

AP - 40

**APPROVALS**

**YEAR(S):**

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# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

**CERTIFIED MAIL**  
**RETURN RECEIPT NO: 3929 3992**

September 12, 2006

Ms. Patty Davis  
Land Manager  
Richardson Operation Company  
5600 South Quebec  
Suite 130B  
Denver, CO 80111

Mr. Jesus Villalobos  
President  
PETRO MEX LLC  
P.O. Box 6724  
Farmington, NM 87499

**RE: BOB AND BLANCHE #1 MONITORING PLAN**  
**UNIT L, SECTION 12, TOWNSHIP 29 NORTH, RANGE 15 WEST, SAN JUAN**  
**COUNTY, NEW MEXICO**  
**AP040**

Dear Ms. Davis and Mr. Villalobos:

The New Mexico Oil Conservation Division (OCD) has reviewed the *Bob and Blanche #1 Monitoring Plan* jointly submitted by Richardson Operating (Richardson) and PETRO MEX LLC (PETRO MEX) on August 22, 2006 in response to OCD's letter of August 4, 2006. OCD hereby approves the proposed monitoring plan with the following conditions:

1. Richardson and PETRO MEX must revise the *Quality Assurance Plan* by deleting the reference to major cations and anions, metals, and PAHs. The monitoring plan is for BTEX only.
2. Richardson and PETRO MEX must revise the *Quality Assurance Plan* by adding the following sentence to the end of the *Quality Assurance Plan*: "*One trip blank per day shall be collected and analyzed for BTEX by USEPA Method 8021B.*"

Ms. Davis and Mr. Villalobos  
September 12, 2006  
Page 2

Richardson and PETRO MEX should make the above specified revisions and provide OCD with a copy within ten days of receipt of this approval letter. Richardson and PETRO MEX should implement this approved monitoring program immediately.

If you have any questions, please call Glenn von Gonten at 505-476-3488.

Sincerely,

A handwritten signature in black ink, appearing to be 'W Price', with a long horizontal flourish extending to the right.

Wayne Price  
Environmental Bureau Chief

xc: Brandon Powell, OCD Aztec District Office



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

**CERTIFIED MAIL  
RETURN RECEIPT NO: 3929 4005**

September 12, 2006

Ms. Patty Davis  
Land Manager  
Richardson Operation Company  
5600 South Quebec  
Suite 130B  
Denver, CO 80111

Mr. Jesus Villalobos  
President  
PETRO MEX LLC  
P.O. Box 6724  
Farmington, NM 87499

**RE: BOB AND BLANCHE #1 MONITORING PLAN  
UNIT L, SECTION 12, TOWNSHIP 29 NORTH, RANGE 15 WEST, SAN JUAN  
COUNTY, NEW MEXICO  
AP040**

Dear Ms. Davis and Mr. Villalobos:

The New Mexico Oil Conservation Division (OCD) has reviewed the *Bob and Blanche #1 Monitoring Plan* jointly submitted by Richardson Operating (Richardson) and PETRO MEX LLC (PETRO MEX) on August 22, 2006 in response to OCD's letter of August 4, 2006. OCD hereby approves the proposed monitoring plan with the following conditions:

1. Richardson and PETRO MEX must revise the *Quality Assurance Plan* by deleting the reference to major cations and anions, metals, and PAHs. The monitoring plan is for BTEX only.
2. Richardson and PETRO MEX must revise the *Quality Assurance Plan* by adding the following sentence to the end of the *Quality Assurance Plan*: "One trip blank per day shall be collected and analyzed for BTEX by USEPA Method 8021B."

Ms. Davis and Mr. Villalobos  
September 12, 2006  
Page 2

Richardson and PETRO MEX should make the above specified revisions and provide OCD with a copy within ten days of receipt of this approval letter. Richardson and PETRO MEX should implement this approved monitoring program immediately.

If you have any questions, please call Glenn von Gonten at 505-476-3488.

Sincerely,

A handwritten signature in black ink, appearing to be 'WP' or similar initials, written in a cursive style.

