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APPROVALS

YEAR(S):

2001



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

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Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

December 26, 2001

<u>CERTIFIED MAIL</u> RETURN RECEIPT NO: 5357-8215

Ms. Nina Hutton Cross Timbers Oil Company 810 Houston St., Suite 2000 Fort Worth, Texas 76102-6298

RE: PIT CLOSURE/GROUND WATER MONITORING REPORTS

Dear Ms. Hutton:

The New Mexico Oil Conservation Division (OCD) has reviewed Cross Timbers Oil Company's (CTOC) May 11, 2000 "CROSS TIMBERS OPERATING COMPANY (CTOC) 2000 ANNUAL GROUNDWATER REPORTS, SAN JUAN COUNTY, NM, PERMANENT CLOSURE REQUESTED" which was submitted on behalf of CTOC by their consultant Blagg Engineering, Inc. This document contains the results of CTOC's investigation, remediation and monitoring of soil and ground water contamination related to the disposal of oilfield wastes in unlined pits at 7 sites in the San Juan Basin and requests closure of the remedial actions.

Below is the OCD's review of the above referenced document:

A. The soil and ground water remedial actions at the sites listed below are satisfactory and the OCD approves of the closure of these pit sites. Please be advised that OCD approval does not relieve CTOC 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 CTOC of responsibility for compliance with any other federal, state, tribal or local laws and regulations.

McCoy GC C #1 (Blow pit)
 Prespentt GC #1 (Blow pit)
 Unit A, Sec. 28, T30N, R12W.
 Unit O, Sec. 21, T29N, R10W.
 Sullivan Frame A#1 (Reserve pit)
 Unit D, Sec. 30, T29N, R10W.

B. The site listed below initially had ground water contaminated with benzene, toluene, ethylbenzene and xylene (BTEX) in excess of New Mexico Water Quality Control Commission (WQCC) standards. The report for this site does not contain 4 consecutive rounds of water quality sampling events demonstrating that ground water meets WQCC standards. Therefore,

approval of the closure actions at this site is **denied**. The OCD requires that CTOC continue ground water quality monitoring at these sites. Pursuant to the previously approved ground water management plan, the OCD will reconsider issuing final closure approval after CTOC demonstrates that ground water quality at all monitoring points are below WQCC standards for a minimum of 4 consecutive quarters.

1. Hare GC B #1E (Separator pit)

Unit E, Sec. 23, T29N, R11W.

The sites listed below were initially found to have ground water contaminated with benzene, C. toluene, ethylbenzene and xylene (BTEX) in excess of New Mexico Water Quality Control Commission (WOCC) standards. The reports for these sites do not contain 4 consecutive rounds of water quality sampling events demonstrating that ground water meets WQCC standards. While the reports maintain that there may be a discrepancy in some of the prior elevated BTEX sampling results, upon a review of the site data it is not clear whether the discrepancy is the result of laboratory error or biodegradation of dissolved BTEX during the 4 to 5 month time lag between sampling events. The OCD has observed a similar decrease in magnitude of BTEX as a result of biodegradation within similar time frames at other sites. In addition, a review of the reports shows that there is only one other downgradient ground water monitoring well at each site. These wells are laterally off gradient of the direction of ground water flow at the sites and as a result there was no downgradient delineation of the extent of the BTEX plume. Therefore, approval of the closure actions at these sites is denied. The OCD requires that CTOC install additional ground water monitoring wells at these sites to delineate the downgradient extent of contamination and continue the site ground water quality monitoring. The OCD will reconsider issuing final closure approval after CTOC demonstrates that the downgradient extent of contamination has been determined and that ground water quality at all monitoring points are below WQCC standards for a minimum of 4 consecutive quarters, pursuant to the previously approved ground water management plan.

Jack Frost B #2 (Separator pit)
 E.J. Johnson C#1E (Tank drain pit)
 Unit D, Sec. 27, T27N, R10W.
 Unit C, Sec. 21, T27N, R10W.

3. Stedje GC #1 (Separator pit) Unit F, Sec. 27, T30N, R12W.

If you have any questions, please contact 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

Nelson Velez, Blagg Engineering, Inc.