

2R - 19

**GENERAL
CORRESPONDENCE**

YEAR(S):

1998



Memorandum

To: Tim Gumm-District II Supervisor

From: Wayne Price-Environmental Bureau Santa Fe

WP

Date: October 9, 1998

Re: Lowe "B" State Tank Battery
NW/4NE/4 Sec 4-Ts19s-R28e
Eddy Co., NM

Please find enclosed a copy of the memo to the NM State Land Office and a copy of my recent field report for the above referenced facility which includes recommended actions for the operator. Also included is a copy of the photo's.

When this project is complete could you send us a copy.

Thanks!

attachments=yes

OGrip 9759



Memorandum

To: Phyllis Ludi
Land Office OGMD Env. Eng.
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, NM 87504-1148

From: Roger Anderson-Environmental Bureau Chief *RA*

Date: October 8, 1998

Re: Lowe "B" State Tank Battery
NW/4NE/4 Sec 4-Ts19s-R28e
Eddy Co., NM

New Mexico Oil Conservation Division (NMOCD) received your inquiry concerning the above referenced facility. On September 29, 1998 NMOCD personnel performed a field inspection of the site. Please find enclosed our field report which includes our findings and recommended actions to be taken. Oversight of the clean-up will be handled by our NMOCD Field office located in Artesia, NM. Please feel free to contact Mr. Tim Gumm NMOCD District II Supervisor (505-748-9720) concerning the progress of the clean-up.

NMOCD District II has been working with the operator since May 27, 1998 and issued a letter concerning operations at this site. There have also been recent verbal communication between NMOCD and the operator. This well is in the Stripper Well Category and with oil prices at an all time low, the operator requested additional time for the clean-up of this and other sites. There was a higher priority site in which the operator was given authority to clean-up first, the operator will now direct his attention to the above mentioned site.

If you require any further information or assistance please do not hesitate to call Wayne Price at 505-827-7155.

cc: Tim Gumm-NMOCD District II Supervisor

ra/wp - file: collnmsl

attachments- field report & communication letters



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

Jennifer A. Salisbury
CABINET SECRETARY

Oil Conservation Div
Environmental Bureau
2040 S. Pacheco
Santa Fe, NM 87505

Field Inspection Report

Time: 9 am
Date: September 29, 1998

Re: Site/Location:

Location: NW/4 NE/4 Sec 4-Twp 19s-R28e
Facility: Lowe "B" State Tank Battery
Lessee: Enna Lowe, P.O. Box 1, Round Mountain, TX 78663
Lease Operator: Dwayne Parrish, Artesia, NM 505-746-4651

Subject: Inquiry from NMSLO(Santa Fe) concerning oilfield contamination:

Inspector(s): Wayne Price-NMOCD Santa Fe Environmental Bureau
Bryan Arret-NMOCD Artesia District II

Other Parties: Jim Carr-NMSLO Carlsbad office.

Findings:

1. Small active open unlined & un-netted pit, water leg discharge pipe from battery is broken and discharging fluids onto the ground. It appears system is designed to discharged all water to pit since there is only one tank to receive oil from treater. Two tanks on site have lost mechanical integrity and one tank has oil & BS seeping out of tank onto the ground.
2. Area west of tank and pit has visual BS&W & oil covered with caliche.
3. Access road has visual oil contamination.
4. Area around battery has visual oil & salt water contamination.

Ground Water Research:

Per NM State Engineer's office ground water in the area is approximately 150-160 feet BGL and found in nearby sections 2&5 wells being used as stock wells. The fresh water producing formation is shown to be the Rustler and it overlies the declared Capitan water basin. The exact water quality was not given but was considered fresh because of the stock well use.

Photos Taken: yes; on file

Recommended Actions :

The operator should submit a clean-up plan to the NMOCD District II office for approval. The plan should contain a site assessment, remediation methods and proposed clean-up standards per NMOCD guidelines, including a time schedule for completion of events. At the end of the project the operator should provide a closure plan for NMOCD District II approval.

The operator should provide to the NMOCD District II office documentation reflecting the amount of produced water discharged to the pit. If this amount exceeds the R-3221 exemption then the operator should also include in the clean-up plan closure of the pit. If the pit remains in operation then it must be pursuant to all NMOCD rules and regulations.

cc: Tim Gumm-NMOCD District II -Artesia
NMSLO-Santa Fe office

concur

file: wp98sf- collierl

May 27, 1998

H. Dwane Parrish, Jr. & Ronda K. Parrish
1306 S. 9th Street
Artusia, New Mexico 88210

Re: D 4 19-28 Lowe "B" State Tank Battery

Attention Dwayne & Ronda,

A recent field inspection @ your Lowe "B" tank battery showed the surface pit to have oil in it. The pit is not netted as per rule 313. PLEASE REMOVE THE OIL IN THE PIT and repair the netting.

Also there are two oil spills at this battery which need to be remedated. Rule 116 "A" Requires any oil spill over five barrels to be reported. Please see that the proper remediation is applied to these spills and report to me actions taken.

On this inspection it was also noted that the well signs still blank but they are at your Lowe "A", Lowe "B", and Copen State leases do not have the current lease operator on them. Please correct your well and tank battery signs to read the correct operator. Any new well signs erected must have the well API Number on them. Please address these issues as soon as possible. If you have questions call at the office.

Sincerely,

Mike Stubblefield

Mike Stubblefield
Deputy Oil & Gas Inspector

DATE: October 1, 1998
FROM: Mike Stubblefield
TO: Wayne Price

August 11, 1998 at 7:30 A.M.
I called Dwayne Parrish. Asked Dwayne if he had received my letter. He said yes. He stated his backhoe has been in shop for repair and was finally fixed this week. I told him there was water going to pit in excess of R-3221 one (1) barrel per day.

I requested that he do remediation at P-12 tank battery. Oil is coming to surface from covered surface pit and is standing in pools.

September 30, 1998, 1:05 P.M.
I called Dwayne Parrish. He said his backhoe is at P-12 tank battery. He has been mixing cow manure with oil contaminated soil and is almost completed with project at P-12 battery.

He has purchased netting for pit at Lowe B tank battery. He will move his backhoe over to Lowe B tank battery as soon as possible to remediate oil spills. Will renet pit also. I also stated it appeared water was going to pit at Lowe B tank battery in excess of 1 DWPD. He said he did not believe more than 1 DWPD was going to pit.



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5793

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

State of New Mexico
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trail, P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS
(505)-827-5763

ADMINISTRATIVE MGMT.
(505)-827-5700

LEOAL
(505)-827-5715

PLANNING
(505)-827-5752

Memorandum

To: Wayne Price, OCD Env. Eng.
From: Phyllis Ludi, Land Office OGMD Env. Eng. *Phyllis*
Date: 09/24/98
Re: Lowe "B" State Tank Battery Reclamation

827-5750

As we discussed on the telephone this afternoon, here is the information about the Lowe "B" State Tank Battery Reclamation:

Location: NW4 NE4 Sec 4 Twp 19S Range 28E
Facility Name: Lowe "B" State Tank Battery
Lcssec: Erna Lowe, P.O. Box 1, Round Mountain, TX 78663
Lease Operator: Dwayne Parrish, Artesia, NM 505-746-4651
Lease Number: OG-605

This problem first came to light in May 1998 when Jim Carr, Land Office Land Use Specialist, found it. The tank battery is in disrepair, there are numerous oil spills around the pit, tanks, and access road. The pit fence needs to be repaired and netting installed, the junk needs to be hauled away, and the oil spills remediated and reclaimed.

Mike Matush in the Land Office Field Operations division contacted Roger Anderson at OCD about the necessary cleanup. Mike's in-house report indicated that OCD will be working directly with Mr. Parrish, the lease operator.

Right now, I'm trying to find out what the status of this project is, and what the Land Office needs to do to be sure the cleanup happens following OCD rules and in a timely fashion.

I look forward to talking with you again early next week. My phone number is 827-5750.

cc: Mike Matush, Land Office Field Operations Division

"WE WORK FOR EDUCATION"

COLLIER

ENERGY INC.

