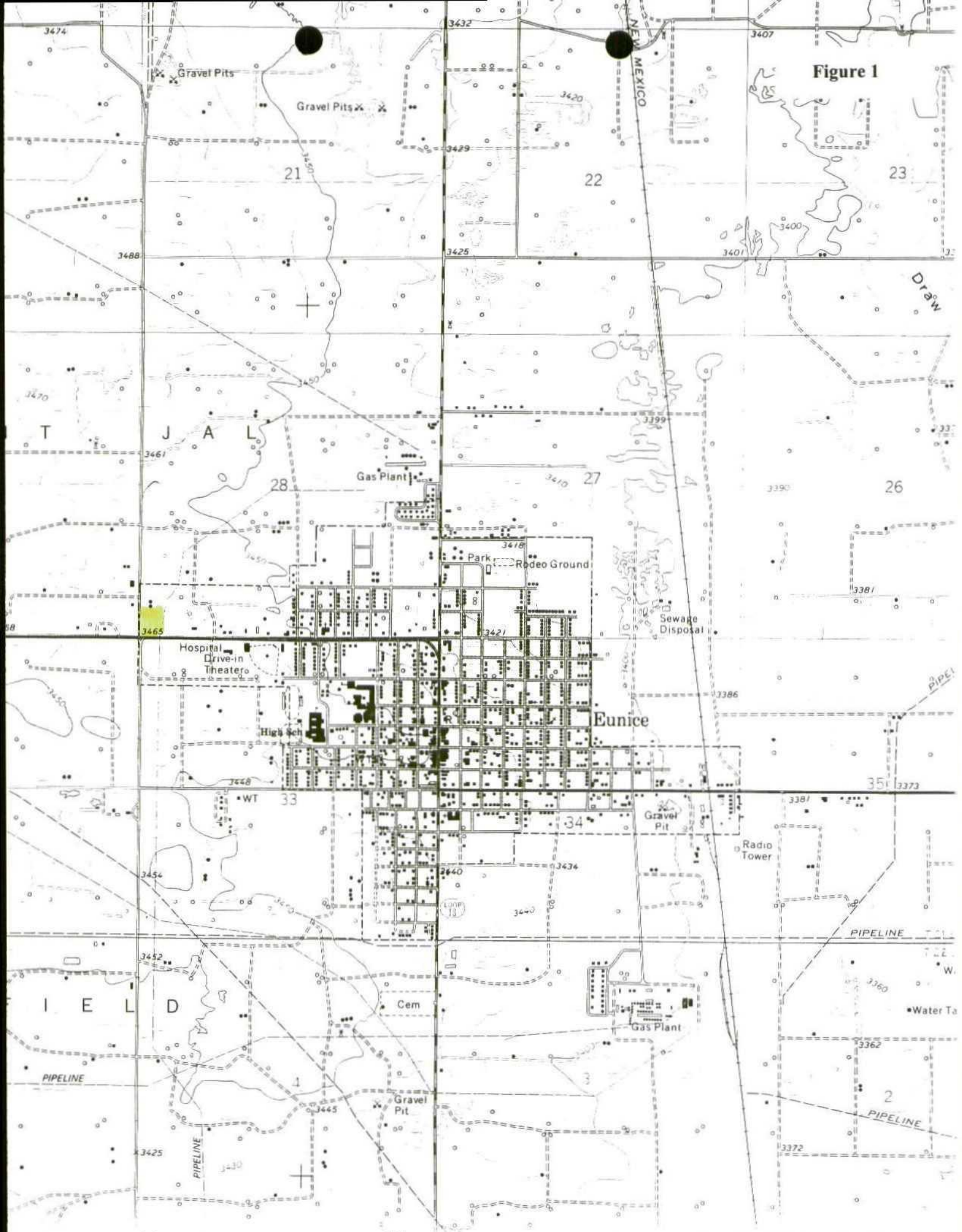




Photo 1: Tank #1 (north tank) with hydrocarbon material that has leaked out of a hole.



Photo 4: Pit area taken from the north side of pit looking south. Tanks #1 and 2 in the background.



Photo 2: Tank bottom pile #1 photo taken looking east.



Photo 5: Pit area taken from the northwest corner looking southeast. Tanks #1 and 2 in background.



Photo 3: Pit area taken from the south edge looking north. Residence in background.



Photo 6: Pit area taken looking south from along east edge. Tanks #1 and 2 in background.

General Petroleum Treating Plant
Eunice, NM



Photo 7: Tank #1 on left and Tank #2 on right.
04-02-97



Photo 10: Pit area looking north. Residences in background. Additional tank bottom piles along the east side of the pit area.



