

AP - 018

**GENERAL
CORRESPONDENCE**

2007

RECEIVED

AP018

JAN 30 2007

Clay Osborn
11 Rocky Top Lane
P.O. Box 1285
Jal, NM 88252
505-395-2510

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

January 26, 2007

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

R-12280-A

RECORDS REQUEST

Dear Records Request Officer:

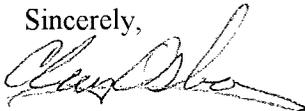
Pursuant to the state open records act, I request access to and copies of the Stage 1 and Stage 2 Abatement Plans for the South Langlie Jal Unit, Smith and Marrs Inc. Case 13061. I also request a copy of paid receipt for the fine or any part of the \$197,000.00 fine paid to the New Mexico Oil Conservation Division (MNOCD) by Smith and Marrs Inc. as ordered by the NMOCD.

A reasonable fee, not to exceed \$1.00 per page for ordinary-size documents will be paid upon request.

If my request is denied in whole or part, I ask that you justify all deletions by reference to specific exemptions of the act.

Thank you for your assistance.

Sincerely,



Clay Osborn



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

JANUARY 31, 2007

Mr. Clay Osborn
11 Rocky Top Lane
P.O. Box 1285
Jal, NM 88252

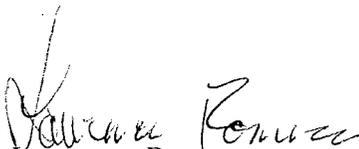
RE: RECORDS REQUEST

Dear Mr. Osborn:

On January 30, 2007, the New Mexico Oil Conservation Division (OCD) received your records request of January 26, 2007, in which you request access to and copies of the Stage 1 and Stage 2 Abatement Plans for the South Langlie Jal Unit, Smith and Marrs Inc. Case 13061 (AP018) and a copy of the paid receipt for the \$197,000.00 fine. You may inspect all OCD records at the Santa Fe office, located at 1220 South St. Francis Drive, Santa Fe, NM 87505 during normal business hours. Please note that OCD does not make and send copies in the mail. OCD charges \$0.25 per page for 8.5 x 11 inch copies. OCD does have the Stage 1 Abatement Plan and the Stage 1 investigation report; however, OCD does not have a "Stage 2 Abatement Plan" for this site, nor does it have a paid receipt for the fine. Please contact Mr. David Brooks with any questions or requests concerning penalties or other legal issues.

If you have any questions, please call me at 505-476-3476.

Sincerely,


Lawrence Romero
Records Liaison Officer

Fax

To: Clay Osborne
Fax: 505-395-2676
Pages: 16, including this cover sheet.
Date: January 9, 2006

Dear Mr. Osborne:

As per your request, I am faxing you the text of the Smith & Marrs Stage 1 Report. OCD has not yet begun its review of this report. You may get a copy of this report at our Hobbs District Office. Please contact Mr. Paul Sheeley. Please call me at 505-476-3488 if you have any questions.



Glenn von Gonten

From the desk of...

Glenn von Gonten
Senior Hydrologist
Energy, Minerals and Natural Resources
Oil Conservation Division
Environmental Bureau
1220 South St. Francis Drive South
Santa Fe, NM 87505
505-476-3488
Fax: 505-3462



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 4702**

December 21, 2005

Mr. Ricky Smith
Smith & Marrs, Inc.
P.O. Box 863
Kermit, TX 79745

RE: OIL CONSERVATION COMMISSION ORDER NO. R-12280-A

Dear Mr. Smith:

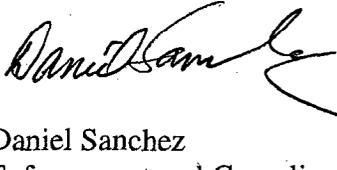
On June 9, 2005, the New Mexico Oil Conservation Commission (OCC) issued Order No. R-12280-A in which the Commission determined that Smith & Marrs, Inc. was the party responsible for performing and completing an abatement plan in the South Langlie Jal Unit in Lea County, New Mexico, and required Smith & Marrs to submit a Stage 1 investigation report to the New Mexico Oil Conservation Division (OCD) by December 9, 2005. The Commission also assessed a civil penalty of \$197,000.00 of which one-third (\$65,666.67) was to be paid within 30 days of the entry of Order No. R-12280-A. The order provided that an additional one-third (\$65,666.67), due within 30 days of the December 9, 2005 deadline, would be waived if Smith & Marrs met the December 9, 2005 deadline. The final one-third (\$65,666.66) will be due 30 days following the deadline that OCD's will set for Smith & Marrs to submit and fully perform a Stage II abatement. If OCD determines that there is no contamination or that operations at the South Langlie Jal Unit are not the probable source of contamination, then the Commission will waive the \$65,666.66.

To date, Smith & Marrs, Inc. has not submitted the civil penalty stipulated in Order No. R-12280-A, nor did it submit the required Stage 1 investigation report by December 9, 2005. Therefore, OCD is scheduling a meeting with Smith & Marrs, Inc. for December 29, 2005 at 9 AM at OCD's Santa Fe office to resolve Smith & Marrs failure to comply with Order No. R-12280-A. If Smith & Marrs, Inc. fails to appear, then OCD will take appropriate enforcement actions to bring it into compliance. Such actions may include a hearing before a division

examiner to set a compliance schedule and/or the imposition of appropriate sanctions, including but not restricted to imposition of further penalties, the shutting in of wells, and the forfeiture of plugging ponds, pursuant to OCD Rules 40 and 41 (19.15.1.40 and 41 NMAC).

If you have any questions, please call me at (505) 476-3493.

Sincerely,

A handwritten signature in cursive script, appearing to read "Daniel Sanchez". The signature is written in black ink and is positioned above the typed name and title.

Daniel Sanchez
Enforcement and Compliance Manager

xc: Larry Johnson, OCD Hobbs District Office