

**3R - 166**

# **APPROVALS**

**YEAR(S):**

2003-1997



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenberg**

Director

**Oil Conservation Division**

March 28, 2003

Mr. Scott T. Pope  
El Paso Field Services  
614 Reilly Ave.  
Farmington, New Mexico 87401

**RE: D LOOP LINE DRIP SITE (CASE# 3R166)  
HAMMOND #41A PIT SITE (CASE #3R186)  
SAN JUAN COUNTY, NEW MEXICO**

Dear Mr. Pope:

The New Mexico Oil Conservation Division (OCD) has reviewed El Paso Field Services (EPFS) November 27, 2003 "CLOSURE REQUEST FOR THE D LOOP LINE DRIP AND HAMMOND #41A". This document contains the results of EPFS's remediation and monitoring of contaminated ground water related to the closure of unlined oil and gas production pits at 2 sites in the San Juan Basin. The documents also requests closure of the sites based on the remediation and monitoring actions taken to date and permission to plug and abandon the site monitoring wells.

The OCD's review of the above referenced document is addressed below:

- A. The final pit closure and ground water remediation activities at the site D Loop Line Drip pit site located in Unit I, Sec. 33, T28N, R08W are satisfactory and the above referenced request for this site is approved. Please be advised that OCD approval does not relieve EPFS 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 EPFS of responsibility for compliance with any other federal, state or local laws and regulations.
- B. A review of OCD's file for the Hammond #41 A site, located in Unit O, Sec. 25, T27N, R08W, shows that, on July 18, 2001, the OCD required that EPFS install additional ground water monitoring wells to monitor and determine the extent of ground water contamination pursuant to their previously approved ground water investigation plan. This requirement was based on the lack of ground water quality monitoring data downgradient and northwest of the former pit location. The OCD does not have any information to show that this work was completed. Therefore, the above-referenced request for this site is denied. The OCD will reconsider closure approval of the site when EPFS can provide the OCD with this information.

Mr. Scott T. Pope  
March 28, 2003  
Page 2

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

Sincerely,

A handwritten signature in dark ink, appearing to read 'William C. Olson', written in a cursive style.

William C. Olson  
Hydrologist  
Environmental Bureau

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



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

July 28, 1999

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-274-520-686**

Mr. Scott T. Pope  
El Paso Field Services  
614 Reilly Ave.  
Farmington, New Mexico 87401

**RE: SAN JUAN BASIN ANNUAL GROUNDWATER REPORT**

Dear Mr. Pope:

The New Mexico Oil Conservation Division (OCD) has completed a review of El Paso Field Services (EPFS) March 31, 1999 "1998 GROUNDWATER ANNUAL REPORT". This document contains the results of EPFS's 1998 monitoring and remediation of contaminated ground water related to the closure of unlined oil and gas production pits at 49 sites in the San Juan Basin. The documents also requests closure for 18 of the sites based on the remediation and monitoring actions taken to date.

The OCD's review of the above referenced document is addressed below:

- A. The final pit closure, soil remediation and ground water activities conducted at the sites listed below are **approved**.

- |     |                                       |                             |
|-----|---------------------------------------|-----------------------------|
| 1.  | 2C-22 #3 Line Drip (Drip pit)         | Unit G, Sec. 13, T24N, R06W |
| 2.  | Candado #23 MV/CH (Drip pit)          | Unit B, Sec. 09, T26N, R07W |
| 3.  | Canyon Largo Unit #304 (Drip pit)     | Unit C, Sec. 11, T24N, R06W |
| 4.  | De Na Haz Za #1 (Drip pit)            | Unit D, Sec. 18, T26N, R08W |
| 5.  | Florance #1 (Drip pit)                | Unit J, Sec. 08, T30N, R11W |
| 6.  | Gallegos Canyon Unit D#160 (Dehy pit) | Unit I, Sec. 27, T29N, R12W |
| 7.  | Harrington #1 (Drip pit)              | Unit M, Sec. 31, T27N, R07W |
| 8.  | Johnson #1E (Dehy pit)                | Unit P, Sec. 21, T31N, R13W |
| 9.  | Miles Federal #1E (Dehy pit)          | Unit N, Sec. 05, T26N, R07W |
| 10. | Nickles #1 (Dehy pit)                 | Unit K, Sec. 11, T31N, R13W |
| 11. | Sanchez Gas Com B#1 (Dehy pit)        | Unit G, Sec. 28, T29N, R10W |
| 12. | San Juan 28-6 #79 (Dehy pit)          | Unit M, Sec. 11, T27N, R06W |
| 13. | Trujillo Gas Com A#1 (Drip pit)       | Unit C, Sec. 28, T29N, R10W |
| 14. | Trunk 2B Drip X-1 (Drip pit)          | Unit J, Sec. 01, T27N, R11W |
| 15. | Valdez Gas Unit A#1E (CH) (Drip pit)  | Unit G, Sec. 24, T29N, R11W |

