

1R - 410

**GENERAL
CORRESPONDENCE**

YEAR(S):

2002 - 2007

RECEIVED

JAN 24 2007

Attn: Wayne Price

476-3462

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

DEAR Wayne,

Oxy has bought Petroc, Vintage, production along with the pollution I asked you to see about a couple of years ago.

They have plugged 2 SWD wells Harris State # 5 Sec 23 10-32, where I asked you to drill some monitoring wells, and Harris State # 4

They have had massive salt water leaks, and are having them today at their tank battery in W part of Sec 23 10-32.

They have had massive salt water leaks that are presently flagged at their Mesquero SWD location in Sec 14 10-32

I am asking you once again to investigate the underground water pollution at these sites and to remediate ALL the polluted, sterilized

AREAS that ARE in this
field Mescatero.

I have called Cory Wink
and he said to call you,
again, as you are the one
to go to.

I hope you can help
on this. The surface is
state lease so maybe you can
get them to help before
it is too late for our
ground water. It is 18' to
30' below the surface in this
particular area. to water.

See you soon.

Carl Johnson

Wrottenbery, Lori

From: Prouty, Jane
Sent: Wednesday, April 02, 2003 9:47 AM
To: Wrottenbery, Lori; Prichard, Billy
Subject: RE: Carl Johnson

Great work, Billy! I called Bonnie Husband at Saga and asked her why she was reporting this well as shut in when she was also reporting water production, and she left me a message back that she was reporting the produced water in error. It was supposed to be reported as produced from a different well. So, you were right--this well is not producing. I'll work with Bonnie to get the production reported under the right well. You can go ahead and pursue this as an inactive well.

-----Original Message-----

From: Wrottenbery, Lori
Sent: Friday, March 28, 2003 5:34 PM
To: Prouty, Jane
Subject: FW: Carl Johnson

Any suggestions?

-----Original Message-----

From: Prichard [mailto:shabillron@leaco.net]
Sent: Friday, March 28, 2003 5:01 PM
To: wrottenbery@state.nm.us
Subject: Carl Johnson

Lori, Below is the data on the Saga well in question. I believe the reason that this well fell off your list is there is reported water production in 2002. I think the reported numbers are bogus. This well looks just like it did in 2002, No pumping unit. As long as Saga is reporting production we can not make them plug it. Although I think these numbers are false, I can not prove it. Could be proved with electric bills although there has been no way to produce in forever..

Billy Prichard

Well: STATE L No.: 001
Operator: SAGA PETROLEUM LIMITED LIABILITY CO.
API: 3002522353 Township: 10.0S Range: 33E
Section: 2 Unit: K
Land Type: S County: Lea Total Acreage: 40
Number of Completion with Acreage: 1
Accumulated:
Oil: 52901 (BBLs) Gas: 192818 (MCF)
Water: 156758 (BBLs) Days Produced: 2788 (Days)

Year: 2002
Pool Name: LANE;ABO

Month	Oil (BBLs)	Gas (MCF)	Water (BBLs)	Days Produced	Accum. Oil (BBLs)	Accum. Gas (MCF)
January	0	0	0	0	52901	192818
February	0	0	1020	0	52901	192818
March	0	0	1035	31	52901	192818

7
April 0 0 0 0 52901 192818
May 0 0 0 0 52901 192818
June 0 0 0 0 52901 192818
July 0 0 0 0 52901 192818
August 0 0 750 0 52901 192818
September 0 0 0 0 52901 192818
October 0 0 0 0 52901 192818
November 0 0 0 0 52901 192818
December 0 0 0 0 52901 192818
Total 0 0 2805 31

MANZANO Four Pete Sate # 1
Sec 11 T105 R32E

- ① Road out of compliance on ALL aspects per OED and SLD rules and regulations
- ② Well completed approximately 5 months ago
- ③ Pits overflowing
- ④ Oil on / and in pits
- ⑤ Fence inadequate (3 wire, loose)
- ⑥ Using pits illegally
- ⑦ No netting
- ⑧ Oil spray in pasture

Requesting pits to be drained, cuttings hauled off, and closure of pits, along with road brought up to standards

Carl F. Johnson

Jan 28, 04

RECEIVED

JAN 30 2004

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

Mr. Wayne Price, OCD

Dear Wayne,

ARK Yates Petroleum well Mescalero
State #1 Sec 2 10-32

is out of compliance as to
road going into well. Potholes, width,
debris, and no surface material.

MANZANO # Petes Sake Well
same sec, is out of compliance
on their road for the same
reasons.

They are in absolute violation
as to most all pit rules and
regulations that the OCD and
SLO have of record. Pit overflows
behind liner, oil on pasture, oil on
pit surface, use of pits after
completion (5-6 months), fence
not in compliance, debris, and
other violations.

I am requesting OCD and
SLO to enforce their own
rules and regulations pertaining

to oil and gas exploration
and get these two companies
into compliance.

I have requested Manzano
to empty their pits, immediately,
of all liquids, hauled off,
then to haul all cuttings, well
bore, etc. to approved land ~~farm~~
farm. The fence around these
pits should be per specs, which
it is not.

I have also requested Manzano
fix their road before they crush
a water line that I use.
I have taken pictures to
document these violations and
will send copies in near
future.

Thank you,



C.P. Manzano, LLC.

SLD

Hidel, Samberson Law Firm

RECEIVED

Apr 23, 04

APR 23 2004

OIL CONSERVATION
DIVISION

DEAR WAYNE,

Enclosed pictures are of well
that has not been produced in more than
8-10 yrs. Sec. 27 9-34 monitor

Petroc has not done any well
drilling around pollution nor pulled abandoned
salt water disposal well.

I have not received your answers
to my questions nor your letter to
Petroc or any of Merch's responses?

Very bad pit blow out & pollution
on Justin. Bill Olsen is supposed to
be following up. In waterway, draining
into playa lake, very bad but SOP for
oil industry

Lets don't drop the ball on any
of this as I think we can save
some resources if we keep pushing.

Paul

there is a large discrepancy
between the high figures and
low figures. High figures,
33% increase in cost of
drilling well, low figures 2-3%
increase in cost of drilling
a well.

I think this cost deal
needs to be pinned down as
some people tend to exaggerate.

Carl J. Johnson

Haven't received anything from
you on Petroc either?

CF

ATTN: Wayne Price

476-3462

DEAR Wayne,

Could you fax me the EXACT ANSWERS, per O & D rules and regulations, to these questions:

- ① When does the 6 month closure period for pits start?
A. When well is drilled to bottom hole depth.
B. When well is completed and producing, or abandoned. (dry hole)

- ② Is it legal or illegal for an oil company that is drilling a well and starts making more water than the pits can hold, to haul that extra water to another pit, at a ^(or abandoned) well that has been completed, and put it in the pits at the completed, or abandoned well?

If it is illegal to do so, what other alternatives,

legally does the oil company
have to dispose of this
extra water?

- A. Haul to injection well
- B. Enlarge existing pits (
- C. ?

This happened at Otero Mesa
and has happened recently here
where water sand starts at 18',
hard dug wells are within 1.5 mi,
water wells are pumping from
29' - 45', and there are
fresh water seeps in salt
lakes

of oil activity.

If you need more detail
and facts feel free to call
or fax questions.

398-6547 Home

369-5515 Mob

398-6549 Fax

Meeting was a bit more down
to the real world than Santa Fe
Hill, and I am absolutely
convinced of this, facts lead
to closed systems, cost is only
thing holding it up and

there is a large discrepancy
between the high figures and
low figures. High figures,
33% increase in cost of
drilling well, low figures 2-3%
increase in cost of drilling
a well.

I think this cost deal
needs to be pinned down as
some people tend to exaggerate.

Carl Johnson

November 18, 2003

RECEIVED

DEC 08 2003

RECEIVED

State Director
BLM
Linda S. C. Rundell

CIL CONSERVATION
DIVISION

CIL CONSERVATION

Dear Linda,

These photographs are an example of BLM and OCD oversight, control, and jurisdiction on split estate minerals. The same examples of this type of operation are found throughout New Mexico on all lands.

This is a criminal, wanton destruction of the environment and private property that has been allowed to go unchecked and unreclaimed for many, many years---how many years, I have no idea.

This entire oil field is of the same operations with old abandoned wells that aren't on OCD records, abandoned tank battery complexes, booster stations, water flood facilities, electric lines, pipelines, and all other types of oil field trash. The roads are of immense proportions and not maintained, with many unauthorized cut across roads along with filled in cattle guards, and most fences in need of repair.

THE SCENES THAT ARE DEPICTED IN THESE PHOTOS ARE NOT HUMAN ERROR, ACCIDENTAL MALFUNCTIONS, SPILLS, AND LEAKS THAT JUST HAPPEN, AS CLAIMED BY THE OIL COMPANIES; BUT ARE CALCULATED, COLD BLOODED FINANCIAL OPERATIONS THAT ARE GEARED TO THE LOWEST COST METHOD OF OPERATION; AND THIS IS THE RULE THROUGHOUT THE OIL PATCH, NOT THE EXCEPTION.

The records in your agency should show how many millions (or billions) of dollars of product have been extracted from this one particular area. As I have stated, this type of operation is throughout the oil/gas fields in Southeastern New Mexico---not only on BLM lands, but also State and deeded surface and mineral/surface ownership.

The bare ground seen in these pictures has been sterilized by numerous massive leaks and spills of salt, brine water; and the fresh water wells, of which are within yards, are pumping around 80' in depth.

I would suggest that due to the many environmental, state, and federal laws that have been broken in this example and others such as this, that ALL the companies and ALL of the personnel involved should be prosecuted and punished to the full extent of the law. This would include all the pumpers employed and on up to the president of the individual companies who have had a hand in this destruction.

It wouldn't take but 2 to 3 cases in the courthouse before this type of operation would cease and cleanups would start.

To address the costs to clean these environmental disasters up, there needs to be a more than adequate bond on each and every oil field operation and man-made aperture erected-- from drilling the well, during production, to plugging the well. Also, perhaps, a mandatory fee (\$5,000, \$10,000 \$20,000?) might be assessed by the responsible agency for EACH leak, spill and/or flagrant disregard for BLM, State, and OCD rules and regulations, to pay for the damage and to punish the parties responsible.

On top of this there needs to be a fee assessed on each barrel of oil, and cubic foot of gas produced that is put into a fund, interest bearing and possibly invested, to be used to begin cleanup proceedings on past operations and thereafter continue thus.

I would also request going to a closed loop system on all drilling and work over operations in New Mexico, on all lands, regardless of surface and mineral ownership.

This would decrease surface sterilization substantially; but more important than that, would help stop the ongoing underground water pollution that is documented by the OCD, State Engineers Office, BLM, and State Land Office. The up front costs of a closed loop drilling and/or work over system would be substantially larger; but on the other hand, the subsequent cleanup, contamination, law suits, loss of valuable water, surface destruction, time and labor consumed, and the future liability would be over. Either haul it off to designated land farms, and/or slurry mix and inject in disposal wells.

After the pit hearings in Santa Fe, and hearing all sides presented it appears to me that the simplest, most common sense approach would be to mandate closed systems. I ask for your consideration and immediate attention on the above matters. I would like to have all of these pictures returned, after all agencies and parties affected have seen them. They will be needed for future reference.

Sincerely,



Carl L. Johnson

Cc: State Land Office

OCD

OGAP

Bill Humphries

Lewis Derrick—NMCGA

Heidel, Samberson, Newell and Cox Law Firm

Lynn and Tweeti Blancett

Irvin and Shirley Boyd

Bobby Jones

Yates Mescaero "ARL" State #1

Road is out of compliance
as to all of OCD and
510 rules and regulations
Requesting immediate attention

Carl S. Johnson

RECEIVED

Oct 9, 03

OCT 14 2003

OIL CONSERVATION
DIVISION

DEAR Wayne,

As I informed you there was a massive salt water leak by NMA Salt Water Disposal company in Sec 24 10-33. This is the third (3) leak in this particular area and the site is ruined. Ground water is pumped around 30', water strata very shallow, around 18'-20'.

I am requesting OCD to adhere to their own rules, regulations, and specifications as to soil sampling and remediation on this site, and, henceforth, on any other leaks, spills, blowouts etc. that may occur on the state lease and ceded land that is in our ownership or control.

We are slowly losing our ranches, private property, due to oil and gas activity. When we lose our water we are finished and out of business.

Thank you for your time and am counting on you, personally, to help.

P.S. I don't think Paul Sheeley is worth trying to work with on anything.

Carl J. former

Attention:

Gene Samberson 505-396-5305

OCD 505-476-3462

Lori Wrotensbery
Wayne Price

SLD 505-827-5873

Patrick Lyons
Cody Morrow

We also need to get

Phoenix Hydrocarbons
Charmont Oil
Tipton Oil

in compliance with

both the OCD and SLD

rules and regulations, along with

all specifications

TO OCD and SLO,
Oct 1, 2003

As of this date I am requesting that the OCD and SLO implement and carry forward their own rules, regulations, specifications, statutes pertaining to salt water disposal systems for produced oil field water in regards to Purue Oil Co.

This system is in violation of every rule and reg, in the first place being in a draw or arroyo as original constructed.

The old disposal well is unplugged and has been abandoned for 12-15 years which is in violation of all the rules & regs I have seen.

The site construction and pollution is completely out of compliance and irresponsible for all parties involved, Purue, OCD, and SLO.

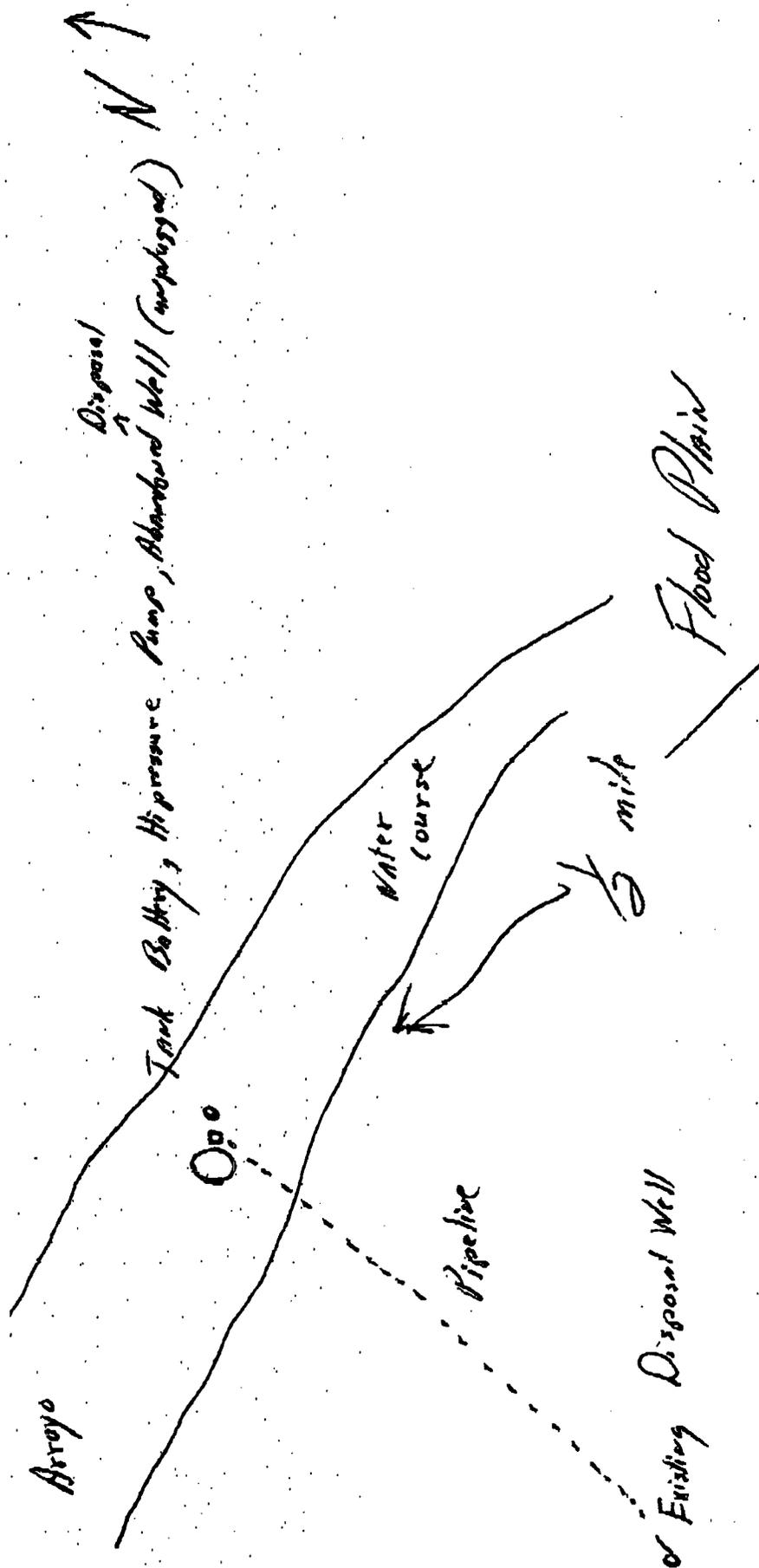
I turned this in to

the OCD and SLO on
Sept 29, 03 and as of this
date Oct 1, 03 nothing has
been done.

I, as a state land lessee
and private land owner, am
requesting that Petroc Oil
be shut down in all of their
oil field operations, prosecuted to
the full extent of the law,
both criminally and civil, and
to make whole all of the
pollution of water, soil, and
other natural resources, that
their operations have caused.

As all of us, SLO, OCD,
and ranchers, in Lea County are
aware, this is an example of
how Petroc operates and has
operated for 15-20 years. It
is now way past time to
put a stop, once and for all,
to these types of operations, Petroc,
and other oil companies who
operate in flagrant disregard to
the laws of the state.

Yours truly,
Carl S. Johnson



Private Disposal Well System

Sec 23 10-32

Lea County

Water sand formation starts at 18" below surface

Windmills pumping depth 30"-45" deep

Sub irrigated
Suction grass

SV

June 29, 03

This is a very rough, first
draft of things the oil
companies representatives wanted
to see.

A lot of things have
been left off so please
add and make corrections
as needed. Also, as we
come up with a finished
copy, (prefer before), someone
needs to type up a nice,
neat copy. We can work
on this together.

Cody Morrow - State Land Office
G. B. Oliver - Paragon
Bill Humphries
Lewis Derrick - NMCG
Dan Field
DARR Angell
John Norris
Steve Pearce - Congressman
OGAP
Lynn + Sweeti Blawet
Garred Johnson
Justin Johnson

When and if we come up
with something agreeable we can
present it to NMCG + IOG
along with State & Fed Agencies,
applicable.

Carl Johnson

505-398-6547

369-5515

398-6549

MOB

FAX

June 29, 03

Box 917
Tatum, New Mex

Surface being State, BLM or deeded

Surface user to cover any or all – permittee, owner, lessee

1. All maintenance performed upon request, to satisfaction of surface user – road maintenance, fence repair, cattle guards, pipelines replaced, etc. (SUA)
2. Rehab and reclaim all caliche pits as they are used, per use. Start on this project now! (BMP)
3. One (1) go~~p~~ to person with 24 hours, 365 day, Sundays and holiday phone numbers and with immediate response from before drilling until dry hole marked is erected. (SUA)
4. Beams around all tanks, storage areas, pipe networks, heater treaters, etc. to hold 1.5 times total volume of tanks. (BMP)
5. Trash pickup, immediately upon request includes roads, locations, tank batteries, storage sheds, compressor stations, everything, cement. Net hauled in – net hauled out. Roadside trash is very bad. (BMP)
6. All leaks and spills, contaminated soil, hauled off and new, clean top soil brought in to ^{the} satisfaction of surface owner, lessee, permittee. Compensation provided also. (SUA) *on 29. ft. basis*
7. All water sources polluted by oil companies and support industries be made clean to satisfaction of owner. Provide new, alternate source of drinkable water to all concerned users. Compensation provided also due to major inconvenience and expense. (SUA)
8. Water bars, diversion dams, erosion control on any road, pipeline, locations upon request, and ^{the} direction of surface user. (SUA)
9. Brine drilling made illegal or else severe restrictions and guidelines with very substantial damage payments. (OCD reform?)
10. Old fashion U-shaped multi pits made illegal. Use only 2 small, lined deep pits, closed pit system. (OCD reform, BMP)
11. All roads no more than 10 feet wide ~~substantial~~. Impose severe monetary and production penalty if wider and not maintained ~~immediately~~, upon request. (BMP: I like the idea of production penalty that we try to get passed with OCD, SLO and BLM!)
12. Location size limited to (1) one acre or less including pits (closed system). (BMP)
13. Pickup and haul off or use elsewhere caliche to abandoned wells, dry holes, roads or completed wells to diminish size of locations. (BMP)
14. Upon drilling completion, ~~reservoir~~ ^{reserve} pits to be drained of all liquid which is to be disposed of in an appropriate manner. All cuttings buried at least 5 feet below surface of ground and five feet of top soil (either recovered from original pit or if not enough due to rock, hauled in). (BMP)
15. All drilling pits to be lined with 1 (one) year, biodegradable, pit liner. (BMP)
16. Right of way or pipelines, electric lines, roads, etc. to be decreased in width to bare construction minimum (ten to 20 feet wide construction only). Absolutely no ~~grinding~~ ^{not grinding} off of top soil, just brush removed or high sand bumps removed. (BMP)
17. Tanks, stuffing ^{boxes} ~~boxes~~, pipelines, etc. leaking to be replaced immediately upon request of surface user. Production and monetary penalty imposed. (SUA)

18. No unauthorized trespass on ranch roads, electric line right of way, across pasture, pipeline right of way. Set suitable trespass fee to be applied ^{in fraction} per road. (SUA)
19. Absolute minimum tank battery construction as close as possible to well head. One tank battery in 1 (one) lease centrally located. Preferred over multiple tank batteries. (BMP)
20. Noise abatement immediately upon request of surface user and to ^{r/h}satisfaction of usee. (SUA)
21. Surface user to have sufficient prior notice of any activity – of any oil field nature. Phone, mail, fax. (SUA)
22. Well head, tank battery, truck fillup leaks picked up immediately (BMP)
23. Cattleguards kept cleaned and maintained upon request of surface user, immediately. Fine imposed if not done. (SUA)
24. Pump jack guards in good repair at all times. Substantial fine payable upon request of surface user if not maintained. (BMP/SUA)
25. No new caliche pits in established oil field. New oil field ^{to} have very few pits. Prefer caliche out of closed pit area of oil well location. (BMP)
26. All oil field fences of good construction maintained upon request of surface user. Adequate penalty if not adhered to. (SUA)
27. Payments made to surface user for loss of income, health factors (both mental and physical), nuisance factor, soil pollution, water and air pollution, noise pollution plus the damage to the land that no one knows how long it will be evident. (SUA)
28. Fence stretched and tied off before cutting for any entry through surface users' fences. Braces per surface users ^{spaces} spaces only. (SUA/BMP)
29. Dust suppression upon reasonable request at reasonable points upon request. (BMP)
30. ~~All leaks to be remediated by hauling off contaminated soil, rocks, sand, growth, etc. and new top soil hauled in to approval of surface user. Damage payments payable to user of surface on per sq. ft. basis. (BMP/SUA)~~
31. Terrace, plow, contour, level ~~and all pumpjacks~~ ^{locations, roads, etc}, pipelines to conserve and maintain, if not collect all rainfall (put with number 8). (BMP)
32. Immediately remove all electric lines to abandoned wells, oil field houses, booster stations, any facility not being used upon request of surface user. (SUA)
33. Increase amount of all bonds and require a substantial bond on all oil and gas field construction and operations. ALL. (Fed. Policy initiative)
34. ~~Pipeline and electric line right of ways not to be used as roads. Nor ranch roads or cut across pastures. (BMP)~~
35. Pickup and dispose of properly ^a all old, leaking, and abandoned flow lines and if needed, replace with new pipe. (BMP) Two (2) leaks maximum before replacing. (OCD reform or enforcement)
36. Sunset OCD as it is completely unsatisfactory in all ways in its duty to protect the water, soil, private property rights, air and noise resource in the state. (OCD sunset/dismantle/reform)
37. (Work on 37 & 38 to be clear and precise) Form a new organization set up differently than OCD with different mindset, mission statement, employees, etc. – A new, active, viable organization to steadfastly protect all resources, by the same

covered in #6

covered in #6

covered in 18

token, produce optimum oil and gas in responsible manner. (OCD sunset/dismantle/reform)

NMFO 38. State Land Office, BLM, Organization taking the place of OCD, Environmental Office to file criminal charges and prosecute to the fullest with fines and time in jail due to flagrant and repeated violation of private property rights, soil, water and air environment rules, regulations and standards destroying habitat etc. Per Enron, WorldCom, Tyco, Martha Stewart and others. (OCD sunset/dismantle/reform)

Protection Agency

39. Any livestock killed by an oil field activity paid for immediately at price stated by owner of livestock. This is an illegal taking and should be viewed so. (SUA)

40. No fences cut without prior permission from owner. Same for cattleguard ends. (SUA)

41. All roads and pipelines not to impede natural flow of rain water. (BMP)

42. All above ground facilities (sheds, pipeline, appurtenances, compressor stations, electric ines, roads, tank batter sites, flow lines, etc,) be constructed by mutual agreement as to location between oil company and surface use. (SUA)

Wrotenbery, Lori

From: Prichard, Sharon
Sent: Wednesday, March 26, 2003 3:16 PM
To: Wrotenbery, Lori
Subject: Carl Johnson

Lori, There are 2 wells on Carl Lane Johnson that he wants plugged. One of the wells is M&G State K #1 API # 30-025-22241 UL O, Section 2, T10S, R33E. This operator has been to SCH. I did notice that during the last IFB there was no request for bids to plug this well. When Carl Lane was in your office in Feb of 2002 and we discussed the wells on his ranch. It was my understanding that you were handling the Saga idle wells. The well in question is the Saga, State L # 1, API 30-025-22353 UL K, Section 2, T10S, R33E. Carl Lane called me the last part of Feb 2003 and said that he was disappointed in me for not plugging these wells, as I had promised him that they would be plugged with in the year. I do not recall making a promise. At the time he was in your office, there were 3 other wells on his ranch that I had done all the work to get those wells to hearing. Those 3 wells were plugged during the 1 year from Feb 2002 - Feb 2003. When Carl called in Feb 2003, I again inspected the 2 wells in question and started compliance tracking on the Saga well. If you have any more questions please call!!! I am using Sharon's computer..

Billy Prichard
District 1

Sharon Prichard
Oil Conservation Division
505/393-6161 X100
sprichard@state.nm.us

Wrotenbery, Lori

From: Phillips, Dorothy
Sent: Wednesday, March 26, 2003 11:37 AM
To: Wrotenbery, Lori
Subject: Billy Prichard - Pluggings - Charles Johnson

Lori, I spoke with Billy Prichard and he said they were the M& G Wells which are now under contract with Mayo Marrs to be plugged. He was given Notice to Proceed on 1/30/03 and has a year in which to plug them.

The M& G Oil Inc. wells under contract are:
State K Well No. 1
Santa Fe Well No. 1
Morton Federal Well No. 2
Walker "686" Ltd. Well No. 1

Billy said that the Saga well in question, you were handling it and you were about getting them to plug it.

His cell No. is 631-5079

Wrottenbery, Lori

From: Brooks, David K
Sent: Tuesday, March 25, 2003 3:22 PM
To: Wrottenbery, Lori
Subject: Xeric and J.Cleo Thompson

Lori

This case was the subject of order No. R-11888 in Case No. 12896, signed on Jan. 22, 2003. The order found that of the 125 inactive wells included in the application, 64 were in compliance and 61 were not in compliance, and gave Xeric 180 days (till July 21, 2003) to bring the remaining wells into compliance.

J.Cleo Thompson has 2 wells that are involved in Case No. 12811 (Order pending) in the Artesia District. According to the last update I got from Artesia these have not been addressed. He also has 44 inactive wells in the Hobbs District, but has not been included in either of the Hobbs inactive cases.

DB



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

November 22, 2002

Mr. Carl Johnson
Box 917
Tatum, NM 88267

Re: Request for THP Tier 1 Clean-up Guidelines Revision

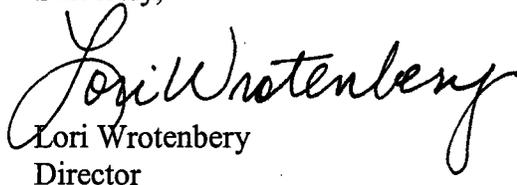
Dear Mr. Johnson:

You have previously expressed concern regarding the request of the New Mexico Oil and Gas Association (NMOGA) that the Oil Conservation Division (OCD) review and potentially update the OCD's clean-up guidelines.

The OCD will consider NMOGA's request and will solicit public comment throughout the process. The enclosed OCD response to NMOGA outlines the process the OCD will follow in evaluating the request. We welcome your participation in this process and have added your name to our mailing list.

If you have any further questions, please contact Roger Anderson at (505) 476-3490 or through e-mail at rcanderson@state.nm.us.

Sincerely,


Lori Wrotenbery
Director



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

To: Bob Gallagher and Deborah Seligman
New Mexico Oil and Gas Association

From: Lori Wrotenbery, Director
Oil Conservation Division

Subject: TPH Tier 1 Clean-up Guidelines

Date: November 22, 2002

The Oil Conservation Division (OCD) has received the document entitled "The Technical Justification Document for Tier 1 Soil Levels for BTEXN and TPH at E&P Sites." We have also received your request, dated October 22, 2002, that we review the document and evaluate the technical justification for revising the Tier 1 clean-up levels now contained in OCD guidelines.

We will review the document and evaluate the guidelines as you requested. OCD will use a three-stage approach to accomplish this task:

Stage 1: The Environmental Bureau will conduct a technical review of the document. Concurrently with the bureau's review, we plan to submit the document to a third party for a technical peer review. We will also seek written public comments.

Stage 2: If, based on the technical review conducted in Stage 1, the bureau determines that the request to revise the Tier 1 clean-up levels in current guidelines may be justified, OCD will conduct public meetings when developing proposed revisions so as to solicit as much public input as possible.

Stage 3: Following the conclusion of the public meetings, the bureau will draft an application for a hearing before the Oil Conservation Commission (OCC) on any proposed revisions to the Tier 1 clean-up levels.

Please let us know if you have any questions about this process.

Apr. 14, 02

Dear Ms. Wrotenbery,

First, I want to thank you for getting these oil wells plugged for me. It has taken a very long time and I appreciate your efforts.

Next, I would like to suggest that rather than establishing new increased TPH levels in the soil, the TPH levels should be decreased.

As you are well aware the oil industry has had a free hand in doing as they want, when they want, to whom ever they want for ever. Only when ~~until~~ the environmental movement started were we, the land trasers and owners, able to have a little input.

The oil industry can operate in a clean, business like manner as evidenced just across our border in Texas. The same pay zone, some operators, some everything damages 3 times more area in N Mex as in Texas.

I would like for you to
give my ideas some consideration
My attorney is Gene Samperson
in Lovington and he is
on top of all oil field
damage and pollution issues and
can give you any and all
the answers. He is also a
very fine person.

Again thanks for visiting
my wife and I.

Yours truly,
Carl Johnson