

**NM -**

**14**

**ORDER**

**STATE OF NEW MEXICO  
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:**

**CASE NO. 13027  
ORDER NO. R-8507-A**

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION  
THROUGH THE ENVIRONMENTAL BUREAU CHIEF TO REVOKE THE  
PERMIT OF JAMAR, INC. TO OPERATE AN OIL TREATING PLANT, LEA  
COUNTY, NEW MEXICO.**

**ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on May 22, 2003, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 29<sup>th</sup> day of August, 2003, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

**FINDS THAT:**

- (1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.
- (2) By Order No. R-8507 issued in Case No. 9199 on September 8, 1987, the Division authorized Jamar, Inc. to construct and operate a chemical and heat-treatment type oil treating plant to be located in the NE/4 NE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, for the processing of approximately 3000 barrels per month of raw materials from disposal water, tank bottoms and waste pits.
- (3) In accordance with the provisions of Order No. R-8507, Jamar, Inc. obtained and posted with the Division on September 16, 1987, a \$25,000 treating plant bond (Bond No. 1135611), the Amwest Surety Insurance Company being the surety for this oil treating plant bond.

- (4) The Oil Conservation Division ("Division") seeks an order:
  - (a) rescinding Jamar, Inc.'s oil treating plant permit;
  - (b) requiring Jamar, Inc. to clean up and reclaim the site of its oil treating plant in Section 8, Township 20 South, Range 37 East, NMPM; and
  - (c) in the event Jamar, Inc. fails to comply with Division directives, authorizing the Division to take such action as may be necessary to clean up and reclaim the site and authorizing the forfeiture of Jamar, Inc.'s treating plant bond.
- (5) A representative of the Division's Santa Fe Environmental Bureau and a representative of the Division's Hobbs District Office appeared at the hearing in person, and via conference phone, respectively, to present evidence in this case.
- (6) Neither Jamar, Inc. nor Amwest Surety Insurance Company appeared at the hearing.
- (7) The evidence presented demonstrates that:
  - (a) Division personnel, beginning in 1997, have conducted numerous inspections of Jamar, Inc.'s oil treating plant in the NE/4 NE/4 of Section 8;
  - (b) the facility appears to have been abandoned since at least 1997;
  - (c) there are at least three 250-barrel steel tanks and two 500-barrel steel tanks on location. Some tanks contain unknown types of fluid. A determination of whether any leakage has occurred from these tanks has not yet been made by the Division;
  - (d) there is a junk pile on location containing drums, car body, pipes etc.;
  - (e) there appears to be a pit area on location that may have been utilized for containment of fluids or for burial of materials; and

- (f) depth to groundwater in this area is approximately 20 feet below the surface.

(8) The Division attempted to provide notice of its application to Jamar, Inc. at its last known address in Hobbs, New Mexico; however, this notice was returned as undeliverable.

(9) The evidence presented demonstrates that unless Jamar, Inc. or the Division takes immediate action to clean up and reclaim the oil treating plant site, environmental damage may occur, fresh water may be contaminated, livestock and other wildlife may be subject to harmful contaminants, and waste may occur.

(10) The application of the Division should be approved.

(11) Amwest Surety Insurance Company was notified of this application but did not appear at the hearing. According to testimony by the Division, it appears that Amwest Surety Insurance Company is in bankruptcy.

(12) According to further testimony, the Division will pursue a claim with Amwest Surety Insurance Company for the \$25,000 oil treating plant bond posted by Jamar, Inc.

**IT IS THEREFORE ORDERED THAT:**

(1) Pursuant to the application of the Oil Conservation Division, Jamar, Inc.'s authority to operate an oil treating plant in the NE/4 NE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, as initially authorized by Division Order No. R-8507 dated September 8, 1987, is hereby revoked.

(2) Within 30 days from the issue date of this order, Jamar, Inc. is hereby ordered to initiate clean up and reclamation activities at the site of its oil treating plant in the NE/4 NE/4 of Section 8 in a manner acceptable to the Division's Santa Fe Environmental Bureau.

(3) In the event Jamar, Inc. fails or refuses to comply with this order, or in the event the Division is unable to locate and contact Jamar, Inc., the Division shall then take such actions as are necessary to: (i) clean up and reclaim the site of the oil treating plant, including remediating the site in accordance with Division rules; (ii) forfeit or otherwise make a claim on the oil treating plant bond and utilize these funds to clean up and reclaim the site; and (iii) recover from Jamar, Inc. additional costs the Division may incur to clean up and reclaim the site.

*Case No. 13027*

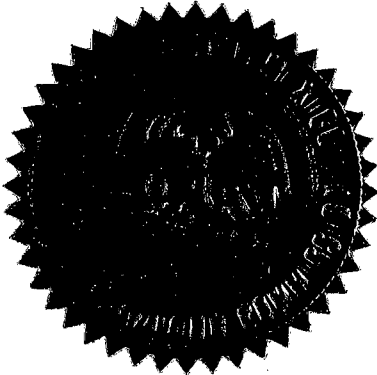
*Order No. R-8507-A*

*Page -4-*

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(4) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

A handwritten signature in cursive script that reads "Lori Wrotenbery".

LORI WROTENBERY  
Director



Amwest Surety Insurance Company, in Liquidation

## HOW TO REACH US

Amwest Surety Insurance Company, In Liquidation  
 P.O. Box 4500  
 Woodland Hills, CA 91365  
 Or  
 5230 Las Virgenes Road  
 Calabasas, CA 91302

*Amwest Surety*  
*Clark Cameron*  
*Sunrise Claims*  
 5230 Las Virgenes Road  
 Calabasas Ca 91302

Telephone Number: 866-789-8119 (Toll free)  
 818-871-2000 (Direct)

Fax Number: 818-871-2020

Inquiries concerning Bail Bonds should contact the Liquidation Office at (800) 423-2245.

**Change of Address Notification:** Please help us update our records due to a change of address, by notifying us in writing at claimant services.

*Claims Unit.*  
*in care of Sunrise Claims Handling.*  
*Clark Cameron*

**HORIZON BUSINESS RESOURCES, INC.**  
 5230 Las Virgenes Road  
 Calabasas, CA 91302

Telephone Number: 866-789-8119 (Toll free)  
 818-871-2000 (Direct)

Fax Number: 818-871-2011

*oil processing original owner Detumble*  
*Sold to Thorman Smith who moved to*  
*Kilgore TX.*

*Last owner of Jamar was Charlie Robinson*  
*was affiliated with the Bank in Livingston*

*Per Eddie Seng*  
*11-12-02*

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 9199  
Order No. R-8507

APPLICATION OF JAMAR, INC. FOR  
AN OIL TREATING PLANT PERMIT,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on August 26, 1987, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 8th day of September, 1987, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Jamar, Inc., seeks authority to operate a chemical and heat-treatment type oil treating plant located in the NE/4 NE/4 (Unit A) of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, for the processing of approximately 3000 barrels per month of raw materials from disposal water, tank bottoms, and waste pits.

(3) The proposed plant and method of processing will efficiently process, treat, and reclaim the aforementioned waste oil, thereby salvaging oil which would otherwise be wasted.

(4) The treating plant should be constructed, operated, and maintained in such a manner as to preclude spills and fires, protect persons and livestock, and prevent contamination of fresh waters.

(5) Prior to initiation of operations, the facility should be inspected by the supervisor of the Hobbs district office of the Division in order to determine the adequacy of existing fences, gates, dikes, and berms needed to assure safe plant operation.

(6) All waste water and solid wastes obtained in the treatment process should be disposed of at a Division approved site.

(7) The Director of the Division should be authorized to administratively grant approval for the expansion or modification of said plant.

(8) Authority for operation of the plant should be suspended or rescinded whenever such suspension or rescission should appear necessary to protect human health or property, to protect fresh water supplies from contamination, to prevent waste, or for non-compliance with the terms and conditions of this order or Division rules.

(9) Prior to initiation of operations, the applicant should be required to submit to the Santa Fe office of the Division a surety or cash bond in the amount of \$25,000 in a form approved by the Division.

(10) The treating plant permit should be non-transferable.

(11) The subject application should be approved as being in the best interests of conservation.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Jamar, Inc., is hereby authorized to install and operate a chemical and heat-treatment type oil treating plant located in the NE/4 NE/4 (Unit A) of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, for the purpose of treating and reclaiming approximately 3000 barrels of sediment oil per month obtained from tank bottoms, waste pits, and disposal water.

PROVIDED HOWEVER THAT, prior to initiation of operations, the applicant shall file with the Santa Fe office of the Division a surety or cash bond in the amount of \$25,000 in a form approved by the Division.



(2) The facility shall have adequate fencing, gates, and cattle guards installed and maintained as protection for livestock and preclude entry by persons during periods when the facility is unattended.

(3) The facility shall be operated and maintained in such a manner that spills or leaks will be prevented and any spill or leak which should occur will be immediately cleaned up.

(4) The supervisor of the Hobbs district office of the Division may require the applicant, after inspection of the facility, to install additional fencing, or to construct additional dikes, dams, or fire walls in order to assure the safe operation of said plant.

(5) The disposal of waste fluids or solids accumulated in conjunction with the operation of the plant shall be at Division approved sites, and, further, any disposal of such fluids or solids on the surface of the ground or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, or in any other place or manner which may constitute a hazard to any fresh water supplies is hereby prohibited.

(6) The Director of the Division may administratively grant authority for the expansion or modification of said plant upon request and a demonstration that such expansion or modification is upon contiguous acreage and is otherwise consistent with this order and Division rules and regulations.

(7) Authority for operations of the facility may be suspended or rescinded should such suspension or rescission appear necessary to protect human health or property, to protect fresh water supplies from contamination, to prevent waste or for non-compliance with the terms and conditions of this order or Division rules.

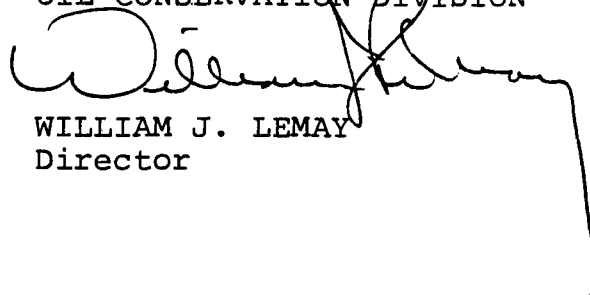
(8) The treating plant authorization is non-transferable to any other location or operator.

(9) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

-4-  
Case No. 91  
Order No. R-8507

DONE at Santa Fe, New Mexico, on the day and year  
hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

A handwritten signature in dark ink, appearing to read 'William J. Lemay', is written over the typed name and title. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

WILLIAM J. LEMAY  
Director

S E A L

fd/

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 9199  
Order No. R-8507

APPLICATION OF JAMAR, INC. FOR  
AN OIL TREATING PLANT PERMIT,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on August 26, 1987, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 8th day of September, 1987, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Jamar, Inc., seeks authority to operate a chemical and heat-treatment type oil treating plant located in the NE/4 NE/4 (Unit A) of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, for the processing of approximately 3000 barrels per month of raw materials from disposal water, tank bottoms, and waste pits.

(3) The proposed plant and method of processing will efficiently process, treat, and reclaim the aforementioned waste oil, thereby salvaging oil which would otherwise be wasted.

(4) The treating plant should be constructed, operated, and maintained in such a manner as to preclude spills and fires, protect persons and livestock, and prevent contamination of fresh waters.

Case No. 919  
Order No. R-8507

(5) Prior to initiation of operations, the facility should be inspected by the supervisor of the Hobbs district office of the Division in order to determine the adequacy of existing fences, gates, dikes, and berms needed to assure safe plant operation.

(6) All waste water and solid wastes obtained in the treatment process should be disposed of at a Division approved site.

(7) The Director of the Division should be authorized to administratively grant approval for the expansion or modification of said plant.

(8) Authority for operation of the plant should be suspended or rescinded whenever such suspension or rescission should appear necessary to protect human health or property, to protect fresh water supplies from contamination, to prevent waste, or for non-compliance with the terms and conditions of this order or Division rules.

(9) Prior to initiation of operations, the applicant should be required to submit to the Santa Fe office of the Division a surety or cash bond in the amount of \$25,000 in a form approved by the Division.

(10) The treating plant permit should be non-transferable.

(11) The subject application should be approved as being in the best interests of conservation.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Jamar, Inc., is hereby authorized to install and operate a chemical and heat-treatment type oil treating plant located in the NE/4 NE/4 (Unit A) of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, for the purpose of treating and reclaiming approximately 3000 barrels of sediment oil per month obtained from tank bottoms, waste pits, and disposal water.

PROVIDED HOWEVER THAT, prior to initiation of operations, the applicant shall file with the Santa Fe office of the Division a surety or cash bond in the amount of \$25,000 in a form approved by the Division.

(2) The facility shall have adequate fencing, gates, and cattle guards installed and maintained as protection for livestock and preclude entry by persons during periods when the facility is unattended.

(3) The facility shall be operated and maintained in such a manner that spills or leaks will be prevented and any spill or leak which should occur will be immediately cleaned up.

(4) The supervisor of the Hobbs district office of the Division may require the applicant, after inspection of the facility, to install additional fencing, or to construct additional dikes, dams, or fire walls in order to assure the safe operation of said plant.

