

1R - 262

**GENERAL
CORRESPONDENCE**

YEAR(S):

1997 - 2002

1R262



RECEIVED

MAR 07 2002

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

To: Bill Olson / NMOCD

From: Mike Griffin / Whole Earth Environmental, Inc.

Date: February 23, 2002

Subject: Tatum Pit Closure Project
Your Letter February 13, 2002

Thank you for the reminder regarding our Work Plan for the Bagley Field Pit Closure Project.

Our work plan for the project is to drill a total of six additional delineation wells at the proposed locations referenced in Exhibits 1-6. The 2" wells will be drilled to a minimum depth of 15' below the upper water interface. Slotted casing will go from the bottom of the well to a distance of 10' above the water table as determined at the time of drilling. The slotted casing will be sand packed below a bentonite seal. The well bore will be grouted to surface and a locking cap installed. (Reference: Exhibit 7).

Rather than setting a separate reporting schedule for these wells, we propose to include the results of the investigation within our annual report to the OCD. We will sample each well each quarter in accordance with the sampling plan already in practice.

We will drill the wells within sixty days of your approval of this plan. If laboratory testing of the waters from any of the proposed wells reveals BTEX or chloride concentrations in excess of NMWQCC standards, we will immediately contact you.

Please don't hesitate to contact me if you've any additional questions.


Mike Griffin
Whole Earth Environmental


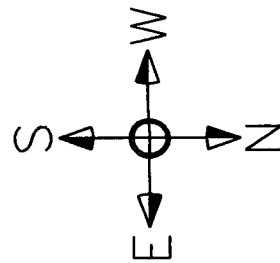
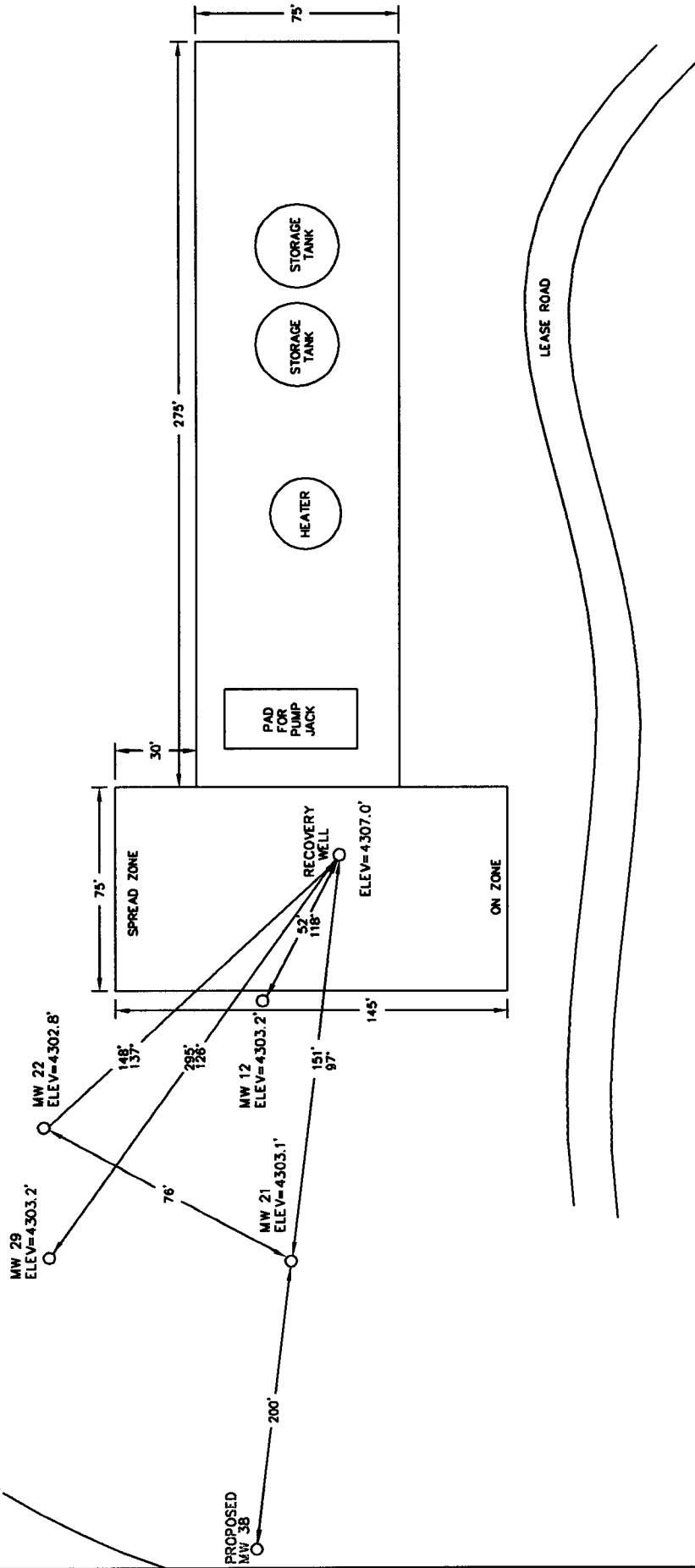
1/13/03 - Mike Griffin
2 wells installed. Will
submit in next annual report




