

1R - 201

**GENERAL
CORRESPONDENCE**

YEAR(S):

1998



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I Hobbs
PO BOX 1980
Hobbs, NM 88241-1981
(505) 393-6161

Jennifer A. Salisbury
CABINET SECRETARY

April 18, 1998

RECEIVED

APR 22 1998

PETROLEUM PROD MGMT, INC (PPMI)
P O BOX 957
CROSSROADS, NM 88114

Environmental Bureau
Oil Conservation Division

Re: PPMI SWD Bond Lease
se/4 se/4 Sec 5-Ts9s-R36e

Dear Mr. Cothran,

New Mexico Oil Conservation Division (NMOCD) is in receipt of the Remediation/Cleanup Work Plan dated February 22, 1998 submitted by Safety & Environmental Solutions, Inc. for the above referenced location. **Please note this plan is hereby approved as submitted subject to the following additional conditions:**

1. "OCD APPROVAL CONDITIONS FOR RCRA EXEMPT UNLINED CLOSURES"
(Attached hereto).
2. PPMI shall complete this project within one year of receipt of this letter. NMOCD can allow additional time for a good cause shown.
3. Please notify NMOCD 48 hours in advance to witness bottom hole samples of area or vertical extent events.

Please be advised that NMOCD approval of this plan does not relieve PPMI of liability should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD District I approval does not relieve PPMI of responsibility for compliance with any other federal, state, or local laws and/or regulations.

If you require any further information or assistance please do not hesitate to call (505-393-6161) or write this office.

Sincerely Yours,

Wayne Price-Environmental Engineer

cc: Chris Williams-NMOCD District I Supervisor
Bill Olson-Environmental Bureau, Santa Fe, NM
Safety & Environmental Solutions-Hobbs

attachments-2

2/18/98

OCD APPROVAL CONDITIONS
FOR
RCRA EXEMPT
UNLINED PIT CLOSURES

1. The following closure actions will be performed in accordance with OCD's February 1993 "SURFACE IMPOUNDMENT CLOSURE GUIDELINES":
 - a. Vertical and horizontal extent of contamination will be determined either prior to, during or upon completion of remedial actions.
 - b. Contaminated soils will be remediated to the OCD's recommended levels or a risk assessment will be provided which shows that an alternate cleanup level is protective of surface water, ground water, human health and the environment.
 - c. Final soil contaminant concentrations will be determined upon completion of remedial actions.
 - d. Soil samples for verification of completion of remedial actions will be sampled and analyzed for benzene, toluene, ethylbenzene, xylene and total petroleum hydrocarbons,
AND CHLORIDES IN AQUEOUS EXTRACT
2. All wastes removed from a specific site will be disposed of at an OCD approved facility.
3. The OCD Santa Fe Office's Environmental Bureau Chief and the OCD Hobbs District Office will be notified within 24 hours of the discovery of ground water contamination related to a pit closure.
4. Upon completion of all closure activities, a completed OCD "Pit Remediation and Closure Report" form containing the results of all pit closure and soil remediation activities will be submitted to the OCD for approval. The report will include the concentrations and application rates of any materials or additives used to enhance bioremediation of the contaminants and the final concentrations of any soils landfarmed onsite or the final disposition of soils removed from the site. To simplify the approval process, the OCD requests that the final pit closure reports be submitted only upon completion of all closure activities including onsite remediation or landfarming of contaminated soils.
5. All original documents will be submitted to the OCD Hobbs Office for approval with copies provided to the OCD Santa Fe Office.
6. OCD approval does not relieve you of liability should closure activities determine that contamination exists which is beyond the scope of the work plan or if the closure activities fail to adequately remediate contamination related to your activities. In addition, OCD approval does not relieve you of responsibility for compliance with other federal, state or local laws and regulations.

