

1R - 390

**GENERAL  
CORRESPONDENCE**

**YEAR(S):**

2003 - 2005

## Price, Wayne

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**From:** Price, Wayne  
**Sent:** Friday, June 10, 2005 12:52 PM  
**To:** Eddie Seay (E-mail)  
**Cc:** Patrick B. McMahon (E-mail); Sheeley, Paul; Johnson, Larry  
**Subject:** Pure Resources Pure 21 and 106 sites.

*OCD hereby approves closure of the above subject sites and requires no further action.*

Please be advised that NMOCD approval of this plan does not relieve (Pure Resources) of responsibility 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 approval does not relieve (Pure Resources) of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Sincerely:

Wayne Price  
New Mexico Oil Conservation Division  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505  
505-476-3487  
fax: 505-476-3462  
E-mail: WPRICE@state.nm.us



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

November 21, 2003

Mr. Pat Wise, City Manager  
City of Lovington  
P.O. Box 1269  
Lovington, New Mexico 88260

**RE: LOVINGTON CITY WATER WELL FIELD**

Dear Mr. Wise:

On November 7, 2003, staff members of the New Mexico Oil Conservation Division (NMOCD) and I met with you, Mayor Harris, Mayor Pro-Tem Shipp and other officials of the City of Lovington to tour oilfield activities within the city water well field south of Lovington, New Mexico. During the tour, you expressed concerns about some spill sites and two former pit locations within the bounds of the water well field. At that time, I informed you that NMOCD would look into the matter and respond to you. Below you will find specific information for each site and actions that the NMOCD is taking or has previously taken at these sites. The sites are listed in the order of the stops that were made during the tour.

Stop 1

This stop was the site of a produced water spill on January 26, 2003 from the Pure Resources Lovington Paddock Unit Well #21 injection line. Approximately 230 barrels (bbls) of produced water were spilled and 130 bbls were recovered. Pure Resources reported the spill to the NMOCD on January 26, 2003 and subsequently submitted a project plan/site investigation report. The NMOCD has reviewed this document and found the preliminary investigations and proposed work plan to be satisfactory. As observed during the inspections, Pure Resources has currently excavated the spill area. The NMOCD, by letter, has directed Pure Resources to submit the results of the excavation work and their proposal for completing site remediation to the OCD for approval. Attached is a copy of the NMOCD inspection report and letter to Pure Resources.

Stop 2

According to Pure Resources, this stop is the site of a produced water line leak connected to Pure Resources' Lovington Paddock Unit Well # 106 where approximately two barrels of produced water were spilled. Pure Resources stated that since the volume of the spill was below the NMOCD reporting requirements of Rule 116, the spill was not reported to NMOCD. The line

Mr. Pat Wise  
November 21, 2003  
Page 2

was replaced, and the spill was not remediated. NMOCD has sent a letter directing Pure Resources to provide information regarding the spill and, due to its location within the city water well field, submit a work plan for investigation and remediation of the site. Attached is a copy of the NMOCD inspection report and letter to Pure Resources.

### Stop 3

During the tour, this stop was noted to be an oilfield tank battery. A sign indicated it was operated by Penroc Oil Corporation and called the State AE Tank Battery. Oil spills were noted on the ground surface around the tank battery facility. We have determined that Saga Petroleum currently owns the site. According to Saga Petroleum, the tanks have been emptied and the site is no longer operational. NMOCD has sent a letter directing Saga Petroleum to provide information regarding spills and, due to the location within the city water well field, submit a work plan for investigation and remediation of the site. Attached is a copy of the NMOCD inspection report and letter to Saga Petroleum.

### Stop 4

This stop was the site of the Apollo Salt Water Disposal Facility operated by Saga Petroleum. Produced water spills were noted on the ground surface around the injection pump and outside the tank battery berms. NMOCD has sent a letter directing Saga Petroleum to provide information regarding spills and, due to the location within the city water well field, submit a work plan for investigation and remediation of the site. Attached is a copy of the NMOCD inspection report and letter to Saga Petroleum.