Exhibit Index

- Exhibit 1** Schematic of Well Site & Proposed New Monitor Well Location Mable COM
- Exhibit 2** Schematic of Well Site & Proposed New Monitor Well Location Bell State
- Exhibit 3** Schematic of Well Site & Proposed New Monitor Well Location NBF
- Exhibit 4** Schematic of Well Site & Proposed New Monitor Well Location Sohio # 1
- Exhibit 5** Schematic of Well Site & Proposed New Monitor Well Location Sohio "A"
- Exhibit 6** Schematic of Well Site & Proposed New Monitor Well Location G.S. State
- Exhibit 7** Schematic of Typical Monitor Well Construction
- Exhibit 8** Gradient Chart
- Exhibit 9** Gradient Chart

G.S. STATE



SCALE 1"=60'

EXHIBIT 6

**Atkins Engineering
Associates, Inc.**

2904 W. 2nd St., Roswell, NM 88202-3156

LOG OF BORING Rice Operating MW-3

(Page 2 of 2)

Whole Earth Environmental
19606 San Gabriel
Houston, TX 77084

Contact: Mike Griffin

Job#: EUNICEG.MWD.01

Date : 05-08 & 05-09-01

Drill Start : a.m.

Drill End : 12:00

Boring Location : 3/4 mi SE of Eunice & 1/2 mi E. of Logg By

Site Location : SE Eunice, NM

: Sec. 15, T22S, R37E

Auger Type : Hollow Stem

: Mort Bates

Well: MW-3

Depth
in
Feet

GRAPHIC

USCS

Samples

DESCRIPTION

Lab

PID
ppm-v

55

Sand w/ caliche, tan, firm, dry

60

SM

65

70

Sandstone, tan, hard, dry

75

SS

80

SP

Sand, tan, soft, moist

SS

Broken sandstone, tan, firm, moist

85

Sand, tan, soft, wet

90

SP

95

100

TD 100'
WL 83.55'