(5) The disposal of waste fluids or solids accumulated in conjunction with the operation of the plant shall be at Division approved sites, and, further, any disposal of such fluids or solids on the surface of the ground or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, or in any other place or manner which may constitute a hazard to any fresh water supplies is hereby prohibited.

(6) The Director of the Division may administratively grant authority for the expansion or modification of said plant upon request and a demonstration that such expansion or modification is upon contiguous acreage and is otherwise consistent with this order and Division rules and regulations.

(7) Authority for operations of the facility may be suspended or rescinded should such suspension or rescission appear necessary to protect human health or property, to protect fresh water supplies from contamination, to prevent waste or for non-compliance with the terms and conditions of this order or Division rules.

(8) The treating plant authorization is non-transferable to any other location or operator.

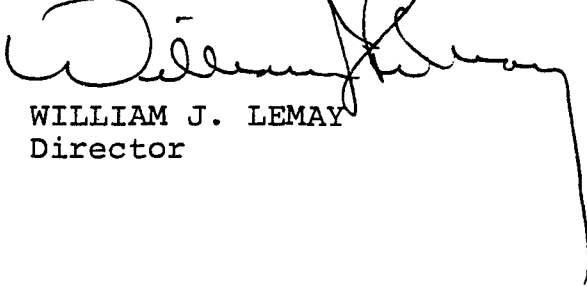
(9) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

-4-

Case No. 91!  
Order No. R-8507

DONE at Santa Fe, New Mexico, on the day and year  
hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY  
Director

S E A L

fd/



*Roger*

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

April 4, 1990

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Mr. David Sparks  
Amwest Surety Insurance Co.  
5225 North Central Avenue  
Suite 104  
Phoenix, Az. 85012-1452

Re: Jamar Inc.  
Bond No. 1135611

Dear Mr. Sparks:

In response to your letter of March 23, 1990, we have not yet required Jamar Inc. to clean up and restore the facility site of their treating plant. The operator of the plant has advised the Oil Conservation Division that it is his desire and intention to continue operations if he is able to post a replacement bond or replace the one which you have terminated regarding daily operations.

We intend to allow the principal a reasonable period of time in which to locate a replacement bond, and the action which you have taken resulting in the termination of your bond as to daily operations' liability does not cause the OCD to require cessation of operations and restoration of the site. Hopefully your company also recognizes that it is in your best interest for the operator to somehow obtain a replacement bond which would eliminate any liability on your part for clean-up operations.

We will advise when either the bond is replaced or we require clean up.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert G. Stovall".

ROBERT G. STOVALL,  
General Counsel

RGS/dr

**Score:** 47

**Name:** Jamar, Inc. and Oil Processing, Inc.

**File:** 711-014

**Location:** 2.75 mile south of Monument, NM on the west side of the highway.  
Jamar, Inc.  
NE/4, NE/4 of Section 8, Township 20 South, Range 37 East, NMPM,  
Lea County, New Mexico (this location is not correct)  
Oil Processing, Inc.  
NE/4, SE/4 of Section 8, Township 20 South Range, 37, East, NMPM,  
Lea County, New Mexico

**Status:** Jamar Inc. was permitted by order R-8507 on September 8, 1987. The last owners of record were a Charles A Robinson Sr., Charles A Robinson Jr., Charles A Robinson III, James F Robinson, Fern Robinson and a Cathy Ann Lovas.

A bond for Jamar in the amount of \$25,000 is on file. The surety is Amwest Surety Insurance Co., Bond No. 1135611.

Oil Processing, Inc. was permitted by order R-6053 on July 10, 1979 and modified under order R-6053-A on December 31, 1986. The last owners of record were Thurman W. Smith and Judy A Smith.

At one time NMOCD had a bond for Oil Processing for \$10,000 with the Travelers Indemnity Co. No. 862E405A. There is no bond currently on file for Oil Processing, Inc.

The closest residences are located 2.5 miles north of the facility in the town of Monument. Use of ground water in the vicinity of the site is for the petroleum industry and livestock watering. There is some irrigation use near the town of Monument. Currently the facility has 13 tanks some of which are open top and contain oil, waste water and sediment. Impact to ground water from the site is currently not known. Depth to ground water is between 20 and 27 feet, chloride is between 796 mg/l and 3650 mg/l, total petroleum hydrocarbon is .586 mg/l and total dissolved solids are 2352 mg/l.

**Plan:** The next step is to research the companies and owners in order to notify the owners that an investigation and cleanup is required for the facility. If that route dead ends these orders must be revoked by the Division so that the OCD can perform the investigation and cleanup. The scope of work would include phased investigation and cleanup to remove tanks and surface contamination and to investigate the groundwater below the site.

**Est. Cost:** \$500,000

**Date:** January 8, 2003



AMWEST SURETY  
INSURANCE COMPANY  
5225 North Central Ave.  
Suite 104  
Phoenix, AZ 85012-1452  
(602) 263-1112  
Fax: (602) 230-0987



March 23, 1990

Robert G. Stovall  
General Counsel  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
P.O. Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Dear Mr. Stovall:

Jamar, Inc. Bond #1135611

Thank you for your letter of March 7, 1990.

We have been in contact with the captioned via the insurance agent. Our bond was cancelled because Jamar did not agree with the terms of our renewal underwriting. Hopefully, they will locate a surety with agreeable underwriting terms.


Since our bond has been terminated regarding daily operations, apparently our remaining liability deals with the cleanup operation.

The regulations that you sent to us on September 14, 1989 indicate that cleanup should be completed within six months, unless an extension is granted.

Unless an extension has been granted by your office, doesn't our exposure terminate on March 25, 1990?

Thank you for your assistance.

Sincerely,

  
David Sparks  
Branch Manager

DS/jp



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

March 7, 1990

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Ms. Mary Jane Hopper  
Underwriter  
Amwest Surety Insurance Company  
5225 North Central Avenue  
Suite 104  
Phoenix, Az. 85012-1452

Re: \$25,000 Treating Plant Bond No. 1135611  
Jamar, Inc. as Principal

Dear Ms. Hopper:

We have received your letter of March 1, 1990, and quite frankly there appears that there is some confusion with respect to your obligations under the bond. The first question is have you had any correspondence with your principal, the party with whom you have the contractual relationship?


I have spoken with Mr. Charlie Robinson with Jamar and he told me they are attempting to get another bond because they wish to continue to keep their facility in operation. The Oil Conservation Division has no problem with that.

It is unfortunate that your company has elected to remove itself from this particular activity, and hopefully you will re-evaluate your thinking on that. However, your decision to get out of this bonding business does not mean that your principal necessarily wants to get out of the business he is engaged in.

You have referenced a six-month period for clean-up which is due to expire on March 25, 1990. That also confuses us because we don't know what six-month period you are talking about.

Since you apparently have not communicated with your principal, I have asked Mr. Robinson to call you.

Sincerely,

  
ROBERT G. STOVALL,  
General Counsel

RGS/dr

cc: Oil Conservation Division - Hobbs  
Jerry Sexton

Environmental Bureau  
Santa Fe Office



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

September 14, 1989

POST OFFICE BOX 2000  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Amwest Surety Insurance Co.  
5225 North Central Avenue  
Suite 104  
Phoenix, Az. 85012-1452

Attention: Mary Jane Hopper

Re: \$25,000 Treating Plant Bond  
Bond No. 1135611  
Principal: Jamar, Inc.

Dear Ms. Hopper:

I am responding to your letter of September 7, 1989, regarding reinstatement of the above-referenced treating plant bond. In response to your questions:

1. Jamar, Inc. is in substantial compliance with the Statutes of the State of New Mexico and the rules, regulations and orders of the Oil Conservation Division with respect to the operation of their treating plant.
2. We do not have any record of whether they are paying labor and material bills, and that is not a condition of the bond. This is an on-going treating plant operation and not a construction-type of operation. The Oil Conservation does not become involved in the financial aspects of the operation of the business.
3. Because this is an on-going treating plant operation, this question is not applicable.

With respect to the cancellation of the bond, it is effective as to treating operations conducted by Jamar, Inc., but with respect to the clean-up liability the bond is considered to be in full force and effect. The primary purpose of bond is to ensure that the operator, upon cessation of operations, properly cleans up the plant site to the standards of the Oil Conservation Division. Therefore, unless and until the bond is replaced, this bond is considered in force with respect to that specific obligation.

✓ We have enclosed the copy of the applicable Statute and regulation of the Oil Conservation Division which requires the bond.

Sincerely,

ROBERT G. STOVALL,  
General Counsel

RGS/dr

enclosure

AMWEST SURETY  
INSURANCE COMPANY  
5225 North Central Ave.  
Suite 104  
Phoenix, AZ 85012-1452  
(602) 263-1112  
Fax: (602) 230-0987



RECEIVED

SEP 11 1989

OIL CONSERVATION DIV.  
SANTA FE

September 7, 1989

Mr. William J. LeMay, Director  
Energy, Minerals and Natural Resources Dept  
Oil Conservation Division  
PO Box 2088 - State Land Office Building  
Santa Fe, NM 87504

RE: \$25,000 Treating Plant Bond  
Bond No. 1135611  
Principal: Jamar, Inc.

Dear Mr. LeMay:

So that we can reconsider our cancellation of this bond for reinstatement we are writing you at this time to request a status of the work they've been doing.

- 1) Are they complying with the applicable Statutes
- 2) Are they paying all labor and material bills
- 3) Is the work progressing satisfactorily

We would also like to take this opportunity to request a copy of the NM Statutes that require this bond and list the Principal's responsibilities.

Thank you so much for your assistance in this matter.

Sincerely,

Mary Jane Hopper  
AMWEST SURETY INSURANCE COMPANY

mjh/ms

PS: Please advise when Amwest Surety will be released or exonerated as to any property or wells acquired, started or drilled or any equipment and treating plant operations prior to our cancellation date.



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

August 25, 1989

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Amwest Surety Insurance  
5225 N. Central Avenue  
Suite 104  
Phoenix, Az. 85012

Attention: John Savage

Re: \$25,000 Treating Plant Bond  
Jamar, Inc., Principal  
Bond No. 1135611

Gentlemen:

Receipt of your request for cancellation of the above-captioned bond is hereby acknowledged.

The bond executed by your company is cancelled September 25, 1989, as to the operation of the treating plant.

It should be noted, however, that the subject bond will remain in effect as to any property or wells acquired, started or drilled or any equipment and treating plant operations prior to September 25, 1989.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. Lemay".

WILLIAM J. LEMAY,  
Director

cc: Oil Conservation Division  
Hobbs

Jamar, Inc.  
2620 N. Albertson  
Hobbs, New Mexico 88240



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

October 19, 1988

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Amwest Surety Insurance  
Company  
5225 N. Central Avenue  
Phoenix, Az. 85012

Re: \$25,000 Treating Plant Bond  
Jamar, Inc., Principal  
Amwest Surety Insurance Co., Surety  
Bond No. 1135611

Gentlemen:

I am in receipt of your Notice of Reinstatement for the  
above-referenced treating plant bond. We will consider  
this bond to be in full force and effect with no lapse in  
coverage.

Sincerely,

A handwritten signature in dark ink, appearing to read "William J. Lemay". The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

WILLIAM J. LEMAY,  
Director

dr/.

cc: Jamar, Inc.  
2620 N. Albertson  
Hobbs, New Mexico 88240





STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

September 15, 1988

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Amwest Surety Insurance  
Company  
5225 N. Central Avenue  
Phoenix, Az. 85012

Re: \$25,000 Treating Plant Bond  
Jamar, Inc., Principal  
Amwest Surety Insurance Co., Surety  
Bond No. 1135611

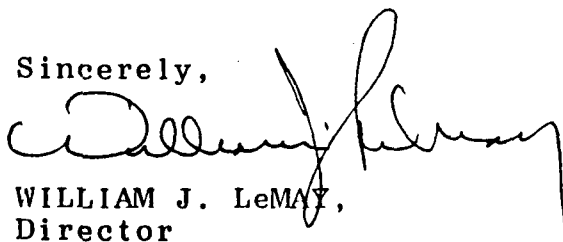
Gentlemen:

Receipt of your request for cancellation of the above-captioned bond is hereby acknowledged.

The bond executed by your company is cancelled as to future liability as of October 17, 1988, as to the operation of the treating plant.

It should be noted, however, that the subject bond will remain in effect as to any property or wells acquired, started, or drilled or any equipment and treating plant operations prior to October 17, 1988.

Sincerely,



WILLIAM J. LeMay,  
Director

cc: Oil Conservation Division  
Hobbs,

Jamar, Inc.  
2620 N. Albertson  
Hobbs, New Mexico 88240



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

August 30, 1988

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 875  
(505) 827-5800

Amwest Surety Insurance  
Company  
5225 N. Central Avenue  
Phoenix, Az. 85012

Re: \$25,000 Treating Plant Bond  
Jamar, Inc., Principal  
Amwest Surety Insurance Co., Surety  
Bond No. 1135611

Gentlemen:

I am in receipt of your Notice of Reinstatement for the above-referenced treating plant bond. We will consider this bond to be in full force and effect with no lapse in coverage.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. Lemay".

