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**GENERAL
CORRESPONDENCE**

YEAR(S):

1999 - 1996



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 28, 1999

Ms. Shirley Ebert
Conoco, Inc.
10 Desta Dr., Suite 100W
Midland, Texas 79705-4500

RE: FINAL SAN JUAN BASIN PIT CLOSURE REPORTS

Dear Ms. Ebert:

The New Mexico Oil Conservation Division (OCD) has reviewed Conoco's August 9, 1999 "CONOCO GROUNDWATER REPORT SUMMARY" which was received by the OCD on September 11, 1999. This document which was submitted on behalf of Conoco by their consultant On Site Technologies, Ltd. requests the status of approval of the corrective actions at a number of pit sites in the San Juan Basin.

A review of the case files on these sites shows there have been recommendations from On Site Technologies to Conoco that Conoco seek closure of the remedial actions at some of the sites. However, the OCD has no record of receiving any closure requests from Conoco. If Conoco wishes to seek closure of the pits at these sites, Conoco will need to submit a completed OCD "Pit Remediation and Closure Report" form for each site. The report should include the results of all soil and ground water remediation actions and information on the current operator of the site.

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

Sincerely,

William C. Olson
Hydrologist
Environmental Bureau

xc: Denny Foust, OCD Aztec District Office
Larry Trujillo, On Site Technologies, Ltd.

ON SITE

TECHNOLOGIES, LTD.

SEP 11 1999

August 9, 1999

Mr. Wm. "Bill" Olsen, Hydrologist
NMOCD

2040 S. PACHECO ST
Santa Fe, NM, 87505

RE: Conoco Groundwater Report Summary

On behalf of Conoco Inc., *On Site Technologies Limited Partnership* requests a status of approval for the corrective actions on the following list of well locations.

LOCATION NAME	LEGAL DESCRIPTION	RECOMMENDATION
RECOMMEND	CONTINUED	MONITORING
Farmington B Com 1	Unit H, S 12, T29N, R12W	WSP-1 still has high BTEX, all other at or below NMWQCC standards, continue monitoring of WSP #1
San Juan 28-7#19	Unit G, S 25, T28N, R7W	Continue monitoring, BTEX levels still above NMWQCC standards
San Juan 28-7#47	Unit A, S 20, T28N, R7W	Continue monitoring, BTEX levels still above NMWQCC standards
Nell-Hall#1	Unit M, S 07, T30N, R11W	Continue to monitor as required in NMCOD letter dated September, 1998
Farmington C Com 1	Unit L, S 15, T29N, R13W	Continue to monitor as required in NMCOD letter dated September, 1998
Farmington B Com 1E	Unit O, S 15, T29N, R13W	Continue to monitor as required in NMCOD letter dated September, 1998
Salmon # 1	Unit P, S 30, T29N, R11W	DG#2 still has high BTEX, Continue monitoring in accordance with NMOCD letter dated September, 1998
RECOMMEND	CLOSURE	
San Juan 28-7#126	Unit M, S 1, T27N, R7W	4 quarters of sampling below NMWQCC standards, recommend closure
San Juan 28-7#219	Unit N, S 20, T28N, R7W	4 quarters of sampling below NMWQCC standards, recommend closure
S&K1	Unit L, S 29, T29N, R11W	4 quarters of sampling below NMWQCC standards recommend closure.
Farmington Com 1	Unit P, S 11, T29N, R13W	Contamination level in MW 1 below OCD action levels for the last four quarters, MW2 and MW3 historically have not had any contamination above NMWQCC standards. Recommend closure of the location.
S&K1E	Unit D, S 29, T29N, R11W	4 quarters of sampling below OCD action levels recommend closure.

PO Box 2606
Farmington, NM

505-325-5667

FAX: 505-327-1496

Conoco Inc.
On Site Technologies, Ltd.

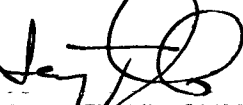
August 9, 1999

Recommendations listed above were included in the 1997 and 1998 Conoco Annual Ground Water Reports. Please advise **On Site** and Conoco of NMOCD's approval, as we are only scheduling the sites requiring continued monitoring.

If there are any questions or concerns on this matter, feel free to contact me at (505) 325-5667.

Thank you for your time and considerations.

Respectfully submitted,



Larry Trujillo CHMM
Senior Environmental Technician
On Site Technologies Limited Partnership

CC:

Shirley Ebert, SHEAR, Conoco Inc., Farmington Office
Neal Goates, Sr. Environmental Specialist, Conoco Inc.



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 5, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-235-437-284

Ms. Shirley Ebert
Conoco, Inc.
3315 Bloomfield Hwy.
Farmington, New Mexico 87401

**RE: GROUND WATER INVESTIGATIONS
SAN JUAN BASIN PIT CLOSURES**

Dear Ms. Ebert:

The New Mexico Oil Conservation Division (OCD) has completed a review of Conoco, Inc.'s (Conoco) February 4, 1998 "CONOCO'S 1997 ANNUAL GROUNDWATER REPORT" which was received by the OCD on February 27, 1998. This document, which was submitted on behalf of Conoco by their consultant On Site Technologies, Ltd., contains the results of Conoco's investigation, remediation and monitoring at 12 unlined oil and gas production pit sites with resulting ground water contamination.

Upon a review of the above referenced documents, the OCD has the following comments and requirements:

1. The data in the reports for the sites listed below show that the complete extent of ground water contamination has not been determined. The OCD requires that Conoco complete the definition of the extent of ground water contamination at these sites pursuant to Conoco's prior approved ground water investigation and remediation plan for the San Juan Basin.

- Farmington B Com #1	Unit H, Sec. 12, T29N, R12W.
- Farmington C Com #1	Unit L, Sec. 15, T29N, R13W.
- Farmington Com #1	Unit P, Sec. 11, T29N, R13W.
- Nell-Hall #1	Unit M, Sec. 07, T30N, R11W.
- Salmon #1	Unit P, Sec. 30, T29N, R11W.

2. The ground water metals data for the site listed below shows that the concentrations of barium, chromium and lead in ground water are above the New Mexico Water Quality Control Commission (WQCC) ground water standards. The OCD requires that Conoco conduct additional metals sampling at this site

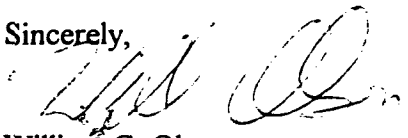
- Farmington Com #1	Unit P, Sec. 11, T29N, R13W.
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Ms. Shirley Ebert
June 5, 1998
Page 2

3. Some of the report site maps do not show the former locations of the pits, the excavated areas nor the locations of all monitor wells (former and current) . The OCD requires that Conoco include this information in future reports.
4. Some of the reports do not contain quarterly ground water potentiometric maps. The OCD requires that Conoco's future reports include ground water potentiometric maps for each sampling event. The maps will be created using the water table elevation in all site monitor wells.
5. Some of the report summary tables do not contain the results of all past water quality sampling. It is difficult for the OCD to evaluate remedial progress at a site without this data. The OCD requires that Conoco's future reports include summary tables that contain the results of all past and present water quality sampling.

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

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

xc: Denny Foust, OCD Aztec District Office
Larry Trujillo, On Site Technologies, Ltd.

RECEIVED

FEB 27 1998

Environmental Group
Oil Conservation Division

Letter of Transmittal

ATTENTION:

DATE: February 4, 1998

Mr. Bill Olson
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: Conoco's 1997 Annual Groundwater Report.

REMARKS:

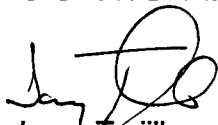
Dear Mr. Olson:

On behalf of Conoco, *On Site Technologies Limited Partnership*, is submitting the enclosed 1997 Annual Groundwater report for the twelve (12) sites

We are sending you:

No. Originals	No. Copies	Description
1		Farmington B Com 1, Unit H, Sec. 12, T29N, R12W
1		San Juan 28-7-19, Unit G, Sec. 25, T28N, R7W
1		San Juan 28-7-47, Unit A, Sec. 20, T28N, R7W
1		San Juan 28-7-126, Unit M, Sec. 1, T27N, R7W
1		San Juan 28-7-219, Unit N, Sec. 20, T28N, R7W
1		Shephard & Kelsey #1, Unit L, Sec. 29, T29N, R11W
1		Nell-Hall #1, Unit , Sec. 1, T30N, R11W
1		Farmington Com #1, Unit P, Sec. 11, T29N, R13W
1		Farmington C Com #1, Unit L, Sec. 15, T29N, R13W
1		Farmington B Com #1E, Unit O, Sec. 15, T29N, R13W
1		Salmon #1, Unit P Sec. 30, T29N, R11W
1		Shephard & Kelsey 1E, Unit D, Sec. 29, T29W, R11W

SIGNATURE:



Larry Trujillo
Sr. Environmental Technician

cc:

Denny Foust
Shirley Ebert
Neal Goates



ANNUAL SUMMARY
PIT CLOSURES
AND
GROUND WATER IMPACT UPDATES
STATE OF NEW MEXICO
1996

RECEIVED

MAY 20 1997

Environmental Bureau
Oil Conservation Division

*Each site
filed under
case file's
separate*



Midland Division
Exploration Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

Certified Mail
P 895 104 872

April 25, 1997

Mr. Denny Fouts
New Mexico Oil Conservation Commission
1000 Rio Brazos Rd.
Aztec, NM 87410

Dear Mr. Fouts:

Re: NMOCD letters P-471-215-177, P-471-215-178
and P-471-215-179

Reference NMOCD letters of February 18, 1997 (P-471-215-177 and P-471-215-178) directed to Conoco Inc. and NMOCD letter of February 18, 1997 (P-471-215-179) directed to Merrion Oil and Gas Corporation.

This letter is intended to update NMOCD on the progress made to date to evaluate the alleged environmental contamination identified in the subject NMOCD letters. Evaluation work was timely commenced at all sites under Conoco's supervision. Initial results are being documented and evaluated. Where appropriate, possible remediation plans are being considered. As you are aware, ownership of the sites have changed hands several times, and we are in the process of developing proposed plans consistent with the contractual obligations of the successive owners. As soon as reasonably possible, NMOCD will be advised of proposed remediation plans where appropriate, to resolve the environmental matters addressed in the subject NMOCD letters.

Regards,

Carl J. Coy
Field SHEAR Specialist

cc: Merrion
Mesa
Bill Olson - NMOCD Santa Fe

Table of Contents

1	1996 PIT CLOSURE SUMMARY DATA
2	FARMINGTON COM #1
3	FARMINGTON C COM #1
4	FARMINGTON B COM #1E
5	SMITH #1 & DRIP PIT
6	SHEPHERD & KELSEY #1
7	SHEPHERD & KELSEY #1E (DEHY/SEP PIT) PRODUCTION TANK LEAK)
8	FARMINGTON B COM #1
9	FEDERAL COM #15
10	SALMON #1
11	NELL HALL #1
12	SAN JUAN 28-7 #19
13	SAN JUAN 28-7 #47
14	SAN JUAN 28-7 #126
15	SAN JUAN 28-7 #219



Revised: May 15, 1997

Conoco, Inc., Midland Division
Exploration and Production, North America
10 Desta Drive, Suite 100W
Midland, Texas 79705-4500

Attn.: Mr. Neal Goates, Senior Environmental Specialist

RE: Transmittal of Information for 1996 Annual NMOCD Reporting

Per your request and at Mr. C. John Coy's (Farmington Office) direction, we have compiled the attached information to assist you with the annual reporting to NMOCD. The information listed in Table 1 is included.

If there are any questions regarding this status report, please contact either Cindy Gray or Myke Lane at On Site Technologies, (505) 325-5667. Thank you for considering On Site to assist you with this matter.

Respectfully submitted,
On Site Technologies Limited Partnership

A handwritten signature in black ink, appearing to read "Michael K. Lane", is written over a horizontal line.

Michael K. Lane, P.E.
Senior Engineer

Enclosures: Table 1 & Listed Attachments

CC: C. John Coy (w/o attachments)
MKL/mkl

file: 41303.doc

TABLE 1: CONCLUSO SUMMARY
Transmittal of Information for 1996 Annual NMOCD Reporting

On Site Technologies Limited Partnership
 May 15, 1997

Project: 4-1303

Well	Date	Documents	Comments
Farmington Com #1	Apr. 18, 97	Site Assessment Brief w/ lab and QA/QC	Corrective Action to address soil and/or ground water contamination pending negotiations with former lease operator.
Farmington C Com #1	Apr. 22, 97	Site Assessment Brief w/ lab and QA/QC	Corrective Action to address soil and/or ground water contamination pending negotiations with former lease operator.
Farmington B Com #1E	Apr. 22, 97	Site Assessment Brief w/ lab and QA/QC	Corrective Action to address soil and/or ground water contamination pending negotiations with former lease operator.
Smith #1 & Drip Pit	Apr. 22, 97	Site Assessment Brief w/ lab and QA/QC	Corrective Action to address soil and/or ground water contamination pending negotiations with former lease operator.
Shepherd & Kelsey #1	Mar. 21, 97 July 18, 96 Mar. 20, 97	Summary of Monitor Well Install & Map Sample Results w/ QA/QC (IML) Sample Results w/ QA/QC (On Site)	Continue ground water monitoring for 3 additional quarters to verify RBCA.
Shepherd & Kelsey #1E (Dehy/Sep Pit)	Apr. 16, 97	Pit Assessment & Remediation Summary w/ lab and QA/QC	No further reclamation efforts recommended, and propose continued ground water monitoring until four consecutive sample events are "clean".
Shepherd & Kelsey #1E (Production Tank Spill)	Apr. 28, 97	Spill Assessment & Remediation Summary w/ lab and QA/QC	No further corrective action, with plug and abandonment of monitor well proposed.
Farmington B Com #1	Apr. 16, 97	Investigation & Remediation Summary w/ lab and QA/QC	No further reclamation efforts recommended, and propose continued ground water monitoring until four consecutive sample events are "clean".
Federal Com #15	Apr. 28, 97	Site Assessment Summary	No further action.
Salmon #1	May 12, 97 July 17, 96 Mar. 18, 96 Mar. 26, 97	Corrective Action Proposal (On Site) Lab Reports & QA/QC (IML) Lab Reports & QA/QC (On Site) Lab Reports & QA/QC (On Site)	Additional excavation and treatment of contaminated soil down-gradient of original pit proposed.

TABLE 1: CONOCO SUMMARY
Transmittal of Information for 1996 Annual NMOCD Reporting

On Site Technologies Limited Partnership
 May 15, 1997

Project: 4-1303

Well	Date	Documents	Comments
Neil Hall #1	June 14, 97	Lab Reports & QA/QC (IML)	Due to seasonal low water table, propose annual sampling to be scheduled in June to Aug. with closure once two consecutive sample events show "clean".
	June 28, 96	Lab Reports & QA/QC (IML)	
	July 12, 96	Lab Reports & QA/QC (IML)	
	Apr. 1, 97	Letter regarding no water (On Site)	
SJ 28-7 #19	Mar. 12, 96	Lab Reports & QA/QC (IML)	Continue ground water monitoring for four additional quarters.
	July 17, 96	Lab Reports & QA/QC (IML)	
	Mar. 19, 97	Lab Reports & QA/QC (On Site)	
	Apr. 21, 97	Lab Reports & QA/QC (On Site)	
SJ 28-7 #47	Mar. 12, 96	Lab Reports & QA/QC (IML)	Continue ground water monitoring for four additional quarters.
	Apr. 15, 96	Lab Reports & QA/QC (IML)	
	July 17, 96	Lab Reports & QA/QC (IML)	
	Mar. 19, 97	Lab Reports & QA/QC (On Site)	
SJ 28-7 #126	Apr. 21, 97	Lab Reports & QA/QC (On Site)	Continue ground water monitoring for an additional quarter.
	Mar. 12, 96	Lab Reports & QA/QC (IML)	
	July 17, 96	Lab Reports & QA/QC (IML)	
	Mar. 26, 97	Lab Reports & QA/QC (On Site)	
SJ 28-7 #219	Mar. 12, 96	Lab Reports & QA/QC (IML)	Continue ground water monitoring for two additional quarters.
	July 17, 96	Lab Reports & QA/QC (IML)	
	Mar. 26, 97	Lab Reports & QA/QC (On Site)	

TYPES OF PITS

SEP: Separator Pit
DHP: Dehydrator Pit
CSP: Compressor Scrubber Pit
TDP: Tank Drip Pit
LDP: Line Drip Pit

BDP: Blowdown Pit
FGP: Fiberglass Tank Pit
LDHP: Lined Dehy Pit
DRP: Drilling Reserve Pit
NONE: No Pits

#	WELL NAME AND NUMBER	FEDERAL, STATE INDIAN CONTRACT NO OR FEE	LOCATION	TYPES OF PITS	PIT SIZE	VULN. AREA	EXPANDED VULN. AREA	NON-VULN. AREA	OTHER PARTY PIT	DATE STOPPED FLOW TO PIT	DATE REMEDIATION STARTED	DATE PIT CLOSED
SENSITIVE AREA PITS - JICARILLA												
1	Apache No. 1	Contract #98	Unit D, Sec. 18-26N-3W	SEP	30' x 24' x 4'		X			Unknown		05/06/96
2	Apache No. 3E	Contract #98	Unit H, Sec. 19-26N-3W	TDP	18' x 17' x 3'		X			Unknown		04/25/96
3	Apache No. 7	Contract #98	Unit D, Sec. 20-26N-3W	SEP	44' x 30' x 6'		X			Unknown		04/25/96
4	AXI Apache J No. 22	Contract #147	Unit L, Sec. 6-25N-5W	SEP	37' x 36' x 3'		X			09/10/96		09/30/96
5	AXI Apache N No. 14	Contract #121	Unit C, Sec. 1-25N-4W	SEP	19' x 19' x 4'		X			03/27/96		04/15/96
6	AXI Apache N No. 16A	Contract #121	Unit C, Sec. 12-25N-4W	DHP	18' x 18' x 3'		X			03/18/96		03/28/96
7	Jicarilla No. 3	Contract #12	Unit D, Sec. 31-26N-4W	SEP	28' x 22' x 4'		X			Unknown		08/05/96
8	Jicarilla No. 4	Contract #12	Unit L, Sec. 31-26N-4W	TDP	10' x 8' x 3'		X			Unknown		08/05/96
9	Jicarilla No. 8	Contract #12	Unit L, Sec. 32-26N-4W	SEP	35' x 27' x 4'		X			Unknown		08/15/96
10	Jicarilla No. 11	Contract #12	Unit G, Sec. 30-26N-4W	SEP	21' x 20' x 4'		X			Unknown		08/15/96
11	Jicarilla No. 11	Contract #12	Unit G, Sec. 30-26N-4W	TDP	22' x 22' x 4'		X			Unknown		08/15/96
12	Jicarilla No. 13	Contract #12	Unit G, Sec. 31-26N-4W	TDP	18' x 16' x 4'		X			Unknown		08/05/96
13	Jicarilla No. 14	Contract #12	Unit P, Sec. 31-26N-4W	SEP	19' x 18' x 3'		X			Unknown		08/07/96
14	Jicarilla No. 14	Contract #12	Unit P, Sec. 31-26N-4W	TDP	18' x 17' x 4'		X			Unknown		08/15/96
15	Jicarilla No. 17	Contract #12	Unit B, Sec. 32-26N-4W	SEP	17' x 16' x 4'		X			Unknown		08/15/96
16	Jicarilla No. 17	Contract #12	Unit B, Sec. 32-26N-4W	TDP	19' x 17' x 4'		X			Unknown		08/15/96
17	Jicarilla No. 18	Contract #12	Unit I, Sec. 32-26N-4W	SEP	28' x 22' x 4'		X			Unknown		08/15/96
18	Jicarilla No. 18	Contract #12	Unit I, Sec. 32-26N-4W	TDP	25' x 25' x 4'		X			06/26/96		07/25/96
19	Jicarilla A No. 8	Contract #105	Unit E, Sec. 23-26N-4W	SEP	20' x 20' x 3'		X			05/15/96		05/22/96
20	Jicarilla A No. 9	Contract #105	Unit C, Sec. 14-26N-4W	TDP	10' x 10' x 5'		X			06/11/96		06/26/96
21	Jicarilla A No. 10	Contract #105	Unit D, Sec. 23-26N-4W	SEP	16' x 16' x 4'		X			05/08/96		05/15/96
22	Jicarilla A No. 13	Contract #105	Unit E, Sec. 13-26N-4W	TDP	16' x 16' x 4'		X			Unknown		07/25/96
23	Jicarilla B No. 2	Contract #106	Unit K, Sec. 25-26N-4W	BDP	15' x 25' x 3'		X			06/08/96		06/26/96
24	Jicarilla B No. 8	Contract #106	Unit K, Sec. 25-26N-4W	SEP	10' x 15' x 3'		X			05/22/96		05/31/96
25	Jicarilla B No. 9	Contract #106	Unit K, Sec. 26-26N-4W	SEP	15' x 15' x 2'		X			06/10/96		08/15/96
26	Jicarilla B No. 9A	Contract #106	Unit D, Sec. 26-26N-4W	SEP	18' x 18' x 3'		X			03/27/96		03/29/96
27	Jicarilla B No. 13	Contract #106	Unit M, Sec. 26-26N-4W	SEP	16' x 18' x 4'		X			03/29/96		03/29/96
28	Jicarilla B No. 15	Contract #106	Unit J, Sec. 36-26N-4W	SEP	12' x 12' x 2'		X			04/04/96		04/15/96
29	Jicarilla D No. 11	Contract #100	Unit A, Sec. 29-26N-3W	TDP	12' x 14' x 4'		X			04/09/96		04/15/96
30	Jicarilla D No. 17	Contract #100	Unit D, Sec. 29-26N-3W	TDP	16' x 18' x 3'		X			04/12/96		04/15/96
31	Jicarilla D No. 18	Contract #100	Unit A, Sec. 30-26N-3W	SEP	15' x 15' x 2'		X			07/29/96		08/15/96
32	Jicarilla E No. 6	Contract #104	Unit B, Sec. 21-26N-4W	TDP	18' x 18' x 3'		X			06/05/96		06/21/96
33	Jicarilla E No. 8	Contract #104	Unit C, Sec. 15-26N-4W	TDP	10' x 10' x 3'		X			03/25/96		06/05/96
34	Jicarilla E No. 14	Contract #104	Unit D, Sec. 15-26N-4W	CSP	10' x 12' x 3'		X			Unknown		09/24/96
35	Jicarilla K No. 12E	Contract No. 145	Unit M, Sec. 02-25N-5W	SEP	12' x 14' x 3'		X			08/28/96		09/03/96
36	Jicarilla K No. 15	Contract No. 145	Unit I, Sec. 01-25N-5W	SEP	14' x 16' x 2'		X			Unknown		10/02/96
37	Jicarilla K No. 22	Contract No. 145	Unit M, Sec. 02-25N-5W	SEP	12' x 14' x 4'		X			Unknown		09/24/96
38	Jicarilla K No. 22A	Contract No. 145	Unit O, Sec. 02-25N-5W	SEP	10' x 10' x 1'		X			Unknown		09/24/96

39	Tribal No. 2	Fed. 6090001150	Unit L, Sec. 9-26N-3W	SEP	30' x 24' x 6'						Unknown	05/06/96
40	Tribal No. 2	Fed. 6090001150	Unit L, Sec. 9-26N-3W	TDP	24' x 17' x 4'				X		Unknown	05/06/96

NON - SENSITIVE AREA PITS - JICARILLA

1	AXI Apache N No. 11A	Contract #121	Unit B, Sec. 12-25N-4W	SEP	22' x 19' x 3'					X	Unknown	03/22/96
2	AXI Apache N No. 12A	Contract #121	Unit L, Sec. 11-25N-4W	SEP	21' x 21' x 4'					X	03/22/96	03/29/96
3	AXI Apache N No. 14A	Contract #121	Unit K, Sec. 1-25N-4W	SEP	19' x 19' x 3'					X	Unknown	03/22/96
4	AXI Apache N No. 12	Contract #121	Unit C, Sec. 11-25N-4W	SEP	20' x 18' x 3'					X	03/25/96	03/26/96
5	AXI Apache N No. 13	Contract #121	Unit G, Sec. 2-25N-4W	SEP	22' x 21' x 3'					X	03/25/96	03/29/96
6	AXI Apache O No. 10	Contract #122	Unit J, Sec. 3-25N-4W	SEP	23' x 21' x 3'					X	03/20/96	03/25/96
7	Jicarilla D No. 11A	Contract # 100	Unit P, Sec. 29-26N-3W	TDP	16' x 16' x 3'					X	04/19/96	04/22/96
8	Jicarilla D No. 13	Contract # 100	Unit A, Sec. 32-26N-3W	TDP	15' x 15' x 2'					X	04/16/96	04/22/96
9	Jicarilla D No. 13A	Contract # 100	Unit P, Sec. 32-26N-3W	SEP	20' x 20' x 2'					X	04/15/96	04/22/96
10	Jicarilla D No. 19	Contract # 100	Unit I, Sec. 31-26N-3W	TDP	25' x 26' x 2'					X	04/25/96	05/03/96
11	Jicarilla D No. 20	Contract # 100	Unit N, Sec. 31-26N-3W	TDP	20' x 30' x 4'					X	04/25/96	05/03/96



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

January 31, 1997

CERTIFIED MAIL

RETURN RECEIPT NO. P-269-269-243

Mr. Neal Goates
Conoco Inc.
10 Desta Drive, Suite 100W
Midland, Texas 79705-4500

**RE: GROUND WATER CONTAMINATION ASSESSMENT
SAN JUAN 28-7 UNIT
WELLS #219, #47, #19, #126**

Dear Mr. Goates:

The New Mexico Oil Conservation Division (OCD) has completed a review of the following Conoco documents:

- October 15, 1996 "GROUNDWATER ASSESSMENT PROPOSAL, SAN JUAN 28-7 WELLS #219 (S20, TNW28 R7W UNIT A), #47 (S20 TNW28 R7W UNIT A), #19 (S25, TNW28, R7W UNIT G), #126 (S1 TNW28 R7W UNIT M)".
- Undated "CONOCO SAN JUAN 28-7 LEASE, WELLS 219, 19, 47, 126" which was received by the OCD on September 16, 1996.