### Stop 5

This stop involved the Araho, Inc. site, a former injection well disposal facility, which has a single-lined evaporation pit containing oily wastes. An NMOCD Phase I cleanup and investigation, using the state oil and gas reclamation fund, was completed on October 20, 2003. Phase I included the removal of the tank fluids, tanks, equipment, above and below grade pipe and trash. It also involved an investigation to determine the nature and extent of subsurface soil contamination. NMOCD's contractor is currently finalizing a report that will give an estimated volume of remaining soil contamination, a proposal for a cost effective Phase II investigation and cleanup, and a cost estimate for the Phase II plan. The NMOCD has so far expended approximately \$121,000 of the reclamation fund at this site. In 2002, Navajo Refining offered to clean up the lined evaporation/holding pit that is at the site. Navajo's preliminary sampling indicated that underlying ground water has not been impacted by the pit. They have not yet begun the cleanup effort because they are in the process of negotiating an access agreement with the City of Lovington.

Mr. Pat Wise  
November 21, 2003  
Page 3

An area of concern that the city discussed, but was not included in the tour, was Pure Resources former unlined production pit at the Lovington Paddock/Lovington San Andres Unit ATB 1-1 site located south of the Araho site. Pure Resources has been working with the OCD to investigate and remediate this site. Soil and ground water investigations are ongoing at the site pursuant to NMOCD rules. We will copy the city on all future NMOCD correspondence regarding the site so that you are kept informed on clean-up activities at the site.

We appreciate you spending time to show the NMOCD your concerns within the city water well field. Based upon the relatively shallow depth to ground water and the extensive number of city water wells in this area, the NMOCD will be conducting a study of the city water well field to assess if additional measures are necessary to protect ground water resources in this area. We will keep the city informed of the results of this study. Please let us know if you have other sites of immediate concern regarding the city water well field.

If you have any questions, please call me at (505) 476-3458 or Bill Olson at (505) 476-3491.

Sincerely,

  
Lori Wrottenbery  
Director

Attachments

LW/wco

Cc: Mayor Troy Harris, City of Lovington  
Mayor Pro-Tem Bill Shipp, City of Lovington  
Chris Williams, NMOCD Hobbs District Office  
Roger Anderson, NMOCD Environmental Bureau



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Director

**Oil Conservation Division**

November 21, 2003

Mr. Mike Northcutt  
Pure Resources  
P.O. Box 609  
Lovington, New Mexico 88260

**Subject: Contamination from Oil Field Operations**

The New Mexico Oil Conservation Division (OCD) recently received a complaint from the City of Lovington New Mexico concerning surface contamination at two Pure Resources (Pure) facilities, the Lovington Paddock well #21 and well #106 flow line leak sites located in Sec 36-Ts 16s-R 36e. The city owns approximately 1800 acres of land in this area where its fresh water wells are located.

At the request of the City, the OCD conducted a joint inspection with City of Lovington officials and noted several deficiencies (see attached inspection report). Based on the following findings, OCD requires Pure Resources to perform corrective actions as listed below.

**A. Well site # 21 located in SW/4 NE/4 Sec 36-Ts 16s-R 36e:**

*Finding:*

Pure was performing corrective actions on this site.

*Additional Corrective Action Required:*

Pure Resources shall submit a closure plan for OCD approval by December 03, 2003. This plan shall be submitted and approved by OCD before Pure backfills any remaining excavated areas. The plan shall include bottom and side wall soil sample analysis for TPH, BTEX and chlorides. The plan shall describe in detail all activities to date, including the disposal of any contaminated soils.

**B. Well site # 106 located in UL E Sec 36-Ts 16s-R 36e:**

*Findings:*

1. Visual contamination that exhibited gross oil staining was noted on the ground surface. The soil exhibited a strong hydrocarbon odor. The spill had been covered with sand.
2. Another disturbed area in close proximity to the one mentioned above was noted. It appeared that some surface bioremediation had taken place.

Corrective Action Required:

1. Pure Resources shall make notification and perform corrective actions on all future leaks and spills pursuant to 19.15.C.116 NMAC and abide by all OCD rules and regulations.
2. Pure Resources shall immediately stop all releases of oilfield products or waste, make repairs to equipment to prevent future releases, and install best management practices where feasible.
3. Pure Resources shall submit an action plan for OCD approval by December 15, 2003. The plan shall describe how Pure Resources plans to correct the problems OCD found, including a clean up and remediation plan, and a plan to determine the extent of contamination at the site.
4. Pure Resources shall submit evidence that OCD Rule 118 (Hydrogen Sulfide) H<sub>2</sub>S is being adhered too.

If you have any questions please do not hesitate to contact me at 505-476-3487 or [WPRICE@state.nm.us](mailto:WPRICE@state.nm.us).