WILLIAM J. LEMAY,  
Director

dr/

cc: Jamar, Inc.  
2620 N. Albertson  
Hobbs, New Mexico 88240



# AMWEST SURETY INSURANCE COMPANY

1-1-H

25GMT

## NOTICE OF CANCELLATION

DATE OF NOTICE	BOND NUMBER	TYPE OF BOND	ORIGINAL EFFECTIVE DATE
8-21-89	1135611	MISC. INDEMNITY	9-16-87

OBLIGEE

STATE OF NEW MEXICO  
E M & NATURAL RESOURCES  
PO BOX 2088

SANTA FE, NM 87504

CFW - 9-25-89

**RECEIVED**

AUG 24 1989

OIL CONSERVATION DIV.  
SANTA FE

AMWEST SURETY INSURANCE CO. hereby notifies you that it has elected to cancel said bond in its entirety. Such cancellation will become effective 30 days after obligee receives notice.

This notice is given to you in accordance with the cancellation provision in said bond.

CANCELLED FOR NON-RENEWAL

AMWEST SURETY INSURANCE COMPANY

BY:

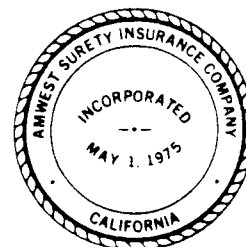
*John E. Savage*

ATTORNEY-IN-FACT

PRINCIPAL

JAMAR, INC.

2620 N. ALBERTSON  
HOBBS, NM 83240



ADDRESS ALL CORRESPONDENCE  
RELATING TO THIS NOTICE TO:

PRODUCER

ALEXANDER & ALEXANDER OF  
NM \* ALBUQUERQUE BRANCH  
P.O. BOX A  
ALBUQUERQUE, NM 87103  
(505) 883-3282

AMWEST SURETY INSURANCE CO.  
5225 NORTH CENTRAL AVE.  
SUITE 104  
PHOENIX, AZ 85012  
(602) 263-1112

OBLIGEE COPY



# AMWEST SURETY INSURANCE COMPANY

Duplicate Original

## NOTICE OF REINSTATEMENT

DATE OF NOTICE	BOND NUMBER	TYPE OF BOND
10-11-88	1135611	Misc. Indemnity

OBLIGEE

State of New Mexico  
Energy, Minerals & Natural  
Resources Dept.  
P.O. Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

GENTLEMEN:

ON 8-22-88, WE MAILED NOTICE OF CANCELLATION ON THE CAPTIONED BOND. WE NOW REQUEST THAT SAID BOND BE REINSTATED AND REMAIN IN FULL FORCE AND EFFECT AND WITHOUT LAPSE OF LIABILITY.

BY

John E. Savage  
ATTORNEY-IN-FACT

FOR: AMWEST SURETY INSURANCE COMPANY

PRINCIPAL

Jamar, Inc.  
2620 North Albertson  
Hobbs, New Mexico 88240



ADDRESS ALL CORRESPONDENCE  
RELATING TO THIS NOTICE TO:



AMWEST SURETY INSURANCE COMPANY  
5225 N. CENTRAL AVE. #104  
PHOENIX, AZ 85012  
(602) 263-1112

PRODUCER

Alexander & Alexander of New Mexico  
Albuquerque Branch  
P.O. Box A  
Albuquerque, New Mexico 87103

OBLIGEE COPY



# AMWEST SURETY INSURANCE COMPANY

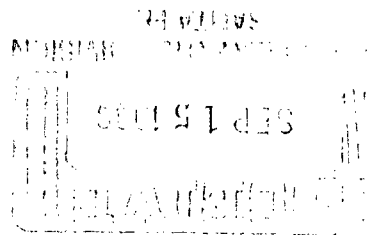
## NOTICE OF CANCELLATION

DATE OF NOTICE	BOND NUMBER	TYPE OF BOND	ORIGINAL EFFECTIVE DATE
8-22-88	1135611	MISC. INDEMNITY	9-16-87

### OBLIGEE

MU1  
STATE OF NEW MEXICO  
OIL CONSERV DIV  
P. O. BOX 20988

SANTA FE, NM 87504



AMWEST SURETY INSURANCE CO. hereby notifies you that it has elected to cancel said bond in its entirety. Such cancellation will become effective 30 days after obligee receives notice.

This notice is given to you in accordance with the cancellation provision in said bond.

CANCELLED FOR NON-RENEWAL

AMWEST SURETY INSURANCE COMPANY

BY:

*John E. Savage*

ATTORNEY-IN-FACT

### PRINCIPAL

JAMAR, INC.

2620 N. ALBERTSON  
HOBBS, NM 88240

*CFW  
10-17-88*



ADDRESS ALL CORRESPONDENCE  
RELATING TO THIS NOTICE TO:

### PRODUCER

ALEXANDER & ALEXANDER OF  
NM \* ALBUQUERQUE BRANCH  
P.O. BOX A  
ALBUQUERQUE, NM 87103

AMWEST SURETY INSURANCE CO.  
5225 NORTH CENTRAL AVE.  
SUITE 104  
PHOENIX, AZ 85012  
(602) 263-1112



# AMWEST SURETY INSURANCE COMPANY

## NOTICE OF REINSTATEMENT

DATE OF NOTICE	BOND NUMBER	TYPE OF BOND
08-24-88	1135611	MISC. INDEMNITY

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E

•NEW MEXICO OIL CONSERVATION DIVISION  
OF TH ENERGY & MINERALS DEPARTMENT  
P.O. BOX 2088  
SANTA FE, NEW MEXICO

GENTLEMEN:

ON 08-17-88 , WE MAILED NOTICE OF CANCELLATION ON THE CAPTIONED BOND. WE NOW REQUEST THAT SAID BOND BE REINSTATED AND REMAIN IN FULL FORCE AND EFFECT AND WITHOUT LAPSE OF LIABILITY.

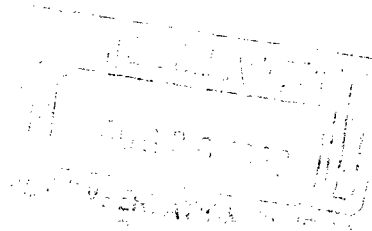
BY

*John E. Savage*  
ATTORNEY-IN-FACT

FOR: AMWEST SURETY INSURANCE COMPANY

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JAMAR, INC.  
2620 N. ALBERTSON  
HOBBS, NM. 88240



ADDRESS ALL CORRESPONDENCE  
RELATING TO THIS NOTICE TO:



AMWEST SURETY INSURANCE COMPANY  
5225 N. CENTRAL AVE.  
PHOENIX, AZ. 85012

P  
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.ALEXANDER & ALEXANDER OF NM\*\*\*  
ALBURQUERQUE BRANCH  
P.O. BOX A  
ALBURQUERQUE, NM. 87103

ko





STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

October 1, 1987

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Jamar, Inc.  
2620 N. Albertson  
Hobbs, New Mexico 88240

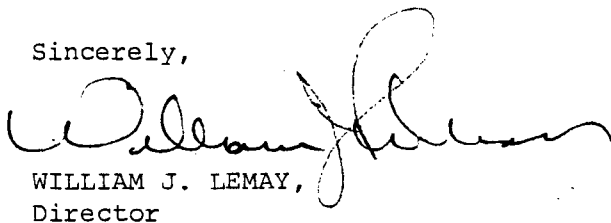
Attention: Charles Robinson, Jr.

Re: \$25,000 Treating Plant Bond  
Jamar, Inc., Principal  
Amwest Surety Insurance Co., Surety  
Bond No. 1135611

Dear Mr. Robinson:

The Oil Conservation Division hereby approves the above-captioned treating plant bond which covers a treating plant in Section 8, T-20-S, R-37-E in the NE/4 NE/4.

Sincerely,

  
WILLIAM J. LEMAY,  
Director

dr/

cc: Oil Conservation Division  
Hobbs, New Mexico

BOND NO. 1135611 Premium: \$1250.00  
(For Use of Surety Company)

File with Oil Conservation Division, P. O. Box 2098, Santa Fe, New Mexico 87504

KNOW ALL MEN BY THESE PRESENTS:

That Jamar, Inc., (an individual)  
(partnership) (a corporation organized in the State of New Mexico,  
with its principal office in the City of Hobbs, State of New  
Mexico, and authorized to do business in the State of New Mexico), as  
PRINCIPAL, and AMWEST SURETY INSURANCE COMPANY, a corporation  
organized and existing under the laws of the State of California,  
and authorized to do business in the State of New Mexico with duly appointed resident  
agent licensed in the State of New Mexico, to execute this bond on behalf of the  
surety company, as SURETY, are held firmly bound unto the State of New Mexico, for  
the use and benefit of the Oil Conservation Division of the Energy & Minerals  
Department pursuant to Chapter 72, Laws of New Mexico, 1935, as amended, and to the  
State of New Mexico in the sum of Twenty Five Thousand (\$25,000.00) Dollars lawful  
money of the United States for the payment of which, well and truly to be made, said  
PRINCIPAL and SURETY hereby bind themselves, their successors and assigns, jointly  
and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, The above principal has heretofore or may hereafter enter into the  
process of treating and reclaiming sediment oil in Section 8, Township 20  
(~~North~~) (South), Range 37 (East) (~~West~~), N.M.P.M., \_\_\_\_\_ County, New  
Mexico.

NOW, THEREFORE, This \$25,000 performance bond is conditioned upon substantial  
compliance with all applicable statutes of the State of New Mexico and all rules,  
regulations, and orders of the Oil Conservation Division of the Energy and Minerals  
Department, and upon clean-up of the plant site to standards of the Oil Conservation  
Division; otherwise the principal amount of the bond to be forfeited to the State of  
New Mexico.

PROVIDED, HOWEVER, That sixty (60) days after receipt by the Oil Conservation  
Division of written notice of cancellation from the Surety, the obligation of the  
Surety shall terminate as to activities or operations conducted by PRINCIPAL after  
said sixty (60) day period but shall continue in effect, notwithstanding said notice,  
as to such activities or operations conducted or commenced before the expiration of  
the sixty day period.

Signed and sealed this 16th day of September, 19 87.

Jamar, Inc.  
PRINCIPAL

AMWEST SURETY INSURANCE COMPANY  
SURETY

2620 N. Albertson - Hobbs, NM 5225 North Central Avenue, #104  
Mailing Address 88240 Mailing Address Phoenix, Arizona, 85012

By [Signature] - Pres By Arttyce Johnson  
Signature Title Attorney-in-Fact Arttyce Johnson

(Note: Principal, if corporation  
Affix corporate seal here.)

(Note: Corporate surety affix corporate  
seal here.)



Mexico, the resident New Mexico agent shall countersign here below.)

Countersigned by:

New Mexico Resident Agent

P.O. Box A, Albuquerque, NM 87103  
Address

STATE OF New Mexico )  
COUNTY OF Bernalillo ) ss.

On this 16th day of September, 1987, before me personally appeared Charles A. Robinson Jr., to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as he (their) free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

[Signature]  
Notary Public

March 11, 1991  
My Commission Expires:

ACKNOWLEDGMENT FORM FOR CORPORATION

STATE OF Arizona )  
COUNTY OF Maricopa ) ss.

On this 16th day of September, 1987, before me personally appeared Artyce Johnson, to me personally known who, being by me duly sworn, did say that he is Attorney-in-fact of AMWEST SURETY INSURANCE COMPANY and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.



**MARY JANE HOPPER**  
Notary Public - Arizona  
Principal Offices in  
Maricopa County

My Commission Expires  
My Commission Expires May 7, 1990

[Signature]  
Notary Public

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss.

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, before me appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, did say that he is \_\_\_\_\_ of \_\_\_\_\_ and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

[Signature]  
Notary Public

My Commission Expires:

(Note: Corporate surety attach power of attorney)

APPROVED BY:  
OIL CONSERVATION DIVISION

By [Signature]

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THE AMWEST SURETY INSURANCE COMPANY, A CALIFORNIA CORPORATION does hereby make, constitute and appoint

Article III, Section 3.01

its true and lawful Attorney(s)-in-Fact, with full power and authority to do in its name, as attorney, to execute and deliver and affix the seal of the company, the affixing of a seal, bonds and undertakings, recognizances or other written obligations in the nature thereof, as follows:

Contract, Court, License, Permit and Miscellaneous Bonds

and to bind AMWEST SURETY INSURANCE COMPANY, its officers, directors, agents and Attorneys-in-Fact, pursuant to these presents, are hereby ratified and confirmed. This ratification is made under and by authority of the following provisions of the By-Laws of the company, which are now in full force and effect:

Article III, Section 3.01 of the By-Laws of AMWEST SURETY INSURANCE COMPANY

This Power of Attorney is made and attested and is made under and by the authority of the following resolutions adopted by the board of directors of AMWEST SURETY INSURANCE COMPANY, at a meeting duly held on December 15, 1975:

RESOLVED, that the president or any vice-president in conjunction with the secretary or an assistant secretary may appoint an attorney-in-fact or agents with authority as defined or limited in the instrument replacing the appointment in each case, to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances or other written obligations, and such officers and agents may remove and revoke any such attorney-in-fact or agent and may revoke any power of attorney previously granted to any person.