DISTRICT OFFICE
P O Box 1940 Hobbs, NM
District Office
Trovee OD, Armas, NM 88211
District Office
100 Rio Grande Rd. Alamo, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

SUBMIT 1 COPY TO
APPROPRIATE
DISTRICT OFFICE
AND 1 COPY TO
SANTA FE OFFICE

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NM 87505

(Revised 3/9/94)

PIT REMEDIATION AND CLOSURE REPORT

Operator: _____	Telephone: _____
Address: _____	
Facility Or: _____ Well Name _____	
Location: Unit or Qtr/Qtr Sec _____ Sec _____ T _____ R _____ County _____	
Pit Type: Separator _____ Dehydrator _____ Other _____	
Land Type: BLM _____, State _____, Fee _____, Other _____	
Pit Location: Pit dimensions: length _____, width _____, depth _____ (attach diagram) Reference: wellhead _____, other _____	
Footage from reference: _____	
Direction from reference: _____ Degrees _____ East North _____ of _____ West South _____	
Depth To Ground Water: (Vertical distance from contaminants to seasonal high water elevation of ground water)	Less than 50 feet (20 points) 50 feet to 99 feet (10 points) Greater than 100 feet (0 Points) _____
Wellhead Protection Area: (Less than 200 feet from a private domestic water source, or; less than 1000 feet from all other water sources)	Yes (20 points) No (0 points) _____
Distance To Surface Water: (horizontal distance to perennial lakes, ponds, rivers, streams, creeks, irrigation canals and ditches)	Less than 200 feet (20 points) 200 feet to 1000 feet (10 points) Greater than 1000 feet (0 points) _____
RANKING SCORE (TOTAL POINTS): _____	

Date Remediation Started: _____ Date Completed: _____

Remediation Method: Excavation _____ Approx. cubic yards _____
(Check all appropriate sections) Landfarmed _____ Insitu Bioremediation _____
Other _____

Remediation Location: Onsite _____ Offsite _____
(ie. landfarmed onsite, name and location of offsite facility)

General Description Of Remedial Action: _____

Ground Water Encountered: No _____ Yes _____ Depth _____

Final Pit: Sample location _____
Closure Sampling: _____
(if multiple samples, attach sample results and diagram of sample locations and depths)

Sample depth _____

Sample date _____ Sample time _____

Sample Results

Benzene(ppm) _____

Total BTEX(ppm) _____

Field headspace(ppm) _____

TPH _____

Ground Water Sample: Yes _____ No _____ (If yes, attach sample results)

I HEREBY CERTIFY THAT THE INFORMATION ABOVE IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF

DATE

SIGNATURE

PRINTED NAME
AND TITLE



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
PO BOX 1980, Hobbs, NM 88241
(505) 393-6161
FAX (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

ALL: ROGER ANDERSON

Certified Mail: P209888685

November 21, 1997

PETROLEUM PROD MGMT, INC (PPMI)
P O BOX 957
CROSSROADS, NM 88114

Subject: Notice Of Violation (NOV)

**Re: PPMI SWD Bond Lease
se/4 se/4 Sec 5-Ts9s-R36e**

Dear Mr. Cothran,

New Mexico Oil Conservation Division (NMOCD) has received a complaint concerning ground water contamination in the area of PPMI's above referenced location. NMOCD personnel made subsequent field trips in the area and collected nearby water samples, visited the above referenced site and took pictures.

It appears that PPMI is in violation of the New Mexico Oil & Gas Act. The following violations were found.

- A. Violation of NMOCD Rule 116; failure to report unauthorized releases of oil field waste and perform corrective actions.
- B. Violation of NMOCD general Order No. R-3221 (May 1967); Discharging oilfield produced water into unlined surface pits.
- C. Violation of NMOCD Rule 711; Managing oilfield waste on the ground in unlined pits without an approved permit.
- D. Violation of NMOCD Rule 18.B (Protection of Migratory Birds); failure to provide proper netting, screening, etc for exposed pits and ponds.

NMOCD also reviewed the Environmental file records and it appears that PPMI has closed previous pits at the above referenced site without an approved closure plan.

Certified Mail: P209888685;

Therefore, PPMI is hereby ordered to perform the following actions:

1. Cease and desist in all unauthorized discharges of oilfield waste into the pond or pit, or onto the ground and render the ponds and pits to be safe to all migratory birds.
2. Submit a C-141 for all of the miscellaneous un-authorized releases within 15 days of receipt of this letter.
3. Submit current pit closure plans for the active and un-active pits within 60 days of receipt of this letter.
4. Submit a groundwater investigation plan to determine if groundwater has been contaminated as a result of past and/or present operating practices within 60 days of receipt of this letter.