LOVE B

STATE

SEC. 4, UNIT B

T-19-S, R-28-S

SEPT 29, 1998

BY: WAYNE PRICE

Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

<No. 10>007 21

IN-69U 1040

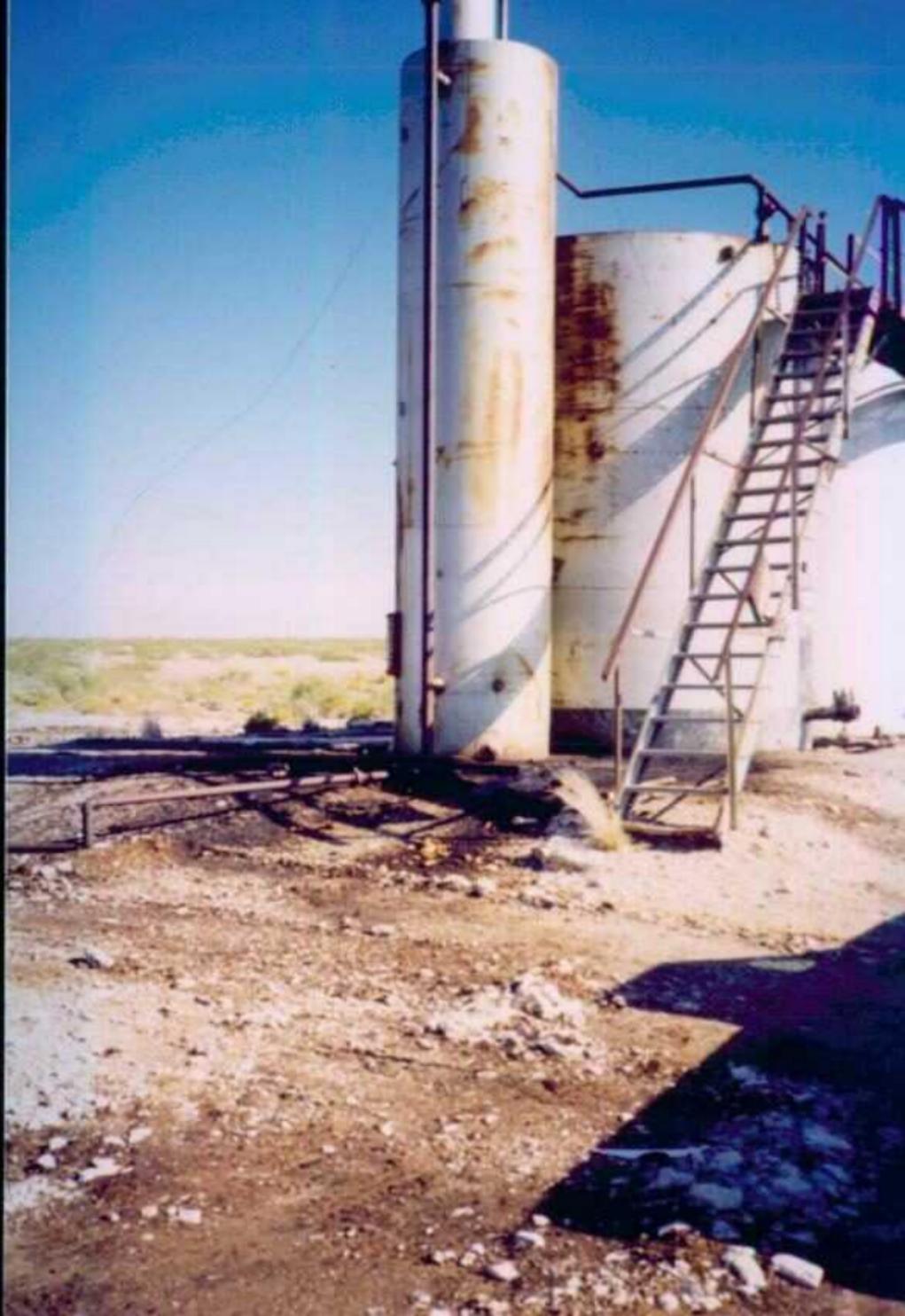
J. Dwane Parrish, Jr.

12436 - 2 - 9335

<No. 13>001 21 + 1

Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

990 1040



Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

<No. 2>024 21

4 -3AU 1040



<No. 41929 21

Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

N -6RU 1040



Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

QNo. 11D005 21 +2

20PU 1040



<No. 37022 21 +2

Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

0901 1040



<No. 12>004 21 +1 RN

Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

JU 1040



<No. 9>010 21 +2

Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

7911 1040



<No. 5> 018 21 +2

Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

-129U 1849



<No. 6> 016 21 +2

Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

+4RU 1040



QNo. 7) 014 21

Collier Energy-Lowe B State Unit B Sec 4-Ts19s-R28e
Date: 09/29/98 By: W Price-NMOCD SF

NH +2RU 1040



COLLIER

BY W PRICE

9/29/88

B-4-19-28

EMPY CO. NM

<No. 8>012 21 +2 RNNNN -9RU 1048