RESOLVED FURTHER, that any bond, undertaking, recognizance or surety obligation shall be valid and binding upon the company:

(i) when signed by the president or any vice-president and attested and sealed (if a seal be required) by any secretary or assistant secretary; or

(ii) when signed by the president or any vice-president or secretary or assistant secretary and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or

(iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance or other surety obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, AMWEST SURETY INSURANCE COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be hereunto affixed this 1st day of April 19 85



AMWEST SURETY INSURANCE COMPANY

Gary R. Peterson

Gary R. Peterson, President

Karen G. Cohen

Karen G. Cohen, Secretary

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES — ss

On this 1st day of April A.D. 19 85, personally came before me Gary R. Peterson

and Karen G. Cohen to me known to be the individuals and officers of AMWEST SURETY INSURANCE COMPANY, CALIFORNIA who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



(SEAL)

Janice Druez

Notary Public

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES — ss

CERTIFICATE

I, the undersigned, \_\_\_\_\_ secretary of the AMWEST SURETY INSURANCE COMPANY, a California corporation. DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked, and furthermore, that the provisions of the By-Laws of the company and the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

Signed and sealed at Phoenix, Arizona this 16th day of September 19 87



Karen G. Cohen

Karen G. Cohen, Secretary

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

1000359  
CASE NO. 9199  
Order No. R-8507

APPLICATION OF JAMAR, INC. FOR  
AN OIL TREATING PLANT PERMIT,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on August 26, 1987, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 8th day of September, 1987, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Jamar, Inc., seeks authority to operate a chemical and heat-treatment type oil treating plant located in the NE/4 NE/4 (Unit A) of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, for the processing of approximately 3000 barrels per month of raw materials from disposal water, tank bottoms, and waste pits.

(3) The proposed plant and method of processing will efficiently process, treat, and reclaim the aforementioned waste oil, thereby salvaging oil which would otherwise be wasted.

(4) The treating plant should be constructed, operated, and maintained in such a manner as to preclude spills and fires, protect persons and livestock, and prevent contamination of fresh waters.

(5) Prior to initiation of operations, the facility should be inspected by the supervisor of the Hobbs district office of the Division in order to determine the adequacy of existing fences, gates, dikes, and berms needed to assure safe plant operation.

(6) All waste water and solid wastes obtained in the treatment process should be disposed of at a Division approved site.

(7) The Director of the Division should be authorized to administratively grant approval for the expansion or modification of said plant.

(8) Authority for operation of the plant should be suspended or rescinded whenever such suspension or rescission should appear necessary to protect human health or property, to protect fresh water supplies from contamination, to prevent waste, or for non-compliance with the terms and conditions of this order or Division rules.

(9) Prior to initiation of operations, the applicant should be required to submit to the Santa Fe office of the Division a surety or cash bond in the amount of \$25,000 in a form approved by the Division.

(10) The treating plant permit should be non-transferable.

(11) The subject application should be approved as being in the best interests of conservation.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Jamar, Inc., is hereby authorized to install and operate a chemical and heat-treatment type oil treating plant located in the NE/4 NE/4 (Unit A) of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, for the purpose of treating and reclaiming approximately 3000 barrels of sediment oil per month obtained from tank bottoms, waste pits, and disposal water.

PROVIDED HOWEVER THAT, prior to initiation of operations, the applicant shall file with the Santa Fe office of the Division a surety or cash bond in the amount of \$25,000 in a form approved by the Division.

(2) The facility shall have adequate fencing, gates, and cattle guards installed and maintained as protection for livestock and preclude entry by persons during periods when the facility is unattended.

(3) The facility shall be operated and maintained in such a manner that spills or leaks will be prevented and any spill or leak which should occur will be immediately cleaned up.

(4) The supervisor of the Hobbs district office of the Division may require the applicant, after inspection of the facility, to install additional fencing, or to construct additional dikes, dams, or fire walls in order to assure the safe operation of said plant.

(5) The disposal of waste fluids or solids accumulated in conjunction with the operation of the plant shall be at Division approved sites, and, further, any disposal of such fluids or solids on the surface of the ground or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, or in any other place or manner which may constitute a hazard to any fresh water supplies is hereby prohibited.

(6) The Director of the Division may administratively grant authority for the expansion or modification of said plant upon request and a demonstration that such expansion or modification is upon contiguous acreage and is otherwise consistent with this order and Division rules and regulations.

(7) Authority for operations of the facility may be suspended or rescinded should such suspension or rescission appear necessary to protect human health or property, to protect fresh water supplies from contamination, to prevent waste or for non-compliance with the terms and conditions of this order or Division rules.

(8) The treating plant authorization is non-transferable to any other location or operator.

(9) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

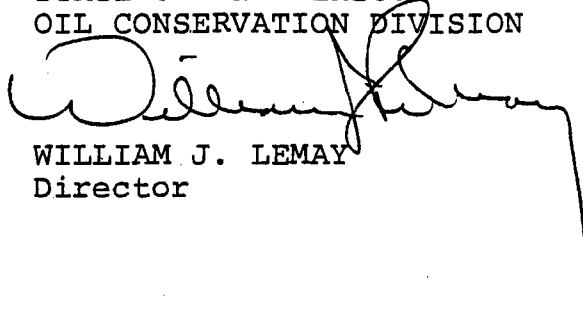
-4-

Case No. 919

Order No. R-8507

DONE at Santa Fe, New Mexico, on the day and year  
hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

A handwritten signature in dark ink, appearing to read 'William J. Lemay', is written over the typed name and title. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

WILLIAM J. LEMAY  
Director

S E A L

fd/

Jamar, Inc.

Permit to operate via Order 9199, Environmental File 711-014

OCD Inspection February 17, 2003

Larry Johnson, Hobbs District Office



Photo 3: From left to right, 2-500bbl insulated tanks, 2-250 bbl buried tanks, and 1-250 bbl insulated tank and steel box on concrete. Looking north-northeast.



Photo 4: Junk pile in the southwest corner contains drums, car body, pipe, sink, etc. Looking northwest.



Jamar, Inc.

Permit to operate via Order 9199, Environmental File 711-014

OCD Inspection February 17, 2003

Larry Johnson, Hobbs District Office



Photo 1: 2- Buried 250 bbl tanks containing paraffin and water, 1-insulated 250 bbl tank contents unknown. Looking East



Photo 2. Close up of buried 250 bbl tank with net and fluid. Looking Southeast





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

April 8, 2003

**Lori Wrotenbery**

Director

Oil Conservation Division

Jamar, Inc.  
c/o Charles A. Robinson, Jr.  
2620 N. Albertson  
Hobbs, NM 88240

Amwest Surety Insurance Company  
Attn: Clark Cameron  
c/o Sunrise Claims Handling  
5230 Las Virgenes Road  
Calabasas, CA 91302

**VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

**Re: Oil Treating Plant at Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico permitted by Order No. R-8507 issued in Case No. 9199, under date of September 8, 1987.**

Ladies and Gentlemen:

The Oil Conservation Division has determined that disposal operations have ceased at the referenced facility, and there has been no significant activity at the facility for a period substantially in excess of six (6) months. Accordingly, pursuant to Rule 711.D [19.15.9.711.D NMAC], the Division has further determined that the referenced facility shall be closed. In the absence of a response to this letter, the Division will proceed with an application for a hearing to show cause why the permit for this facility should not be revoked, the permittee ordered to close the facility in accordance with said Rule 711.D, and the operator's bond forfeited to the extent necessary to defray costs of closing the facility. You posted a surety bond, in the amount of \$25,000, No. 1135611 issued by Amwest Surety Insurance Company on August 13, 1979.

Forfeiture may be avoided if the permittee or another party agrees to submit a closure plan and perform closure operations in accordance with Rule 711 and satisfies the Division that such party has the ability to satisfy the conditions required for closure. The surety may assume responsibility for closure of the facility if the surety can demonstrate to the satisfactions of the Division that it has the ability to complete the closure in accordance with a Division-approved plan.

Unless the permittee or surety submits to this office, no later than May 8, 2003 an agreement to submit a closure plan and perform closure operations, the Division will proceed to schedule a permit revocation hearing.

Should you have any questions, please call Martyne Kieling at (505)-476-3488.

Very truly yours,

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

cc: David K. Brooks  
OCD legal

State of New Mexico

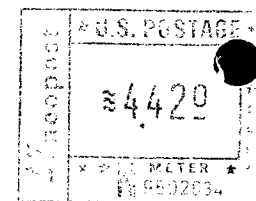
**ENERGY, MINERALS and NATURAL RESOURCES**

1220 South Saint Francis Drive  
P.O. Box 6429  
Santa Fe, New Mexico 87505-5472

**CERTIFIED MAIL**



7001 1940 00004 8929 8348



Name \_\_\_\_\_  
First Notice MAY 6 2003  
Second Notice \_\_\_\_\_  
Return \_\_\_\_\_

**REASON FOR RETURN**  
✓ **WRITER**  
Unclaimed  
Addressee unknown  
Insufficient Address  
To such street  
To such office in state  
No notice made in this event



Jamar, Inc.  
c/o Charles A. Robinson, Jr.  
2620 N. Albertson  
Hobbs, NM 88240

NAME \_\_\_\_\_  
1st Notice 4/17  
2nd Notice 4/17  
Return 4/17

CCP

## MEMORANDUM

To: Rand Carroll, Legal Bureau  
Through: Roger Anderson, Environmental Bureau Chief *RA*  
From: *WMA* Martyne Kieling, Environmental Bureau *MJK*  
Subject: Jamar Inc. financial surety  
Date: January 20, 1999

---

Jamar, Inc (Jamar) is a chemical and heat-treatment type oil treating facility. Jamar was originally permitted under Order R-8507 on September 8, 1987 and is located in the NE/4 NE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

To our knowledge the Jamar facility is not currently being operated and has not submitted a closure plan or requested re-permitting under Rule 711. A company by the name of Jadco has been suggested to have a tie with the facility. However, the OCD has nothing on Jadco on file. I have contacted the OCD Artesia District office for the original Case File No. 9199. However, Artesia does not have the Case File. The OCD Environmental Bureau recommends that the surety bond No. 1135611 for \$25,000 be collected to aid in the environmental restoration of the property.

Parties that should be contacted are:

1. Jamar Inc.  
P.O. Box 717  
Hobbs, New Mexico 88240
2. JADCO Purchasing  
5555 East 71 Street  
Bldg 8, Ste. 315  
Tulsa, Oklahoma 74136
3. Amwest Surety Insurance Company  
P.O. Box 4500  
Woodland Hills, California 91365-4500  
(818) 871-2000
4. Amwest Surety Insurance Company  
5225 North Central Ave.  
Suite 104  
Phoenix, Arizona 85012-1452  
(602) 263-1112
5. Ms. Martha Laughlin Williams  
555 Vallombosa Ave. #27  
Chico, CA 95926  
Surface owner of record:  
NE/4 NE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

6. Mr. Jimmie T. Cooper

C & C Landfarm Inc.

Box 55

Monument, New Mexico 88265

Surface owner of record:

SE/4 NE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

Order: R-8507  
Case No.: 9199  
Date: September 8, 1987  
Name: Jamar, Inc.  
President: unknown  
Address: (As of May 1988) 2620 N. Albertson, Hobbs, New Mexico 88240  
(As of 1990) P.O. Box 117 Hobbs, New Mexico 88240  
Location: NE/4 NE/4 of Section 8, T 20 S, R 37 E, NMPM, Lea County, NM  
The actual location of Jamar is approximately the SE/4 SE/4 of  
Section 8, T 20 S, R 37 E, NMPM, Lea County, NM

NMPRC name: Jamar, Inc.  
Mailing address: P.O. Box 117 Hobbs, New Mexico 88240  
Principal Address: Highway 8, Monument, New Mexico 88265  
Incorporators: Charles A. Robinson Jr.  
Charles A. Robinson III  
Cathy Ann Lovas  
Directors: Charles A. Robinson Jr. 2620 North Albertson, Hobbs 88240  
Charles A. Robinson III, 109 East Albertson, Hobbs, NM 88240  
Cathy Ann Lovas, 1910 East Clinton, Hobbs NM 88240  
Charles A. Robinson Sr, 1123 North Gila, Hobbs, NM 88240  
Deanna S. Robinson 2620 North Albertson, Hobbs, NM 88240  
Fern Robinson 1300 Constitution Court NE,  
Albuquerque, NM 87112  
James F. Robinson 1300 Constitution Court NE,  
Albuquerque, NM 87112

Bond Company: Amwest Surety Insurance Company – In Liquidation, the filing  
date has passed however we could file late but we would be in the  
9<sup>th</sup> or 10<sup>th</sup> tier. Call for correct claim forms 818-871-2000

Number: 1135611  
Date: September 16, 1987  
Amount: \$25,000  
Correspondence: last correspondence was on September 18, 1989  
Response: Original bond on file

Surface Owner: Jimmie T. Cooper P.O. Box 55, Monument, NM 88265  
Warranty Deed dated 1960 from Blocker on file.  
1993 Warranty Deed on its way  
**OCD drafting Access Agreement**