Photo 8: Tankbottom pile #1 looking east. Residence in background.
04-02-97



Photo 9: Pit area and fencing looking northeast.
04-02-97

General Petroleum, Incorporated

P. O. BOX 842 PHONE 393-6220
HOBBS, NEW MEXICO 88240



RECEIVED

APR 08 2002

Environmental Bureau
Oil Conservation Division

November 7, 1978

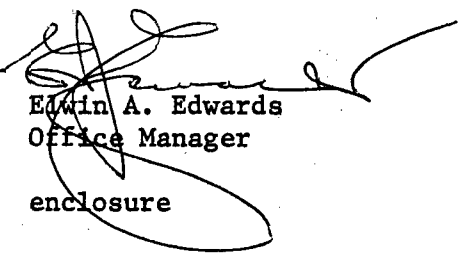
Mr. Eddie Seay
Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico 88240

Dear Mr. Seay:

Attached find map of pits as per your letter of request dated 10-24-78.

If you need any further information with reference to the location of our pits, we will be happy to comply at your request.

Very truly yours,
GENERAL PETROLEUM, INC.

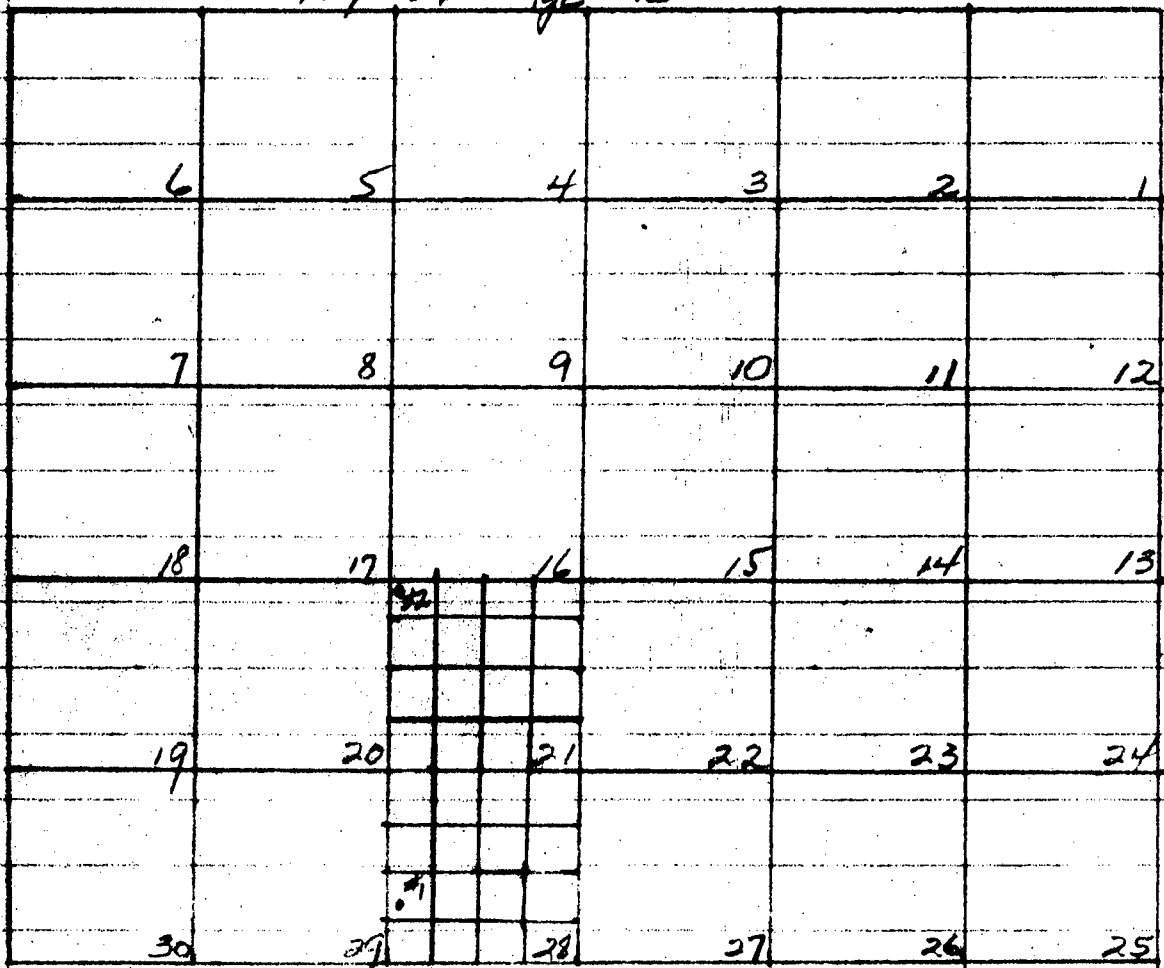

Edwin A. Edwards
Office Manager

enclosure

Post
4/26/79

Pit #1 - SECTION #28 - Twp #21 - Rge #37E

Pit #2 - SECTION #21 - Twp #21 - Rge #37E



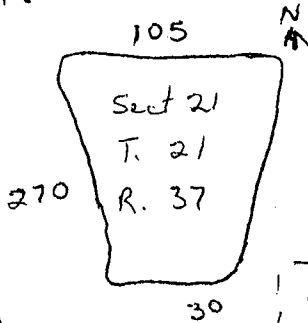
General Peterson The
Box 840
Addos NM.