Failure to respond to this Notice Of Violation may result in a show cause hearing against PPMI, requiring PPMI to appear and show cause why it should not be ordered to perform the above actions and why it should not also be assessed civil penalties.

If you require any further information or assistance please do not hesitate to call (505-393-6161) or write this office.

Sincerely Yours,



Chris Williams-NMOCD District I Supervisor

CW/lwp: file yr97/ppmi

cc: Roger Anderson-Environmental Bureau Chief, Santa Fe, NM

Attachments- copy of pictures, analytical results of nearby water well.



PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
 OCD, STATE OF NEW MEXICO
 ATTN: GARY WINK
 P.O. BOX 1980
 HOBBS, NM 88240
 FAX TO:

Receiving Date: 11/07/97
 Reporting Date: 11/11/97
 Project Number: NOT GIVEN
 Project Name: CLINTON HOUSTON N.E. WELL-STONE TANK
 Project Location: NOT GIVEN

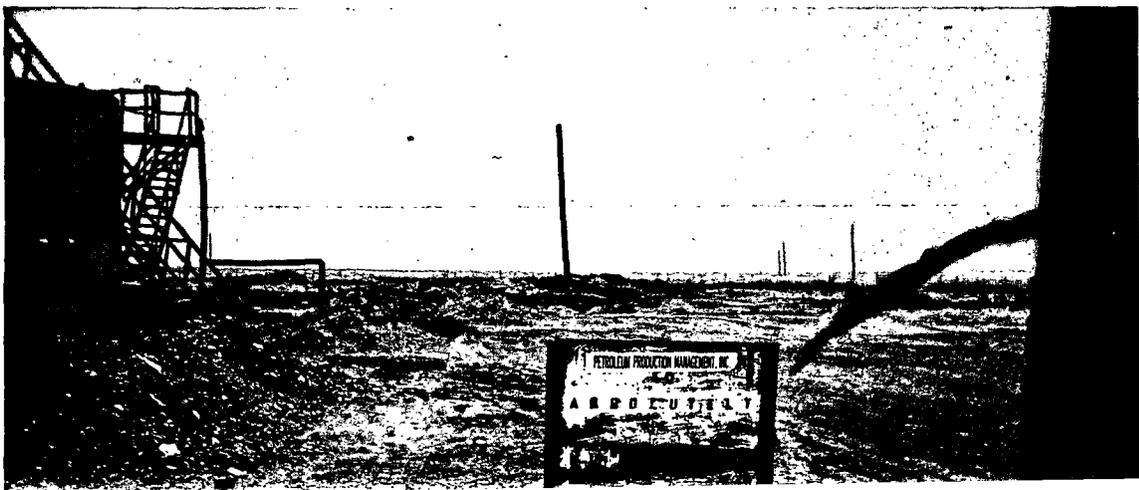
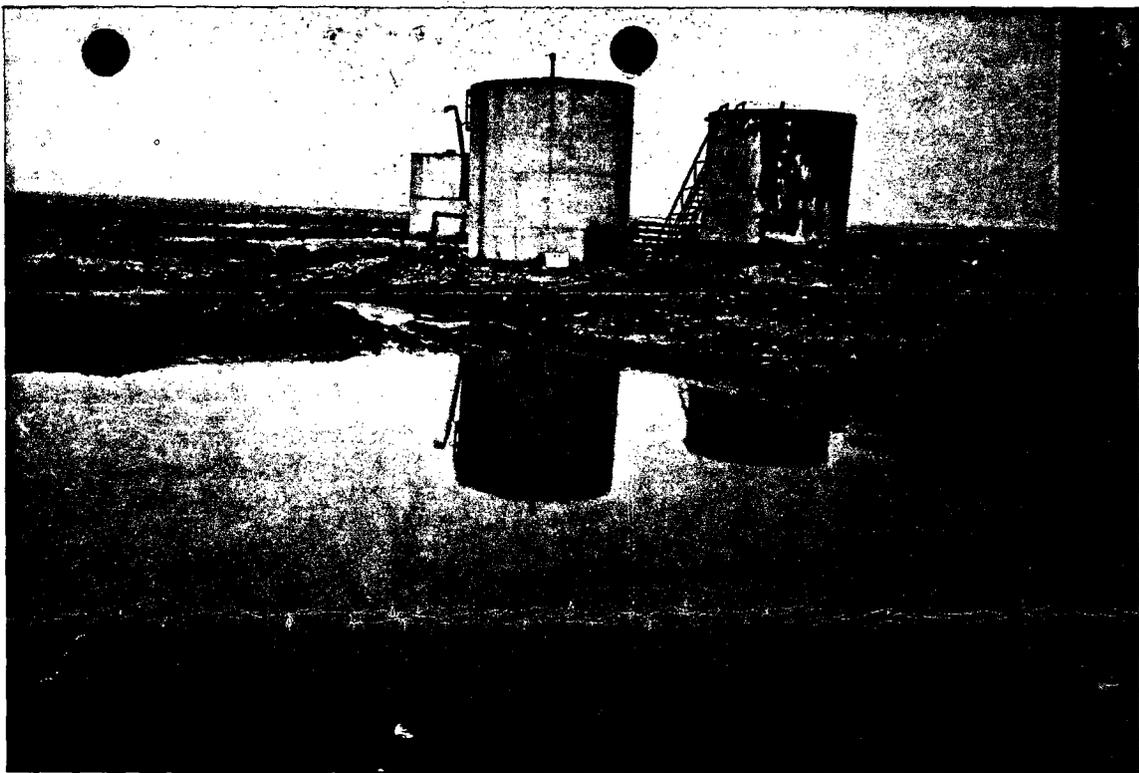
Sampling Date: 10/31/97
 Sample Type: GROUNDWATER
 Sample Condition: COOL & INTACT
 Sample Received By: AH
 Analyzed By: BC/AH

