

1R - 377

APPROVALS

YEAR(S):

2004 - 2003



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

September 29, 2004

Mr. Link Marks
Marks and Garner Production, Ltd. Co.
P.O. Box 70
Lovington, New Mexico 88260

**RE: CASE # 1R-0377
R.W. DUNCAN TANK BATTERY
LOVINGTON, NEW MEXICO**

Dear Mr. Marks:

The New Mexico Oil Conservation Division (OCD) has reviewed Marks and Garner Production, Ltd. Co. (Marks & Garner) July 16, 2004 correspondence titled "MARKS AND GARNER PRODUCTION, R.W. DUNCAN" which was submitted on behalf of Marks & Garner by their agent Eddie W. Seay. This document contains Marks and Garners work plan for investigation of the extent of chloride contaminated soils at the R.W. Duncan Tank Battery located in the SE/4 of Section 6, Township 13 South, Range 36 East, Lea County, New Mexico.

The above-referenced work plan is approved with the following conditions:

1. Marks and Garner shall determine the vertical extent of chloride contamination of soil at the site.
2. All soil samples shall be obtained and analyzed for concentrations of chloride using EPA approved methods and quality assurance/quality control (QA/QC) procedures.
3. Marks & Garner shall remove the large concrete block from the P&A well site location and dispose of it at an OCD approved facility.
4. All other wastes removed from the site shall be disposed of at an OCD approved facility.
5. Marks and Garner shall notify the OCD Santa Fe and Hobbs Offices at least 48 hours in advance of scheduled activities such the OCD has the opportunity to witness the events and split samples.

6. A report shall be submitted to the OCD Santa Fe Office by December 3, 2004 with a copy provided to the OCD Hobbs District Office and shall contain:
- a. A description of all investigation and remediation activities including conclusions and recommendations.
 - b. A site map showing the location of the tank battery, spills, pipelines, trenches, borings, excavations, sample locations, and any other pertinent site features.
 - c. Summary tables of all sampling results and copies of all laboratory analytical data sheets and associated QA/QC data.
 - d. The disposition of all wastes generated.

Please be advised that OCD approval does not relieve Marks and Garner of responsibility should the work plan fail to adequately define the extent of contamination related to Marks and Garner's operations, or if contamination exists which is outside the scope of the work plan. In addition, OCD approval does not relieve Marks and Garner of responsibility for compliance with any other federal, state or local laws and regulations.

If you have any questions, please contact me at (505) 476-3491.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

cc: Chris Williams, OCD Hobbs District Office
Wraldo Presley Duncan

RECEIVED

JUL 14 2004

**CIL CONSERVATION
DIVISION**

NMOCD

WORK PLAN

MARKS & GARNER

R.W. DUNCAN

JULY 2004

July 16, 2004

NMOCD Environmental
ATTN: Bill Olson
Box 6429
1220 S. Saint Francis Drive
Santa Fe, NM 87504

RE: Marks & Garner Production
R. W. Duncan

Mr. Olson:

Pursuant to your notice dated 7/6/04, find within Marks & Garner work plan.

WORK PLAN

This exercise will be an investigation and also will include remedial work.

- 1) Using a trackhoe, Marks & Garner will obtain samples from two to three areas around the battery and from one to two areas around the P & A well site.

We want to use a trackhoe because we cannot find a core rig that is available.

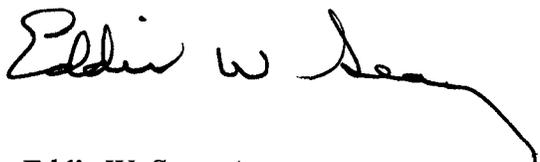
The samples will be taken every five feet and analyzed for chloride. I am told the trackhoe can dig to approximately 22 ft. This same procedure will be used on both the battery and well site.