Wayne Price  
Environmental Bureau Chief

xc: Brandon Powell, OCD Aztec District Office



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

**CERTIFIED MAIL  
RETURN RECEIPT NO: 7923 4733**

August 4, 2006

Ms. Patty Davis  
Land Manager  
Richardson Operation Company  
5600 South Quebec  
Suite 130B  
Denver, CO 80111

Mr. Jesus Villalobos  
President  
PETRO MEX LLC  
P.O. Box 6724  
Farmington, NM 87499

**RE: BOB AND BLANCHE #1 MONITORING PLAN  
UNIT L, SECTION 12, TOWNSHIP 29 NORTH, RANGE 15 WEST, SAN JUAN  
COUNTY, NEW MEXICO  
AP040**

Dear Ms. Davis and Mr. Villalobos:

The New Mexico Oil Conservation Division (OCD) has reviewed the *Bob and Blanche #1 Monitoring Plan* jointly submitted by Richardson Operating (Richardson) and PETRO MEX LLC (PETRO MEX) on July 24, 2006. OCD denies the proposed plan because Richardson and PETRO MEX failed to submit the required Quality Assurance Plan (see item no. 3 of OCD's letter of May 10, 2006). OCD approves the five proposed water wells: SJ02732, SJ02375, SJ02976, SJ01016, and SJ03636. In addition to the five water wells, Richardson and PETRO MEX must also monitor the five Stage 1 monitor wells. If Richardson and PETRO MEX are denied permission to sample any of the five water wells by the well owners, then that information should be included in the quarterly monitoring report. Richardson must also copy the water well owners on each quarterly monitoring report and the final site investigation report.

Ms. Davis and Mr. Villalobos

August 4, 2006

Page 2

Richardson and PETRO MEX must submit a revised monitoring plan within ten days from the receipt of this letter. Please note that Mr. Faust has retired from the OCD and has been replaced by Mr. Brandon Powell. Please call me at 505-476-3488 if you have any questions.

Sincerely,

A handwritten signature in cursive script, reading "Glenn von Gonten". The signature is written in dark ink and is positioned above the printed name and title.

Glenn von Gonten  
Senior Hydrologist

xc: Brandon Powell, OCD Aztec District Office



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

**CERTIFIED MAIL**  
**RETURN RECEIPT NO: 7928 4672**

October 18, 2005

✓ Mr. John Heinle  
Richardson Operation Company  
5600 South Quebec  
Suite 130B  
Denver, CO 80111

Mr. Jesus Villalobos  
President  
PETRO MEX LLC  
P.O. Box 6724  
Farmington, NM 87499

**RE: STAGE 1 ABATEMENT PLAN PROPOSAL  
BOB AND BLANCHE NO. 1 SPILL  
UNIT L, SECTION 12, TOWNSHIP 29 NORTH, RANGE 15 WEST  
SAN JUAN COUNTY, NEW MEXICO  
AP040**

Dear Mr. Heinle and Villalobos:

The New Mexico Oil Conservation Division (OCD) has reviewed the *Stage I Abatement Plan Proposal* jointly submitted by Richardson Operating (Richardson) and PETRO MEX LLC (PETRO MEX), dated October 4, 2005. Richardson and PETRO MEX submitted this work plan proposal in response to OCD's letter of August 29, 2005. The Richardson and PETRO MEX Stage 1 proposed investigation workplan specifies how these two responsible persons will investigate the contamination released from a spill of oil, sediment, and produced water at the Bob and Blanche No. 1 tank battery, located in Unit L, Section 12, Township 29 North, Range 15 West, San Juan County, New Mexico.

In accordance with OCD Rule 19G.(2), OCD has determined that the Stage 1 Abatement Plan Proposal is administratively complete. Before OCD can complete a technical review of the Stage 1 Abatement Plan Proposal, Richardson and PETRO MEX shall:



1. Jointly issue the enclosed Stage 1 notice of publication in the Santa Fe New Mexican and the Farmington Daily Times by October 30, 2005, pursuant to OCD Rule 19.G.(2).

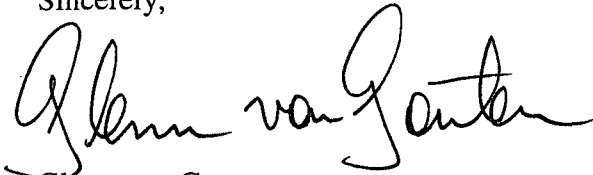
2. Issue written notice of the Stage 1 proposal pursuant to OCD Rule 19.G.(1), prior to issuing public notice. A listing of "*those persons, as identified by the Director, who have requested notification*" pursuant to OCD Rule 19.G(1)(d) can be found at:

"[http://www.emnrd.state.nm.us/ocd/bureaus/Environmental/Discharge\\_Permits/WQCC%20Mailing%20List.doc](http://www.emnrd.state.nm.us/ocd/bureaus/Environmental/Discharge_Permits/WQCC%20Mailing%20List.doc)."