Sincerely;



Wayne Price-Pet. Engineer

cc: OCD Hobbs Office

Attachments-2



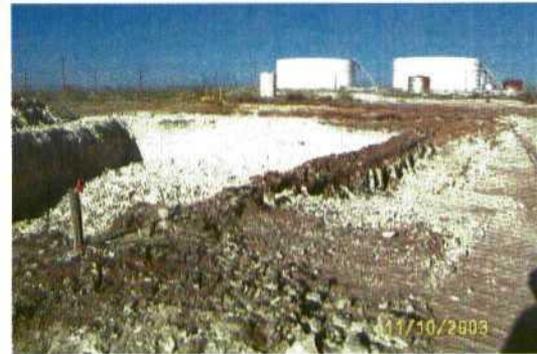
Picture #1220 Initial excavation looking NNE.



Picture #1500 View of west excavation from west side looking east.



Picture #1221 Initial excavation looking West.



Picture # 1501 View looking east across center excavation to east excavation.

ENTERED IN  
RBOMS

November 18, 2003

Mr. Mike Northcutt  
Pure Resources  
P.O. Box 609  
Lovington, New Mexico 88260

**Subject: Contamination from Oil field Operations**

The New Mexico Oil Conservation Division (OCD) recently received a complaint from the City of Lovington New Mexico concerning surface contamination at two Pure Resources (Pure) facilities, the Lovington Paddock well #21 and well #106 flow line leak sites located in Sec 36-Ts 16s-R36e. The city owns approximately 1800 acres of land in this area where their fresh water wells are located.

At the request of the City, the OCD conducted a joint inspection with city of Lovington officials and noted several deficiencies (see attached inspection report). Based on the following findings, OCD requires Pure Resources to perform corrective actions as listed below.

**A. Well site # 21 located in SW/4 NE/4 Sec 36-Ts 16s-R36e:**

1R0390

**Finding:**

Pure was performing corrective actions on this site. The OCD has no record of approving the corrective action plan.

**Corrective Action Required:**

Pure Resources shall submit a closure plan for OCD approval by November 28, 2003. This plan shall be submitted and approved by OCD before Pure backfills any remaining excavated areas. The plan shall include bottom and side wall soil sample analysis for TPH, BTEX and chlorides. The plan shall describe in detail all activities as of to date, including the disposal of any contaminated soils.

**B. Well site # 106 located in UL E Sec 36-Ts 16s-R 36e:**

1R0391

**Findings:**

1. Visual contamination that exhibited gross oil staining was noted on the ground surface. The soil exhibited a strong hydrocarbon odor. The spill had been covered with sand.
2. Another disturbed area in close proximity to the one mentioned above was noted. It appeared that some surface bioremediation had taken place.

Corrective Action Required:

1. Pure Resources shall make notification and perform corrective actions on all future leaks and spills pursuant to 19.15.C.116 NMAC and abide by all OCD rules and regulations.
2. Pure Resources shall immediately stop all releases of oilfield products or waste, make repairs to equipment to prevent future releases, and install best management practices where feasible.
3. Pure Resources shall submit an action plan for OCD approval by December 15, 2003. The plan shall describe how Pure Resources plans to correct the problems OCD found, including a clean up and remediation plan, and a plan to determine the extent of contamination at the site.
4. Pure Resources shall submit evidence that OCD Rule 118 (Hydrogen Sulfide) H<sub>2</sub>S is being adhered too.

If you have any questions please do not hesitate to contact me at 505-476-3487 or e-mail [WPRICE@state.nm.us](mailto:WPRICE@state.nm.us).

Sincerely;

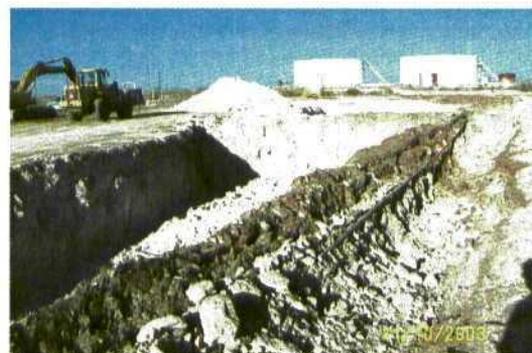
Wayne Price-Pet. Engineer

cc: OCD Hobbs Office

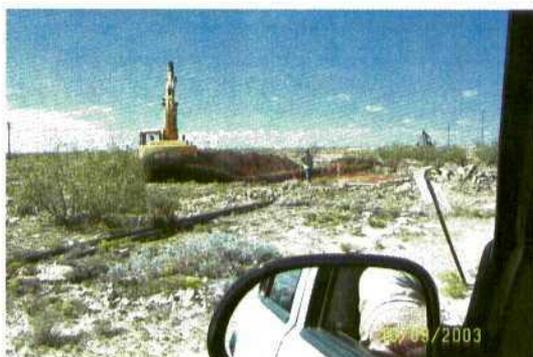
Attachments-2



Picture #1220 Initial excavation looking NNE



Picture #1500 view of west excavation from west side looking east.