- 2) While we have the trackhoe on location, we plan to dig out around the dry hole marker as previously agreed. The cellar area and soil will be excavated and hauled to an OCD approved facility. Clean soil will be put back around the excavated area.
- 3) We also want to address the concrete block. We either want to dig a hole beside it and bury it on location or try and break it up and remove it off site. Your input would be appreciated.

If this work meets with your approval, we will set things up and notify the OCD prior to doing any work. Also, all photos and analytical of our work performed will be sent to the OCD.

If you have any questions, please call.

Thanks,

A handwritten signature in cursive script that reads "Eddie W. Seay". The signature is written in black ink and has a long, sweeping underline that extends to the right.

Eddie W. Seay, Agent
601 W. Illinois
Hobbs, NM 88242
(505)392-2236
seay04@leaco.net



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

July 6, 2004

Mr. Link Marks
Marks and Garner Production, Ltd. Co.
P.O. Box 70
Lovington, New Mexico 88260

**RE: CASE # 1R-0377
R.W. DUNCAN TANK BATTERY
LOVINGTON, NEW MEXICO**

Dear Mr. Marks:

The New Mexico Oil Conservation Division (OCD) has reviewed Marks and Garner Production, Ltd. Co. (Marks & Garner) January 28, 2004 correspondence titled "MARKS AND GARNER PRODUCTION, DUNCAN LEASE". This document requests that OCD clarify the regulatory rules and regulations applicable to cleanup of chloride contaminated soils related to Marks and Garners R.W. Duncan Tank Battery and well site located in the SE/4 of Section 6, Township 13 South, Range 36 East, Lea County, New Mexico.

The R.W. Duncan Tank Battery and well site have been the site of prior leaks and spills as documented in OCD inspections and evidence provided by the landowner. Regarding remediation of leaks and spills, 19.15.3.116.D. NMAC requires that **"the responsible person must complete division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the division or with an abatement plan submitted in accordance with Section 19 of 19.15.1 NMAC."** Chloride contamination of soils has been documented at the site as a result of Marks and Garners leaks and spills. Chloride is a water contaminant that can migrate in the subsurface and result in water pollution, and therefore chloride contaminated soils must be addressed in accordance with a remediation plan approved by the division.

As stated in OCD's January 23, 2004 correspondence, the soil chloride sampling results show that elevated levels of chlorides are present at the base of the excavated areas and that the vertical extent of chloride contamination is not defined. Therefore, the OCD requires that Marks & Garner provide a work plan to determine the vertical extent of chloride contamination at the sites. Please submit the work plan to the OCD Santa Fe Office by July 20, 2004 with a copy provided to the OCD Hobbs District Office.

If you have any questions, please contact me at (505) 476-3491.

Sincerely,

A handwritten signature in black ink, appearing to read "William C. Olson". The signature is fluid and cursive, with the first name "William" being the most prominent.

William C. Olson
Hydrologist
Environmental Bureau

cc: Chris Williams, OCD Hobbs District Office
Wraldo Presley Duncan
Eddie W. Seay

MARKS AND GARNER PRODUCTION, LTD. CO.

OIL & GAS PRODUCTION

Phone (505) 396-5326
Fax (505) 396-3204
P.O. Box 70 - 1421 S. Love St.
Lovington, New Mexico 88260

January 28, 2004

RECEIVED

FEB 04 2004

OIL CONSERVATION
DIVISION

NMOCD Environmental Department
ATTN: William Olson
Box 6429
1220 S. Saint Francis Drive
Santa Fe, NM 87504

RE: Marks & Garner Production
Duncan Lease

Mr. Olson:

We just recently received your letter pertaining to elevated chlorides on the Duncan Lease. We have been trying to find the rule or regulation concerning chlorides in soil, but have not found anything that references chloride cleanup.

At your earliest convenience, please send us this information so we can better understand our requirements and can respond to your request.

Your help in this matter is appreciated.

