

1R - 262

**GENERAL  
CORRESPONDENCE**

**YEAR(S):**

1997 - 2002

1R262

RECEIVED

MAR 07 2002

ENVIRONMENTAL BUREAU  
OIL CONSERVATION DIVISION



To: Bill Olson / NMOCD

From: Mike Griffin / Whole Earth Environmental, Inc.

Date: February 23, 2002

Subject: Tatum Pit Closure Project  
Your Letter February 13, 2002

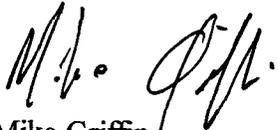
Thank you for the reminder regarding our Work Plan for the Bagley Field Pit Closure Project.

Our work plan for the project is to drill a total of six additional delineation wells at the proposed locations referenced in Exhibits 1-6. The 2" wells will be drilled to a minimum depth of 15' below the upper water interface. Slotted casing will go from the bottom of the well to a distance of 10' above the water table as determined at the time of drilling. The slotted casing will be sand packed below a bentonite seal. The well bore will be grouted to surface and a locking cap installed. (Reference: Exhibit 7).

Rather than setting a separate reporting schedule for these wells, we propose to include the results of the investigation within our annual report to the OCD. We will sample each well each quarter in accordance with the sampling plan already in practice.

We will drill the wells within sixty days of your approval of this plan. If laboratory testing of the waters from any of the proposed wells reveals BTEX or chloride concentrations in excess of NMWQCC standards, we will immediately contact you.

Please don't hesitate to contact me if you've any additional questions.

  
Mike Griffin  
Whole Earth Environmental

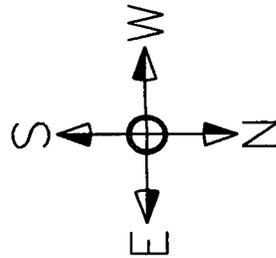
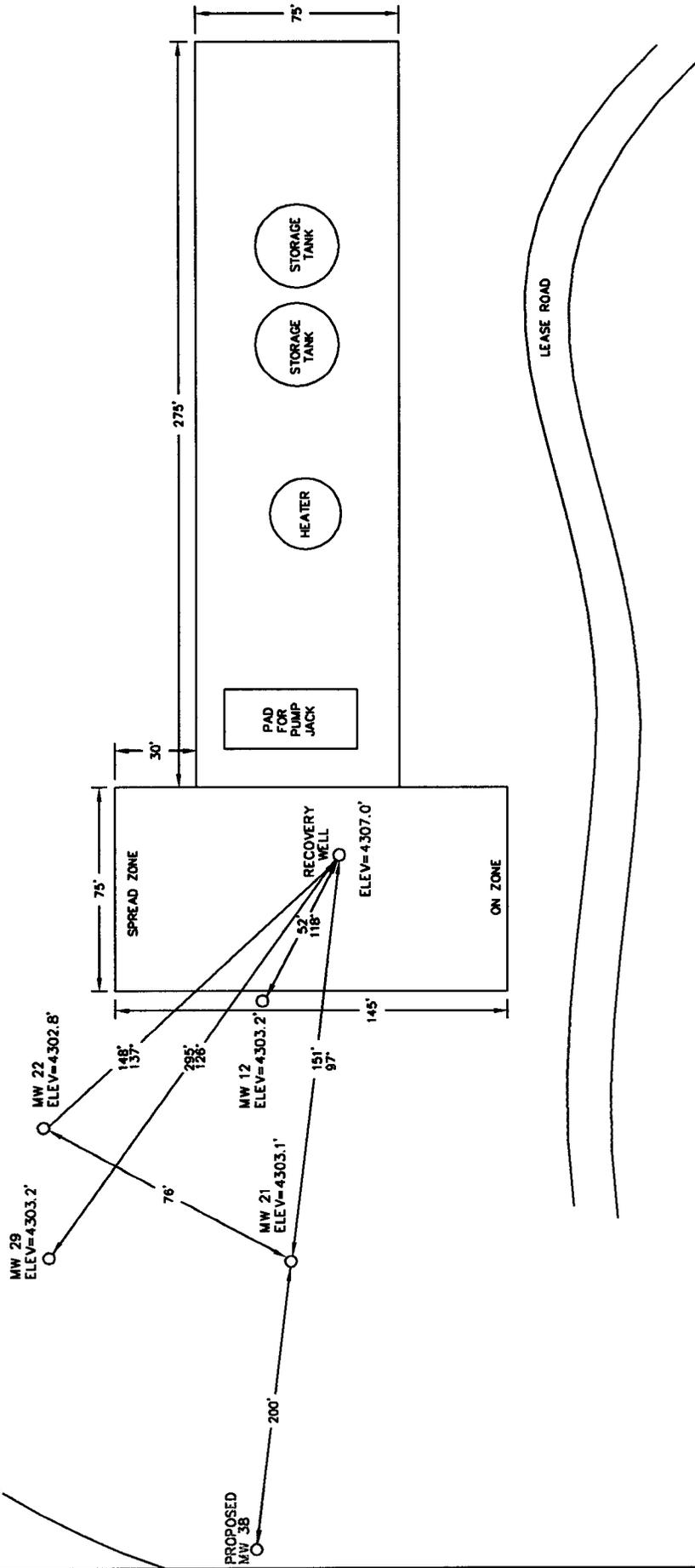
1/13/03 - Mike Griffin  
Wells installed. Will  
submit in next annual report  
WED



## **Exhibit Index**

- Exhibit 1** Schematic of Well Site & Proposed New Monitor Well Location Mable COM
- Exhibit 2** Schematic of Well Site & Proposed New Monitor Well Location Bell State
- Exhibit 3** Schematic of Well Site & Proposed New Monitor Well Location NBF
- Exhibit 4** Schematic of Well Site & Proposed New Monitor Well Location Sohio # 1
- Exhibit 5** Schematic of Well Site & Proposed New Monitor Well Location Sohio "A"
- Exhibit 6** Schematic of Well Site & Proposed New Monitor Well Location G.S. State
- Exhibit 7** Schematic of Typical Monitor Well Construction
- Exhibit 8** Gradient Chart
- Exhibit 9** Gradient Chart

G.S. STATE



SCALE 1"=60'

EXHIBIT 6

**Atkins Engineering Associates, Inc.**

2904 W. 2nd St., Roswell, NM 88202-3156

**LOG OF BORING Rice Operating MW-3**

(Page 2 of 2)

Whole Earth Environmental  
19606 San Gabriel  
Houston, TX 77084

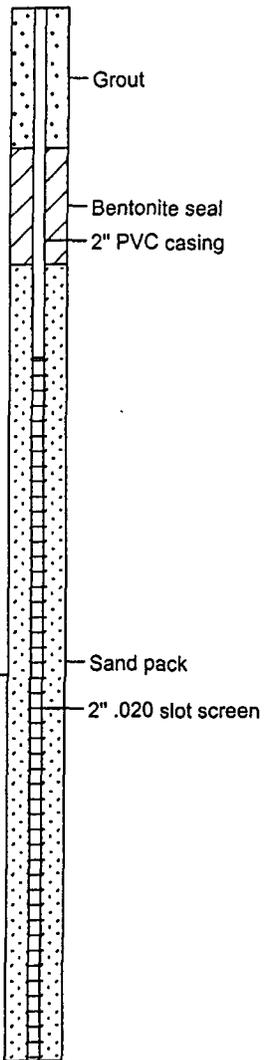
Contact: Mike Griffin

Job#: EUNICEG.MWD.01

Date : 05-08 & 05-09-01      Site Location : SE Eunice, NM  
 Drill Start : a.m.      : Sec. 15, T22S, R37E  
 Drill End : 12:00      Auger Type : Hollow Stem  
 Boring Location : 3/4 mi SE of Eunice & 1/2 mi E. of Logged By : Mort Bates

