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APPROVALS

YEAR(S):

1999



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 16, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z-274-520-691

Ms. Kathy Juckes
PNM Gas Services
P.O. Box 4750
Farmington, NM 87499

RE: FINAL SAN JUAN BASIN PIT CLOSURE REPORTS

Dear Ms. Juckes:

The New Mexico Oil Conservation Division (OCD) has reviewed 4 requests for closure of ground water remediation sites which are contained in PNM Gas Services' (PNM) April 29, 1999 "OCD CLOSURE REPORTS - 1ST REPORTING QUARTER 1999". This document requests closure of the sites since ground water has been remediated to below New Mexico Water Quality Control Commission (WQCC) standards as demonstrated in 4 consecutive quarterly sampling events at each site. The document also contains PNM's proposed ground water monitoring well plugging and abandonment procedures.

Below is the OCD's review of these closure requests:

- A. The pit closure/remediation activities and the proposed monitor well plugging and abandonment proposals for the site listed below are **approved**.

1. McClanahan A #2E (Separator pit) Unit O, Sec. 23, T28N, R10W.

Please be advised that OCD approval does not relieve PNM 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 PNM of responsibility for compliance with any other federal, state, tribal or local laws and regulations.

- B. The sites listed below which are requested for closure were previously required to have additional ground water monitoring wells installed to determine the extent of ground water contamination that was in excess of WQCC ground water standards. Since the

OCD has no record of this work being completed, the request for closure of these sites is denied. The OCD will reconsider closure of these sites when the required information is submitted.

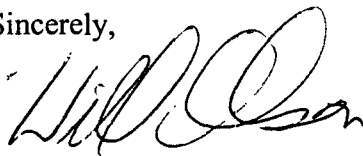
1. Florance #32A
2. Jacques #2A
3. Mangum #1E

Unit F, Sec. 15, T30N, R08W
Unit D, Sec. 25, T30N, R09W
Unit F, Sec. 33, T29N, R11W

- C. On May 28, 1998, the OCD required that PNM submit plans to install additional ground water monitoring wells to determine the extent of ground water contamination that was in excess of WQCC ground water standards at a number of sites. These plans were to have been submitted to the OCD by July 28, 1999. A review of the case files shows that the OCD does not have any record of receiving these plans. The OCD requires that PNM submit the plans as required in Item A and Item B of the OCD's May 28, 1999 correspondence. The plans shall be submitted to the OCD Santa Fe Office by August 31, 1999 with a copy provided to the OCD Aztec District Office.

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

Bill Olson - OCD
Z. 274 520 691

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