LAB NUMBER	SAMPLE ID	TPH (mg/L)	CI (mg/L)
ANALYSIS DATE:		11/10/97	11/10/97
H3309-1	-	7.9	2000
Quality Control		191	480
True Value QC		200	500
% Recovery		95.4	96.0
Relative Percent Difference		0.5	0.8
METHODS: EPA 600/4-79-02		418.1	325.3

Bryan J. Coche
 Chemist

11/11/97
 Date

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or persons acting out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.





NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
PO BOX 1980, Hobbs, NM 88241
(505) 393-6161
FAX (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

November 21, 1997

RECEIVED

NOV 26 1997

Environmental Bureau
Oil Conservation Division

Mr. Clinton Houston
P.O. 245
Tatum, NM 88267
505-398-6168

Re: N.E. Well-Stone Tank (South & East of SE/4 of Sec 5-Ts9s-R36e)

Dear Mr. Houston:

Please find enclosed a copy of the analytical results of the sample taken by Gary Wink of our office. Please note the preliminary results of this sample indicates the well water exceeds the Water Quality Control Commission (WQCC) Standards for New Mexico groundwater.

The NMOCD is in the process of trying to determine the source of this contamination. Please note these investigations can be quite lengthy in time. We have identified an active discharge area nearby and we will pursue this possible source.

As soon as the NMOCD discovers any substantial evidence we will notify you of the findings.

In the mean time you might want to consider contacting the New Mexico Environmental Department, Myra Meyers at 505-393-4302 for instructions on purifying the water and biological testing.

If you require any further information or assistance please do not hesitate to call (505-393-6161) or write this office.

Sincerely Yours,

Wayne Price-Environmental Engineer

CC: Chris Williams-NMOCD District I Supervisor
Gary Wink-NMOCD Field Rep. II-Hobbs, NM
NMOCD Hobbs Groundwater file.
NMOCD Santa Fe Environmental Bureau- Att: Bill Olson

attachments- water analysis



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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NMOCD Hobbs Groundwater file.
NMOCD Santa Fe Environmental Bureau- Att: Bill Olson

attachments- water analysis



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PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
OCD, STATE OF NEW MEXICO
ATTN: GARY WINK
P.O. BOX 1980
HOBBS, NM 88240
FAX TO:

Receiving Date: 11/07/97
Reporting Date: 11/11/97
Project Number: NOT GIVEN
Project Name: CLINTON HOUSTON N.E. WELL-STONE TANK
Project Location: NOT GIVEN

Sampling Date: 10/31/97
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: BC/AH

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ANALYSIS DATE:		11/10/97	11/10/97
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Relative Percent Difference		0.5	0.8
METHODS: EPA 600/4-79-02		418.1	325.3

Bryan J. Cooke
Chemist

11/11/97
Date



CARDINAL LABORATORIES

PHONE 915/573-7001 • 2111 BEECHWOOD • DALLAS, TX 75201
PHONE 505/393-2325 • 101 E. MARLAND • MCNEES, NM 88240

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page 1 of 1

ANALYSIS REQUEST

H3309

BILTO PO #

Company: STAME

Address: STAME

City: STAME

State: STAME

Zip: STAME

Phone #: STAME

Fax #: STAME

Project Name: Clinton/Houston N.E. Hill/State

Project Location: Thick

LAB I.D. #

Sample I.D.