Depth in Feet	GRAPHIC	USCS	Samples	DESCRIPTION	Lab	PID ppm-v
55	[Dotted pattern]	SM		Sand w/ caliche, tan, firm, dry		
60						
65	[Horizontal lines]	SS		Sandstone, tan, hard, dry		
70						
75						
80	[Dotted pattern]	SP		Sand, tan, soft, moist		
82	[Horizontal lines]	SS		Broken sandstone, tan, firm, moist		
85	[Dotted pattern]	SP		Sand, tan, soft, wet		
90						
95						
100	TD 100' WL 83.55'					

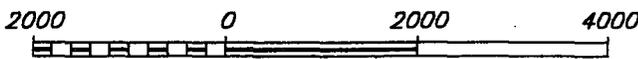
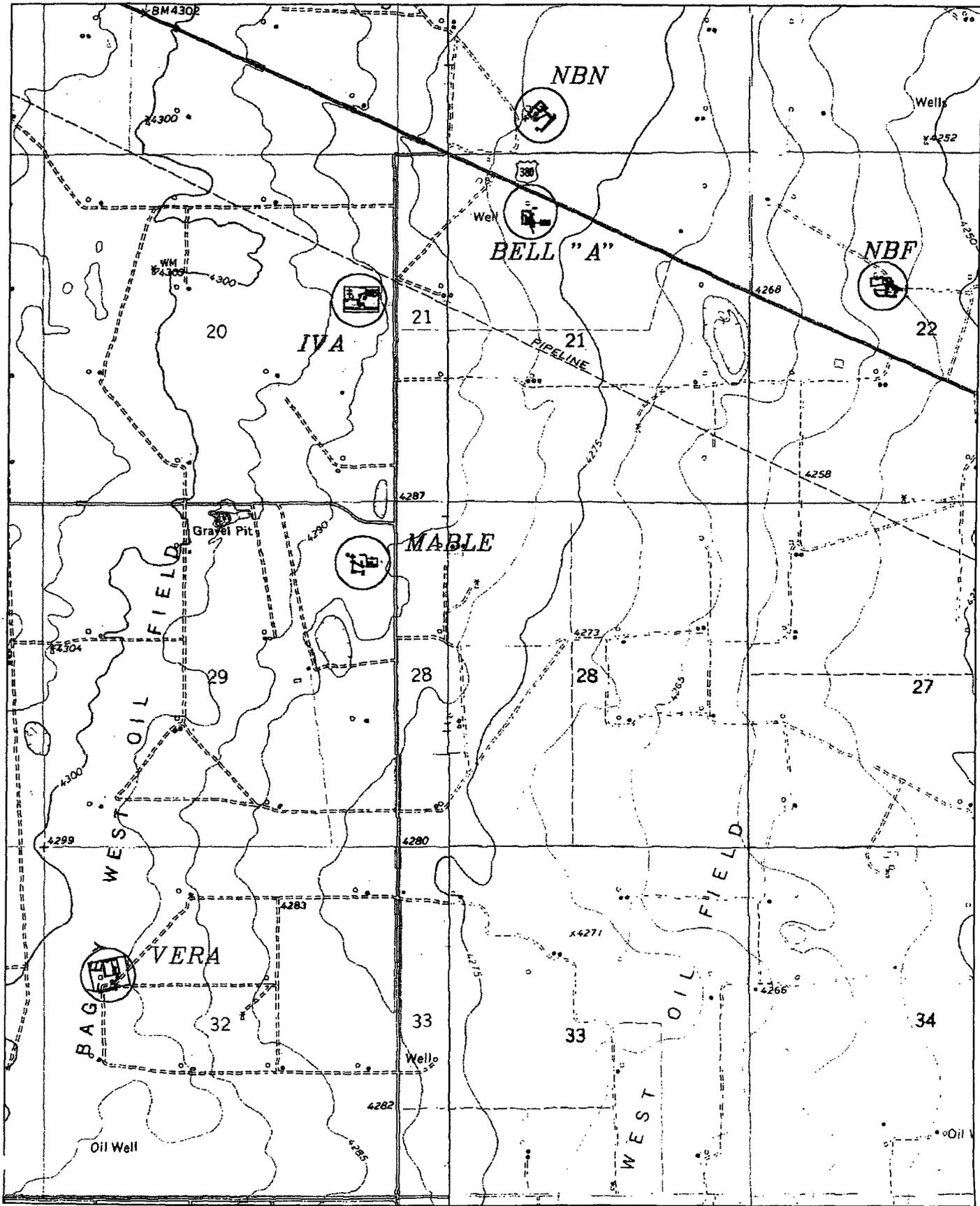
Well: MW-3



05-14-2001 C:\MTECH46\EUNICEG\MWD01\mw-3 bor

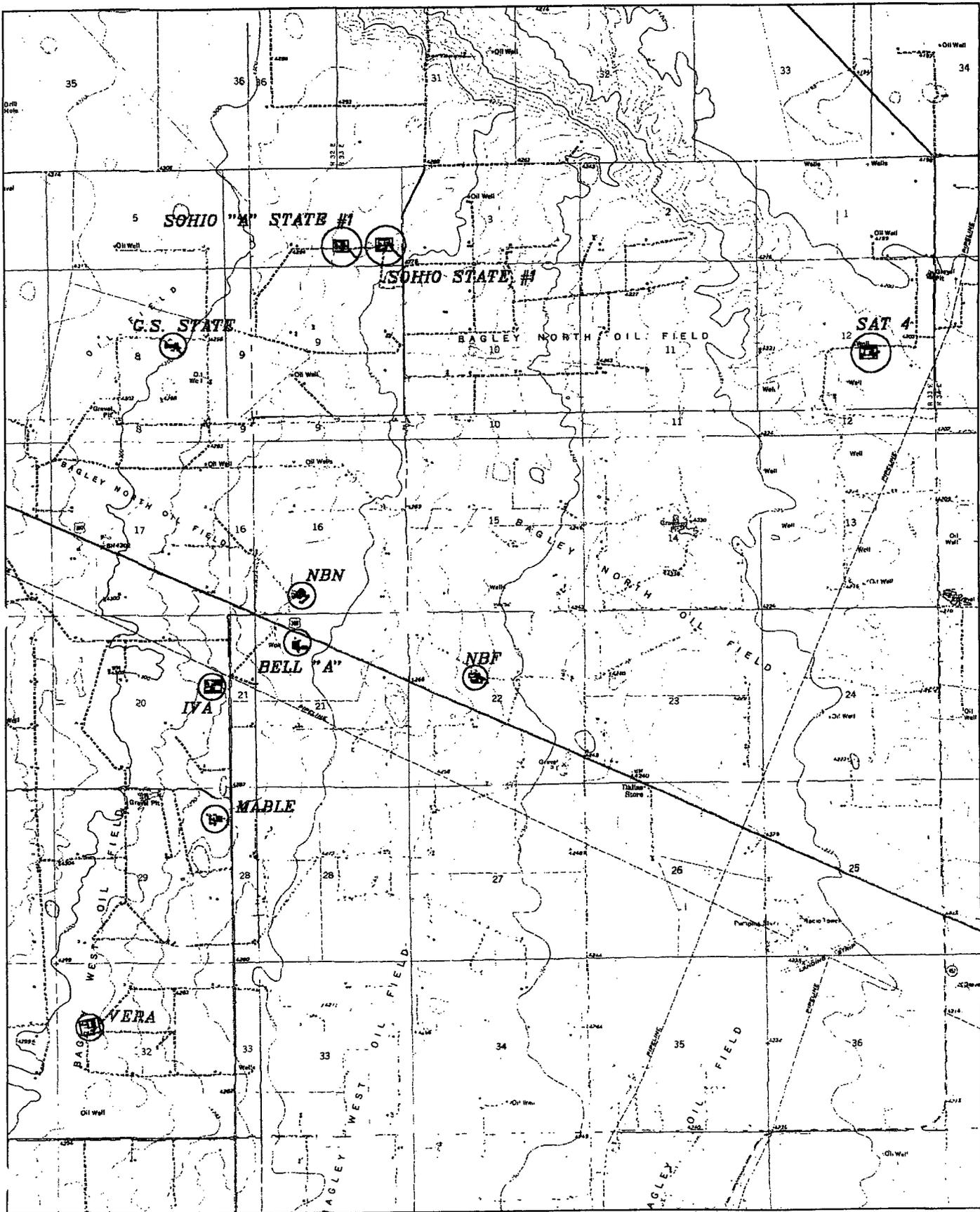
**EXHIBIT 7**

# WHOLE EARTH ENVIRONMENTAL, INC.



## EXHIBIT 8

# WHOLE EARTH ENVIROMENTAL, INC.



**EXHIBIT 9**



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Betty Rivera**  
Acting Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

February 13, 2002

**CERTIFIED MAIL**

**RETURN RECEIPT NO. 7001-1940-0004-3929-7143**

Mr. Larry G. Sugano  
Tipperary Corporation  
633 Seventeenth St., Suite 1550  
Denver, Colorado 80202

**RE: TATUM PIT CLOSURE PROJECT  
LEA COUNTY, NEW MEXICO**

Dear Mr. Sugano:

On November 2, 2001, the New Mexico Oil Conservation Division (OCD) sent Tipperary Corporation (TC) correspondence stating that an OCD review of TC's April 19, 2001 correspondence, December 7, 2000 "PROGRESS REPORT FOR YEAR 2000, TATUM PIT CLOSURE PROJECT, LEA COUNTY, NEW MEXICO" and November 29, 1999 "JULY 1999 PROGRESS REPORT, OCTOBER 1999 PROGRESS REPORT, TATUM PIT CLOSURE PROJECT, LEA COUNTY, NEW MEXICO" shows that the downgradient extent of ground water contamination at the sites listed below had not been determined:

- Bell State "A" (Case #1R260)
- Gulf State #1 (Case #1R262)
- Iva Com #1 (Case #1R263)
- Mabel Com #1 (Case #1R264)
- Satellite #4 (Case #1R266)
- Sohio State #1 (Case # 1R267)
- Sohio State "A" (Case #1R268)
- State NBF #1 (Case #1R269)

The OCD's correspondence required that a work plan to complete the investigation of the extent of ground water contamination be submitted by December 7, 2001. On November 19, 2001, TC's consultant, Whole Earth Environmental, provided additional information and requested that TC not be required to install additional monitor wells at 3 of the sites. The OCD approved TC's request for 2 of the sites, the Iva Com #1 and Satellite #4 sites, on January 22, 2001. However, to date, the OCD has not received the required work plan.

Larry G. Sugano  
February 13, 2002  
Page 2

In order to correct this deficiency, the OCD requires that TC submit the work plan to complete the investigation of the extent of contamination at these sites to the OCD Santa Fe Office by March 1, 2002 with copy provided to the OCD Hobbs District Office. The work plan shall include:

1. A contoured ground water potentiometric map of each site showing proposed monitor well locations and the location of the former pit, excavated areas, existing monitor wells and other relevant site information.
2. Proposed monitor well construction details.
3. A proposed ground water sampling plan.
4. A schedule for implementation of the plan and submission of an investigation report.

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

Sincerely,



William C. Olson  
Hydrologist  
Environmental Bureau

xc: Chris Williams, OCD Hobbs District Office  
Mike Griffin, Whole Earth Environmental, Inc.