105

110

Grout

Bentonite seal

2" PVC casing

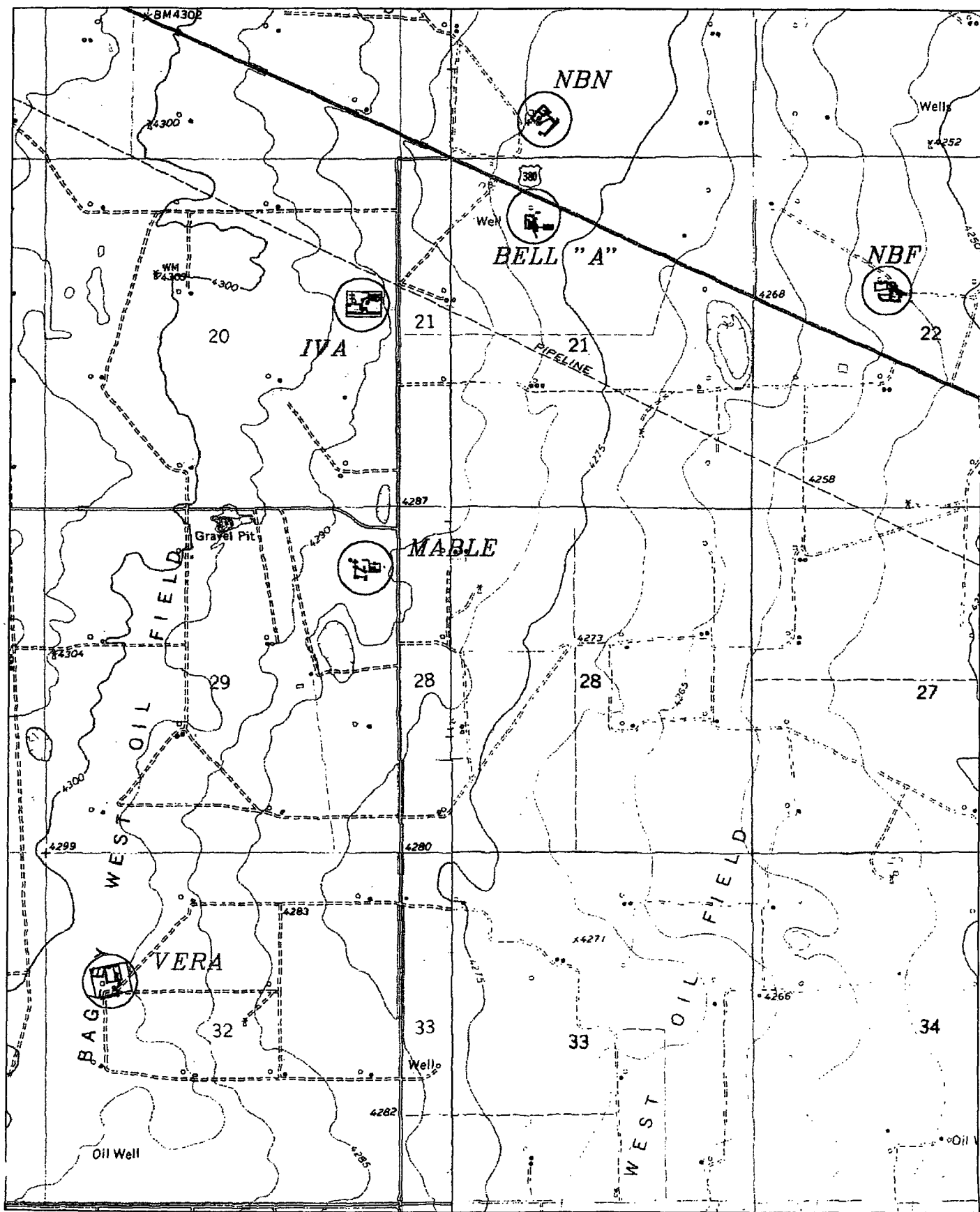
Sand pack

2" .020 slot screen

05-14-2001 C:\MTECH46\EUNICEG\MWD01\mw-3 bor

EXHIBIT 7

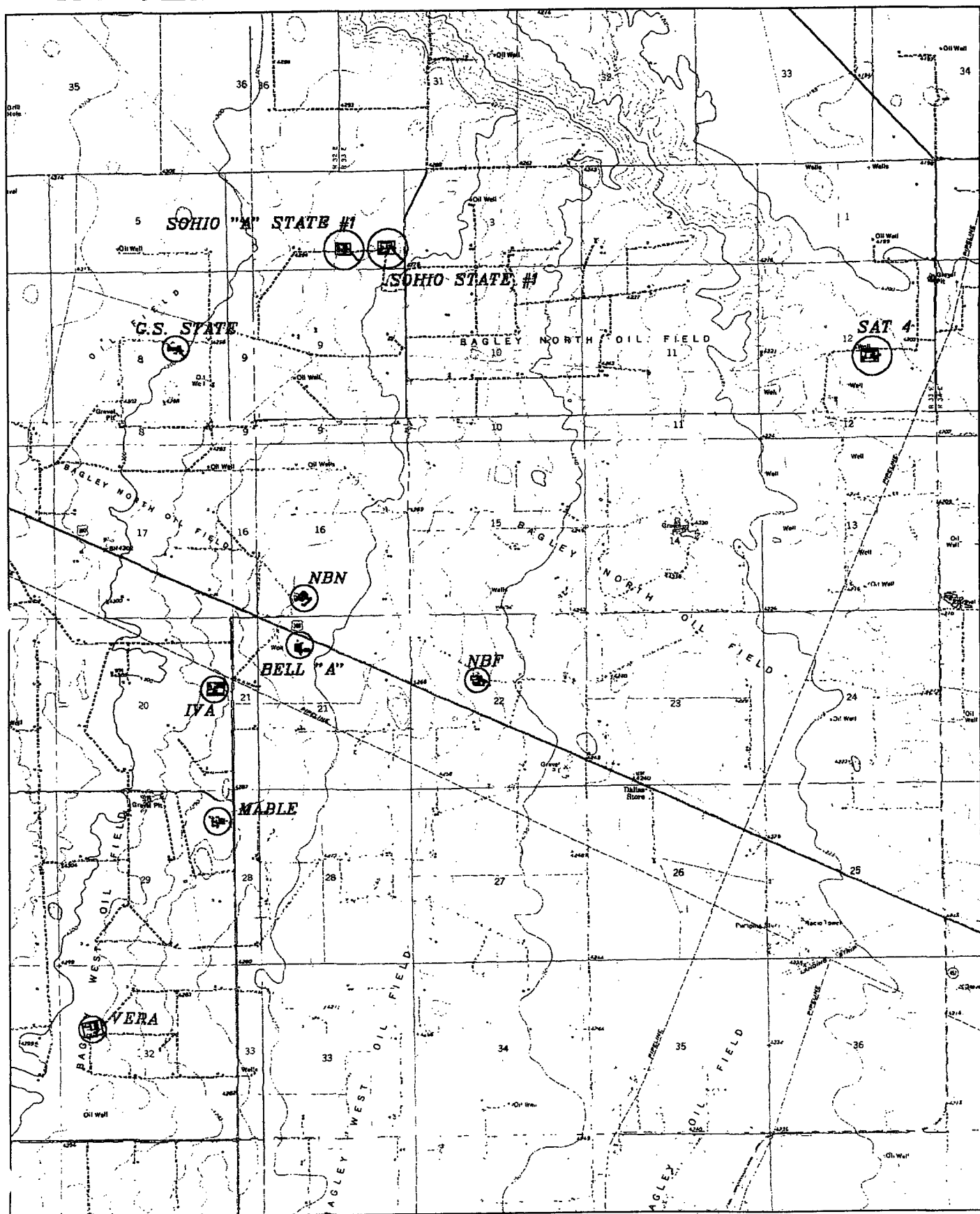
WHOLE EARTH ENVIROMENTAL, INC.



