

1R - 102

APPROVALS

YEAR(S):

4/19/2005



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

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

April 19, 2005

Ms. Camille Reynolds
Plains All American
3112 West Highway 82
Lovington, NM 88260

Re: 2004 Annual Groundwater Monitoring Report
Plains Marketing, L.P. LF-37 Site
SE/4, NE/4 of Section 5, T-20S, R-37E
Plains EMS Number: 1999-LF-37
Lea County New Mexico
NMOCD Ref. #1R-0102

Dear Ms. Reynolds:

The New Mexico Oil Conservation Division (NMOCD) has received and reviewed the report shown above. This report is hereby approved with the following understandings and conditions:

1. Monitor wells MW-1 and MW-7 may be plugged by cementing to the surface with cement slurry containing 3% - 5% bentonite.
2. Plains will continue quarterly gauging of the remaining monitor wells.
3. Plains will continue quarterly sampling of monitor well MW-3
4. Plains will continue semi-annual sampling of monitor well MW-4
5. Plains will continue annual sampling of monitor wells MW-1, MW-2, MW-5, MW-6, MW-7, MW-8, and MW-9
6. Plains will submit a report in April 2006 summarizing the activities at this site for calendar year 2005 including all the sample results shown above.

NMOCD approval of this report does not relieve Plains Marketing, L.P. (Plains) of liability should its activities at this site result in harm to public health or the environment. Nor does it relieve Plains of its responsibility to comply with the rules and regulations of any other federal, state, county, or local governmental agency.

If you have any questions, contact me at (505) 476-3492 or emartin@state.nm.us

NEW MEXICO OIL CONSERVATION DIVISION

Handwritten signature of Edwin E. Martin in cursive.

Edwin E. Martin
Environmental Bureau

Cc: NMOCD, Hobbs