Thank you,



Link Marks
Marks & Garner Production



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

January 23, 2004

Mr. Link Marks
Marks and Garner Production, Ltd. Co.
P.O. Box 70
Lovington, New Mexico 88260

RE: CASE # 1R-0377
R.W. DUNCAN TANK BATTERY
LOVINGTON, NEW MEXICO

Dear Mr. Marks:

The New Mexico Oil Conservation Division (OCD) has reviewed Marks and Garner Production, Ltd. Co. (Marks & Garner) December 29, 2003 correspondence titled "MARKS AND GARNER PRODUCTION, DUNCAN LEASE" which was submitted on behalf of Marks & Garner by their consultant Eddie W. Seay. This document contains the results of Marks & Garners investigation of contaminated soils at the R.W. Duncan Tank Battery and well site located in the SE/4 of Section 6, Township 13 South, Range 36 East, Lea County, New Mexico.

The results show that the extent of petroleum contamination of soils at the sites is limited. However, the chloride results show that elevated levels of chlorides are present at the base of the excavated areas and that the vertical extent of contamination is not defined. Therefore, the OCD requires that Marks & Garner provide a work plan to determine the vertical extent of chloride contamination at the sites. Please submit the work plan to the OCD Santa Fe Office by February 27, 2004 with a copy provided to the OCD Hobbs District Office.

If you have any questions, please contact me at (505) 476-3491.

Sincerely,

A handwritten signature in black ink, appearing to read "William C. Olson".

William C. Olson
Hydrologist
Environmental Bureau

cc: Chris Williams, OCD Hobbs District Office
Wraldo Presley Duncan
Eddie W. Seay



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

October 1, 2003

Mr. Link Marks
Marks and Garner Production, Ltd. Co.
P.O. Box 70
Lovington, New Mexico 88260

RE: CASE # 1R-0377
R.W. DUNCAN TANK BATTERY
LOVINGTON, NEW MEXICO

Dear Mr. Marks:

The New Mexico Oil Conservation Division (OCD) has reviewed Marks and Garner Production, Ltd. Co. (Marks & Garner) August 24, 2003 correspondence titled "MARKS AND GARNER PRODUCTION, R.W. DUNCAN". This document contains Marks and Garners work plan for investigation and remediation of contaminated soils at the R.W. Duncan Tank Battery located in the SE/4 of Section 6, Township 13 South, Range 36 East, Lea County, New Mexico.

The above-referenced work plan is approved with the following conditions:

1. Marks and Garner shall determine the lateral and vertical extent of soil contamination at the site.
2. Soil samples from the investigations and final confirmation samples from the base and sidewalls of the excavated areas shall be obtained and analyzed for concentrations of benzene, toluene, ethylbenzene and xylene (BTEX); total petroleum hydrocarbons (TPH), and; chloride using EPA approved methods and quality assurance/quality control procedures.
3. All wastes removed from the site shall be disposed of at an OCD approved facility.
4. Marks and Garner shall notify the OCD Santa Fe and Hobbs Offices at least 48 hours in advance of scheduled activities such the OCD has the opportunity to witness the events and split samples.

5. A report shall be submitted to the OCD within 30 days of completion of the investigation and remediation activities. The report shall be submitted to the OCD Santa Fe Office with a copy provided to the OCD Hobbs District Office and shall contain:
- a. A description of all investigation and remediation activities including conclusions and recommendations.
 - b. A site map showing the location of the tank battery, spills, pipelines, residences, borings, excavations, sample locations, and any other pertinent site features.
 - c. Summary tables of all sampling results and copies of all laboratory analytical data sheets and associated QA/QC data.
 - d. The disposition of all wastes generated.

Please be advised that OCD approval does not relieve Marks and Garner of responsibility should the work plan fail to adequately remediate or define the extent of contamination related to Marks and Garner's operations, or if contamination exists which is outside the scope of the work plan. In addition, OCD approval does not relieve Marks and Garner of responsibility for compliance with any other federal, state or local laws and regulations.

If you have any questions, please contact me at (505) 476-3491.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

cc: Chris Williams, OCD Hobbs District Office
Wraldo Presley Duncan