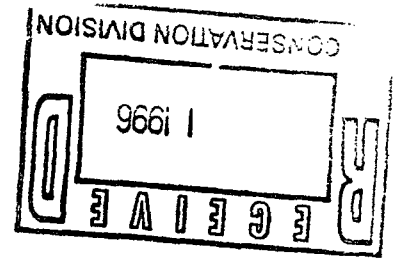


Public Service Company
of New Mexico
Alvarado Square MS. 0408
Albuquerque, NM 87158



August 1, 1996

Mr. William Olson
Hydrogeologist
Oil Conservation Division
2040 So. Pacheco
Santa Fe, New Mexico 87505



RE: SAN JUAN BASIN 2ND QUARTER 1996 GROUNDWATER REPORT

Dear Bill:

PNM Gas Services, PNMGS, (formerly Gas Company of New Mexico) is pleased to submit the 2nd Quarter 1996 Groundwater Report on Unlined Surface Impoundments in the San Juan Basin. Pursuant to PNM's Groundwater Management Program for Unlined Surface Impoundment Closures, the report details the ongoing investigation/remedial activities at unlined surface impoundments having groundwater contamination as identified by PNM. A list of groundwater sites is provided below.

Abrams Gas/Com L1
Cozzens B1
Cozzens B1E
Florance 44
Honolulu Loop-Line Drip
Kaufmann 1
McCoy A1A
Templeton 1E

If you have any questions regarding the contents of the report, please contact me at (505) 241-2974.

Sincerely,
PNM Environmental Services Department

Maureen Gannon
Project Manager

MDG/GASPITS/OLSON01.LTR

Attachment

cc: Denver Bearden, PNMGS
Denny Foust, OCD-Aztec Office
Leigh Gooding, WFS

**Public Service Company of New Mexico
2nd Quarter 1996 Groundwater Report
August 1, 1996**

Prepared for:

**New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505**

Prepared by:

**Public Service Company of New Mexico
Environmental Services Department
Alvarado Square - MS 0408
Albuquerque, New Mexico 87158**

PNMGS Well Site: Kaufmann #1

Site Summary Report

Copies: WFS(1)
Operator (1)
NMOCD District Office (1)
NMOCD Santa Fe (1)

Quarter: 2 Year: 96

Operator: Snyder
Sec: 33 Twn: 31 Rng: 13 Unit: H
Canyon: La Plata River

Vulnerable Class: Original
OCD Ranking: 40
Lead Agency: NMOCD

Topo Map: Figure 1
Groundwater Contour Map: N/A
Site Map with Analysis: Figure 2
Well Completion Diagram: previously submitted
Hydrograph: N/A
Analytical Results: attached

Activities for Quarter:

Figure 1 provides a topographic map identifying the location of the Kaufmann 1. Pending approval of PNM's Groundwater Management Plan, PNM did not conduct sampling at the well site during the second quarter of 1996 pending approval of PNM's Groundwater Management Plan. We did, however, collect samples from the open excavation and downgradient trench in June of 1996. PNM conducted sampling in strict compliance with EPA protocol and delivered samples to OnSite Technologies, Farmington, New Mexico, for chemical analyses of benzene, toluene, ethylbenzene, and xylenes (BTEX) using EPA Method 8020.

Conclusions and Recommendations:

Figure 2 is a map of the well site showing well locations and analytical data collected to date. Groundwater within the open pit excavation and trench contain BTEX concentrations below WQCC standards. PNM concludes from the data that source removal, volatilization, and natural attenuation are successfully remediating the Kaufmann site.

Further Action:

Based upon these latest results, PNM will backfill the excavated pit and trench and commence quarterly sampling at the site.