2000 0 2000 4000

EXHIBIT 8

WHOLE EARTH ENVIROMENTAL, INC.



4000 0 4000 8000

EXHIBIT 9

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 9352

Drawn By: K. GOAD

Date: 10-21-99

Disk: KJG #122 - WE9352.DWG



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Acting Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

February 13, 2002

CERTIFIED MAIL

RETURN RECEIPT NO. 7001-1940-0004-3929-7143

Mr. Larry G. Sugano
Tipperary Corporation
633 Seventeenth St., Suite 1550
Denver, Colorado 80202

**RE: TATUM PIT CLOSURE PROJECT
LEA COUNTY, NEW MEXICO**

Dear Mr. Sugano:

On November 2, 2001, the New Mexico Oil Conservation Division (OCD) sent Tipperary Corporation (TC) correspondence stating that an OCD review of TC's April 19, 2001 correspondence, December 7, 2000 "PROGRESS REPORT FOR YEAR 2000, TATUM PIT CLOSURE PROJECT, LEA COUNTY, NEW MEXICO" and November 29, 1999 "JULY 1999 PROGRESS REPORT, OCTOBER 1999 PROGRESS REPORT, TATUM PIT CLOSURE PROJECT, LEA COUNTY, NEW MEXICO" shows that the downgradient extent of ground water contamination at the sites listed below had not been determined:

- Bell State "A" (Case #1R260)
- Gulf State #1 (Case #1R262)
- Iva Com #1 (Case #1R263)
- Mabel Com #1 (Case #1R264)
- Satellite #4 (Case #1R266)
- Sohio State #1 (Case # 1R267)
- Sohio State "A" (Case #1R268)
- State NBF #1 (Case #1R269)

The OCD's correspondence required that a work plan to complete the investigation of the extent of ground water contamination be submitted by December 7, 2001. On November 19, 2001, TC's consultant, Whole Earth Environmental, provided additional information and requested that TC not be required to install additional monitor wells at 3 of the sites. The OCD approved TC's request for 2 of the sites, the Iva Com #1 and Satellite #4 sites, on January 22, 2001. However, to date, the OCD has not received the required work plan.

Larry G. Sugano
February 13, 2002
Page 2

In order to correct this deficiency, the OCD requires that TC submit the work plan to complete the investigation of the extent of contamination at these sites to the OCD Santa Fe Office by March 1, 2002 with copy provided to the OCD Hobbs District Office. The work plan shall include:

1. A contoured ground water potentiometric map of each site showing proposed monitor well locations and the location of the former pit, excavated areas, existing monitor wells and other relevant site information.
2. Proposed monitor well construction details.
3. A proposed ground water sampling plan.
4. A schedule for implementation of the plan and submission of an investigation report.