10/5/78

Gen. Petro & Eunice

Pit. 1.7 miles North of Treating Plant.

Volume
2X105X270



Approx 4 ft
deep from ground level.
with Caliche bottom

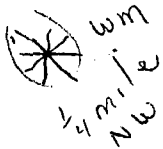
Pit has 2 ft of
BS + Oil in it.

Pit is fenced off in good
condition.

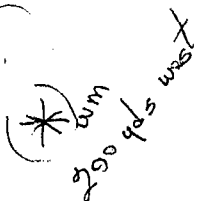
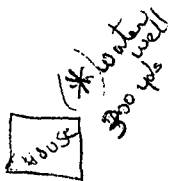
Closest water well is approx - 1/2 mile NW of Pit.
Closest resident is approx 1 mile west.

large ~~caliche~~ pit North end of BS Pit + 75 ft
large caliche pit East side of BS Pit + 50 ft

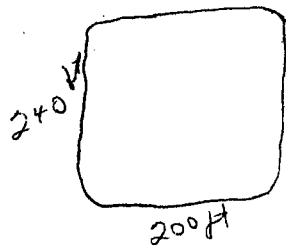
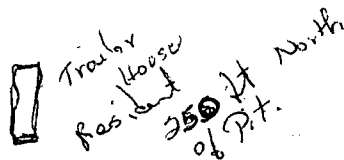
Closest production N.B. Hunt Well # 2
150 ft East. Pumping well.



K. Peterson



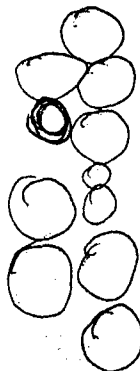
County Road.



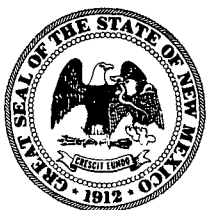
Pit 4 ft deep approx
oil + BS full.

Sect 31-21-37

10 storage Tanks



- (1) Eunice city limits approx 300 yds east of facility.
- (2) Pit and surround are kept in poor shape. North spills were apparent.
- (3) Tank bottom Sand & ~~caliche~~ caliche.
- (4) Volume 4X240X200
- (5) Pit Not fenced nor facility.
- (6) Section 28
Tos. 21
R. 37
~~SE/4~~
- (7) Skelton Gen. Petro
- (8)



BILL RICHARDSON
GOVERNOR

State of New Mexico
ENVIRONMENT DEPARTMENT

Ground Water Quality Bureau
Harold Runnels Building
1190 St. Francis Drive, P.O. Box 26110
Santa Fe, New Mexico 87502-6110
Telephone (505) 827-2918
Fax (505) 827-2965
Fed Ex (87505)



RON CURRY
SECRETARY

Memorandum

Date: May 26, 2004

To: LaDonna Turner, Site Assessment Manager
Response and Prevention Branch
U.S. Environmental Protection Agency, Region VI

From: George Schuman, Manager
Superfund Oversight Section, Ground Water Quality Bureau
New Mexico Environment Department

Subject: Pre-CERCLIS Screening Assessment of the General Petroleum Oil
Treating Plant, Eunice, New Mexico: [Recommendation] (e.g. No
CERCLA Investigation Recommended or Further Action Under
CERCLA Recommended)

Site Name: General Petroleum Oil Treating Plant

Street Address: County Road 33 & New Mexico State Highway 8

City: Eunice

State: New Mexico

ZIP Code: 88231

County: Lea

Latitude: 32° 26' 34.8"

Longitude: -103° 10' 33.2"

Site Physical Description: The Eunice Oil Treating Plant is an abandoned petroleum treating plant that operated from approximately 1962 to early 1980. Tanks and earth pits were used for secondary recovery of crude oil and underground injection of oil field-produced fluids. Historically a facility such as the Eunice Oil Treating Plant would clean out the tank bottoms from crude oil storage tanks located in the oil fields. The treating plant would then separate and reclaim the oil from the tank bottoms. The site is located in SW/4, SW/4, SW/4 of Section 28, Township 21 South, and Range 37 East at the intersection of County Road 33 and New Mexico State Highway 8 (See Figure 1 for site location).

Site Identification: The New Mexico Oil Conservation Division (OCD) Environmental Bureau identified the site to the New Mexico Environment Department (NMED) Superfund Oversight Section (SOS).

Site Summary: The site is an abandoned petroleum treating plant. Located on the site are an unlined oil waste pit /lagoon, two above ground storage tanks, piles of tank bottoms, two wells (one well is abandoned), six 50-gallon drums (drums did not appear to contain any substances), and discarded waste. The site is criss-crossed with active and inactive buried pipelines.