3. Provide OCD with proof of publication and proof of written notice by November 4, 2005.

If you have any questions, please call me at 505-476-3488.

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn von Gonten". The signature is fluid and cursive, with the first name "Glenn" being more prominent.

Glenn von Gonten  
Senior Hydrologist

xc: Denny Foust, OCD Aztec District Office  
Jack Collins, Envirotech Inc.

## **NOTICE OF PUBLICATION**

### **STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION**

Notice is hereby given that pursuant to New Mexico Oil Conservation Division Regulations, the following Stage 1 Abatement Plan Proposal has been submitted to the Director of the Oil Conservation Division, 1220 St. Francis Dr., Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

John Heinle, Richardson Operating Company, Telephone (303) 830-8000, 5600 South Quebec, Suite 130B Denver, CO 80111, and Mr. Jesus Villalobos, President, PETRO MEX LLC (PETRO MEX), Telephone (505) 330-2467, P.O. Box 6724, Farmington, NM 87499, have jointly submitted a Stage 1 Abatement Plan Proposal to investigate ground water contamination released during a spill of oil, sediment, and produced water on June 18, 2005 at the Richardson Operating Company - Bob and Blanche No. 1 tank battery site, located in Unit L, Section 12, Township 29 North, Range 15 West, San Juan County, New Mexico. Richardson Operating was the operator of record at the time that the spill occurred and began the soil and ground water investigation and remediation. Richardson Operating removed approximately 1192 cubic yards of contaminated soil and 160 barrels of contaminated ground water from the site. Richardson Operating determined that the ground water at the site has been contaminated by benzene and xylenes at concentrations that exceed the New Mexico Water Quality Control Commission standards (see 20.6.2.3103(A) NMAC). PETRO MEX is the current operator of the site. Both parties jointly submitted a change of operator form that makes the operator change from Richardson Operating to PETRO MEX retroactive to June 8, 2005, a date that precedes the spill. Therefore, both Richardson Operating and PETRO MEX are responsible parties for the site. The Stage 1 Abatement Plan Proposal specifies that Richardson will: make public notice and provide for public participation; investigate the ground water contamination at the site by advancing soil borings, installing monitor wells, monitoring and analyzing ground water; determine the geology and hydrogeology of the site; and, submit an investigation report.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The Stage 1 Abatement Plan Proposal may be viewed at the above address or at the Oil Conservation Division Aztec District Office, 1000 Rio Brazos Road, Aztec, New Mexico 87410, Telephone (505) 334-6178, between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on the proposed Stage 1 Abatement Plan Proposal, the Director of the Oil Conservation Division shall allow at least 30 days from the date of publication of this notice for the submittal of written comments.



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

**CERTIFIED MAIL**  
**RETURN RECEIPT NO: 7923 4665**

October 18, 2005

Mr. John Heinle  
Richardson Operation Company  
5600 South Quebec  
Suite 130B  
Denver, CO 80111

✓ Mr. Jesus Villalobos  
President  
PETRO MEX LLC  
P.O. Box 6724  
Farmington, NM 87499

**RE: STAGE 1 ABATEMENT PLAN PROPOSAL  
BOB AND BLANCHE NO. 1 SPILL  
UNIT L, SECTION 12, TOWNSHIP 29 NORTH, RANGE 15 WEST  
SAN JUAN COUNTY, NEW MEXICO  
AP040**

Dear Mr. Heinle and Villalobos:

The New Mexico Oil Conservation Division (OCD) has reviewed the *Stage I Abatement Plan Proposal* jointly submitted by Richardson Operating (Richardson) and PETRO MEX LLC (PETRO MEX), dated October 4, 2005. Richardson and PETRO MEX submitted this work plan proposal in response to OCD's letter of August 29, 2005. The Richardson and PETRO MEX Stage 1 proposed investigation workplan specifies how these two responsible persons will investigate the contamination released from a spill of oil, sediment, and produced water at the Bob and Blanche No. 1 tank battery, located in Unit L, Section 12, Township 29 North, Range 15 West, San Juan County, New Mexico.

