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APPROVALS

YEAR(S):

1995

NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505

August 9, 1995

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-385

Mr. James S. Brown
Yates Petroleum Corporation
105 South Fourth St.
Artesia, New Mexico 88210

**RE: DUNNAWAY DRAW SPILL
YATES PETROLEUM COMPANY**

Dear Mr. Brown:

The New Mexico Oil Conservation Division (OCD) has completed a review of Yates Petroleum Corporation's (YPC) May 31, 1995 "DUNNAWAY DRAW SPILL REPORT" which was submitted to the OCD on June 26, 1995. This document contains YPC's analysis of the potential for ground water contamination related to a produced water pipeline spill into Dunnaway Draw in Eddy County, New Mexico. The document also recommends that no further action is required at the site due to a risk analysis and the low levels of contaminants in the surface soils.

The OCD approves YPC's recommendation that no further action be taken at the site at this time. However, please be aware that the OCD's file on this case will remain open and that the OCD may require additional actions in the future based upon ongoing downgradient ground water monitoring results at the Marathon Indian Basin Gas Plant.

Please be advised that OCD approval does not relieve YPC of liability if remaining contaminants are found to pose a future threat to surface water, ground water, human health or the environment. In addition, OCD approval does not relieve YPC of responsibility for compliance with any other federal, state or local laws and/or regulations.

If you have any questions, please call me at (505) 827-7154.

Sincerely,



William C. Olson
Hydrogeologist
Environmental Bureau

xc: Tim Gum, OCD Artesia District Supervisor

Z 765 962 385



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PS Form 3800, March 1993

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