H3309

COMP(C) OR GRAB(G)
CONTAINERS

GROUNDWATER

WASTEWATER

SOIL

OIL

SLUDGE

OTHER :

ACID:

ICE / COOL

OTHER :

DATE

TIME

10/31

HP 20

PLEASE NOTE: Liability and Damages. Cardinal's liability and cover is exclusive remedy for any claim arising, whether based in contract or tort, and be limited to the amount paid by client for analysis. As claim, including those for negligence and any other claims whatsoever shall be deemed waived unless made in writing and received by Cardinal within ninety (90) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, earnings or profits, or loss of use, or loss of profits, incurred by client as a result of results or conclusions arising out of or related to the performance of services rendered by Cardinal, regardless of whether such claim is based upon any of the above stated causes of damages.

Sampler Relinquished:

Stanley D. Wink

Date: 11/7/97

Time: 8:20

Received By:

Ames Hill

Received By: (Lab Staff)

CHECKED BY: (Initials)

Delivered By: (Circle One)
UPS - Fed Ex - Bus - Other:

Phone Results: Yes No
Fax Results: Yes No
Additional Fax #: _____

REMARKS:



CONSERVATION DIVISION
RECEIVED

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

95 MAY 19 AM 8 52

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

May 15, 1995

Mr. Gary T. Cothran-District Superintendent
Petroleum Production Management, Inc.
P.O. Box 957
Crossroads, New Mexico 88114

Dear Mr. Cothran,

The New Mexico Oil Conservation Division (NMOCD) is in receipt of the two pit closure requests that you have submitted on September 7, 1994 and April 17, 1995 and which are located approximately in (sec 5-Ts 9s-R36e) and (sec 34-Ts 13s-R32e) respectively.

Please be aware that the NMOCD Environmental Bureau is in the process of formulating a new interim policy on pit closures. Hopefully, this policy will allow the operators and the NMOCD districts more flexibility and streamline the "Pit Closure" approval process.

However, there will be certain requirements of an operator if he chooses to close the pit with contaminates remaining in the ground. Under this scenario the operator will be required to determine the vertical extent of the contamination and demonstrate that the remaining contaminates have not, or will not, impact ground water in the foreseeable future, and/or adversely affect public health and the environment.

Please note, as soon as we receive this new interim policy this office will forward you a copy. We anticipate it will be two to three weeks before it is issued.

Sincerely yours,

Wayne Price-Environmental Engineer
NMOCD District I - Hobbs office

cc: Jerry Sexton-NMOCD District I Supervisor
Roger Anderson-Environmental Bureau Chief
Bill Olson-Hydrogeologist
Gary Wink-Field Rep. II - NMOCD Hobbs

attachments-2



Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name Bond Area
8. Well No.
9. Pool name or Wildcat

1. Type of Well:
OIL WELL GAS WELL OTHER

2. Name of Operator
Petroleum Production Management, Inc.

3. Address of Operator
P.O. Box 957 Crossroads, New Mexico 88114

4. Well Location
Unit Letter _____ : _____ Feet From The _____ Line and _____ Feet From The _____ Line
Section 5 Township 9-S Range 36-E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Pit closure.

No liquids have been put in this pit for 18 years.
Ground water is at 125'.
The nearest water well is over 1200'(this well was checked by the OCD and was deemed to have no contamination).
We propose to mix dry soil with the contaminated soil and cover all contaminated soil with at least 2' of non contaminated soil. This should eliminate any threat to present or foreseeable beneficial use of fresh water, public health and the environment.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Gary T. Cothran TITLE District Superintendent DATE 9-7-94
TYPE OR PRINT NAME Gary T. Cothran TELEPHONE NO 675-2478

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY: