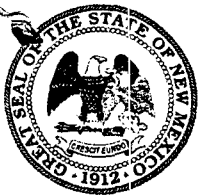


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APPROVALS

YEAR(S):

2000



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

December 14, 2000

CERTIFIED MAIL

RETURN RECEIPT NO: 5051-3983

Ms. Nina Hutton
Cross Timbers Oil Company
810 Houston St., Suite 2000
Fort Worth, Texas 76102-6298

RE: PIT CLOSURE/GROUND WATER MONITORING REPORTS

Dear Ms. Hutton:

The New Mexico Oil Conservation Division (OCD) has reviewed Cross Timbers Oil Company's (CTOC) February 21, 2000 "1999 ANNUAL GROUNDWATER REPORTS, SAN JUAN COUNTY, NEW MEXICO, PERMANENT CLOSURE REQUESTED" which was submitted on behalf of CTOC by their consultant Blagg Engineering, Inc. This document contains the results of CTOC's investigation, remediation and monitoring of soil and ground water contamination related to the disposal of oilfield wastes in unlined pits at 10 sites in the San Juan Basin and requests closure of the remedial actions.

Below is the OCD's review of the above referenced document:

- A. The soil and ground water remedial actions at the sites listed below are satisfactory and the OCD **approves** of the closure of these pit sites. Please be advised that OCD approval does not relieve CTOC of responsibility if remaining contaminants pose a future threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve CTOC of responsibility for compliance with any other federal, state, tribal or local laws and regulations.

- | | |
|------------------------------------|------------------------------|
| 1. Hare GC C #1 (Blow pit) | Unit M, Sec. 25, T29N, R10W. |
| 2. Pearce GC #1E (Blow pit) | Unit J, Sec. 23, T29N, R11W. |
| 3. Sanchez GC #1 (Blow pit) | Unit G, Sec. 28, T29N, R10W. |
| 4. Texas National GC #1 (Blow pit) | Unit L, Sec. 19, T29N, R09W. |

B. The sites listed below were initially found to have ground water contaminated with benzene, toluene, ethylbenzene and xylene (BTEX) in excess of New Mexico Water Quality Control Commission (WQCC) standards. The reports for these sites contain only one subsequent round of water quality sampling events demonstrating that ground water currently meets WQCC standards. CTOC's approved ground water management plan required that all sites contaminated in excess of the WQCC standards would not be submitted for final closure until ground water quality at all monitoring points were below WQCC standards for a minimum of 4 consecutive quarters. Therefore, approval of the closure actions at these sites is **denied**. The OCD requires that CTOC continue ground water quality monitoring at these sites. Pursuant to the previously approved ground water management plan, the OCD will reconsider issuing final closure approval after CTOC demonstrates that ground water quality at all monitoring points are below WQCC standards for a minimum of 4 consecutive quarters.

In addition, the OCD could not find that any analytical results have been submitted for the landfarm activities at the Haney GC B#1E site. Please include these results in all future final closure requests.

1. Baca GC A #1A (Blow/separator pit)	Unit F, Sec. 26, T29N, R10W.
2. Haney GC B#1E (Separator pit)	Unit M, Sec. 20, T29N, R10W.
3. Masden GC #1E (Blow pit)	Unit D, Sec. 28, T29N, R11W.
4. McDaniel GC B#1E (Dehy pit)	Unit F, Sec. 26, T29N, R10W.
5. Snyder GC #1A (Blow pit)	Unit E, Sec. 19, T29N, R09W.
6. Sullivan Frame A#1E (Dehy pit)	Unit A, Sec. 30, T29N, R10W.

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

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

xc: Denny Foust, OCD Aztec District Office
Bill Liess, BLM Farmington District Office
Nelson Velez, Blagg Engineering, Inc.