NMPRC name: Jamar, Inc.  
Mailing address: P.O. Box 117 Hobbs, New Mexico 88240  
Principal Address: Highway 8, Monument, New Mexico 88265  
Incorporators: Charles A. Robinson Jr.  
Charles A. Robinson III  
Cathy Ann Lovas  
Directors: Charles A. Robinson Jr. 2620 North Albertson, Hobbs 88240  
Charles A. Robinson III, 109 East Albertson, Hobbs, NM 88240  
Cathy Ann Lovas, 1910 East Clinton, Hobbs NM 88240  
Charles A. Robinson Sr, 1123 North Gila, Hobbs, NM 88240  
Deanna S. Robinson 2620 North Albertson, Hobbs, NM 88240  
Fern Robinson 1300 Constitution Court NE,  
Albuquerque, NM 87112  
James F. Robinson 1300 Constitution Court NE,  
Albuquerque, NM 87112

Surface Owner: Jimmie T. Cooper P.O. Box 55, Monument, NM 88265  
Warranty Deed dated 1960 from Blocker on file.  
**OCD has no access agreement**

Order: R-8507  
Case No.: 9199  
Date: September 8, 1987  
Name: Jamar, Inc.  
President: unknown  
Address: (As of May 1988) 2620 N. Albertson, Hobbs, New Mexico 88240  
(As of 1990) P.O. Box 117 Hobbs, New Mexico 88240  
Location: NE/4 NE/4 of Section 8, T 20 S, R 37 E, NMPM, Lea County, NM  
The actual location of Jamar is approximately the SE/4 SE/4 of  
Section 8, T 20 S, R 37 E, NMPM, Lea County, NM

NMPRC name: Jamar, Inc.  
Mailing address: P.O. Box 117 Hobbs, New Mexico 88240  
Principal Address: Highway 8, Monument, New Mexico 88265  
Incorporators: Charles A. Robinson Jr.  
Charles A. Robinson III  
Cathy Ann Lovas  
Directors: Charles A. Robinson Jr. 2620 North Albertson, Hobbs 88240  
Charles A. Robinson III, 109 East Albertson, Hobbs, NM 88240  
Cathy Ann Lovas, 1910 East Clinton, Hobbs NM 88240  
Charles A. Robinson Sr, 1123 North Gila, Hobbs, NM 88240  
Deanna S. Robinson 2620 North Albertson, Hobbs, NM 88240  
Fern Robinson 1300 Constitution Court NE,  
Albuquerque, NM 87112  
James F. Robinson 1300 Constitution Court NE,  
Albuquerque, NM 87112

Bond Company: The Travelers Indemnity Co.  
Number: 862E405A  
Date: Approved September 5, 1979  
Amount: \$10,000  
Correspondence: Nothing on file  
Response: Original bond not on file, there is only a card in Dorothy's' file.

Surface Owner: Jimmie T. Cooper P.O. Box 55, Monument, NM 88265  
**OCD has no access agreement**



## JAMAR, INC. / OIL PROCESSING, INC.

Oil Processing, Inc. is an abandoned oil treating plant that reclaimed petroleum products from July 1979 to February 1986. In December of 1986 Order R-6053 was revoked. In 1987 Jamar, Inc. received Order R-8507 to operate a similar facility at the same location. The OCD currently has a \$25,000 surety bond for the Jamar Inc. facility. The Jamar facility is currently not operating.

The facility is located 2.7 miles south of Monument, New Mexico (Section 8, Township 20 South, Range 37 East, NMPM, Lea County NM). Currently the facility has 13 tanks some of which are open top and contain oil, waste water and sediment.

Impact to ground water from this site is currently not known. Depth to ground water is between 20 and 27 feet, chloride is between 796 mg/l and 3650 mg/l, total petroleum hydrocarbon is 5.86 mg/l and total dissolved solids is 2352 mg/l

The closest residences are located 2.5 miles north of the facility in the town of Monument. Use of ground water in the vicinity of the site is for the petroleum industry and livestock watering. There is some irrigation use near the town of Monument.

## GENERAL PETROLEUM, INC.

In 1962 an oilfield treating plant facility began operating, in the city limits of Eunice, New Mexico, (SW/4, SW/4 of Section 28, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico). Operation continued into the early 1980's. General Petroleum, Inc. is located above the Ogallala Formation, a source of drinking, irrigation and stock water for surrounding residence and the city of Eunice.

In June of 2001 a naturally occurring radioactive material (NORM) investigation was conducted by the OCD and the Environment Department Radiation Control Bureau. The determination was made that there is no regulated NORM at this facility.

During a preliminary investigation in June 2002, three ground water monitoring wells were drilled through the subsurface to ground water and several boreholes were dug into the subsurface to determine the gross extent of contamination below the site. Impact to ground water from this site has occurred. Depth to ground water is 89 feet below ground surface, chloride in the down-gradient well is 750 mg/l and total dissolved solids is 2500 mg/l. Hydrocarbons have impacted the subsurface to at least 25 feet below the pit and 15 feet below the tanks.

There are residences that border the facility on the north and east and two residences across the county road the road to the west. The people that live next to the facility have expressed concern. Dr. Henning, who operates a medical clinic across the street south of the facility, has expressed concern regarding the facility's potential threat to public health. The facility does not have adequate fencing.



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

April 8, 2003

**Lori Wrotenbery**

Director

Oil Conservation Division

Jamar, Inc.  
c/o Charles A. Robinson, Jr.  
2620 N. Albertson  
Hobbs, NM 88240

Amwest Surety Insurance Company  
Attn: Clark Cameron  
c/o Sunrise Claims Handling  
5230 Las Virgenes Road  
Calabasas, CA 91302

**VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

**Re: Oil Treating Plant at Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico permitted by Order No. R-8507 issued in Case No. 9199, under date of September 8, 1987.**

Ladies and Gentlemen:

The Oil Conservation Division has determined that disposal operations have ceased at the referenced facility, and there has been no significant activity at the facility for a period substantially in excess of six (6) months. Accordingly, pursuant to Rule 711.D [19.15.9.711.D NMAC], the Division has further determined that the referenced facility shall be closed. In the absence of a response to this letter, the Division will proceed with an application for a hearing to show cause why the permit for this facility should not be revoked, the permittee ordered to close the facility in accordance with said Rule 711.D, and the operator's bond forfeited to the extent necessary to defray costs of closing the facility. You posted a surety bond, in the amount of \$25,000, No. 1135611 issued by Amwest Surety Insurance Company on August 13, 1979.

Forfeiture may be avoided if the permittee or another party agrees to submit a closure plan and perform closure operations in accordance with Rule 711 and satisfies the Division that such party has the ability to satisfy the conditions required for closure. The surety may assume responsibility for closure of the facility if the surety can demonstrate to the satisfaction of the Division that it has the ability to complete the closure in accordance with a Division-approved plan.

Case No. 13027  
OCD Exhibit No. 3  
May 22, 2003

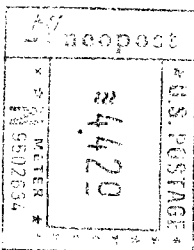
## ENERGY, MINERALS and NATURAL RESOURCES

7001 1940 0004 8929 8348



**CERTIFIED MAIL**

01-09-03  
A.M.E.



Name \_\_\_\_\_  
First Notice MAY 6 2003  
Second Notice \_\_\_\_\_  
Return \_\_\_\_\_

REASON CHECKED  
☒ Sufficient Unknown  
☐ Insufficient Address  
☐ No such street  
☐ No such office in state  
☐ Mail in this signal

Jamar, Inc.

~~c/o~~ Charles A. Robinson, Jr.  
2620 N. Albertson  
Hobbs, NM 88240

NAME \_\_\_\_\_  
1st Notice 7/17  
2nd Notice 7/27  
Return 7/27

3

711-014

4803

mjk

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

Consult postmaster for fee.

Thank you for using Return Receipt Service.

3. Article Addressed to:

AMWEST SURETY INSURANCE CO.  
ATTN: CLARK CAMERON  
C/O SUN RISE CLAIMS HANDLING  
5230 LAS VIRGENES ROAD  
CALABASAS, LA 91302

7001 1940 0004 3929 8331

RECEIVED

4b. Service Type

- ☐ Registered
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☒ Certified
- ☐ Insured
- ☐ COD

7. Date of Delivery

4/16/03

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

MARK HAMPER

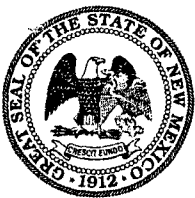
6. Signature: (Addressee or Agent)

X *MS Hamper*

PS Form 3811, December 1994

102595-97-B-0179

Domestic Return Receipt



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

February 18, 2003

**Lori Wrotenbery**

Director

**Oil Conservation Division**

Jamar, Inc;  
P.O. Box 717  
Hobbs, NM 88240

Jamar, Inc.  
c/o Charles A. Robinson, Jr.  
2620 N. Albertson  
Hobbs, NM 88240

Amwest Surety Insurance Company  
Attn: Clark Cameron  
In care of Sunrise Claims Handling  
5230 Las Virgenes Road  
Calabasas, CA 91302

## **VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

**Re: Case No. /3027: Application of the New Mexico Oil Conservation Division through the Environmental Bureau Chief to Revoke the Permit of Jamar, Inc. to Operate an Oil Treatment Plant; Lea County, New Mexico**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the referenced Application, a copy of which is enclosed herewith, seeking to rescind the authority of Jamar, Inc. to operate an oil treatment facility in Lea County, New Mexico, specifically identified in said application.

A hearing on this application will take place before a Division hearing officer on Thursday, March 13, 2002, at 8:15 a.m., in the Division Hearing Room, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application.

You posted a surety bond, in the amount of \$25,000, No. 1135611 issued by Amwest Surety Insurance Company. That security will be forfeited if an order is entered as requested in the attached application and you fail to comply therewith.

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION  
THROUGH THE ENVIRONMENTAL BUREAU CHIEF TO REVOKE THE  
PERMIT OF JAMAR, INC. TO OPERATE AN OIL TREATMENT PLANT; LEA  
COUNTY, NEW MEXICO**

CASE NO. 13027

**APPLICATION TO REVOKE TREATMENT FACILITY PERMIT  
AND FORFEIT BOND**

1. By Order No. R-8507, issued in Case No. 9199, the Division granted to Jamar, Inc. ("Jamar") a permit to operate an oil treating plant in the NE/4 NE/4 (Unit A) of Section 8, Township 20 South, Range 37 East, in Lea County, New Mexico.
2. Pursuant to the authority of the said order, Jamar established an oil treating plant ("the subject facility") at the above-described location and commenced operation thereof.
3. More than one year prior to the filing of this application, Jamar ceased operating the subject facility and abandoned the same, leaving at the site hydrocarbon and possibly other chemical contaminants that constitute a danger to fresh water, public health and the environment.
4. Jamar has posted a surety bond in the amount of \$25,000 to secure its obligation to properly close the subject facility, in compliance with O.C.D. Rule 711. Amwest Surety Insurance Company is the surety on said bond, and the number of the bond is 1135611.

WHEREFORE, the Chief of the Environmental Bureau of the Division hereby applies to the Director to enter an order:

- A. Determining that the subject facility has been abandoned.
- B. Rescinding Order No. R-8507, thereby terminating the authority of Jamar to operated the subject facility.
- C. Directing Jamar, Inc. or its corporate successor(s) to clear and reclaim the subject facility in accordance with OCD Rule 711.
- D. Further ordering that if Jamar or its surety fails to plug and abandon the subject facility as ordered by the Director, the Division be authorized: (i) to clear and reclaim the site in accordance with OCD Rule 711; (ii) to declare forfeit the security furnished by the Jamar to the extent necessary to fully reimburse the Division for its expenses incurred in accomplishing the foregoing; and (iii) to take necessary and appropriate measures to recover from Jamar or its corporate successors any costs incurred in excess of the amount of the bond or other security, if any.
- E. For such other and further relief as the Director deems just and proper under the circumstances.

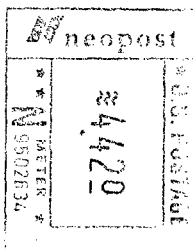
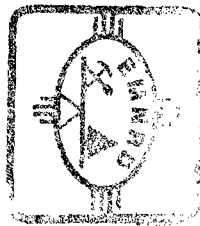
RESPECTFULLY SUBMITTED,

12/  
David K. Brooks  
Assistant General Counsel  
Energy, Minerals and Natural  
Resources Department of the State of  
New Mexico  
1220 S. St. Francis Drive  
Santa Fe, NM 87505  
(505)-476-3450

Attorney for The New Mexico Oil  
Conservation Division

STATE OF NEW MEXICO  
ENERGY MINERALS AND  
NATURAL RESOURCES DEPARTMENT  
1220 SOUTH SAINT FRANCIS DRIVE  
SANTA FE, NEW MEXICO 87505

REASON CHECKED  
☒ Undelivered  
☐ Addressed incorrectly  
☐ Insufficient address  
☐ No such street  
☐ No such office in city  
☐ Do not mail in this office



**CERTIFIED MAIL**



7000 0520 0021 6896 2624

Jamar, Inc;  
P.O. Box 717  
Hobbs, NM 88240

2-21-03  
2-27  
3-9-03

**RECEIVED**

**MAR 25 2003**  
Environmental Bureau  
Oil Conservation Division



Note: If corporate surety executes this bond by an attorney-in-fact not in New Mexico, the resident New Mexico agent shall countersign here below.)

Countersigned by:

New Mexico Resident Agent

P.O. Box A, Albuquerque, NM 87103  
Address

STATE OF New Mexico )  
COUNTY OF Bernalillo ) ss.

On this 16th day of September, 1987, before me personally appeared Charles A. Robinson Jr., to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as he (their) free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

March 11, 1991  
My Commission Expires:

Notary Public

#### ACKNOWLEDGMENT FORM FOR CORPORATION

STATE OF Arizona )  
COUNTY OF Maricopa ) ss.

On this 16th day of September, 1987, before me personally appeared Artyce Johnson, to me personally known who, being by me duly sworn, did say that he is Attorney-in-fact of AMWEST SURETY INSURANCE COMPANY and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.



**MARY JANE HOPPER**  
Notary Public - Arizona  
Principal Offices in  
Maricopa County

My Commission Expires May 7, 1990

Notary Public

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss.

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, before me appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, did say that he is \_\_\_\_\_ of \_\_\_\_\_ and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

Notary Public

My Commission Expires:  
(Note: Corporate surety attach power of attorney)

APPROVED BY:  
OIL CONSERVATION DIVISION

By

# NMPRC Corporation Information Inquiry

## Public Regulation Commission

11/12/2002

- [Follow this link to start a new search.](#)

---

## JAMAR, INC.

SCC Number: 1368638  
Tax & Revenue Number:  
Incorporation Date: OCTOBER16, 1987, in NEW MEXICO  
Corporation Type: IS A DOMESTIC PROFIT  
Corporation Status: IS INACTIVE DUE TO REVOKED & BEYOND APPEAL PERIOD  
Good Standing:  
Purpose: TO BUY,SELL,OWN,LEASE AND OPERATE REAL PROPERTIES

---

### CORPORATION DATES

Taxable Year End Date: 09/30/90  
Filing Date: //  
Expiration Date:

### SUPPLEMENTAL POST MARK DATES

Supplemental:  
Name Change:  
Purpose Change:

---

### MAILING ADDRESS

*P. O. BOX 717 HOBBS, NEW MEXICO 88240*

### PRINCIPAL ADDRESS

*HIGHWAY 8 MONUMENT NEW MEXICO 88265*

### PRINCIPAL ADDRESS (Outside New Mexico)

---

**REGISTERED AGENT***CHARLES A. ROBINSON, JR.*2620 NORTH ALBERTSON HOBBS NEW MEXICO 88240

---

**COOP LICENSE INFORMATION**

Number:

Type:

Expiration Year:

---

**INCORPORATORS***ROBINSON JR., CHARLES A.**ROBINSON III, CHARLES A.**LOVAS, CATHY ANN**LOVAS, CATHY ANN*

---

**DIRECTORS**

Date Election of Directors: 09/30/87

<i>LOVAS, CATHY ANN</i>	1910 EAST CLINTON HOBBS , NM 88240
<i>ROBINSON, DEANNA S</i>	2620 NORTH ALBERTSON HOBBS , NM 87112
<i>ROBINSON, FERN</i>	1300 CONSTITUTION COURT,NE ALBUQUERQUE , NM 87112
<i>ROBINSON, JAMES F</i>	1300 CONSTITUTION COURT,NE ALBUQUERQUE , NM 87112
<i>ROBINSON, III, CHARLES A</i>	109 EAST ALBERTSON HOBBS , NM 88240
<i>ROBINSON, JR. , CHARLES A</i>	2620 NORTH ALBERTSON HOBBS , NM 88240
<i>ROBINSON, SR. , CHARLES A</i>	1123 NORTH GILA HOBBS , NM 88240

Jamar, Inc.

Permit to operate via Order 9199, Environmental File 711-014

OCD Inspection February 17, 2003

Larry Johnson, Hobbs District Office



Photo 3: From left to right, 2-500bbl insulated tanks, 2-250 bbl buried tanks, and 1-250 bbl insulated tank and steel box on concrete. Looking north-northeast.



Photo 4: Junk pile in the southwest corner contains drums, car body, pipe, sink, etc. Looking northwest.



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

April 8, 2003

**Lori Wrotenbery**

Director

Oil Conservation Division

Jamar, Inc.  
c/o Charles A. Robinson, Jr.  
2620 N. Albertson  
Hobbs, NM 88240

Amwest Surety Insurance Company  
Attn: Clark Cameron  
c/o Sunrise Claims Handling  
5230 Las Virgenes Road  
Calabasas, CA 91302

**VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

**Re: Oil Treating Plant at Section 8, Township 20 South, Range 37 East, NMPM,  
Lea County, New Mexico permitted by Order No. R-8507 issued in Case No.  
9199, under date of September 8, 1987.**

Ladies and Gentlemen:

The Oil Conservation Division has determined that disposal operations have ceased at the referenced facility, and there has been no significant activity at the facility for a period substantially in excess of six (6) months. Accordingly, pursuant to Rule 711.D [19.15.9.711.D NMAC], the Division has further determined that the referenced facility shall be closed. In the absence of a response to this letter, the Division will proceed with an application for a hearing to show cause why the permit for this facility should not be revoked, the permittee ordered to close the facility in accordance with said Rule 711.D, and the operator's bond forfeited to the extent necessary to defray costs of closing the facility. You posted a surety bond, in the amount of \$25,000, No. 1135611 issued by Amwest Surety Insurance Company on August 13, 1979.

Fofeiture may be avoided if the permittee or another party agrees to submit a closure plan and perform closure operations in accordance with Rule 711 and satisfies the Division that such party has the ability to satisfy the conditions required for closure. The surety may assume responsibility for closure of the facility if the surety can demonstrate to the satisfactions of the Division that it has the ability to complete the closure in accordance with a Division-approved plan.

Unless the permittee or surety submits to this office, no later than May 8, 2003 an agreement to submit a closure plan and perform closure operations, the Division will proceed to schedule a permit revocation hearing.

Should you have any questions, please call Martyne Kieling at (505)-476-3488.

Very truly yours,

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

ec: David K. Brooks  
OCD legal

**AMWEST SURETY INSURANCE CO.**

**P.O. Box 4500**

**Woodland Hills, CA 91365**

**(818) 704-1111**



**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, That **AMWEST SURETY INSURANCE COMPANY**, A CALIFORNIA CORPORATION does hereby make, constitute and appoint

**Artyce Johnson**

its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto if a seal is required, bonds, undertakings, recognizances or other written obligations in the nature thereof, as follows:

**Contract, Court, License, Permit and Miscellaneous Bonds.**

and to bind **AMWEST SURETY INSURANCE COMPANY** thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are hereby ratified and confirmed. This appointment is made under and by authority of the following provisions of the By-Laws of the company, which are now in full force and effect:

**Article III, Section 7 of the By-Laws of AMWEST SURETY INSURANCE COMPANY**

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of **AMWEST SURETY INSURANCE COMPANY** at a meeting duly held on December 15, 1975:

RESOLVED that the president or any vice-president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any power of attorney previously granted to such person.

RESOLVED FURTHER that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the company:

- (i) when signed by the president or any vice-president and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
- (ii) when signed by the president or any vice-president or secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
- (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, **AMWEST SURETY INSURANCE COMPANY** has caused these presents to be signed by its proper officer, and its corporate seal to be hereunto affixed this 1st day of April 19 85.



**AMWEST SURETY INSURANCE COMPANY**

*Gary R. Peterson*

Gary R. Peterson, President



\$25,000.00 TREATING PLANT ECND

*Per 10-6-76*

BOND NO. 1135611 Premium: \$1250.00  
(For Use of Surety Company)

File with Oil Conservation Division, P. O. Box 2098, Santa Fe, New Mexico 87504

KNOW ALL MEN BY THESE PRESENTS:

That Jamar, Inc., (an individual)  
(partnership) (a corporation organized in the State of New Mexico,  
with its principal office in the City of Hobbs, State of New  
Mexico, and authorized to do business in the State of New Mexico), as  
PRINCIPAL, and AMWEST SURETY INSURANCE COMPANY, a corporation  
organized and existing under the laws of the State of California,  
and authorized to do business in the State of New Mexico with duly appointed resident  
agent licensed in the State of New Mexico to execute this bond on behalf of the  
surety company, as SURETY, are held firmly bound unto the State of New Mexico, for  
the use and benefit of the Oil Conservation Division of the Energy & Minerals  
Department pursuant to Chapter 72, Laws of New Mexico, 1935, as amended, and to the  
State of New Mexico in the sum of Twenty Five Thousand (\$25,000.00) Dollars lawful  
money of the United States for the payment of which, well and truly to be made, said  
PRINCIPAL and SURETY hereby bind themselves, their successors and assigns, jointly  
and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, The above principal has heretofore or may hereafter enter into the  
process of treating and reclaiming sediment oil in Section 8, Township 20  
(~~North~~) (South), Range 37 (East) (~~West~~), N.M.P.M., \_\_\_\_\_ County, New  
Mexico.

NOW, THEREFORE, This \$25,000 performance bond is conditioned upon substantial  
compliance with all applicable statutes of the State of New Mexico and all rules,  
regulations, and orders of the Oil Conservation Division of the Energy and Minerals  
Department, and upon clean-up of the plant site to standards of the Oil Conservation  
Division; otherwise the principal amount of the bond to be forfeited to the State of  
New Mexico.

PROVIDED, HOWEVER, That sixty (60) days after receipt by the Oil Conservation  
Division of written notice of cancellation from the Surety, the obligation of the  
Surety shall terminate as to activities or operations conducted by PRINCIPAL after  
said sixty (60) day period but shall continue in effect, notwithstanding said notice,  
as to such activities or operations conducted or commenced before the expiration of  
the sixty day period.

Signed and sealed this 16th day of September, 19 87.

Jamar, Inc.  
PRINCIPAL

AMWEST SURETY INSURANCE COMPANY  
SURETY

2620 N. Albertson - Hobbs, NM 5225 North Central Avenue, #104

Mailing Address

88240

Mailing Address Phoenix, Arizona, 85012

By

Signature

Title

By

Attorney-in-Fact

Artcyce Johnson  
Artcyce Johnson

(Note: Principal, if corporation  
Affix corporate seal here.)

(Note: Corporate surety affix corporate  
seal here.)

Case No. 13027  
OCD Exhibit No. 2  
May 22, 2003



MEMORANDUM

Jamar  
A  
1/20/99

To: Rand Carroll, Legal Bureau  
Through: Roger Anderson, Environmental Bureau Chief  
From: WW Martyne Kieling, Environmental Bureau  
Subject: Jamar Inc. financial surety  
Date: January 20, 1999

Jamar, Inc (Jamar) is a chemical and heat-treatment type oil treating facility. Jamar was originally permitted under Order R-8507 on September 8, 1987 and is located in the NE/4 NE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

To our knowledge the Jamar facility is not currently being operated and has not submitted a closure plan or requested re-permitting under Rule 711. A company by the name of Jadco has been suggested to have a tie with the facility. However, the OCD has nothing on Jadco on file. I have contacted the OCD Artesia District office for the original Case File No. 9199. However, Artesia does not have the Case File. The OCD Environmental Bureau recommends that the surety bond No. 1135611 for \$25,000 be collected to aid in the environmental restoration of the property.

Parties that should be contacted are:

1. Jamar Inc.  
P.O. Box 717  
Hobbs, New Mexico 88240
2. JADCO Purchasing  
5555 East 71 Street  
Bldg 8, Ste. 315  
Tulsa, Oklahoma 74136
3. Amwest Surety Insurance Company  
P.O. Box 4500  
Woodland Hills, California 91365-4500  
(818) 871-2000
4. Amwest Surety Insurance Company  
5225 North Central Ave.  
Suite 104  
Phoenix, Arizona 85012-1452  
(602) 263-1112
5. Ms. Martha Laughlin Williams  
555 Vallombosa Ave. #27  
Chico, CA 95926  
Surface owner of record:  
NE/4 NE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

6. Mr. Jimmie T. Cooper  
C & C Landfarm Inc.  
Box 55  
Monument, New Mexico 88265  
Surface owner of record:  
SE/4 NE/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

October 12, 1999

Part of  
original  
Report  
Gw Information  
Myk  
11-2-99

NMOCD Environmental Bureau  
ATTN: Martyne J. Kieling  
2040 South Pacheco St.  
Santa Fe, NM 87505

RE: Final Closure, Cooper Highway Pit  
Section 8 Lea Co., NM

Mrs. Kieling:

Find within information for the closing of the Cooper Highway Pit. We have been waiting for the contractor to return and finish contouring and mounding the pit area. All other closure activities have been done, the hauling of the fluids, excavating the contaminated soil and hauling to C & C Landfarm, and backfilling pit area.

We appreciate your patience in working with us on this project and thank you. If you need any other data or have any questions, please call.

Sincerely,



Eddie W. Seay, Agent  
601 W. Illinois  
Hobbs, NM 88242  
(505)392-2236

**Kieling, Martyne**

---

**From:** Williams, Chris  
**Sent:** Friday, January 15, 1999 1:32 PM  
**To:** Kieling, Martyne  
**Subject:** RE: Jamar

The Lea County assessors office is probably the only place there may be any records on the property 505-396-8527. The only thing we have listed for an address is "Courthouse". The letter looks fine to me. I think what we will find as the landowner of record is Jimmy Cooper.

-----  
**From:** Kieling, Martyne  
**Sent:** Thursday, January 14, 1999 5:01 PM  
**To:** Williams, Chris  
**Subject:** Jamar

Chris,

Have you had a chance to review the Email that I sent regarding Jamar? Did you ever find the phone number for the county records for landowner of record?

<<File: Memo0199.wpd>>  
Funny thing....Artesia does not have the case file ...

Thanks  
Martyne

**Kielling, Martyne**

---

**From:** Williams, Chris  
**Sent:** Friday, January 15, 1999 1:45 PM  
**To:** Kielling, Martyne  
**Subject:** RE: Jamar

I just talked to the assessors office the owner of record is Martha L. Williams etal. 555 Vallombosa #27-Chico, CA 95926 (Revocable Trust)

-----  
**From:** Kielling, Martyne  
**Sent:** Thursday, January 14, 1999 5:01 PM  
**To:** Williams, Chris  
**Subject:** Jamar

Chris,

Have you had a chance to review the Email that I sent regarding Jamar? Did you ever find the phone number for the county records for landowner of record?

<<File: Memo0199.wpd>>  
Funny thing.....Artesia does not have the case file ...

Thanks  
Martyne

## **Kieling, Martyne**

---

**From:** Kieling, Martyne  
**Sent:** Friday, January 08, 1999 2:22 PM  
**To:** Williams, Chris  
**Subject:** Jadco

Chris,

I just happened to talk to Eddie Seay today

This is the history of Jadco as Eddie rememebers it.

Jadco - Rhema August 28, 1981, SW/4 NE/4 NW/4 of Section 14, Township 20 South, Range 38 East. Jenex is south of Hobbs.

I have Rhema and Jenex on file but no Jadco as of yet

Jenex legal on the new permit application is S/2 N/2 NW/4 of Section 14, Township 20 South, Range 37 East.

Martyne

**Kieling, Martyne**

---

**From:** Williams, Chris  
**Sent:** Wednesday, January 06, 1999 1:05 PM  
**To:** Kieling, Martyne  
**Subject:** JAMAR OR JADCO

Martyne-I just got a C-104 from Gandy's to selling oil to a JADCO Purchasing 5555 E. 71<sup>st</sup> Bldg 8, Ste. 315-Tulsa OK 74136. I am wondering if this is not the same company we've been looking for, if so, maybe the letter should go to this address. Thanks Chris

## Kieling, Martyne

---

**From:** Kieling, Martyne  
**Sent:** Friday, January 08, 1999 9:41 AM  
**To:** Williams, Chris  
**Subject:** Jamar memo



Memo0199

Chris,  
Here is the draft memo to Rand concerning the Jamar facility. I am still fuzzy about the Jadco connection we have nothing on file that transfers operation of the facility from Jamar to Jadco.

I have requested the case file to be sent from Artesia (if it can be found). I need the case file so I know who the Jamar Principals were. If you or anyone in the office has any idea who owned Jamar that would be great. I also need to know who to contact in Lea County for the surface owner information. If you could get me an agency name and number I will call. According to our state trust land map the land is not state trust.

If you get out to see Jamar next week with Rand could you take some pictures of the facility and the state it was left in. We have no pictures in the file and I have never inspected this facility.

I sent you what we have on file for both Jamar and Oil Processing so you can beef up your files. However I mailed the stuff to Aztec by mistake and Denny is now forwarding it back to you. Sorry for the Delay.

Thanks for all your help.

Martyne



1-6-99

Amwest Surety Insurance Company

P.O. Box 4500

Woodland Hills California 91365-4500

(818)-871-2000



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240


ANALYTICAL RESULTS FOR  
EDDIE SEAY CONSULTING  
ATTN: EDDIE SEAY  
601 W. ILLINOIS  
HOBBS, NM 88242  
FAX TO: (505) 392-6949

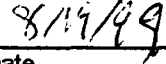
Receiving Date: 08/17/99  
Reporting Date: 08/19/99  
Project Owner: STATE OF NM & COOPER  
Project Name: COOPER-HWY PIT  
Project Location: SECT 8, MONUMENT, NM

Sampling Date: 08/17/99  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: AH  
Analyzed By: BC/AH

LAB NUMBER	SAMPLE ID	TPH (mg/L)	CI (mg/L)	BENZENE (mg/L)	TOLUENE (mg/L)	ETHYL BENZENE (mg/L)	TOTAL XYLENES (mg/L)
ANALYSIS DATE:		08/18/99	08/17/99	08/18/99	08/18/99	08/18/99	08/18/99
H4288-1	WATER WELL #1	<1.0	849	<0.002	<0.002	<0.002	<0.002
Quality Control		409	966	0.100	0.104	0.099	0.300
True Value QC		400	1000	0.100	0.100	0.100	0.300
% Recovery		102	97	100	104	99.1	100
Relative Percent Difference		0.8	5.2	1.3	3.7	0.3	0.5

METHODS: TRPHC-EPA 600/4-79-020 418.1; CI-Std. Methods 4500-CfB; BTEX-EPA SW-846 8260

  
Burgess J. A. Cooke, Ph. D.

  
Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

**CARDINAL LABORATORIES, INC.**

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240  
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

Page of

## CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

[illegible]



PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

Sampling Date: 09/01/99  
Sample Type: GROUNDWATER  
Sample Condition: COOL & INTACT  
Sample Received By: AH  
Analyzed By: BC

METHOD: SW-846 8015 M

9/1/99  
Date

**PLEASE NOTE: Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.



2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240  
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

HC1313-1

Page \_\_\_\_ of \_\_\_\_

Page \_\_\_\_ of \_\_\_\_

[illegible]

Jamar Treating Plant  
to the Right (North)

Oil Processing (Biked in cutoff tank)  
on the Left (South)



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

September 19, 1990

CERTIFIED MAIL  
RETURN RECEIPT NO. P-918-402-407

Jamar, Inc.  
P. O. Box 717  
Hobbs, New Mexico 88240

RE: Regulatory Notification, New Federal Requirements for Oil Reclamation Facilities

Dear Sir:

This letter is to advise you of a forthcoming federal requirement that may affect operation of your facility.

As you know, only the New Mexico Oil Conservation Division (OCD) currently regulates your facility. However, on September 25, 1990, a US Environmental Protection Agency (EPA) regulation directing use of the Toxicity Characteristic Leaching Procedure (TCLP) and adding toxicity constituent regulatory levels becomes effective. On that date waste material containing benzene, a natural component of crude oil, will be regulated as federal "hazardous waste" if benzene levels exceed the promulgated level of 500 parts per billion (ppb). Certain waste materials are excluded from this regulation including wastes from crude oil and natural gas exploration and production activities. However, liquid and solid wastes and sludges generated by crude oil and tank bottom reclaimers may not be exempted. Permitting under OCD rules does not necessarily mean your facility is EPA exempt.

If the waste stream from treating crude oil and tank bottoms by your facility contains benzene concentrations of greater than 500 ppb and if that waste is not exempted under EPA interpretation of the oil and gas exclusion, EPA will require that the waste stream be permitted and handled as hazardous waste. Additionally, if any portion of a common facility handling exempt exploration and production wastes is also considered to be treating, storing, or disposing of hazardous waste, then the entire common facility may be subject to EPA regulations which include provisions for substantial hydrogeologic investigations, corrective actions, and post-closure monitoring. There are civil and criminal penalties for failure to comply with "hazardous waste" regulations.

Therefore the OCD strongly recommends that you contact and review your operations with a private consultant or attorney familiar with this new federal rule prior to September 25 to determine the impact of the new regulation at your facility, and for advice as to technical permitting requirements and your potential liability.

Currently, the State of New Mexico is taking action to notify President Bush, the USEPA, and the Department of Energy of the impact of this new rule, and is requesting implementation be delayed for at least six months while the issue is reexamined. However, the outcome of this appeal is far from certain. Enclosed with this letter is a copy of the letter to President Bush. You may also wish to contact members of the New Mexico Congressional delegation regarding this important matter.

If you have any questions you are urged to contact either myself at (505) 827-5812 or Roger Anderson of this office at 827-5884.

Sincerely,



David G. Boyer, Hydrogeologist  
Environmental Bureau Chief

DGB/sl

Enclosure

cc: NMOCD District Office



Memo

1/26/87 From  
DAVID G. BOYER  
Hydrogeologist

To Andy Robinson -

Attached are the sample analyses from your water well. There are ~~of~~ elevated levels of sodium, chloride, and total solids in the well that are ~~a~~ characteristic of the large volumes of brines disposed of in unlined pits in the area prior to 1969. No <sup>identifiable</sup> organics were detected in the well although one was found at a very low level. Because of the high salt level, I do not suggest drinking the water.

Oil Conservation Division  
P.O. Box 2088 Santa Fe, N.M. 87501

David Boyer



SCIENTIFIC LABORATORY DIVISION  
ORGANIC ANALYSIS REQUEST FORM  
Organic Section - Phone: 841-2570

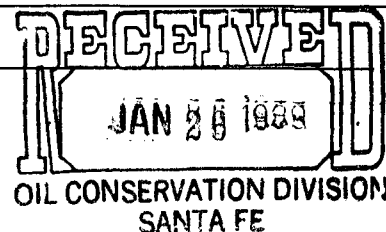
75-4  
wpu

REPORT TO: DAVID BOYER S.L.D. No. OR-  
N.M. OIL CONSERVATION DIVISION DATE REC. 12-2-88  
P.O. Box 2088 PRIORITY 3  
Santa Fe, NM 87504-2088 PHONE(S): 827-5812  
COLLECTION CITY: Monument; COUNTY: Lea  
COLLECTION DATE/TIME CODE: (Year-Month-Day-Hour-Minute) 12/2/13/0/12/15  
LOCATION CODE: (Township-Range-Section-Tracts) 20S+37E+08+ (10N06E24342)  
USER CODE: 8/2/2/3/5 SUBMITTER: David Boyer CODE: 2/6/0  
SAMPLE TYPE: WATER ☒, SOIL ☐, FOOD ☐, OTHER: ☐

This form accompanies 2 Septum Vials,      Glass Jugs, and/or     

Samples were preserved as follows:

- ☐ NP: No Preservation; Sample stored at room temperature.  
☒ P-Ice Sample stored in an ice bath (Not Frozen).  
☐ P-AA Sample Preserved with Ascorbic Acid to remove chlorine residual.  
☒ P-HCl Sample Preserved with Hydrochloric Acid (2 drops/40 ml)



**ANALYSES REQUESTED:** Please check the appropriate box(es) below to indicate the type of analytical screens required. Whenever possible list specific compounds suspected or required.

**PURGEABLE SCREENS**

- ☐ (753) Aliphatic Headspace (1-5 Carbons)  
☒ (754) Aromatic & Halogenated Purgeables  
☐ (765) Mass Spectrometer Purgeables  
☐ (766) Trihalomethanes  
☐ (774) SDWA VOC's I (8 Regulated +)  
☐ (775) SDWA VOC's II (EDB & DBCP)  
Other Specific Compounds or Classes

**EXTRACTABLE SCREENS**

- ☐ (751) Aliphatic Hydrocarbons  
☐ (755) Base/Neutral Extractables  
☐ (758) Herbicides, Chlorophenoxy acid  
☐ (759) Herbicides, Triazines  
☐ (760) Organochlorine Pesticides  
☐ (761) Organophosphate Pesticides  
☐ (767) Polychlorinated Biphenyls (PCB's)  
☐ (764) Polynuclear Aromatic Hydrocarbons  
☐ (762) SDWA Pesticides & Herbicides

Remarks: Need low detection limits, esp. for halogenated  
purgeables

**FIELD DATA:**

pH= 7; Conductivity= 2350 umho/cm at 17 °C; Chlorine Residual=      mg/l

Dissolved Oxygen=      mg/l; Alkalinity=      mg/l; Flow Rate      /     

Depth to water      ft.; Depth of well      ft.; Perforation Interval      -      ft.; Casing:     

Sampling Location, Methods and Remarks (i.e. odors, etc.)

JAMAR INC water supplies well, Monument, Sample from  
Tap ~100' from well, P.O. Box 717 Hobbs, 88240

I certify that the results in this block accurately reflect the results of my field analyses, observations and activities. (signature collector): W. J. Kray Method of Shipment to the Lab: Air Mail

**CHAIN OF CUSTODY**

I certify that this sample was transferred from      to     

at (location)      on      /      /      -      and that

the statements in this block are correct. Evidentiary Seals: Not Sealed ☐ OR Seals Intact: Yes ☐ No ☐

Signatures     

For OCD use: Date owner notified: 1/22/89 Phone or Letter? Letter Initials WJB

LAB. No.: OR-

This sample was tested using the analytical screening method(s) checked below:

## EXTRACTABLE SCREENS

- ☐ (753) Aliphatic Headspace (1-5 Carbons)  
☐ (754) Aromatic & Halogenated Purgeables  
☐ (765) Mass Spectrometer Purgeables  
☐ (766) Trihalomethanes  
☐ (774) SDWA VOC's I (8 Regulated +)  
☐ (775) SDWA VOC's II (EDB & DBCP)  
Other Specific Compounds or Classes

- |                          |   |
|--------------------------|---|
| <input type="checkbox"/> | (751) Aliphatic Hydrocarbons            |
| <input type="checkbox"/> | (755) Base/Neutral Extractables         |
| <input type="checkbox"/> | (758) Herbicides, Chlorophenoxy acid    |
| <input type="checkbox"/> | (759) Herbicides, Triazines             |
| <input type="checkbox"/> | (760) Organochlorine Pesticides         |
| <input type="checkbox"/> | (761) Organophosphate Pesticides        |
| <input type="checkbox"/> | (767) Polychlorinated Biphenyls (PCB's) |
| <input type="checkbox"/> | (764) Polynuclear Aromatic Hydrocarbons |
| <input type="checkbox"/> | (762) SDWA Pesticides & Herbicides      |

COMPOUND(S) DETECTED

CONC.  
[PPB]

	[15]
* DETECTION LIMIT *	*

\* DETECTION LIMIT \*

COMPOUND(S) DETECTED

CONC.  
[PPB]

[illegible]

+ DETECTION LIMIT + +

N D = NONE DETECTED AT OR ABOVE THE STATED DETECTION LIMIT

T R = DETECTED AT A LEVEL BELOW THE STATED DETECTION LIMIT (NOT CONFIRMED)

[ RESULTS IN BRACKETS ] ARE UNCONFIRMED AND/OR WITH APPROXIMATE QUANTITATION

LABORATORY REMARKS:

**CERTIFICATE OF ANALYTICAL PERSONNEL**

Seal(s) Not Sealed ☐ Intact: Yes ☐ No ☐ Seal(s) broken by: \_\_\_\_\_ date: \_\_\_\_\_

I certify that I followed standard laboratory procedures on handling and analysis of this sample unless otherwise noted and that the statements on this page accurately reflect the analytical results for this sample.