These documents contain the results of Conoco's investigation of the extent of contamination resulting from disposal of production wastes in unlined pits at Conoco's San Juan 28-7 Unit wells #219 (Unit N, Sec. 20, T28N, R07W), #47 (Unit A, Sec. 20, T28N, R07W), #19 (Unit G, Sec. 25, T28N, R07W) and #126 (Unit M, Sec. 01, T27N, R7W). The documents also contain recommendations for ground water quality monitoring of the existing monitor wells until New Mexico Water Quality Control Commission (WQCC) ground water standards are met and installation of no further monitor wells based upon the results of a risk assessment.

The OCD's review of the above referenced documents is addressed below.

A. Based upon the current non-detectable concentrations of petroleum compounds at the San Juan 28-7 Unit wells #219, #19 and #126, Conoco's recommendations for these sites are approved with the following conditions:

1. All ground water sampling and analysis will be conducted using EPA approved methods.

Mr. Neal Goates
January 31, 1997
Page 2

2. While site monitoring is ongoing, Conoco will submit a separate annual report for each site to the OCD by April 1 or each year. The reports will contain:
 - a. A description of the monitoring activities during the past year including conclusions and recommendations.
 - b. A summary of past and present analytical results of all ground water monitoring for each site including copies of the laboratory analyses and associated quality assurance/quality control data.
3. Ground water quality monitoring will not be considered complete until water quality samples from the monitor wells are shown to be below WQCC standards for four (4) consecutive quarters.
4. Upon completion of ground water actions, Conoco will submit to the OCD for approval final pit closure reports for each site which will contain the results of all remedial actions and monitoring.

Please be advised that OCD approval does not relieve Conoco of liability if implementation of the recommendations fails to adequately monitor ground water contamination at the sites. In addition, OCD approval does not relieve Conoco of responsibility for compliance with any other federal, state, tribal or local laws and/or regulations.

- B. Due to concentrations of benzene in ground water in excess of WQCC standards at the San Juan Unit 28-7 well #47, the OCD defers approval of Conoco's recommendations for this site until Conoco provides the OCD with actual field data which verifies the model results. The field verification data will be submitted to the OCD by March 28, 1997.

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

Sincerely,



William C. Olson
Hydrogeologist
Environmental Bureau

xc: OCD Aztec District Office
Bill Liess, BLM Farmington District



Midland Division
Exploration Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

October 15, 1996

William C. Olson
Environmental Bureau
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Dear Mr. Olson:

GROUNDEWATER ASSESSMENT PROPOSAL, SAN JUAN 28-7 WELLS #219 (S20, TNW28 R7W UNIT A), #47 (S20 TNW28 R7W UNIT A), #19 (S25, TNW28, R7W UNIT G), #126 (S1 TNW28 R7W Unit M).

INTRODUCTION

This letter is the follow up recommendation after the meeting between Conoco and the NMOCD held on September 16, 1996. Please disregard previous letter dated October 1. During the course of pit assessment work in the expanded vulnerable area Conoco identified groundwater contamination at these sites. Please note that the site investigation went beyond NMOCD's proposed scope of phase II assessment in determining vertical extent of the contamination outlined in **Section II SOIL AND WATER REMEDIATION LEVELS** subheading **A SOILS part 2b Recommended Remediation Level.**

RECOMMENDATION

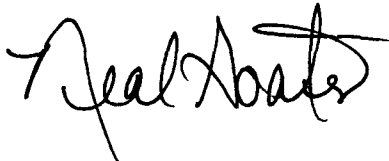
Please attach this letter with the risk assessment work completed for the subject properties. Based on the risk analysis output, Conoco recommends that no additional monitoring wells will be needed. The Tier 1 lookup table values indicates that wells 219, 19, and 126 are below the Risk-Based Screening Level for Benzene. In addition, Tier II modeling for well 47 clearly demonstrates that off-site transport is not a concern and concentration of Benzene for anticipated use of area would not be a future health threat for residential use of the property. Conoco will utilized our existing monitor wells located adjacent and down gradient of the original pit locations for progress toward natural biodegradation. We will sample the monitor wells for BTEX content on an annual basis and forward the results with our annual pit closure progress report. The sites will seek individual approval for closure when the BTEX analysis results are below the MCL for each constituent of concern for a minimum of two sample events within the frequency of one full year. The soil within the pit area will be delineated and remediated using the current approved methods for pit closure (OVM screening, excavation, surface remediation, analytical based closure).