On the northwestern corner of the property there is an unlined oil waste pit/lagoon that is estimated to be five feet deep and has an area of approximately 55,000 square feet (See Appendix A, Photo 1 and 2 of the oil waste pit/lagoon; See Figure 2 for the oil waste pit/lagoon location). The oil waste pit/lagoon contains liquid petroleum waste and water. OCD collected four sludge samples from the oil waste pit/lagoon on December 18, 2002. Please see Table 1 for a summary of the results and Appendix B for laboratory analytical results. Organic compounds commonly found in oil processing/treating facilities were found in the sludge samples. Please see Appendix B for a list of organic analytes detected in the sludge samples. In addition, metals were found in the sludge samples such as barium, boron, cadmium, chromium, lead, and mercury. For a complete list of metals found in sludge samples please see Table 1 and Appendix B. There was a strong hydrocarbon smell emanating from the waste pit /lagoon. OCD staff mentioned that in the summer months the smell from the pit is unbearable and noticeable from a distance. There is a chain link fence surrounding the lagoon, however access to the lagoon is unrestricted as the chain link fence is in disrepair in the northeastern corner of the property. It was also noted that the gate allowing access to the lagoon was not secured. There is evidence of human activity on the oil waste pit/lagoon as there were human footprints across the oil waste pit/lagoon and several coins (pennies) were noted near the edge of the lagoon. OCD mentioned that in the past a horse that had fallen into the oil waste pit/lagoon and had to be pulled out.

A 750-barrel above-ground storage tank (AST) and a 210-barrel AST are located approximately on the center of the property (See Figure 2 for AST location). The 750-barrel AST appears to be empty. The 210-barrel AST has approximately 150 barrels of a black, solid, petroleum waste byproduct that is oozing out of a hole at the bottom of the AST (see Appendix A, Photo 3).

There are approximately 6,000 to 8,000 cubic yards of contaminated soil in several piles (see Appendix A, Photo 4). The contaminated soil piles have not been sampled. All terrain vehicle tracks were noted on the two soil piles located on the northwest corner of the property.

OCD had a Phase I and II environmental assessment conducted at the site in June-July 2002. The investigation was performed to obtain information concerning ground water and to approximate the volumes of sludge and grossly-contaminated soil. Twelve soil borings were advanced into the subsurface and three monitoring wells (MW-1, MW-2, and MW-3) were installed during the environmental assessment (see Figure 2 for soil boring and monitoring well locations). Monitoring wells were sampled on July 9, 2002. In addition to the organic compounds that are components of petroleum, metals were also found in the ground water samples collected from the site monitoring wells. See Table 2 for a summary of metals found and see Appendix C for a complete list of the laboratory analytical results. Soil boring information indicates that hydrocarbons have impacted the

subsurface to at least 25 feet below the pit and 15 feet below the AOCs. Please see Appendix C for soil boring laboratory analytical results.

A private domestic well was sampled on March 20, 2001. The water sample was analyzed for organics using EPA Method 8260. The water sample was also analyzed for total metals and general chemistry. There were no organic analytes detected. However, several metals such as arsenic, barium, molybdenum, and selenium were detected. Please see Table 2 for a summary of analytes detected and Appendix D for the laboratory analytical results.

Targets: Access to the site is unrestricted as is evidenced by human activity. A doctor that operates a medical clinic to the south of the facility has expressed some concerns regarding the facility's potential threat to public health. There are residences that border the facility on the north and east and two residences across County Road 33 to the west. The site is located on the Ogallala Formation. Ground water was encountered at approximately 89 feet below ground surface and flows to the southeast.

Site Ownership and Potential Responsible Parties: The current property owner is Mr. Troy Frank.

File Review: NMED SOS staff reviewed files from the New Mexico Oil Conservation Division.

Site Reconnaissance: Sabino Rivera and staff from OCD performed a site reconnaissance of the site on February 17, 2004.

Recommendations



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

September 4, 2003

Mr. Joe Ramey
1629 Catron S.E.
Albuquerque, NM 87123

Re: General Petroleum Incorporated

Dear Joe:

The OCD is investigating responsibility for the waste disposal plant formerly operated by General Petroleum, Incorporated in Eunice.

Our files include a letter report on the facility prepared on stationery of "General Petroleum, Inc., and signed by "Edwin A. Edwards, Office Manager." Lucky Services, Inc., the successor by merger to General Petroleum, Incorporated which was incorporated in 1957 by Steve Foster and Robert Layton, denies responsibility, and the Public Regulation Commission shows no other "General Petroleum, Incorporated" or similar name.

Should you know anything about the entity that formerly operated the Eunice facility, (particularly whether Steve Foster or Robert Layton was ever involved with the facility) or about Edwin A. Edwards, we would greatly appreciate the information

You may contact me at (505)-476-3450. Thanks in advance for your assistance.