Picture #1221 Initial excavation looking West



Picture # 1501 View looking east across center excavation to east excavation.



Picture #1220 Initial excavation looking NNE



Picture #1500 view of west excavation from west side looking east.



Picture #1221 Initial excavation looking West



Picture # 1501 View looking east across center excavation to east excavation.



ENVIRONMENTAL PLUS, INC.  
STATE APPROVED LAND FARM AND ENVIRONMENTAL SERVICES

Micro-Blaze

Micro-Blaze Out™

January 28, 2003

Mr. Larry Johnson  
New Mexico Oil Conservation Division  
1625 North French  
Hobbs, New Mexico 88240

Subject: Pure Resources Initial C-141

Re: Lovington Paddock Unit Well #21 Injection Line  
SW¼ of the NE¼ (Unit Letter G), Section 36, Township 16 South, and Range 36 East  
Latitude 32°52'45.65"N and Longitude 103°18'22.77"W

Dear Mr. Johnson,

Environmental Plus, Inc. (EPI), on behalf of Mr. Mike Northcutt, Pure Resources, Inc. submits the attached New Mexico Oil Conservation Division (NMOCD) form C-141 and supporting documentation for the above referenced leak site located on land owned by the City of Lovington, approximately 5 miles southeast of Lovington, Lea County, New Mexico. The attached New Mexico Office of the State Engineer average depth to ground water report indicates a water level for Section 36 T16S R36E to be 116 feet below ground surface ('bgs) with a vertical range between 40 and 257'bgs. Several City of Lovington municipal water wells are located in Section 36. The attached site information and metrics form ranks the site in accordance with the NMOCD Guidelines for Remediation of Leaks, Spills and Releases (August 13, 1993). A remediation plan will be developed and submitted for NMOCD approval and will address issues identified during delineation of the vertical and horizontal extents of contamination of the Constituents of Concern (CoCs), i.e., Chloride, Total Petroleum Hydrocarbon EPA method 8015m (TPH<sup>8015m</sup>), Benzene, BTEX, i.e., the mass sum of Benzene, Toluene, Ethyl Benzene, and Xylenes. The contaminated soil is RCRA exempt.

If there are any questions please call Mr. Ben Miller or myself at the office or at 505.390.0288 and 505.390.7864, respectively or Mr. Mike Northcutt at 505.396.7503.

All official communication should be addressed to:

Mr. Mike Northcutt  
Pure Resources, Inc.  
P.O. Box 609  
Lovington, New Mexico 88260

Sincerely,

Pat McCasland  
EPI Technical Services Manager

cc: Mike Northcutt, Pure Resources w/enclosure  
Steve Perrin, City of Lovington w/enclosure  
Ben Miller, EPI Vice President and General Manager  
Sherry Miller, EPI President  
file

ENVIRONMENTAL PLUS, INC.