WORK SUMMARY

With the assistance of Western Technologies boring crew and geologist, our Conoco representative organized the task of determine the subsurface vertical extent of the soil contamination by the use of a geoprobe adjacent and down gradient from the unlined surface impoundment and sampled with a calibrated PID meter in accordance with Sections V-IX. The subjects soil contamination surpassed the closure guidelines of 100 ppm and also exceeded the vertical limits of the geoprobe at 40'. It was

decided by our site supervisor to continue the borings with a hollow stem auger regardless of formation changes (sandstone) until such drilling was impeded, OVM readings were extensively below 100 ppm, or groundwater was encountered. The monitor wells were completed according to OCD requirements and adequately purged for water analysis. The analysis concluded that BTEX readings exceeded the closure standard set by the New Mexico WQCC. The attached logs define the PID readings corrected for Benzene and complete analysis accompany the risk assessment report.

Sincerely,

A handwritten signature in black ink, appearing to read "Neal Goates". The signature is fluid and cursive, with the first name "Neal" being more prominent than the last name "Goates".

Neal Goates
Environmental Specialist

cc: Denny Foust, OCD Aztec Office
John Coy, Conoco Farmington



Midland Division
Exploration Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

06 00 17 11 0 52

October 1, 1996

William C. Olson
Environmental Bureau
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Dear Mr. Olson:

GROUNDWATER ASSESSMENT PROPOSAL, SAN JUAN 28-7 WELLS #219 (S20, TNW28 R7W UNIT A), #47 (S20 TNW28 R7W UNIT A), #19 (S25, TNW28, R7W UNIT G), #126 (S1 TNW28 R7W Unit M).

INTRODUCTION

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RECOMMENDATION

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Sincerely,

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Neal Goates
Environmental Specialist

cc: Denny Foust, OCD Aztec Office
John Coy, Conoco Farmington



SAN JUAN 28-7 LEASE

WELLS 219, 19, 47, 126

RECEIVED

SEP 16 1996

**Environmental Bureau
Oil Conservation Division**

*Report filed
in San Juan 28-7
Well #47
Ground Water file
Case file*



ANNUAL SUMMARY
PIT CLOSURES
AND
GROUND WATER IMPACT UPDATES
STATE OF NEW MEXICO
1996

RECEIVED

MAY 20 1997

Environmental Bureau
Oil Conservation Division

*Each site
filed under
case files
separate*



Midland Division
Exploration Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

Certified Mail
P 895 104 872

April 25, 1997

Mr. Denny Fouts
New Mexico Oil Conservation Commission
1000 Rio Brazos Rd.
Aztec, NM 87410

Dear Mr. Fouts:

Re: NMOCD letters P-471-215-177, P-471-215-178
and P-471-215-179

Reference NMOCD letters of February 18, 1997 (P-471-215-177 and P-471-215-178) directed to Conoco Inc. and NMOCD letter of February 18, 1997 (P-471-215-179) directed to Merrion Oil and Gas Corporation.

This letter is intended to update NMOCD on the progress made to date to evaluate the alleged environmental contamination identified in the subject NMOCD letters. Evaluation work was timely commenced at all sites under Conoco's supervision. Initial results are being documented and evaluated. Where appropriate, possible remediation plans are being considered. As you are aware, ownership of the sites have changed hands several times, and we are in the process of developing proposed plans consistent with the contractual obligations of the successive owners. As soon as reasonably possible, NMOCD will be advised of proposed remediation plans where appropriate, to resolve the environmental matters addressed in the subject NMOCD letters.

Regards,

Carl J. Coy
Field SHEAR Specialist

cc: Merrion
Mesa
Bill Olson - NMOCD Santa Fe

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5	SMITH #1 & DRIP PIT
6	SHEPHERD & KELSEY #1
7	SHEPHERD & KELSEY #1E (DEHY/SEP PIT) PRODUCTION TANK LEAK)
8	FARMINGTON B COM #1
9	FEDERAL COM #15
10	SALMON #1
11	NELL HALL #1
12	SAN JUAN 28-7 #19
13	SAN JUAN 28-7 #47
14	SAN JUAN 28-7 #126
15	SAN JUAN 28-7 #219

TABLE 1: CONCLUSO SUMMARY
Transmittal of Information for 1996 Annual NMOCD Reporting

On Site Technologies Limited Partnership
 May 15, 1997

Project: 4-1303

Well	Date	Documents	Comments
Farmington Com #1	Apr. 18, 97	Site Assessment Brief w/ lab and QA/QC	Corrective Action to address soil and/or ground water contamination pending negotiations with former lease operator.
Farmington C Com #1	Apr. 22, 97	Site Assessment Brief w/ lab and QA/QC	Corrective Action to address soil and/or ground water contamination pending negotiations with former lease operator.
Farmington B Com #1E	Apr. 22, 97	Site Assessment Brief w/ lab and QA/QC	Corrective Action to address soil and/or ground water contamination pending negotiations with former lease operator.
Smith #1 & Drip Pit	Apr. 22, 97	Site Assessment Brief w/ lab and QA/QC	Corrective Action to address soil and/or ground water contamination pending negotiations with former lease operator.
Shepherd & Kelsey #1	Mar. 21, 97 July 18, 96 Mar. 20, 97	Summary of Monitor Well Install & Map Sample Results w/ QA/QC (IML) Sample Results w/ QA/QC (On Site)	Continue ground water monitoring for 3 additional quarters to verify RBCA.
Shepherd & Kelsey #1E (Dehy/Sep Pit)	Apr. 16, 97	Pit Assessment & Remediation Summary w/ lab and QA/QC	No further reclamation efforts recommended, and propose continued ground water monitoring until four consecutive sample events are "clean".
Shepherd & Kelsey #1E (Production Tank Spill)	Apr. 28, 97	Spill Assessment & Remediation Summary w/ lab and QA/QC	No further corrective action, with plug and abandonment of monitor well proposed.
Farmington B Com #1	Apr. 16, 97	Investigation & Remediation Summary w/ lab and QA/QC	No further reclamation efforts recommended, and propose continued ground water monitoring until four consecutive sample events are "clean".
Federal Com #15	Apr. 28, 97	Site Assessment Summary	No further action.
Salmon #1	May 12, 97 July 17, 96 Mar. 18, 96 Mar. 26, 97	Corrective Action Proposal (On Site) Lab Reports & QA/QC (IML) Lab Reports & QA/QC (On Site) Lab Reports & QA/QC (On Site)	Additional excavation and treatment of contaminated soil down-gradient of original pit proposed.

TABLE 1: CONOCO SUMMARY
Transmittal of Information for 1996 Annual NMOCD Reporting

On Site Technologies Limited Partnership
 May 15, 1997

Project: 4-1303

Well	Date	Documents	Comments
Neil Hall #1	June 14, 97	Lab Reports & QA/QC (IML)	Due to seasonal low water table, propose annual sampling to be scheduled in June to Aug. with closure once two consecutive sample events show "clean".
	June 28, 96	Lab Reports & QA/QC (IML)	
	July 12, 96	Lab Reports & QA/QC (IML)	
	Apr. 1, 97	Letter regarding no water (On Site)	
SJ 28-7 #19	Mar. 12, 96	Lab Reports & QA/QC (IML)	Continue ground water monitoring for four additional quarters.
	July 17, 96	Lab Reports & QA/QC (IML)	
	Mar. 19, 97	Lab Reports & QA/QC (On Site)	
	Apr. 21, 97	Lab Reports & QA/QC (On Site)	
SJ 28-7 #47	Mar. 12, 96	Lab Reports & QA/QC (IML)	Continue ground water monitoring for four additional quarters.
	Apr. 15, 96	Lab Reports & QA/QC (IML)	
	July 17, 96	Lab Reports & QA/QC (IML)	
	Mar. 19, 97	Lab Reports & QA/QC (On Site)	
SJ 28-7 #126	Apr. 21, 97	Lab Reports & QA/QC (On Site)	Continue ground water monitoring for an additional quarter.
	Mar. 12, 96	Lab Reports & QA/QC (IML)	
	July 17, 96	Lab Reports & QA/QC (IML)	
	Mar. 26, 97	Lab Reports & QA/QC (On Site)	
SJ 28-7 #219	Mar. 12, 96	Lab Reports & QA/QC (IML)	Continue ground water monitoring for two additional quarters.
	July 17, 96	Lab Reports & QA/QC (IML)	
	Mar. 26, 97	Lab Reports & QA/QC (On Site)	

39	Tribal No. 2	Fed. 6090001150	Unit L, Sec. 9-26N-3W	SEP	30' x 24' x 6'						05/06/96
40	Tribal No. 2	Fed. 6090001150	Unit L, Sec. 9-26N-3W	TDP	24' x 17' x 4'				X	Unknown	05/06/96

NON - SENSITIVE AREA PITS - JICARILLA

1	AXI Apache N No. 11A	Contract #121	Unit B, Sec. 12-25N-4W	SEP	22' x 19' x 3'				X	Unknown	03/22/96
2	AXI Apache N No. 12A	Contract #121	Unit L, Sec. 11-25N-4W	SEP	21' x 21' x 4'				X	03/22/96	03/29/96
3	AXI Apache N No. 14A	Contract #121	Unit K, Sec. 1-25N-4W	SEP	19x19x3'				X	Unknown	03/22/96
4	AXI Apache N No. 12	Contract #121	Unit C, Sec. 11-25N-4W	SEP	20' x 18' x 3'				X	03/25/96	03/26/96
5	AXI Apache N No. 13	Contract #121	Unit G, Sec. 2-25N-4W	SEP	22' x 21' x 3'				X	03/25/96	03/29/96
6	AXI Apache O No. 10	Contract #122	Unit J, Sec. 3-25N-4W	SEP	23' x 21' x 3'				X	03/20/96	03/25/96
7	Jicarilla D No. 11A	Contract # 100	Unit P, Sec. 29-26N-3W	TDP	16x16x3'				X	04/19/96	04/22/96
8	Jicarilla D No. 13	Contract # 100	Unit A, Sec. 32-26N-3W	TDP	15x15x2'				X	04/16/96	04/22/96
9	Jicarilla D No. 13A	Contract # 100	Unit P, Sec. 32-26N-3W	SEP	20x20x2'				X	04/15/96	04/22/96
10	Jicarilla D No. 19	Contract # 100	Unit I, Sec. 31-26N-3W	TDP	25x28x2'				X	04/25/96	05/03/96
11	Jicarilla D No. 20	Contract # 100	Unit N, Sec. 31-26N-3W	TDP	20x30x4'				X	04/25/96	05/03/96