Please be advised that OCD approval does not relieve EPFS of liability if remaining contaminants are found to pose a future threat to surface water, ground water, human health or the environment. In addition, OCD approval does not relieve EPFS of responsibility for compliance with any other federal, state, local or tribal laws and regulations.

- B. The closure reports for the sites listed below show that ground waters downgradient from the pit source areas are contaminated in excess of New Mexico Water Quality Control Commission (WQCC) ground water standards and/or the downgradient extent of contamination has not been completely defined. Therefore, the OCD cannot issue final closure approval at this time and approval of closure actions at this site is **denied**. The OCD requires that EPFS install additional ground water monitoring wells to monitor and/or determine the extent of ground water contamination pursuant to their previously approved ground water investigation plan.

- |    |   |                             |
|----|---|-----------------------------|
| 1. | Anderson GC A#1 CH (Drip pit)             | Unit C, Sec. 28, T29N, R10W |
| 2. | Mesa CPD (Drip pit)                       | Unit E, Sec. 04, T29N, R14W |
| 3. | Ohio "C" Government #3 (Drip & dehy pits) | Unit P, Sec. 26, T28N, R11W |

- C. A review of the reports for the sites listed below shows that the extent of ground water contamination in excess of WQCC standards is not defined or the sites do not contain permanent downgradient ground water monitoring points. On July 8, 1998 the OCD required that EPFS install additional ground water monitoring wells at these sites to monitor and determine the extent of ground water contamination pursuant to their previously approved ground water investigation plan. To date this work has not been conducted. The OCD requires that EPFS install additional ground water monitoring wells at these sites, by December 31, 1999.

- |     |                        |                             |
|-----|------------------------|-----------------------------|
| 1.  | D Loop Line Drip       | Unit I, Sec. 33, T28N, R08W |
| 2.  | Hammond #41A           | Unit O, Sec. 25, T27N, R08W |
| 3.  | Hamner #9              | Unit A, Sec. 20, T29N, R09W |
| 4.  | Horton #1E             | Unit H, Sec. 28, T31N, R09W |
| 5.  | James F Bell #1E       | Unit P, Sec. 10, T30N, R13W |
| 6.  | Jennapah #1            | Unit H, Sec. 36, T28N, R09W |
| 7.  | K-27 Line Drip         | Unit E, Sec. 04, T25N, R06W |
| 8.  | K-31 Line Drip         | Unit N, Sec. 16, T25N, R06W |
| 9.  | Lat 3B-39 Line Drip    | Unit M, Sec. 10, T29N, R09W |
| 10. | Lat L-40 Line Drip     | Unit H, Sec. 13, T28N, R04W |
| 11. | Lateral 0-21 Line Drip | Unit O, Sec. 12, T30N, R09W |
| 12. | Lindrith B#24          | Unit N, Sec. 09, T24N, R03W |
| 13. | Miles Federal #1A (CH) | Unit F, Sec. 05, T26N, R07W |
| 14. | Ramenta Et Al #1       | Unit J, Sec. 13, T27N, R09W |
| 15. | Sheets #2              | Unit H, Sec. 28, T31N, R09W |
| 16. | State Gas Com N#1      | Unit H, Sec. 16, T31N, R12W |

- D. At the site listed below EPS proposes to take no further actions until the operator commences remediation associated with their production pit. Burlington Resources (BR), the operator of the production pit, recently investigated and remediated contaminated soils at their pit and installed a monitor well to determine ground water quality beneath the pit. The results of this work showed that at the base of BR's excavation (38 feet) that there was no detectable benzene, toluene, ethylbenzene and xylene (BTEX) or total petroleum hydrocarbons in the remaining soil. In addition, BR's monitor well installed at the pit showed that there was only 0.5 ppb of xylene was in ground water beneath the pit. Based upon these results and the results of EPFS's investigations, it appears that EPFS's pit is the source of ground water contamination at the site. Therefore, the OCD requires that EPFS install additional ground water monitoring wells to determine the extent of ground water contamination pursuant to their previously approved ground water investigation plan.

1. Johnston Federal #6A

Unit F, Sec. 35, T31N, R09W

- E. The report for the site Turner A#1 states that EPFS is working with the operator of the well site on the site remedial actions. EPFS lists the operator of the site as BR. BR has informed the OCD that BR has no operations in the vicinity of EPFS's dehy unit for this site and that the area where EPFS found impacted ground water is actually on an Amoco location where the gas from the Turner A#1 is measured. Please clarify who is the well operator at the location of EPFS's Turner A#1 dehy unit.

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  
Bill Liess, BLM Farmington District Office  
Mike Matush, New Mexico State Land Office  
Charmaine Hosteen, Navajo EPA



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

July 8, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-235-437-304**

Ms. Sandra D. Miller  
El Paso Field Services  
614 Reilly Ave.  
Farmington, New Mexico 87401

**RE: SAN JUAN BASIN ANNUAL GROUNDWATER REPORT**

Dear Ms. Miller:

The New Mexico Oil Conservation Division (OCD) has completed a review of El Paso Field Services (EPFS) February 27, 1998 "RE: 1997 GROUNDWATER ANNUAL REPORT" and accompanying March 1998 "SAN JUAN BASIN PIT CLOSURES, SAN JUAN BASIN, NEW MEXICO, EL FIELD SERVICES PIT PROJECT PIT CLOSURE REPORT" and March 1998 "SAN JUAN BASIN PIT CLOSURE, SAN JUAN BASIN, NEW MEXICO, EL PASO FIELD SERVICES PIT PROJECT GROUNDWATER REPORT ANNUAL REPORT". These documents contain the results of EPFS's 1997 monitoring and remediation of contaminated ground water related to the closure of unlined oil and gas production pits at 57 sites in the San Juan Basin. The documents also requests closure for 11 of the sites based on the remediation and monitoring actions taken to date.

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

- A. The final pit closure, soil remediation and ground water activities conducted at the 10 sites listed below are **approved** and the OCD considers these sites closed.

- |     |                                   |                             |
|-----|-----------------------------------|-----------------------------|
| 1.  | 2C-45 Line Drip (Drip pit)        | Unit P, Sec. 06, T25N, R13W |
| 2.  | Miles Federal #1A (MV) (Drip pit) | Unit F, Sec. 05, T26N, R07W |
| 3.  | Graham #53 (Dehy pit)             | Unit L, Sec. 10, T27N, R08W |
| 4.  | K-17 Line Drip (Drip pit)         | Unit C, Sec. 26, T27N, R08W |
| 5.  | John Charles #8 (Dehy pit)        | Unit B, Sec. 13, T27N, R09W |
| 6.  | Florance C LS #7 (Drip pit)       | Unit F, Sec. 30, T28N, R08W |
| 7.  | Trunk D Line Drip (Drip pit)      | Unit F, Sec. 20, T28N, R08W |
| 8.  | Trujillo GC #1 PC (Drip pit)      | Unit M, Sec. 21, T29N, R10W |
| 9.  | Usselman Gas Com #1 (Drip pit)    | Unit B, Sec. 04, T31N, R10W |
| 10. | Lat H-37 Drip Y-3 (Line drip pit) | Unit F, Sec. 01, T31N, R13W |

Ms. Sandra D. Miller

July 8, 1998

Page 2

Please be advised that OCD approval does not relieve EPFS of liability if remaining contaminants are found to pose a future threat to surface water, ground water, human health or the environment. In addition, OCD approval does not relieve EPFS of responsibility for compliance with any other federal, state or local laws and regulations.

- B. The closure report for the site listed below shows that ground waters in a piezometer downgradient from the source area at the pit are still contaminated in excess of New Mexico Water Quality Control Commission (WQCC) ground water standards. In addition a review of the data shows that the downgradient extent of contamination has not been completely defined. Therefore, the OCD cannot issue final closure approval at this time and approval of closure actions at this site is **denied**. The OCD requires that EPFS install additional ground water monitoring wells to monitor and determine the extent of ground water contamination pursuant to their previously approved ground water investigation plan.

1. Sheets #2 (Drip pit)	Unit H, Sec. 28, T31N, R09W.
-------------------------	------------------------------

- C. A review of the annual ground water reports for the sites listed below shows that the extent of ground water contamination in excess of WQCC standards at these sites has not been defined or the sites do not contain permanent downgradient ground water monitoring points. The OCD requires that EPFS install additional ground water monitoring wells at these sites to monitor and determine the extent of ground water contamination pursuant to their previously approved ground water investigation plan.

1. Anderson GC A#1 CH	Unit C, Sec. 28, T29N, R10W
2. D Loop Line Drip	Unit I, Sec. 33, T28N, R08W
3. Hammond #41A	Unit O, Sec. 25, T27N, R08W
4. Horton #1E	Unit H, Sec. 28, T31N, R09W
5. James F Bell #1E	Unit P, Sec. 10, T30N, R13W
6. Jennapah #1	Unit H, Sec. 36, T28N, R09W
7. K-27 Line Drip	Unit E, Sec. 04, T25N, R06W
8. K-31 Line Drip	Unit N, Sec. 16, T25N, R06W
9. Lat 3B-39 Line Drip	Unit M, Sec. 10, T29N, R09W
10. Lat L-40 Line Drip	Unit H, Sec. 13, T28N, R04W
11. Lateral 0-21 Line Drip	Unit O, Sec. 12, T30N, R09W
12. Lindrith B#24	Unit N, Sec. 09, T24N, R03W
13. K-27 Line Drip	Unit E, Sec. 04, T25N, R06W
14. Mesa CPD	Unit C, Sec. 04, T29N, R14W
15. Miles Federal #1A (CH)	Unit F, Sec. 05, T26N, R07W
16. Ramenta Et Al #1	Unit J, Sec. 13, T27N, R09W
17. State Gas Com N#1	Unit H, Sec. 16, T31N, R12W



Ms. Sandra D. Miller

July 8, 1998

Page 3

- D. At the sites listed below EPS proposes to take no further actions until the operator commences remediation associated with their production pits. The OCD is sending letters to the operators of these sites requiring them to investigate and remediate soil and ground water contamination related to their activities. The OCD requests that EPFS work cooperatively with the operator to investigate and remediate contaminated ground water at these sites.

1. Canada Mesa #2	Unit I, Sec. 24, T24N, R06W
2. Coldiron Com A #1	Unit K, Sec. 02, T30N, R11W
3. Fields A #7A	Unit E, Sec. 34, T32N, R11W
4. Fogelson 4-1 Com #14	Unit P, Sec. 04, T29N, R11W
5. Gallegos Canyon Unit Com A #142E	Unit G, Sec. 25, T29N, R12W
6. Johnston Federal #4	Unit H, Sec. 33, T31N, R09W
7. Johnston Federal #6A	Unit F, Sec. 35, T31N, R09W
8. Knight #1	Unit A, Sec. 05, T30N, R13W
9. Ohio C Govt #3	Unit P, Sec. 26, T28N, R11W
10. Sandoval Gas Com A #1A	Unit C, Sec. 35, T30N, R09W
11. Standard Oil Com #1	Unit N, Sec. 36, T29N, R09W
12. Turner A #1	Unit K, Sec. 34, T31N, R11W

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  
Bill Liess, BLM Farmington District Office  
Mike Matush, New Mexico State Land Office



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

July 8, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-235-437-304**

Ms. Sandra D. Miller  
El Paso Field Services  
614 Reilly Ave.  
Farmington, New Mexico 87401

**RE: SAN JUAN BASIN ANNUAL GROUNDWATER REPORT**

Dear Ms. Miller:

The New Mexico Oil Conservation Division (OCD) has completed a review of El Paso Field Services (EPFS) February 27, 1998 "RE: 1997 GROUNDWATER ANNUAL REPORT" and accompanying March 1998 "SAN JUAN BASIN PIT CLOSURES, SAN JUAN BASIN, NEW MEXICO, EL FIELD SERVICES PIT PROJECT PIT CLOSURE REPORT" and March 1998 "SAN JUAN BASIN PIT CLOSURE, SAN JUAN BASIN, NEW MEXICO, EL PASO FIELD SERVICES PIT PROJECT GROUNDWATER REPORT ANNUAL REPORT". These documents contain the results of EPFS's 1997 monitoring and remediation of contaminated ground water related to the closure of unlined oil and gas production pits at 57 sites in the San Juan Basin. The documents also requests closure for 11 of the sites based on the remediation and monitoring actions taken to date.

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

- A. The final pit closure, soil remediation and ground water activities conducted at the 10 sites listed below are **approved** and the OCD considers these sites closed.

- |                                       |                             |
|---------------------------------------|-----------------------------|
| 1. 2C-45 Line Drip (Drip pit)         | Unit P, Sec. 06, T25N, R13W |
| 2. Miles Federal #1A (MV) (Drip pit)  | Unit F, Sec. 05, T26N, R07W |
| 3. Graham #53 (Dehy pit)              | Unit L, Sec. 10, T27N, R08W |
| 4. K-17 Line Drip (Drip pit)          | Unit C, Sec. 26, T27N, R08W |
| 5. John Charles #8 (Dehy pit)         | Unit B, Sec. 13, T27N, R09W |
| 6. Florance C LS #7 (Drip pit)        | Unit F, Sec. 30, T28N, R08W |
| 7. Trunk D Line Drip (Drip pit)       | Unit F, Sec. 20, T28N, R08W |
| 8. Trujillo GC #1 PC (Drip pit)       | Unit M, Sec. 21, T29N, R10W |
| 9. Usselman Gas Com #1 (Drip pit)     | Unit B, Sec. 04, T31N, R10W |
| 10. Lat H-37 Drip Y-3 (Line drip pit) | Unit F, Sec. 01, T31N, R13W |

Ms. Sandra D. Miller

July 8, 1998

Page 2

Please be advised that OCD approval does not relieve EPFS of liability if remaining contaminants are found to pose a future threat to surface water, ground water, human health or the environment. In addition, OCD approval does not relieve EPFS of responsibility for compliance with any other federal, state or local laws and regulations.

- B. The closure report for the site listed below shows that ground waters in a piezometer downgradient from the source area at the pit are still contaminated in excess of New Mexico Water Quality Control Commission (WQCC) ground water standards. In addition a review of the data shows that the downgradient extent of contamination has not been completely defined. Therefore, the OCD cannot issue final closure approval at this time and approval of closure actions at this site is **denied**. The OCD requires that EPFS install additional ground water monitoring wells to monitor and determine the extent of ground water contamination pursuant to their previously approved ground water investigation plan.

1. Sheets #2 (Drip pit) Unit H, Sec. 28, T31N, R09W.

- C. A review of the annual ground water reports for the sites listed below shows that the extent of ground water contamination in excess of WQCC standards at these sites has not been defined or the sites do not contain permanent downgradient ground water monitoring points. The OCD requires that EPFS install additional ground water monitoring wells at these sites to monitor and determine the extent of ground water contamination pursuant to their previously approved ground water investigation plan.

1. Anderson GC A#1 CH	Unit C, Sec. 28, T29N, R10W
2. D Loop Line Drip	Unit I, Sec. 33, T28N, R08W
3. Hammond #41A	Unit O, Sec. 25, T27N, R08W
4. Horton #1E	Unit H, Sec. 28, T31N, R09W
5. James F Bell #1E	Unit P, Sec. 10, T30N, R13W
6. Jennapah #1	Unit H, Sec. 36, T28N, R09W
7. K-27 Line Drip	Unit E, Sec. 04, T25N, R06W
8. K-31 Line Drip	Unit N, Sec. 16, T25N, R06W
9. Lat 3B-39 Line Drip	Unit M, Sec. 10, T29N, R09W
10. Lat L-40 Line Drip	Unit H, Sec. 13, T28N, R04W
11. Lateral 0-21 Line Drip	Unit O, Sec. 12, T30N, R09W
12. Lindrith B#24	Unit N, Sec. 09, T24N, R03W
13. K-27 Line Drip	Unit E, Sec. 04, T25N, R06W
14. Mesa CPD	Unit C, Sec. 04, T29N, R14W
15. Miles Federal #1A (CH)	Unit F, Sec. 05, T26N, R07W
16. Ramenta Et Al #1	Unit J, Sec. 13, T27N, R09W
17. State Gas Com N#1	Unit H, Sec. 16, T31N, R12W

Ms. Sandra D. Miller

July 8, 1998

Page 3

- D. At the sites listed below EPS proposes to take no further actions until the operator commences remediation associated with their production pits. The OCD is sending letters to the operators of these sites requiring them to investigate and remediate soil and ground water contamination related to their activities. The OCD requests that EPFS work cooperatively with the operator to investigate and remediate contaminated ground water at these sites.

1. Canada Mesa #2	Unit I, Sec. 24, T24N, R06W
2. Coldiron Com A #1	Unit K, Sec. 02, T30N, R11W
3. Fields A #7A	Unit E, Sec. 34, T32N, R11W
4. Fogelson 4-1 Com #14	Unit P, Sec. 04, T29N, R11W
5. Gallegos Canyon Unit Com A #142E	Unit G, Sec. 25, T29N, R12W
6. Johnston Federal #4	Unit H, Sec. 33, T31N, R09W
7. Johnston Federal #6A	Unit F, Sec. 35, T31N, R09W
8. Knight #1	Unit A, Sec. 05, T30N, R13W
9. Ohio C Govt #3	Unit P, Sec. 26, T28N, R11W
10. Sandoval Gas Com A #1A	Unit C, Sec. 35, T30N, R09W
11. Standard Oil Com #1	Unit N, Sec. 36, T29N, R09W
12. Turner A #1	Unit K, Sec. 34, T31N, R11W

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  
Bill Liess, BLM Farmington District Office  
Mike Matush, New Mexico State Land Office



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

August 6, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-410-431-203**

Mr. Ricky D. Cosby  
El Paso Field Services  
P.O. Box 4990  
Farmington, New Mexico 87499

**RE: SAN JUAN BASIN GROUND WATER REPORTS**

Dear Mr. Cosby:

The New Mexico Oil Conservation Division (OCD) has reviewed El Paso Field Service's (EPFS) June 2, 1997 "SEMI-ANNUAL EL PASO FIELD SERVICES PIT PROJECT GROUND WATER REPORT". This document contains EPFS's a listing of San Juan Basin pit closure sites at which EPFS has encountered ground water and a proposal to modify the reporting schedule for ground water cases from semi-annual to annual.

The above referenced proposal is approved with the following conditions:

1. EPFS will submit the annual reports on investigation/remedial activities to the OCD by December 1 of each respective year. The reports will present the information on each site as a separate case. Each case will contain:
  - a. A description of all investigation remediation activities which occurred during the past year including conclusions and recommendations.
  - b. Summary tables of all past and present laboratory analytic results of ground water quality monitoring including copies of the past years laboratory data sheets and associated quality assurance/quality control data.

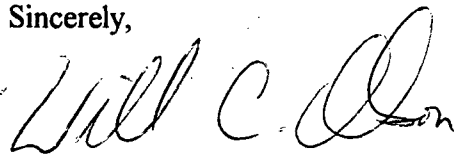
Mr. Ricky Cosby  
August 6, 1997  
Page 2

- c. A site map and a quarterly water table elevation map using the water table elevation of the ground water in all monitor wells.
- d. A geologic log and completion diagram for each monitor well.
- e. The disposition of all wastes generated.
- f. Isoconcentration maps for contaminants of concern at the site (ie. benzene, BTEX, chloride, TDS, etc.).

Please be advised that OCD approval does not relieve EPFS of liability if contamination exists which is beyond the scope of the work plan; if the activities fail to adequately determine the extent of contamination; or if the activities fail to adequately remediate or monitor contamination related to EPFS's activities. In addition, OCD approval does not relieve EPFS of responsibility for compliance with any other federal, state or local laws and/or regulations.

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

Sincerely,



William C. Olson  
Hydrogeologist  
Environmental Bureau

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