

3R - 228

APPROVALS

YEAR(S):

2003 - 1997



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

April 25, 2003

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

**RE: CASE #3R0228
OHIO "C" GOVERNMENT #3 DRIP PIT
SAN JUAN COUNTY, NEW MEXICO**

Dear Mr. Pope:

The New Mexico Oil Conservation Division (OCD) has reviewed El Paso Field Services' (EPFS) April 15, 2003 "CLOSURE REQUEST FOR THE OHIO C GOVERNMENT #3". This document contains the results of remediation and monitoring of soil and ground water contamination related to EPFS' drip pit at the Ohio "C" Government #3 site located in Unit P, Section 26, Township 28 North, Range 11 West, San Juan County, New Mexico. The document also requests closure of the site remediation and monitoring actions.

The soil and ground water remediation activities are satisfactory and the OCD approves of the final closure of this site on the condition that EPFS plug and abandon all monitor wells by cutting the casing below the ground surface and filling the casing annulus with a cement grout containing 3-5% bentonite. Please be advised that OCD approval does not relieve EPFS of responsibility 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.

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

Sincerely,

William C. Olson

Hydrologist

Environmental Bureau

xc: Denny Foust, OCD Aztec District Office
Bill Liess, BLM Farmington District Office
Paul Peacock, Marathon Oil Company



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 4, 2002

CERTIFIED MAIL
RETURN RECEIPT NO. 7000-1670-0012-5357-8178

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

RE: CASE #3R0228 - OHIO "C" GOVERNMENT #3 SITE
CASE #3R0145 - ANDERSON GC A#1 SITE
SAN JUAN COUNTY, NEW MEXICO

Dear Mr. Pope:

The New Mexico Oil Conservation Division (OCD) has reviewed El Paso Field Services' (EPFS) August 1, 2001 "MISSING INFORMATION FOR THE OHIO C GOVERNMENT #3 (DEHY PIT) AND ANDERSON GC A#1 (CH) (DEHY PIT) SITES REQUESTED FOR CLOSURE IN THE 2000 PIT CLOSURE ANNUAL GROUNDWATER REPORT". This document contains additional information related to the remediation and monitoring of ground water contamination at 2 unlined pit sites in the San Juan Basin. The document also requests closure of the remediation and monitoring actions at the sites.

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

- A. The soil and ground water remediation activities conducted at the site listed below are satisfactory and the OCD approves of the final closure of this site on the condition that EPFS plug and abandon all monitor wells by cutting the casing below the ground surface and filling the hole or casing annulus with a cement grout containing 3-5% bentonite. Please be advised that OCD approval does not relieve EPFS of responsibility 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.

1. Anderson GC A#1 (CH) (Dehy pit) Unit C, Sec. 28, T29N, R10W.

B. Contaminated ground water at the site listed below is a result of commingled plumes of benzene, toluene, ethylbenzene and xylene (BTEX) from both EPFS's dehy pit and MOC's production pit. A review of the prior documents related to this site and documents submitted by Marathon Oil Company (MOC) shows that ground water in monitor well MW-5, which is downgradient of both EPFS's and MOC's pits, is still contaminated with BTEX in excess of the New Mexico Water Quality Control Commission (WQCC) standards. Therefore, at this time, the OCD cannot issue final closure approval for this site. The OCD requires that EPFS continue to remediate and monitor the site according to their previously approved work plans. The OCD requests that EPFS coordinate their activities with the ground water remedial actions being taken by MOC at the adjacent production pit, since MOC's contaminant plume is commingled with that of EPFS. The OCD will consider issuing final closure approval once ground water from all site monitoring wells is below WQCC standards for a minimum of 4 consecutive quarters

1. Ohio C Government #3 (Dehy pit)

Unit P, Sec. 26, T28N, R11W

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

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

xc: Denny Foust, OCD Aztec District Office
Bill Liess, BLM Farmington District Office
Paul Peacock, Marathon Oil Company



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

July 18, 2001

CERTIFIED MAIL
RETURN RECEIPT NO. 3771-7460

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

RE: 2000 SAN JUAN BASIN ANNUAL GROUNDWATER REPORT

Dear Mr. Pope:

The New Mexico Oil Conservation Division (OCD) has reviewed El Paso Field Services (EPFS) February 26, 2001 "2000 PIT PROJECT ANNUAL GROUNDWATER REPORT". This document contains the results of EPFS's 2000 monitoring and remediation of contaminated ground water related to the closure of unlined oil and gas production pits at 36 sites in the San Juan Basin. The documents also requests closure for 6 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. Final pit closure approvals for the sites listed below were previously issued by the OCD on April 3, 2001.

- | | |
|---------------------------------|-----------------------------|
| 1. Charlie Pah #2 (Drip pit) | Unit B, Sec. 12, T27N, R09W |
| 2. K-51 Line Drip (Drip pit) | Unit A, Sec. 34, T26N, R06W |
| 3. Mesa CPD (Drip pit) | Unit E, Sec. 04, T29N, R14W |
| 4. Sheets Well #2 (Drip pit) | Unit H, Sec. 28, T31N, R09W |
| 5. Turner A#1 Pit #1 (Dehy pit) | Unit K, Sec. 34, T31N, R11W |
| 6. Turner A#1 Pit #2 (Drip pit) | Unit K, Sec. 34, T31N, R11W |

Mr. Scott T. Pope

July 18, 2001

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- B. The final pit closure and ground water activities at the sites listed below appear satisfactory. However, the reports do not include a completed pit remediation and closure form which contains the results of all soil remediation actions. The OCD cannot issue final closure approval until EPFS submits this information.

- | | | |
|----|---------------------------------|------------------------------|
| 1. | Ohio C Government #3 (Dehy pit) | Unit P, Sec. 26, T28N, R11W |
| 2. | Anderson GC A#1 (CH) (Dehy pit) | Unit C, Sec. 28, T29N, R10W. |

- 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.

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|----|------------------------|-----------------------------|
| 1. | Hammond #41A | Unit O, Sec. 25, T27N, R08W |
| 2. | James F Bell #1E | Unit P, Sec. 10, T30N, R13W |
| 3. | K-27 Line Drip | Unit E, Sec. 04, T25N, R06W |
| 4. | K-31 Line Drip | Unit N, Sec. 16, T25N, R06W |
| 5. | Lateral 0-21 Line Drip | Unit O, Sec. 12, T30N, R09W |
| 6. | Lindrith B#24 | Unit N, Sec. 09, T24N, R03W |
| 7. | Miles Federal #1A (CH) | Unit F, Sec. 05, T26N, R07W |
| 8. | State Gas Com N#1 | Unit H, Sec. 16, T31N, R12W |

- D. At the sites listed below where EPFS states that there is possible ground water contamination related to the operators activities, the OCD requests that EPFS work cooperatively with the operator to investigate and remediate contaminated ground water.

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

Mr. Scott T. Pope

July 18, 2001

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

Sincerely,

A handwritten signature in black ink, appearing to read "Will 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
Mike Matush, NM State Land Office
Bill Freeman, Navajo Nation 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 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**.

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|-----|---------------------------------------|-----------------------------|
| 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.

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|----|---|-----------------------------|
| 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.

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|-----|------------------------|-----------------------------|
| 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.

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|----|----------------------|------------------------------|
| 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 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