Date(s) of analysis: \_\_\_\_\_, Analyst's signature: \_\_\_\_\_

I certify that I have reviewed and concur with the analytical results for this sample and with the statements in this block.

Reviewers signature: \_\_\_\_\_

## SCIENTIFIC LABORATORY DIVISION

700 Camino de Salud, NE  
Albuquerque, NM 87106 [505]-841-2500  
ORGANIC CHEMISTRY SECTION [505]-841-2570

December 21, 1988

**ANALYTICAL REPORT**  
**SLD Accession No. OR-88-2005**Distribution

(■) Submitter  
(☒) SLD Files

To: NM Oil Conserv. Div.  
State Land Office Bldg.  
P. O. Box 2088  
Santa Fe, NM 87504-2088

From: Organic Chemistry Section  
Scientific Laboratory Div.  
700 Camino de Salud, NE  
Albuquerque, NM 87106

Re: A purgeable water sample submitted to this laboratory on December 2, 1988

User:

OIL CONSERVATION DIV  
State Land Office Bldg.  
P. O. Box 2088  
Santa Fe, NM 87504-2088

## DEMOGRAPHIC DATA

COLLECTION		LOCATION	
On: 30-Nov-88	By: Boy . . .	Township: 20S	Section: 08
At: 12:15 hrs.	In/Near: Monument	Range: 37E	Tract:

## ANALYTICAL RESULTS: Aromatic &amp; Halogenated Purgeable Screen

Parameter	Value	Note	MDL	Units
Aromatic Purgeables (6)	0.00	N	0.50	ppb
Halogenated Purgeables (33)	0.00	N	0.50	ppb
PID compounds not identified	1.00		0.50	ppb

Notations & Comments:

MDL = Minimal Detectable Level.

A = Approximate Value; N = None Detected above Detection Limit; P = Compound Present, but not quantified;

T = Trace (&lt;Detection Limit); U = Compound Identity Not Confirmed.

Seals: Not Sealed ☒; Intact: No ☐, Yes ☐ & Broken By: \_\_\_\_\_ Date: \_\_\_\_\_Laboratory Remarks: Jamer Inc. Water Supply WellAnalyst: Michael J. Owen

Michael J. Owen  
Analyst, Organic Chemistry

12-8-88  
Analysis  
Date

Reviewed By: Richard F. Meyerhein

Richard F. Meyerhein 12/21/88  
Supervisor, Organic Chemistry Section



New Mexico Health and Environment Department  
SCIENTIFIC LABORATORY DIVISION  
700 Camino de Salud NE  
Albuquerque, NM 87106 — (505) 841-2555

860  
WNN

# GENERAL WATER CHEMISTRY and NITROGEN ANALYSIS

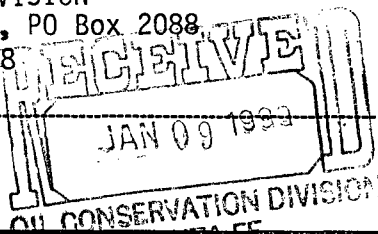
DATE RECEIVED <u>12/2/88</u>	LAB NO. <u>WC-4773</u>	USER CODE <input type="checkbox"/> 59300 <input type="checkbox"/> 59600 <input checked="" type="checkbox"/> OTHER: 82235
Collection DATE <u>11/30/88</u>	SITE INFORMATION	Sample location <u>TAMAR, INC, Monument *</u>
Collection TIME <u>12:15</u>		Collection site description <u>sample from Tap - 100' from well</u>
Collected by — Person/Agency <u>Boyer/Amberley/OCD</u>		

SEND  
FINAL  
REPORT  
TO

ENVIRONMENTAL BUREAU  
NM OIL CONSERVATION DIVISION  
State Land Office Bldg, PO Box 2088  
Santa Fe, NM 87504-2088

Attn: David Boyer

Phone: 827-5812



\* P.O. Box 217 Hobbs  
88240  
ATTN: Andy Robinson

Station/  
well code 205, 37E, OB  
Owner

## SAMPLING CONDITIONS

<input type="checkbox"/> Bailed <input type="checkbox"/> Dipped	<input type="checkbox"/> Pump <input checked="" type="checkbox"/> Tap	Water level	Discharge	Sample type
pH (00400) <u>7</u>	Conductivity (Uncorrected) <u>2350</u> $\mu$ mho	Water Temp. (00010) <u>17</u> °C	Conductivity at 25°C (00094) $\mu$ mho	
Field comments <u>Old windmill now w/ sub pump.</u>				

## SAMPLE FIELD TREATMENT — Check proper boxes

No. of samples submitted <u>1</u>	<input checked="" type="checkbox"/> NF: Whole sample (Non-filtered)	<input type="checkbox"/> F: Filtered in field with 0.45 $\mu$ m membrane filter	<input type="checkbox"/> A: 2 ml H <sub>2</sub> SO <sub>4</sub> /L added
<input checked="" type="checkbox"/> NA: No acid added		<input type="checkbox"/> Other-specify:	<input type="checkbox"/> A: 5ml conc. HNO <sub>3</sub> added <input type="checkbox"/> A: 4ml fuming HNO <sub>3</sub> added

## ANALYTICAL RESULTS from SAMPLES

NA	Units	Date analyzed	From <u>NE</u> , NA Sample:	Date Analyzed
<input checked="" type="checkbox"/> Conductivity (Corrected) 25°C (00095)	<u>3405</u> $\mu$ mho	<u>12/19</u>	<input checked="" type="checkbox"/> Calcium <u>216</u> mg/l	<u>12/05</u>
<input type="checkbox"/> Total non-filterable residue (suspended) (00530)			<input checked="" type="checkbox"/> Potassium <u>6</u> mg/l	<u>12/11</u>
<input checked="" type="checkbox"/> Other: <u>Lab pH</u>	<u>7.94</u>	<u>12/13</u>	<input checked="" type="checkbox"/> Magnesium <u>84.8</u> mg/l	<u>12/05</u>
<input type="checkbox"/> Other:			<input checked="" type="checkbox"/> Sodium <u>434</u> mg/l	<u>12/1</u>
<input type="checkbox"/> Other:			<input checked="" type="checkbox"/> Bicarbonate <u>336</u> mg/l	<u>12/13</u>
<b>A-H<sub>2</sub>SO<sub>4</sub></b>			<input checked="" type="checkbox"/> Chloride <u>796</u> mg/l	<u>12/15</u>
<input type="checkbox"/> Nitrate-N +, Nitrate-N total (00630)	mg/l		<input checked="" type="checkbox"/> Sulfate <u>339</u> mg/l	<u>12/15</u>
<input type="checkbox"/> Ammonia-N total (00610)	mg/l		<input checked="" type="checkbox"/> Total Solids <u>2352</u> mg/l	<u>12/12</u>
<input type="checkbox"/> Total Kjeldahl-N ( )	mg/l		<input checked="" type="checkbox"/> CO <sub>2</sub> <u>0</u>	<u>12/13</u>
<input type="checkbox"/> Chemical oxygen demand (00340)	mg/l		<input checked="" type="checkbox"/> BR <u>9.48</u> $\mu$ g/l	<u>12/06</u>
<input type="checkbox"/> Total organic carbon ( )	mg/l		<input checked="" type="checkbox"/> Cation/Anion Balance	
<input type="checkbox"/> Other:			Analyst	Date Reported
<input type="checkbox"/> Other:			<u>1/5/89</u>	Reviewed by <u>Q. Carr</u>
Laboratory remarks				
<u>872</u>				

FOR OCD USE -- Date Owner Notified 1/24/89 Phone or Letter? Letter Initials Q. Carr

CATIONS			DET.
ANALYTE	MEQ.	PPM	LIMIT
Ca	10.78	216.00	<3.0
Mg	6.97	84.80	<0.3
Na	18.88	434.00	<10.0
K	0.15	6.00	<0.3
Mn	0.00	0.00	
Fe	0.00	0.00	
SUMS	36.77	740.80	
Total Dissolved Solids=			2352
Ion Balance =			105.00%

ANIONS			DET.
ANALYTE	MEQ.	PPM	LIMIT
HC03	5.51	336.00	<1.0
SO4	7.06	339.00	<10.0
CL	22.45	796.00	<5.0
NO3	0.00	0.00	< 0.
C03	0.00	0.00	< 1.
NH3	0.00	0.00	< 0.
PO4	0.00	0.00	< 0.
	35.02	1471.00	

WC No. = 8804773  
Date out/By Q 1/3

RECEIVED  
JAN 09 1983  
OIL CONSERVATION DIVISION  
SANTA FE

# HEAVY METAL ANALYSIS FORM

*Telephone: (505)841-2553*

Date Received	12/2/88	Lab No.	HM-1941	User Code	<input checked="" type="checkbox"/> 82235	<input type="checkbox"/> Other:			
COLLECTION DATE & TIME:				yy	mm	dd	hh	mm	COLLECTION SITE DESCRIPTION
				08	11	30	12	15	Water Well at TAMAR, P.O. Box 717 Hobbs 88
COLLECTED BY:				Boyer Anderson c/s					

**TO:**

**OWNER:**

ENVIRONMENTAL BUREAU  
NM OIL CONSERVATION DIVISION  
State Land Office Bldg., PO Box 2088  
SANTA FE, NM 87504-2088

**SITE LOCATION:**

County: *lex*

Township, Range, Section, Tract: (10N06E24342)

ATTN: D. Boyer  
TELEPHONE: 827-5812

STATION/ WELL CODE: | | | | | | | | | |

**LATITUDE, LONGITUDE:** | | | | | | | | | | | | - | | |

**SAMPLING CONDITIONS:**

<input type="checkbox"/> Bailed <input type="checkbox"/> Pump <input type="checkbox"/> Dipped <input checked="" type="checkbox"/> Tap		Water Level:	Discharge:	Sample Type: <i>6726</i>
pH(00400) <i>7</i>	Conductivity(Uncorr.) <i>2350</i> umho	Water Temp. (00010) <i>17</i> °C	Conductivity at 25 °C (00094) <i>2</i> umho	

FIELD COMMENTS: Sample at top ~100' from well. Old  
windmill now w/ sub pump.

## SAMPLE FIELD TREATMENT

Check proper boxes:

<input checked="" type="checkbox"/> WPN: Water Preserved w/HNO <sub>3</sub> Non-Filtered	<input type="checkbox"/> WPF: Water Preserved w/HNO <sub>3</sub> Filtered
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**LAB ANALYSIS REQUESTED:**

☒ ICAP Scan  
Mark box next to metal if AA  
is required.

## ANALYTICAL RESULTS (MG/L)

ELEMENT	ICAP VALUE	AA VALUE	ELEMENT	ICAP VALUE	AA VALUE
Aluminum	<0.1		Silicon	32.	
Barium	<0.1		Silver	<0.1	<input type="checkbox"/>
Beryllium	<0.1		Strontium	4.5	
Boron	0.6		Tin	0.2	
Cadmium	<0.1	<input type="checkbox"/>	Vanadium	<0.1	
Calcium	220.		Zinc	<0.1	
Chromium	<0.1	<input checked="" type="checkbox"/> <0.005	Arsenic		<input checked="" type="checkbox"/> 0.015
Cobalt	<0.05		Selenium		<input type="checkbox"/>
Copper	<0.1		Mercury		<input type="checkbox"/>
Iron	0.6				<input type="checkbox"/>
Lead	<0.1	<input checked="" type="checkbox"/> <0.005			<input type="checkbox"/>
Magnesium	83.				<input type="checkbox"/>
Manganese	<0.05				<input type="checkbox"/>
Molybdenum	<0.1				<input type="checkbox"/>
Nickel	<0.1				<input type="checkbox"/>

**LAB COMMENTS:**

**For OCD Use:**

Date Owner Notified:

## Phone or Letter?

Initials:

**ICAP Analyst**

Date Analyzed

**Reviewer**

Date Received \_\_\_\_\_