If you have any questions, please call me at (505) 476-3491.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Office
Mike Griffin, Whole Earth Environmental, Inc.



Tipperary
CORPORATION

633 Seventeenth Street
Suite 1550
Denver, Colorado 80202

November 14, 2001

VIA OVERNIGHT MAIL

Mr. William C. Olson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

**RE: Progress Report for Year 2001
Tatum Pit Closure Project
Lea County, NM**

RECEIVED *mt*

NOV 16 2001 → 2001

ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION

Dear Mr. Olson:

Please find enclosed additional results from our monitor wells in the subject project area. This report summarizes the results from water samples taken on January 10, April 5, July 7, and September 26, 2001. These results represent the 17 quarters of monitoring. In general, we are continuing to observe decreasing levels of BTEX in the monitor wells.

The Executive Summary section contains the following:

- Summary of results by location.
- Procedure for obtaining water samples.
- Summary of water depths in each monitor well.
- Monitor well gradient chart.
- LNAPL depth chart.
- Maps of pit reclamation locations.
- Chain of custody records and lab results of the water samples by quarter.

Detailed results are presented in tabular and graphical format for each monitor well. The monitor well data is grouped by site location in the report. We will continue to sample the project quarterly and report the results to your office on an annual basis. If you have any questions, please call me at (303) 293-9379.

Very truly yours,

Larry G. Sugano
Vice President - Engineering

cc: NMOCD Hobbs Office

Enclosures



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

June 29, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-235-437-303

Mr. Larry Sugano
Tipperary Corporation
633 Seventeenth St., Suite 1550
Denver, Colorado 80202

**RE: TATUM PIT CLOSURES
LEA COUNTY, NEW MEXICO**

Dear Mr. Sugano:

The New Mexico Oil Conservation Division (OCD) has reviewed Tipperary Corporation's (TC) April 2, 1998 "PROGRESS REPORT, TATUM PIT CLOSURE PROJECT, LEA COUNTY, NEW MEXICO" and December 11, 1997 "TATUM PIT CLOSURE PROJECT, CLOSURE REPORT". These documents contain the results of TC's investigation of ground water contamination related to the closure of 10 unlined pits west of Tatum, New Mexico.

A review of the above referenced documents shows that at the majority of the sites the extent of ground water contamination has not been completely defined. Therefore, the OCD requires that TC submit a work plan to completely define the extent of ground water contamination which is in excess of New Mexico Water Quality Control Commission (WQCC) ground water standards. The work plan will be submitted to the OCD Santa Fe Office by August 28, 1998 with a copy provided to the OCD Hobbs District Office.

If you have any questions, please call me at (505) 827-7154.

Sincerely,

A handwritten signature in black ink, appearing to read "Will Olson".

William C. Olson
Hydrologist
Environmental Bureau

xc: Wayne Price, OCD Hobbs District Office
Mike Matush, NM State Land Office
Mike Griffin, Whole Earth Environmental, Inc.



State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505

STATE OF
NEW MEXICO
OIL
CONSERVATION
DIVISION

MEMORANDUM OF MEETING OR CONVERSATION



Telephone



Personal

Time

1530

Date

9/22/97

Originating Party

Other Parties

Bill Olson - Environmental Bureau

Bob Fehlmann - Tipperary Corp.
(303) 293-9379

Subject

Tipperary Pit Closures - Tatum, NM

Discussion

Gave verbal approval of 9/22/97 fax from Mike Griffith with following conditions:

- 1.) Monitor well construction, water quality sampling and waste disposal will be conducted according to OCD's June 4, 1997 approval conditions.
- 2.) Wayne Price of OCD Hobbs will be contacted about the drilling and sampling schedule.

Also expressed concern about source well located 60' from pit instead of directly adjacent to pit as required in OCD's 6/4/97 approval.

Conclusions or Agreements

I will fax copy of verbal approval to Tipperary at (303) 291-0398

Distribution

Signed

Will Olson

file

Bob Fehlmann - Tipperary (fax copy)

Wayne Price - OCD Hobbs



Whole Earth
Environmental

19606 S. Gabriel
Houston, TX 77084
Phone: (281) 492-7077
Fax: (281) 646-8996

FAX COVER PAGE

To: Bill Olsen

From: Mike Griffin

Company: NM O C D

Company: Whole Earth Environmental, Inc.