Pure Resources  
Site Information and Metrics

**Incident Date and NMOCD Notified?**  
1-26-03 NMOCD notified immediately (on call pager)

SITE: Lovington Paddock Unit Well #21 Inj. Line		Assigned Site Reference #: 12603	
Company: Pure Resources, Inc.			
Street Address: Hobbs Highway south of Lovington, NM			
Mailing Address: P.O. Box 609			
City, State, Zip: Lovington, NM 88260			
Representative: Mike Northcutt			
Representative Telephone: 505.396.7503			
Telephone:			
Fluid volume released (bbls): 230		Recovered (bbls): 130	
>25 bbls: Notify NMOCD verbally within 24 hrs and submit form C-141 within 15 days. (Also applies to unauthorized releases >500 mcf Natural Gas)			
5-25 bbls: Submit form C-141 within 15 days (Also applies to unauthorized releases of 50-500 mcf Natural Gas)			
Leak, Spill, or Pit (LSP) Name: Lovington Paddock Unit Well #21 Inj. Line			
Source of contamination: Steel Injection Water Line			
Land Owner, i.e., BLM, ST, Fee, Other: City of Lovington			
LSP Dimensions ~70' x 410'			
LSP Area: 19,286 ft <sup>2</sup>			
Location of Reference Point (RP)			
Location distance and direction from RP			
Latitude: 32° 52' 45.65"N			
Longitude: 103° 18' 22.77"W			
Elevation above mean sea level: 3,835'amsl			
Feet from South Section Line			
Feet from West Section Line			
Location- Unit or ¼¼: SW¼ of the NE¼		Unit Letter: G	
Location- Section: 36			
Location- Township: 16S			
Location- Range: 36E			
Surface water body within 1000' radius of site: None			
Surface water body within 1000' radius of site:			
Domestic water wells within 1000' radius of site: None			
Domestic water wells within 1000' radius of site:			
Agricultural water wells within 1000' radius of site: none			
Agricultural water wells within 1000' radius of site:			
Public water supply wells within 1000' radius of site: to be determined			
Public water supply wells within 1000' radius of site:			
Depth from land surface to ground water (DG) ~116' bgs			
Depth of contamination (DC) -			
Depth to ground water (DG - DC = DtGW) -			
<b>1. Ground Water</b>		<b>2. Wellhead Protection Area</b>	
If Depth to GW <50 feet: 20 points		If <1000' from water source, or; <200' from private domestic water source: 20 points	
If Depth to GW 50 to 99 feet: 10 points		If >1000' from water source, or; >200' from private domestic water source: 0 points	
If Depth to GW >100 feet: 0 points		Wellhead Protection Area Score = 0	
Ground water Score = 0		Surface Water Score = 0	
Site Rank (1+2+3) = 0			
<b>Total Site Ranking Score and Acceptable Concentrations</b>			
Parameter	>19	10-19	0-9
Benzene <sup>1</sup>	10 ppm	10 ppm	10 ppm
BTEX <sup>1</sup>	50 ppm	50 ppm	50 ppm
TPH	100 ppm	1000 ppm	5000 ppm
<sup>1</sup> 100 ppm field VOC headspace measurement may be substituted for lab analysis			

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-141  
Revised March 17, 1999  
Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

**Release Notification and Corrective Action**

**OPERATOR**

Initial Report     Final Report

Name of Company <b>Pure Resources, Inc.</b>	Contact <b>Mike Northcutt</b>
Address P.O. Box 609, Lovington, NM 88260	Telephone No. 505.396.7503
Facility Name Lovington Paddock Unit Well #21 Injection Flow line	Facility Type Steel produced water Injection Pipeline

Surface Owner City of Lovington	Mineral Owner	Lease No.
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**LOCATION OF RELEASE**