Public Service Company of New Mexico - Gas Services

Environmental Services Division - Alvarado Square, MS-0408
Albuquerque, NM 87158

Contact: Maureen Gannon

Telephone: (505) 241-2974

Figure 1. Farmington North Quadrangle

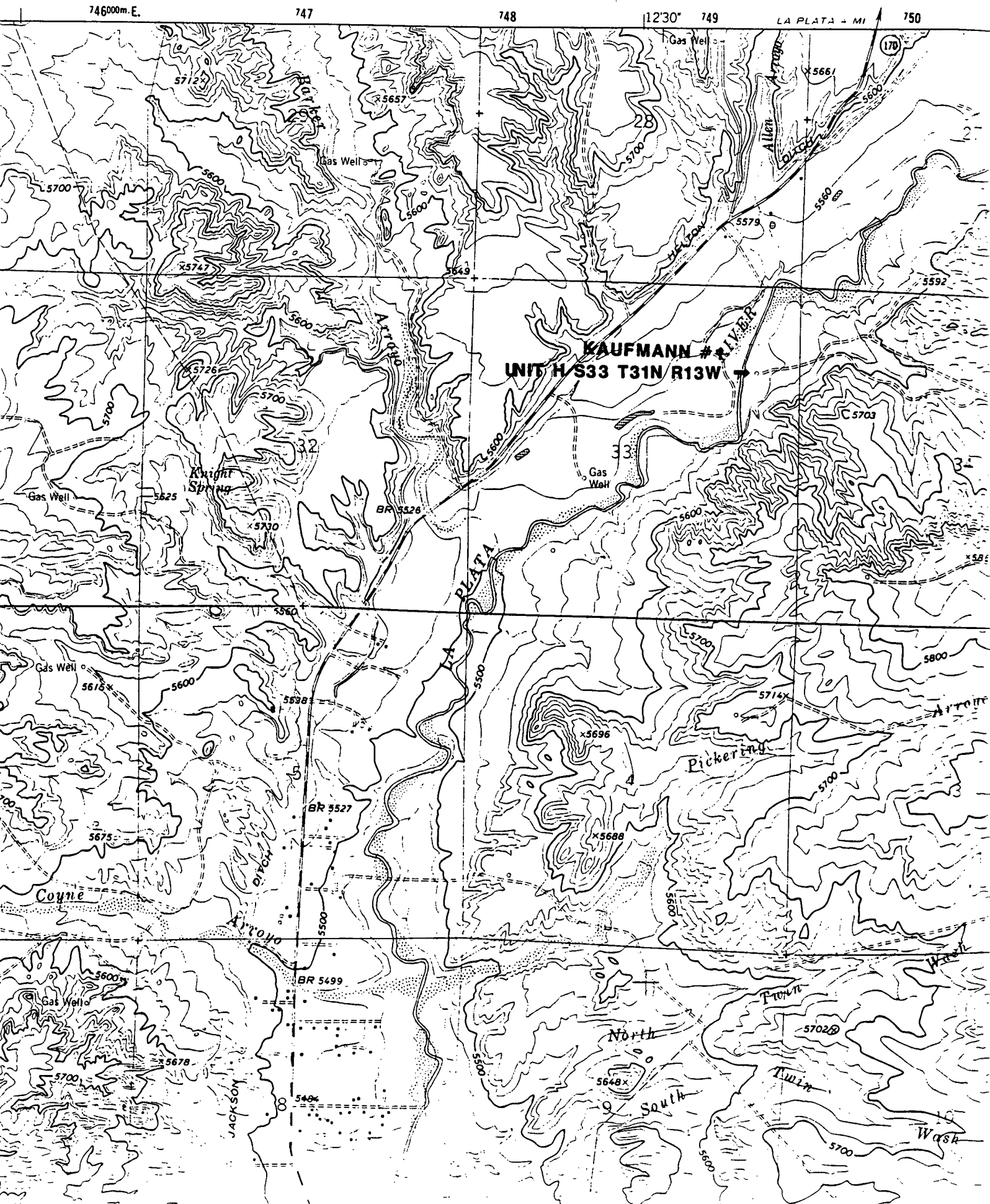
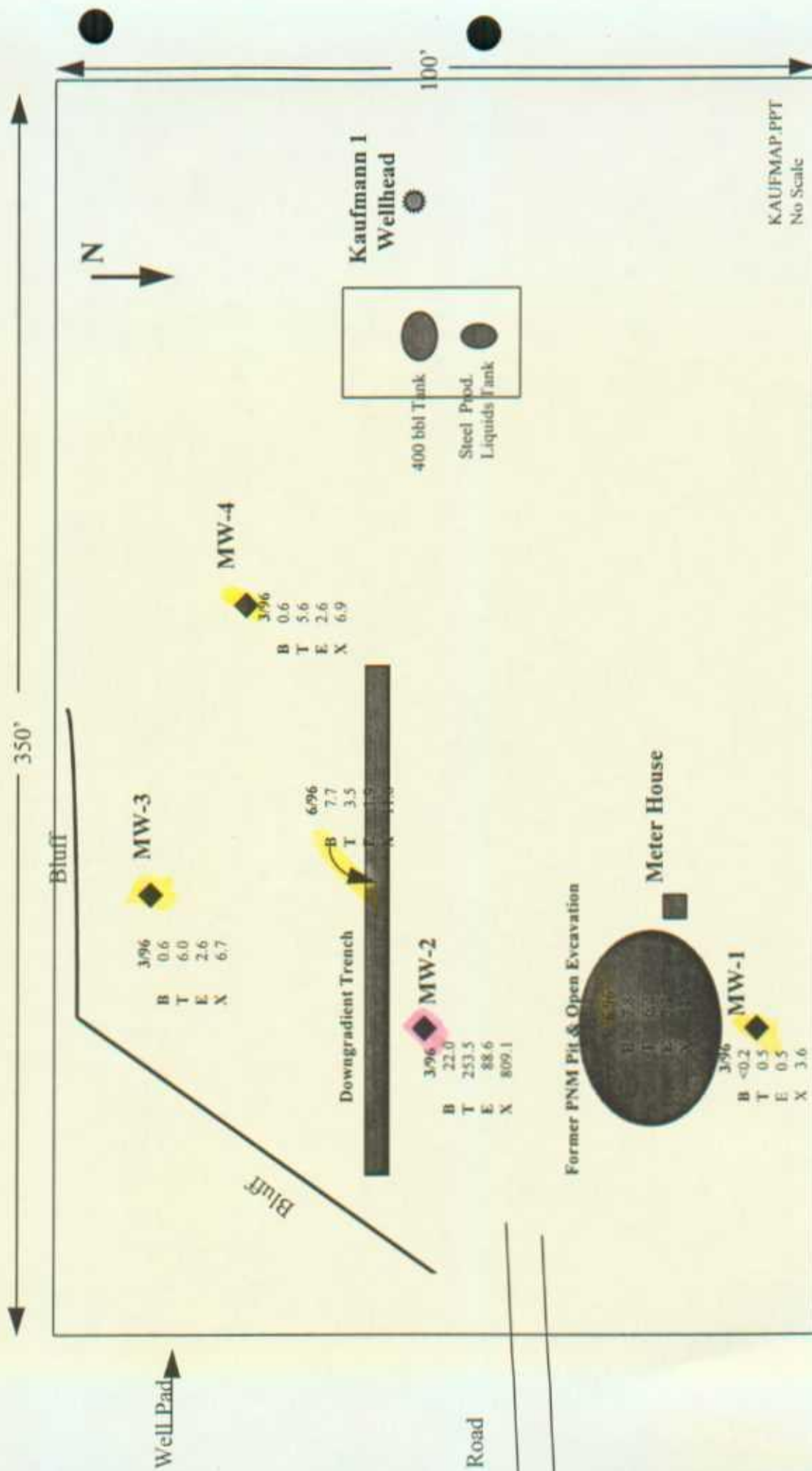