Very truly yours,

David K. Brooks
Assistant General Counsel

ec. Martyne Keiling

WILLIAM G. W. SHOOBIDGE

DIANNA L. LUCE

SHOOBIDGE LAW FIRM, P.C.

701 NORTH GRIMES STREET
HOBBS, NEW MEXICO 88240

(505) 397-2496

FAX: (505) 397-2497

E-MAIL: shooslaw@aol.com

RECEIVED

September 3, 2003

SEP 08 2003

**OIL CONSERVATION
DIVISION**

FAXED & MAILED

Ms. Martyne Kieling
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

**Re: General Petroleum, Inc. Reclamation Plant
West of Eunice, Lea County, New Mexico**

Dear Ms. Kieling:

Thank you for your fax with documents from the fall of 1978. As you know, our preliminary investigation indicates that the General Petroleum Inc. conducted no operations on the Reclamation Plant site. We are attempting to investigate the materials you provided that identified the location of some surface pits. At this time, Lucky Services Inc. does not have sufficient information to conclude that General Petroleum Inc. contributed any contamination to the Reclamation Plant.

Very truly yours,


WILLIAM G. W. SHOOBIDGE

/yj

cc: Dwayne Taylor
President Lucky Services, Inc.

SEARCH RESULTS for:[E EDWARDS]

Possible Name Combinations

E EDWARDS

Total

Total Matches

61

61

E EDWARDS - 61 Matches

Name	Address	Phone Number	Background Check	Satellite Photo	Birth D:
C1-E-EDWARDS	62-CHIHUAHUA-RD,ALAMOGORDO,NM-88310	(505) 443-1355	Available	Available	
2-EDWIN-EDWARDS	2169-BLACK-WILLOW-DR-NE-ALBUQUERQUE,NM,87122		Available	Available	
3. ERIC EDWARDS	925 BUENA VISTA DR SE ALBUQUERQUE NM 87106	(505) 244-1290	Available	Available	
4. EDD G EDWARDS	4929 CALLE DE TIERRA NE ALBUQUERQUE NM 87111		Available	Available	
5. ELIZABETH EDWARDS	4417 DOUGLAS MACARTHUR RD NE B ALBUQUERQUE NM 87110		Available	Available	
6. ERIN R EDWARDS	5312 GABLE ST NW ALBUQUERQUE NM 87120	(505) 890-5871	Available	Available	January
7. ETHEL M EDWARDS	500 LA VETA DR NE ALBUQUERQUE NM 87108		Available	Available	1924
8. ELINOR B EDWARDS	2409 PUNTA DE VISTA DR NE P ALBUQUERQUE NM 87112	(505) 291-0336	Available	Available	January
9. ERNEST E EDWARDS	2409 PUNTA DE VISTA DR NE ALBUQUERQUE NM 87112		Available	Available	
10. ERNIE E EDWARDS	2409 PUNTA DE VISTA DR NE P ALBUQUERQUE NM 87112	(505) 291-0336	Available	Available	1942
11. ELINOR EDWARDS	2409 PUNTA DE VSTA P ALBUQUERQUE NM 87112		Available	Available	January
12. ERNEST E EDWARDS	2409 PUNTA DE VSTA P ALBUQUERQUE NM 87112		Available	Available	
13. ELDON EDWARDS	14324 SOULA DR NE ALBUQUERQUE NM 87123		Available	Available	
14. EDWIN R EDWARDS	3409 YOSEMITE DR NE ALBUQUERQUE NM 87111	(505) 296-7793	Available	Available	
15. ERIC E EDWARDS	9019 VISTAS DR NE ALBUQUERQUE NM 87113	(505) 797-0599	Available	Available	
16-E-EDWARDS	8401-SPAIN-RD-NE-ALBUQUERQUE-NM-87111		Available	Available	May 196
17. E B EDWARDS	7112 PAN AMERICAN EAST FWY NE 242 ALBUQUERQUE NM 87109	(505) 821-0473	Available	Available	
18-E-EDWARDS	7112-PAN-AMERICAN-FWY-NE-ALBUQUERQUE-NM-87109	(505)-821-0473	Available	Available	
19-E-B-EDWARDS	7112-PAN-AMERICAN-EAST-FWY-NE-ALBUQUERQUE-NM-87109	(505)-858-2502	Available	Available	

23. ERIC E EDWARDS	7600 MONTGOMERY BLVD NE 2098 ALBUQUERQUE NM 87109	(505) 296-1305	Available	Available	July 1961
24. ERIC E EDWARDS	7925 WOODHAVEN DR NE ALBUQUERQUE NM 87109	(505) 821-0522	Available	Available	July 1961
25. ERIN R EDWARDS	5600 CHIMAYO DR NW ALBUQUERQUE NM 87120	(505) 922-9829	Available	Available	January
26. EVELYN A EDWARDS	317 FAIRMOUNT PARK AVE NE ALBUQUERQUE NM 87123		Available	Available	
27. ELIZABETH EDWARDS	1608 RIDGECREST DR SE ALBUQUERQUE NM 87108	(505) 881-0055	Available	Available	
28. EDWIN F EDWARDS	521 ROAD 4990 BLOOMFIELD NM 87413		Available	Available	1963
29. ELAINE R EDWARDS	PO BOX 487 CAPITAN NM 88316		Available	Available	1932
30. ELAINE R EDWARDS	155 MAIN RD CAPITAN NM 88316	(505) 354-7504	Available	Available	1932
31. EARLENE D EDWARDS	1321 HUNTINGTON WAY CLOVIS NM 88101	(505) 763-6619	Available	Available	
32. ELOISE E EDWARDS	616 KATHIE DR CLOVIS NM 88101	(505) 762-6589	Available	Available	1941
33. E R EDWARDS	TROUT RD ELEPHANT BUTTE NM 87935	(505) 744-5608	Available	Available	
34. EVE P EDWARDS	407 N BEHREND AVE FARMINGTON NM 87401		Available	Available	August 1
35. E C EDWARDS	428 MAIN ST FORT SUMNER NM 88119	(505) 355-7755	Available	Available	Novemb
36. E C EDWARDS	428 MAIN ST FORT SUMNER NM 88119	(505) 355-7795	Available	Available	Novemb
37. E C EDWARDS	PO BOX 577 FORT SUMNER NM 88119	(505) 355-7795	Available	Available	Novemb
38. E EDWARDS	PO BOX 108 FORT SUMNER NM 88119		Available	Available	Novemb
39. E Y EDWARDS	HOBBS NM 88240	(505) 393-1470	n/a	n/a	
40. ELLA L EDWARDS	1008 E ALBERTSON DR HOBBS NM 88240	(505) 392-8675	Available	Available	
41. ELMER EDWARDS	204 NORTH AVE C HOBBS NM 88240	(505) 393-5354	Available	Available	
42. ELWIN A EDWARDS	1240 W COPPER AVE HOBBS NM 88240	(505) 392-8138	Available	Available	
43. ELLA L EDWARDS	3005 N HOUSTON ST HOBBS NM 88240	(505) 392-8675	Available	Available	
44. EDWARD EDWARDS	32 S ROMERO RD JARALES NM 87023	(505) 864-9180	Available	Available	
45. E EDWARDS	LAGUNA NM 87026	(505) 352-7496	n/a	n/a	
46. EDWIN A EDWARDS	1100 PALMER RD LAS CRUCES NM 88005		Available	Available	
47. EDNA EDWARDS	2905 MISSOURI AVE LAS CRUCES NM 88011	(505) 532-0764	Available	Available	
48. ERNEST W EDWARDS	3413 22ND AVE SE RIO RANCHO NM 87124	(505) 891-1748	Available	Available	1955
49. EVELYN EDWARDS	1305 RIO RANCHO DR SE D RIO RANCHO NM 87124	(505) 896-1942	Available	Available	

53. EUNICE A EDWARDS	603 WILLOW DR ROSWELL NM 88203	(505) 623-7618	<u>Available</u>	<u>Available</u>	1931
54. EDDY G EDWARDS	1124 S LUNA CIR SANTA FE NM 87501	(505) 988-5910	<u>Available</u>	<u>Available</u>	1939
55. EMERY J EDWARDS	99 MOYA RD SANTA FE NM 87505	(505) 466-2069	<u>Available</u>	<u>Available</u>	May 194
56. ELIZABETH EDWARDS	SILVER CITY NM 88061	(505) 388-3302	n/a	n/a	
57. ELAINE EDWARDS	821 BROKEN ARROW DR SILVER CITY NM 88061		<u>Available</u>	<u>Available</u>	
58. ERNEST W EDWARDS	31 SEDILLO VIA TIJERAS NM 87059	(505) 286-0964	<u>Available</u>	<u>Available</u>	1955
59. ELOY N EDWARDS	600 CORBETT ST TRUTH OR CONSEQUENCES NM 87901	(505) 894-9853	<u>Available</u>	<u>Available</u>	
60. ED D EDWARDS	HC 32 191 TRUTH OR CONSEQUENCES NM 87901		<u>Available</u>	<u>Available</u>	
61. E R EDWARDS	TROUT RD TRUTH OR CONSEQUENCES NM 87901	(505) 744-5608	<u>Available</u>	<u>Available</u>	

(c) PeopleData, Inc. 2003

MEMORANDUM

TO: David Brooks, Assistant General Counsel
FROM: Martyne Kieling, Environmental Bureau
SUBJECT: Answers to the Shoobridge Law Firm request letter dated July 9, 2003
DATE: July 25, 2003

1. The name of the additional operator that is known is James N. Evans and Dallas McCasland, d/b/a Southwest Reclamation Service, a Partnership. Case No. 2599, Order No. R-2290 was issued on July 25, 1962 granting permission to operate a sediment oil treating plant. There is no other information on file until the November 7, 1987 letter from General Petroleum Inc.
2. Phase I and Phase II Environmental Site Assessment Report on the General Petroleum Treating Plant, Eunice NM was prepared for the OCD by RESPEC. This report outlines the following potential waste streams and the approximate volumes that could be expected:
 - 1) approximately 6000 to 8000 cy of contaminated soil/tank bottoms are piled on site,
 - 2) approximately 40,470 cy of contaminated soils > 1000 ppm TPH are contained in and below the pit area (220' x 250' x 20'/27'),
 - 3) approximately 3880 cy of contaminated soil material is below the old tank processing area (100' x 150' x 7'/27'),
 - 4) approximately 150 bbls of oily sludge is contained within one 210 bbl tank,
 - 5) approximately 15 tons of scrap metal;
 - 6) approximately 5 cy of trash and windblown debris; and
 - 7) 10 cy of utility meters, concrete and rail road ties.
3. There is surface and subsurface contamination at the site. The contamination consists of surface trash and debris, waste sludge in one tank, piles of contaminated soils/tank bottoms on the surface, subsurface contamination below the former tank footprints and processing area, and an unlined pit area containing oil, water and sludge that has contamination migration up to a minimum of 20 feet below ground surface that is in excess of 1000 ppm of TPH.
4. There is ground water contamination at the site. Three ground water monitoring wells MW-1, MW-2 and MW-3 were installed at the site in June of 2002 and sampled. Constituents in the wells that were above ground water standards were:

MW-1 contained chloride at 560 mg/l, TDS at 1600 mg/l, and fluoride at 1.6 mg/l
MW-2 contained chloride at 750 mg/l, TDS at 2500 mg/l, and fluoride at 2.1 mg/l

The ground water standards for these constituents are as follows: chloride 250 mg/l, TDS 1000 mg/l, and fluoride 1.6 mg/l.
5. An OCD records review and NMPRC corporations document review showed that General Petroleum, Inc was the last owner of record of the facility and that General Petroleum, Inc merged with Lucky Services, Inc.

WILLIAM G. W. SHOOBRIDGE

DIANNA L. LUCE

SHOOBRIDGE LAW FIRM, P.C.

701 NORTH GRIMES STREET
HOBBS, NEW MEXICO 88240

(505) 397-2496

FAX: (505) 397-2497

E-MAIL: shooblaw@aol.com

RECEIVED

MAY 28 2003

Environmental Bureau
Oil Conservation Division

FAXED & MAILED

May 21, 2003

Mr. Roger C. Anderson
Bureau Chief
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**Re: General Petroleum, Inc. Reclamation Plant, West of Eunice
SW/4, SW/4 of Section 28, and
NW/4, NW/4 Section 21, Township 21 South, Range 37 East, NMPM
Lea County, New Mexico**

Dear Mr. Anderson:

I represent Lucky Services, Inc. Dwayne Taylor, Lucky Services President, has provided me with your letter of April 18, 2003, demanding that Lucky submit to the OCD a Stage 1 abatement plan proposal for a Reclamation Plant, West of Eunice, New Mexico.

Although Lucky Services, Inc. was formed as a result of a merger between General Petroleum, Inc. and Lucky Well Services, Inc., the Eunice Reclamation Plant was not part of the merger. Lucky Services, Inc. never received a deed to the property, the property was not included in the Articles Of Merger or mentioned in the minutes of Lucky Services, Inc. General Petroleum, Inc. did not list the Eunice Reclamation Plant in its depreciation schedule for its 1994 tax return at the time of the merger. It is unclear to me whether General Petroleum, Inc. had title to the property at the time of the merger. Clearly, Lucky Services, Inc. never owned nor participated in the management of the site. It never controlled in any fashion, or at any time operations on the site. Lucky Services, Inc. has never been involved with the Eunice location that it has never owned or operated.

Please call me so that we can discuss this matter. Thank you.

Very truly yours,


WILLIAM G. W. SHOOBRIDGE

/yj

cc: Mr. Dwayne Taylor
President, Lucky Services, Inc.

SHOOBRIDGE LAW FIRM, P.C.
701 N. GRIMES
HOBBS, NEW MEXICO 88240
(505) 397-2496
Fax: (505) 397-2497

FAX COVER SHEET

FAX NUMBER TRANSMITTED TO: (505) 476-3462

To: Roger C. Anderson Date: May 21, 2003
Of: New Mexico Energy, Minerals and Natural Resources Department
From: **WILLIAM G. W. SHOOBRIDGE, Esq.**
Client/Matter: **General Petroleum, Inc. Reclamation Plant, West of Eunice
SW/4, SW/4 of Section 28, and
NW/4, NW/4 Section 21, Township 21 South, Range 37 East,
NMPM
Lea County, New Mexico**

DOCUMENTS	NUMBER OF PAGES*
Letter	2

COMMENTS:

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SHOOBRIDGE LAW FIRM, P. C.