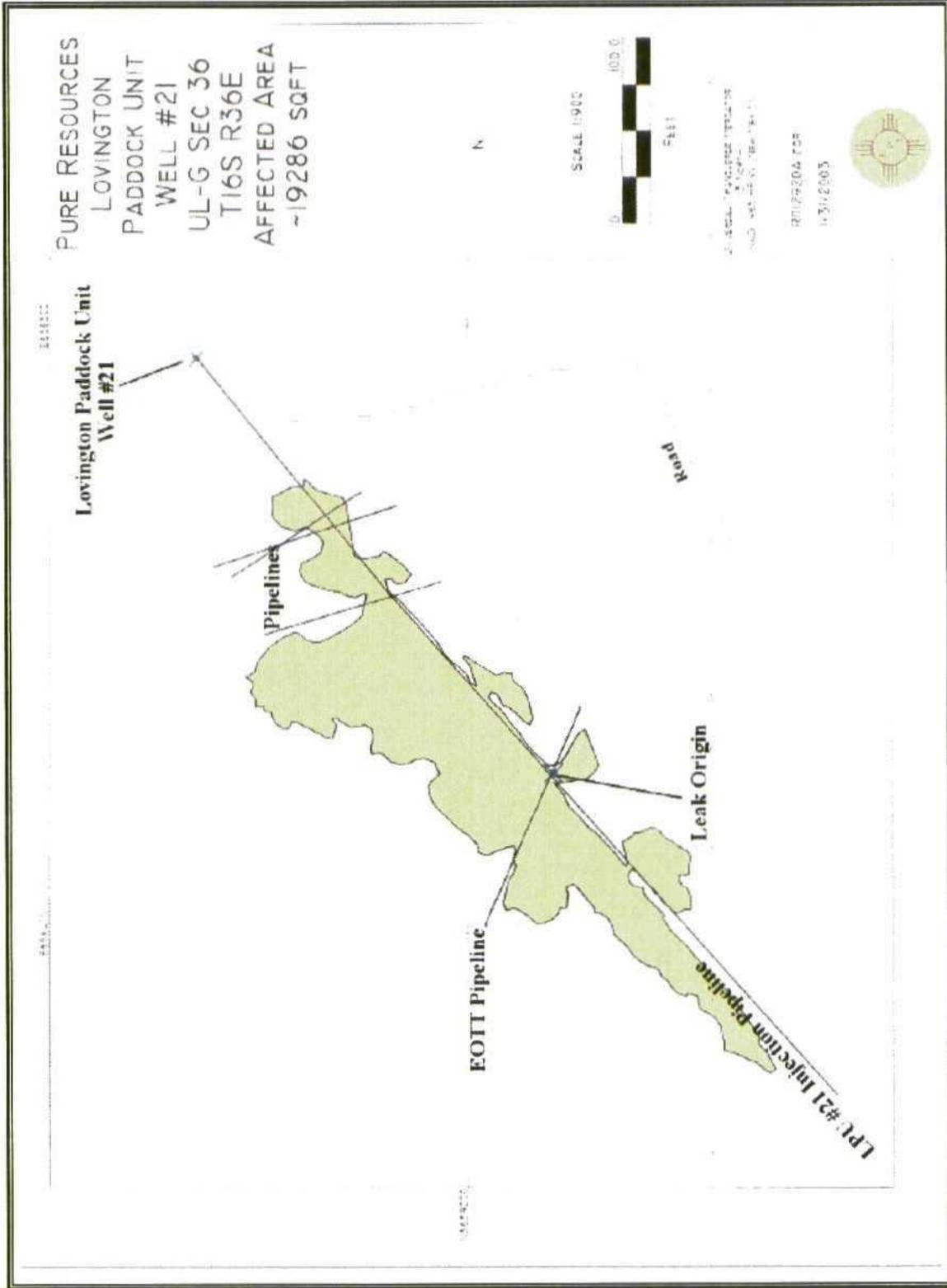
Unit Letter G	Section 36	Township 16S	Range 36E	Feet from the	North/South Line	Feet from the	East/West Line	County: Lea Lat. 32° 52' 45.65" N Lon. 103° 18' 22.77" W
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**NATURE OF RELEASE**

Type of Release <b>Produced water with residual crude oil</b>	Volume of Release <b>230 bbls</b>	Volume Recovered <b>130 barrels</b>
Source of Release Steel pipeline	Date and Hour of Occurrence 1-26-03 2:00 AM	Date and Hour of Discovery 1-26-03 @ 8:30 AM
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? On call pager	
By Whom? Mike Northcutt	Date and Hour 1-26-03 8:49 PM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse. NA	
If a Watercourse was Impacted, Describe Fully.* NA		
Describe Cause of Problem and Remedial Action Taken.* Internal corrosion. Line was taken out of service.		
Describe Area Affected and Cleanup Action Taken.* Area = ~19,286 ft <sup>2</sup> (70'x410'). Ground water occurs at ~116 feet below ground surface. The site rank is 0 points. Contaminated soil above the site remedial goals will be delineated and remediation plan developed and submitted. Remedial Goals: TPH 8015m = 5000 mg/Kg, Benzene = 10 mg/Kg, and the sum of Benzene, Ethyl Benzene, Toluene, and Xylenes = 50 mg/Kg.		
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.		
Signature: Pat McCasland (EPI) for Mike Northcutt	<b><u>OIL CONSERVATION DIVISION</u></b>	
Printed Name: Mike Northcutt	Approved by District Supervisor:	
Title: Area Production Supervisor	Approval Date:	Expiration Date:
Date: January 31, 2003      Phone: 505.396.7503	Conditions of Approval:	Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary





PURE RESOURCES  
 LOVINGTON  
 PADDOCK UNIT  
 WELL #2  
 UL-G SEC 36  
 T16S R36E  
 AFFECTED AREA  
 ~19,286 SQFT

N

SCALE: 1:500



FEET

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 10/14/14

PURE RESOURCES  
 10311 S. 10th St.  
 Suite 100  
 Oklahoma City, OK 73160  
 (405) 764-1000