Figure 2. Kaufmann 1 Well Site
Well Locations & Analytical Results
 (Concentrations in ppb)



OFF: (505) 325-5667



LAB: (505) 325-1556

AROMATIC VOLATILE ORGANICS

Attn: *Maureen Gannon*
Company: *PNM Gas Services*
Address: *Alevarado Square, Mail Stop 0408*
City, State: *Albuquerque, NM 87158*

Date: *28-Jun-96*
COC No.: *4895*
Sample No. *11318*
Job No. *2-1000*

Project Name: *PNM Gas Services - Kaufmann 1 Well Site*
Project Location: *9606251500; Trench*
Sampled by: *MG* Date: *25-Jun-96* Time: *15:00*
Analyzed by: *DC* Date: *27-Jun-96*
Sample Matrix: *Water*

Laboratory Analysis

<i>Parameter</i>	<i>Result</i>	<i>Unit of Measure</i>	<i>Detection Limit</i>	<i>Unit of Measure</i>
<i>Benzene</i>	<i>7.7</i>	<i>ug/L</i>	<i>0.2</i>	<i>ug/L</i>
<i>Toluene</i>	<i>3.5</i>	<i>ug/L</i>	<i>0.2</i>	<i>ug/L</i>
<i>Ethylbenzene</i>	<i>1.9</i>	<i>ug/L</i>	<i>0.2</i>	<i>ug/L</i>
<i>m,p-Xylene</i>	<i>10.5</i>	<i>ug/L</i>	<i>0.2</i>	<i>ug/L</i>
<i>o-Xylene</i>	<i>1.3</i>	<i>ug/L</i>	<i>0.2</i>	<i>ug/L</i>
<i>TOTAL</i>	<i>24.8</i>	<i>ug/L</i>		

Method - SW-846 EPA Method 8020 Aromatic Volatile Organics by Gas Chromatography

Approved by: *Jag*
Date: *6/28/96*

OFF: (505) 325-5667



LAB: (505) 325-1556

AROMATIC VOLATILE ORGANICS

Attn: *Maureen Gannon*
Company: *PNM Gas Services*
Address: *Alevarado Square, Mail Stop 0408*
City, State: *Albuquerque, NM 87158*

Date: *28-Jun-96*
COC No.: *4895*
Sample No. *11319*
Job No. *2-1000*

Project Name: *PNM Gas Services - Kaufmann 1 Well Site*
Project Location: *9606251530; Pit*
Sampled by: *MG* Date: *25-Jun-96* Time: *15:30*
Analyzed by: *DC* Date: *27-Jun-96*
Sample Matrix: *Water*

Laboratory Analysis

<i>Parameter</i>	<i>Result</i>	<i>Unit of Measure</i>	<i>Detection Limit</i>	<i>Unit of Measure</i>
<i>Benzene</i>	<i>7.8</i>	<i>ug/L</i>	<i>0.2</i>	<i>ug/L</i>
<i>Toluene</i>	<i>6.2</i>	<i>ug/L</i>	<i>0.2</i>	<i>ug/L</i>
<i>Ethylbenzene</i>	<i>3.7</i>	<i>ug/L</i>	<i>0.2</i>	<i>ug/L</i>
<i>m,p-Xylene</i>	<i>54.5</i>	<i>ug/L</i>	<i>0.2</i>	<i>ug/L</i>
<i>o-Xylene</i>	<i>3.1</i>	<i>ug/L</i>	<i>0.2</i>	<i>ug/L</i>
<i>TOTAL</i>	<i>75.3</i>	<i>ug/L</i>		

Method - *SW-846 EPA Method 8020 Aromatic Volatile Organics by Gas Chromatography*

Approved by: *[Signature]*
Date: *6/28/96*

OFF: (505) 325-5667



LAB: (505) 325-1556

QUALITY ASSURANCE REPORT
for EPA Method 8020

Date Analyzed: 27-Jun-96

Internal QC No.: 0444-STD

Surrogate QC No.: 0445-STD

Reference Standard QC No.: 0355-STD

Method Blank

Parameter	Result	Unit of Measure
Average Amount of All Analytes In Blank	<0.2	ppb

Calibration Check

Parameter	Unit of Measure	True Value	Analyzed Value	% Diff	Limit
Benzene	ppb	20.0	20.1	0	15%
Toluene	ppb	20.0	19.5	2	15%
Ethylbenzene	ppb	20.0	19.7	1	15%
m,p-Xylene	ppb	40.0	38.5	4	15%
o-Xylene	ppb	20.0	19.5	3	15%

Matrix Spike

Parameter	1 - Percent Recovered	2 - Percent Recovered	Limit	%RSD	Limit
Benzene	88	87	(39-150)	2	20%
Toluene	84	79	(46-148)	4	20%
Ethylbenzene	75	69	(32-160)	5	20%
m,p-Xylene	71	65	(35-145)	6	20%
o-Xylene	84	73	(35-145)	9	20%

Surrogate Recoveries

Laboratory Identification	S1 Percent Recovered	S2 Percent Recovered
Limit Percent Recovered	(70-130)	
11318-4895	101	
11319-4895	101	

S1: Fluorobenzene