In accordance with OCD Rule 19G.(2), OCD has determined that the Stage 1 Abatement Plan Proposal is administratively complete. Before OCD can complete a technical review of the Stage 1 Abatement Plan Proposal, Richardson and PETRO MEX shall:

1. Jointly issue the enclosed Stage 1 notice of publication in the Santa Fe New Mexican and the Farmington Daily Times by October 30, 2005, pursuant to OCD Rule 19.G.(2).

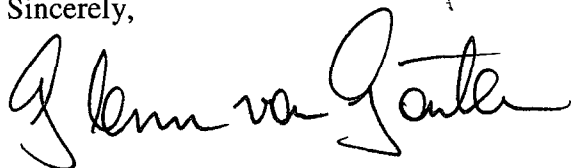
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"[http://www.emnrd.state.nm.us/ocd/bureaus/Environmental/Discharge\\_Permits/WQCC%20Mailing%20List.doc](http://www.emnrd.state.nm.us/ocd/bureaus/Environmental/Discharge_Permits/WQCC%20Mailing%20List.doc)."

3. Provide OCD with proof of publication and proof of written notice by November 4, 2005.

If you have any questions, please call me at 505-476-3488.

Sincerely,

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Glenn von Gonten  
Senior Hydrologist

xc: Denny Foust, OCD Aztec District Office  
Jack Collins, Envirotech Inc.

## **NOTICE OF PUBLICATION**

### **STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION**

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# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

August 29, 2005

CERTIFIED MAIL  
RETURN RECEIPT NO: 7923 4610

Ms. Patty Davis  
Richardson Operation Company  
5600 South Quebec  
Suite 130B  
Denver, CO 80111

**RE: WORKPLAN TO DELINEATE THE HORIZONTAL AND VERTICAL EXTENT  
OF ANY GROUNDWATER AND SOIL CONTAMINATION  
BOB AND BLANCHE No. 1 SPILL  
3R0401**

Dear Ms. Davis:

The New Mexico Oil Conservation Division (OCD) has received a revised ground water investigation work plan (*Workplan to Delineate The Horizontal and Vertical Extent Of Any Groundwater and Soil Contamination*) via fax on August 25, 2005, from the Richardson Operating Company (Richardson) for the investigation of the Bob and Blanche No. 1 spill. Richardson submitted this revised ground water investigation work plan in response to OCD's letter of August 16, 2005.

Richardson's work plan is approved with the following conditions:

1. All wastes generated must be disposed of at an OCD approved facility or in an OCD approved manner.
2. Richardson must also submit a copy of its final report to the OCD Aztec Office.

3. Richardson must install its upgradient monitor well at a location farther east from the location that it has proposed (along the fence line) to ensure that it is sufficiently upgradient of any possible mounding beneath the release site.

4. Because the monitor wells will be installed on or adjacent to active agricultural fields, Richardson should install bollards around its monitor wells for protection.

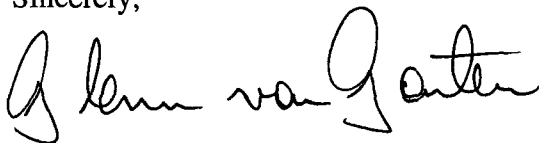
5. OCD must review and approve any additional monitor wells. If appropriate, OCD may require Richardson to install nested monitor wells rather than monitor wells that have excessive screen lengths.

6. Richardson must include photos documenting the installation of its monitor wells with its final report.

7. Richardson has not proposed a presumptive remediation program to be implemented concurrently with its ground water investigation as suggested by OCD, nor has it proposed additional contingent soil borings and monitor wells if this phase of its ground water investigation fails to completely delineate the release. Therefore, Richardson must propose a remediation program and additional monitor wells in its final report and be prepared to immediately implement interim measures in addition to conducting additional investigation if OCD determines that such actions are appropriate.

If you have any questions, please call me at (505) 476-3488.

Sincerely,

A handwritten signature in cursive script that reads "Glenn von Gonten". The signature is written in dark ink and is positioned above the printed name and title.

Glenn von Gonten  
Senior Hydrologist

xc: Denny Foust, OCD Aztec District Office  
Jack Collins, Envirotech Inc.