Fax No.: (505) 827-8177

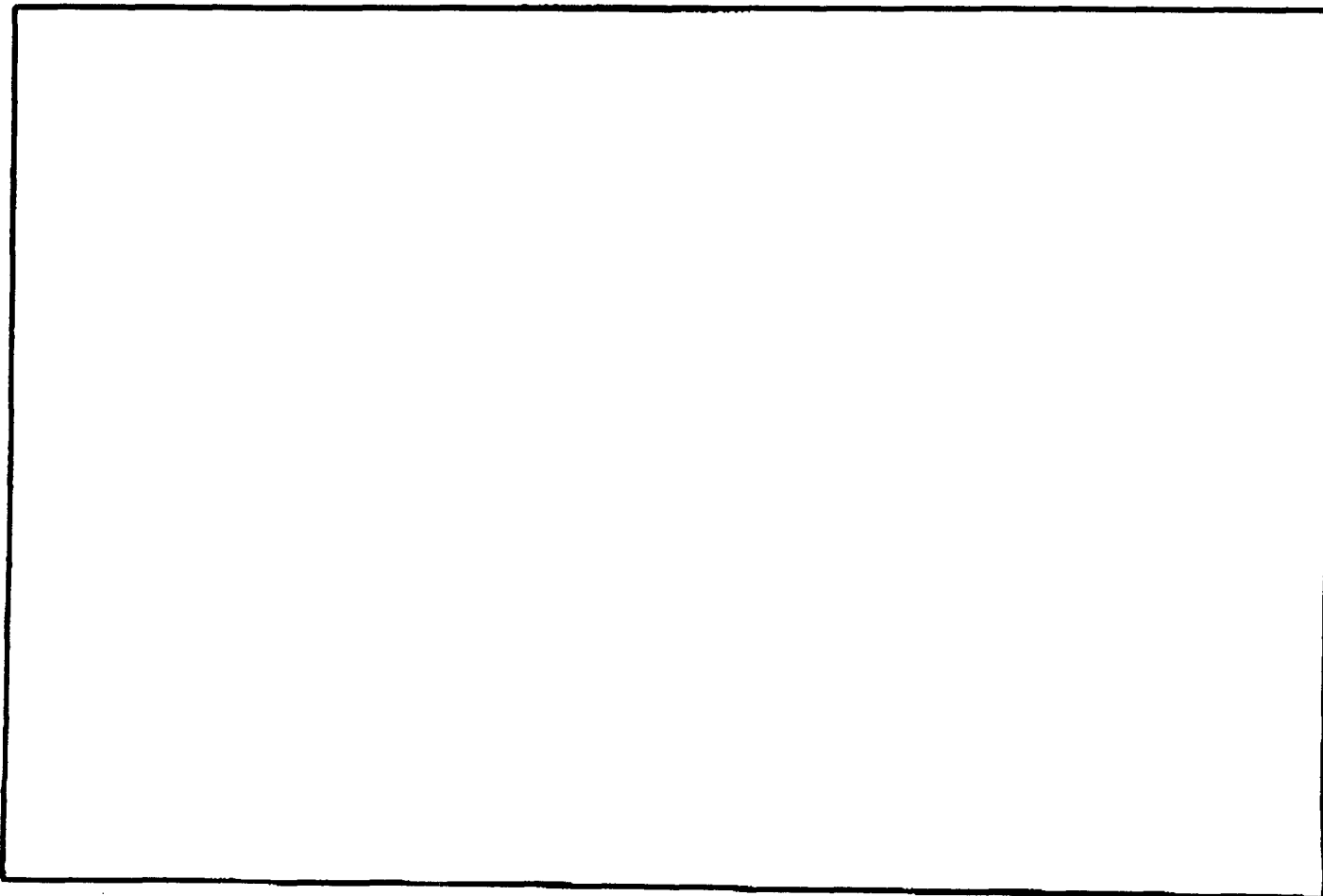
Pages including cover sheet: 3

Subject:

Extension Request

Message:

Date: 9/22/97





To: Bill Olsen

From: Mike Griffin

Date: September 9, 1997

Subject: Extension Request

Sent by FAX to: (505) 827-8177

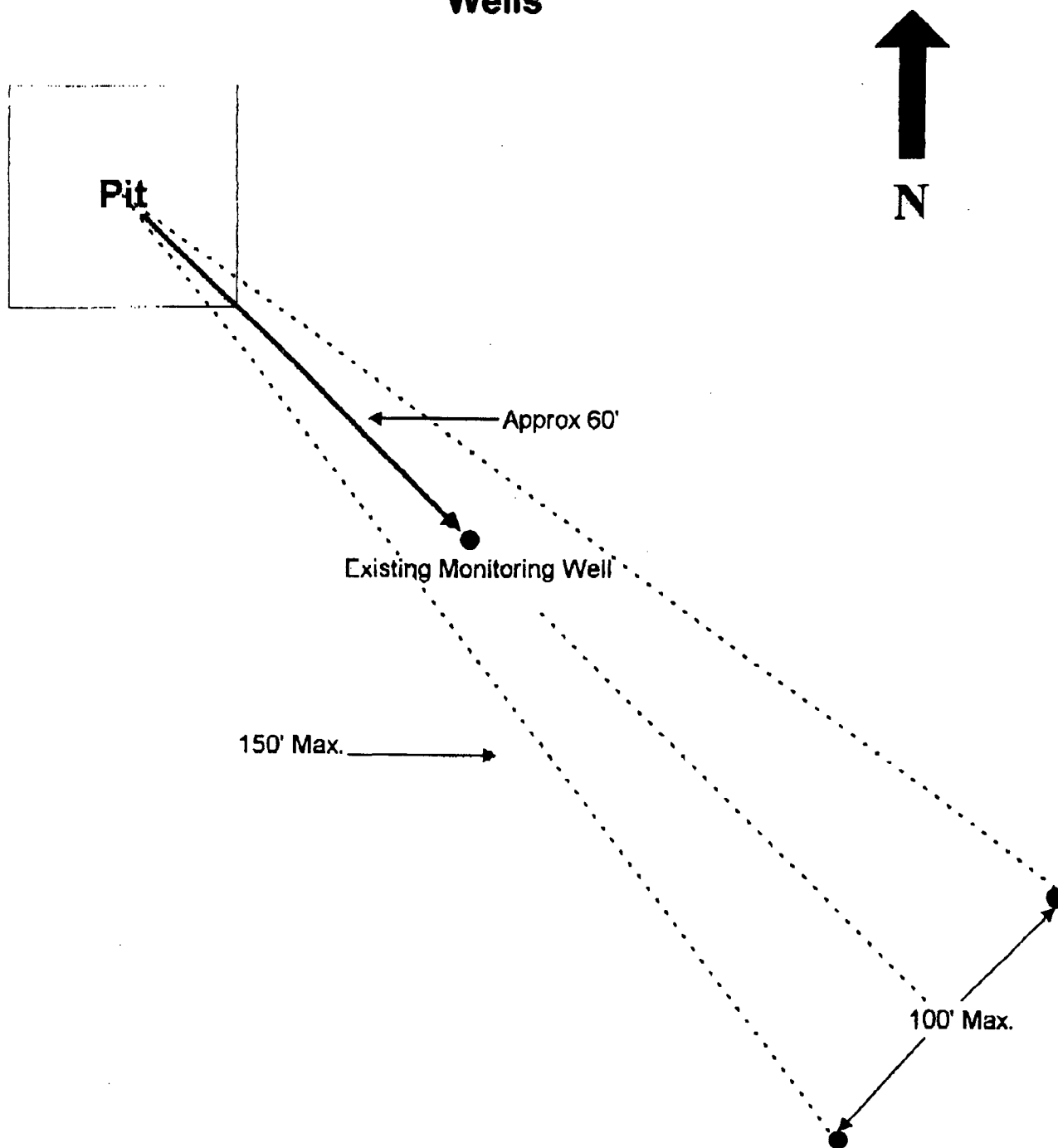
Bill, as you know we experienced an unforeseen delay in completing the Tipperary Tatum Pit Closure Project due to the discovery of detectable BTEX concentrations on five pit locations and the presence of free product in the G.S. State monitoring well. (Reference two letters Bob Fehlmann of Tipperary to you dated Sept. 11).

The new monitoring and recovery wells will be drilled beginning the morning of the 25th and will be sampled as soon as possible thereafter. We request an additional extension for project completion to the end of October.

By copy of this memorandum, I'm notifying Mr. Wayne Price of your Hobbe office as to the new schedule and will further advise him telephonically in advance of the final sampling events so as to allow him to witness.

Please advise if this causes any problems for you.

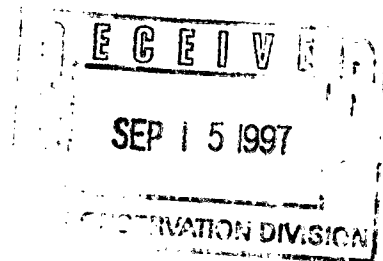
Typical Location of Monitoring Wells





Tipperary
CORPORATION

633 Seventeenth Street
Suite 1550
Denver, Colorado 80202



September 11, 1997

Mr. William C. Olson
Hydrogeologist – Environmental Bureau
New Mexico Energy And Natural Resources Dept.
Oil Conservation Division
2040 South Pacheco 87505
Santa Fe, New Mexico 87504

Subject: GS State #1 pit in the Tatum, New Mexico Area pit closure project.

Dear Mr. Olson:

This letter is to inform the OCD that, in the process of closing the production emergency upset pits in the Tatum area Tipperary has discovered hydrocarbons on the ground water table in the pit at the GS State #1 well. Therefore, our intention at this location is to set two monitor wells, down gradient 150 feet from the pit that straddle a 60° arc centered on the hydrodynamic gradient, and to install a recovery well with a windmill similar to those on the Iva Com #1 and Mabel Com #1 pits.

Please accept this letter both as notification that we have tagged the ground water table at the GS State #1 well pit, and as our proposed protocol for remediation of this Pit. Let me know if you have questions or need more information.

Sincerely,

Robert H. Fehlmann
Environmental Coordinator

WPWIN \ TIP \ LETTERS \ NMPClose.L08



State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505

STATE OF
NEW MEXICO
OIL
CONSERVATION
DIVISION

MEMORANDUM OF MEETING OR CONVERSATION

☒ Telephone ☐ Personal

Time 1445

Date 9/10/97

Originating Party

Other Parties

Mike Griffin - Whole Earth Environmental | Bill Olson - Environmental Bureau

Subject

Tipperary - Gulf State #1 Ground Water Notification

Discussion

Discovered free phase hydrocarbons on ground water in downgradient of former pit.

Want to - install recovery well in center of old pit
- install downgradient monitor well approx 150' away

Told him that Tipperary is required to notify Environmental Bureau chief in writing within 15 days. Notification should include proposed actions

Conclusions or Agreements

He will put notification together

Distribution

Signed

Bill Olson

file

Wayne Price - OCD Hobbs

Bill Olson

From: Wayne Price
Sent: Monday, September 08, 1997 11:35 AM
To: Bill Olson
Cc: Chris Williams
Subject: Tipperary Pits
Importance: High

Dear Bill,

Mike Griffin called and notified the NMOCD that the Tipperary Gulf State #1 has PSH in the MW.

This is the one I told you that I took a bottom hole sample at 10 feet and it exceeded my PID limit >2500 ppm. Field TPH was >10k.

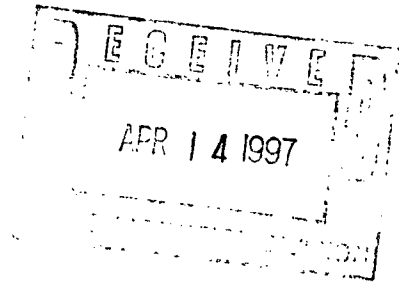
I am sending the water samples we took on friday up to the lab.

Mike is going to call you concerning the PSH.



Tipperary
CORPORATION

633 Seventeenth Street
Suite 1550
Denver, Colorado 80202



April 9, 1997

Mr. William C. Olson
Hydrogeologist - Environmental Bureau
New Mexico Energy and Natural Resources Dept.,
Oil Conservation Division
2040 Pacheco
Santa Fe, New Mexico

RE: PIT CLOSURES TATUM, NEW MEXICO

Dear Mr. Olson:

Enclosed is a copy of Tipperary's work results to date, and a new proposed closure plan, for the production emergency upset pits at Tatum, New Mexico. I believe that this report includes all the information that you requested in your March 27, 1997 letter concerning Tipperary's progress with this project.

I have forwarded a copy of this report to Jerry Sexton, in the OCD's Hobbs, NM office. Let me know if you have any questions.

Sincerely,

Larry G. Sugano
Vice President - Engineering

cc: Jerry Sexton, OCD Hobbs Office