WILLIAM G. W. SHOOBRIDGE

701 NORTH GRIMES STREET
HOBBS, NEW MEXICO 88240

(505) 397-2496

FAX: (505) 397-2497

DIANNA L. LUCE

E-MAIL: shooblaw@aol.com

FAXED & MAILED

May 21, 2003

Mr. Roger C. Anderson
Bureau Chief
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**Re: General Petroleum, Inc. Reclamation Plant, West of Eunice
SW/4, SW/4 of Section 28, and
NW/4, NW/4 Section 21, Township 21 South, Range 37 East, NMPM
Lea County, New Mexico**

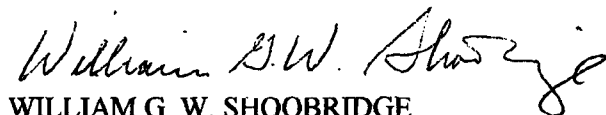
Dear Mr. Anderson:

I represent Lucky Services, Inc. Dwayne Taylor, Lucky Services President, has provided me with your letter of April 18, 2003, demanding that Lucky submit to the OCD a Stage 1 abatement plan proposal for a Reclamation Plant, West of Eunice, New Mexico.

Although Lucky Services, Inc. was formed as a result of a merger between General Petroleum, Inc. and Lucky Well Services, Inc., the Eunice Reclamation Plant was not part of the merger. Lucky Services, Inc. never received a deed to the property, the property was not included in the Articles Of Merger or mentioned in the minutes of Lucky Services, Inc. General Petroleum, Inc. did not list the Eunice Reclamation Plant in its depreciation schedule for its 1994 tax return at the time of the merger. It is unclear to me whether General Petroleum, Inc. had title to the property at the time of the merger. Clearly, Lucky Services, Inc. never owned nor participated in the management of the site. It never controlled in any fashion, or at any time operations on the site. Lucky Services, Inc. has never been involved with the Eunice location that it has never owned or operated.

Please call me so that we can discuss this matter. Thank you.

Very truly yours,



WILLIAM G. W. SHOOBRIDGE

/yj

cc: Mr. Dwayne Taylor
President, Lucky Services, Inc.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

April 18, 2003

Lori Wrotenbery

Director

Oil Conservation Division

CERTIFIED MAIL

RETURN RECEIPT NO. 7001-1949-0004-3929-8355

Mr. Everett D. Taylor
Lucky Services, Inc.
P.O. Box 5790
Hobbs, NM 88241

**Re: General Petroleum, Inc. Reclamation Plant, West of Eunice
SW/4, SW/4 of Section 28, and
NW/4, NW/4 Section 21, Township 21 South, Range 37 East, NMPM
Lea County, New Mexico**

Dear Mr. Taylor:

The New Mexico Oil Conservation Division (OCD) has reviewed OCD records and the New Mexico State Public Regulation Commission records and has determined that General Petroleum, Inc. merged with Lucky Services, Inc (Lucky) on February 4, 1994.

The OCD files show that the General Petroleum, Inc. treating plant facility located in SW/4, SW/4 of Section 28, and NW/4, NW/4 Section 21, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico was originally permitted by Order No. R-2290 on July 25, 1962 to James N. Evans and Dallas McCasland, d/b/a Southwest Reclamation Services, a Partnership. Enclosed please find a copy of the Order. The facility was thereafter owned and operated by General Petroleum, Inc.

As corporate successor of the owner/operator of the General Petroleum, Inc. treating plant Lucky is responsible for investigation of contamination and cleanup of the facility. Pursuant to OCD Rule 19 [19.15.1.19.C.1 NMAC], Lucky must submit to the OCD a Stage 1 abatement plan investigation proposal to investigate and determine the extent of abatement that may be required at this site. To initiate the abatement plan process, the OCD requires that Lucky submit its Stage 1 abatement plan investigation proposal, as described in paragraph E.3 of Rule 19 [19.15.1.19.E.3] no later than June 18, 2003.

Mr. Everett D. Taylor
April 18, 2003
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If you have any questions please call me at (505) 476-3490. Rule 19 [19.15.1.19 NMAC] may be viewed or downloaded from the OCD Rule Book available on the OCD Web site at <http://www.emnrd.state.nm.us/oed/>.

Sincerely,

A handwritten signature in cursive script, appearing to read "Roger C. Anderson".

Roger C. Anderson
Bureau Chief

RCA/mk

xc with enclosures:

Hobbs OCD Office
File 711-013