# Tipperary CORPORATION

633 Seventeenth Street  
Suite 1550  
Denver, Colorado 80202

November 14, 2001

VIA OVERNIGHT MAIL

Mr. William C. Olson  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**RE: Progress Report for Year 2001  
Tatum Pit Closure Project  
Lea County, NM**

RECEIVED *md*

NOV 16 2001 → 2001

ENVIRONMENTAL BUREAU  
OIL CONSERVATION DIVISION

Dear Mr. Olson:

Please find enclosed additional results from our monitor wells in the subject project area. This report summarizes the results from water samples taken on January 10, April 5, July 7, and September 26, 2001. These results represent the 17 quarters of monitoring. In general, we are continuing to observe decreasing levels of BTEX in the monitor wells.

The Executive Summary section contains the following:

- Summary of results by location.
- Procedure for obtaining water samples.
- Summary of water depths in each monitor well.
- Monitor well gradient chart.
- LNAPL depth chart.
- Maps of pit reclamation locations.
- Chain of custody records and lab results of the water samples by quarter.

Detailed results are presented in tabular and graphical format for each monitor well. The monitor well data is grouped by site location in the report. We will continue to sample the project quarterly and report the results to your office on an annual basis. If you have any questions, please call me at (303) 293-9379.

Very truly yours,

Larry G. Sugano  
Vice President - Engineering

cc: NMOCD Hobbs Office

Enclosures



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

June 29, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-235-437-303**

Mr. Larry Sugano  
Tipperary Corporation  
633 Seventeenth St., Suite 1550  
Denver, Colorado 80202

**RE: TATUM PIT CLOSURES  
LEA COUNTY, NEW MEXICO**

Dear Mr. Sugano:

The New Mexico Oil Conservation Division (OCD) has reviewed Tipperary Corporation's (TC) April 2, 1998 "PROGRESS REPORT, TATUM PIT CLOSURE PROJECT, LEA COUNTY, NEW MEXICO" and December 11, 1997 "TATUM PIT CLOSURE PROJECT, CLOSURE REPORT". These documents contain the results of TC's investigation of ground water contamination related to the closure of 10 unlined pits west of Tatum, New Mexico.

A review of the above referenced documents shows that at the majority of the sites the extent of ground water contamination has not been completely defined. Therefore, the OCD requires that TC submit a work plan to completely define the extent of ground water contamination which is in excess of New Mexico Water Quality Control Commission (WQCC) ground water standards. The work plan will be submitted to the OCD Santa Fe Office by August 28, 1998 with a copy provided to the OCD Hobbs District Office.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Will Olson".

William C. Olson  
Hydrologist  
Environmental Bureau

xc: Wayne Price, OCD Hobbs District Office  
Mike Matush, NM State Land Office  
Mike Griffin, Whole Earth Environmental, Inc.



STATE OF  
 NEW MEXICO  
 OIL  
 CONSERVATION  
 DIVISION

MEMORANDUM OF MEETING OR CONVERSATION

<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Personal	Time 1530	Date 9/22/97
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<u>Originating Party</u>	<u>Other Parties</u>
Bill Olson - Environmental Bureau	Bob Fehlmann - Tipperary Corp. (303) 293-9379

Subject  
 Tipperary Pit Closures - Tatum, NM

Discussion  
 Gave verbal approval of 9/22/97 fax from Mike Griffith with following conditions:

- 1.) Monitor well construction, water quality sampling and waste disposal will be conducted according to OCD's June 4, 1997 approval conditions
- 2.) Wayne Price of OCD Hobbs will be contacted about the drilling and sampling schedule

Also expressed concern about source well located 60' from pit instead of directly adjacent to pit areas required in OCD's 6/4/97 approval

Conclusions or Agreements  
 I will fax copy of verbal approval to Tipperary at (303) 291-0398

Distribution  
 file  
 Bob Fehlmann - Tipperary (fax copy)  
 Wayne Price - OCD Hobbs

Signed



**Whole Earth  
Environmental**

19606 S. Gabriel  
Houston, TX 77084  
Phone: (281) 492-7077  
Fax: (281) 646-8996

## FAX COVER PAGE

To: Bill Olsen

From: Mike Griffin

Company: NM OCD

Company: Whole Earth Environmental, Inc.

Fax No.: (505) 827-8177

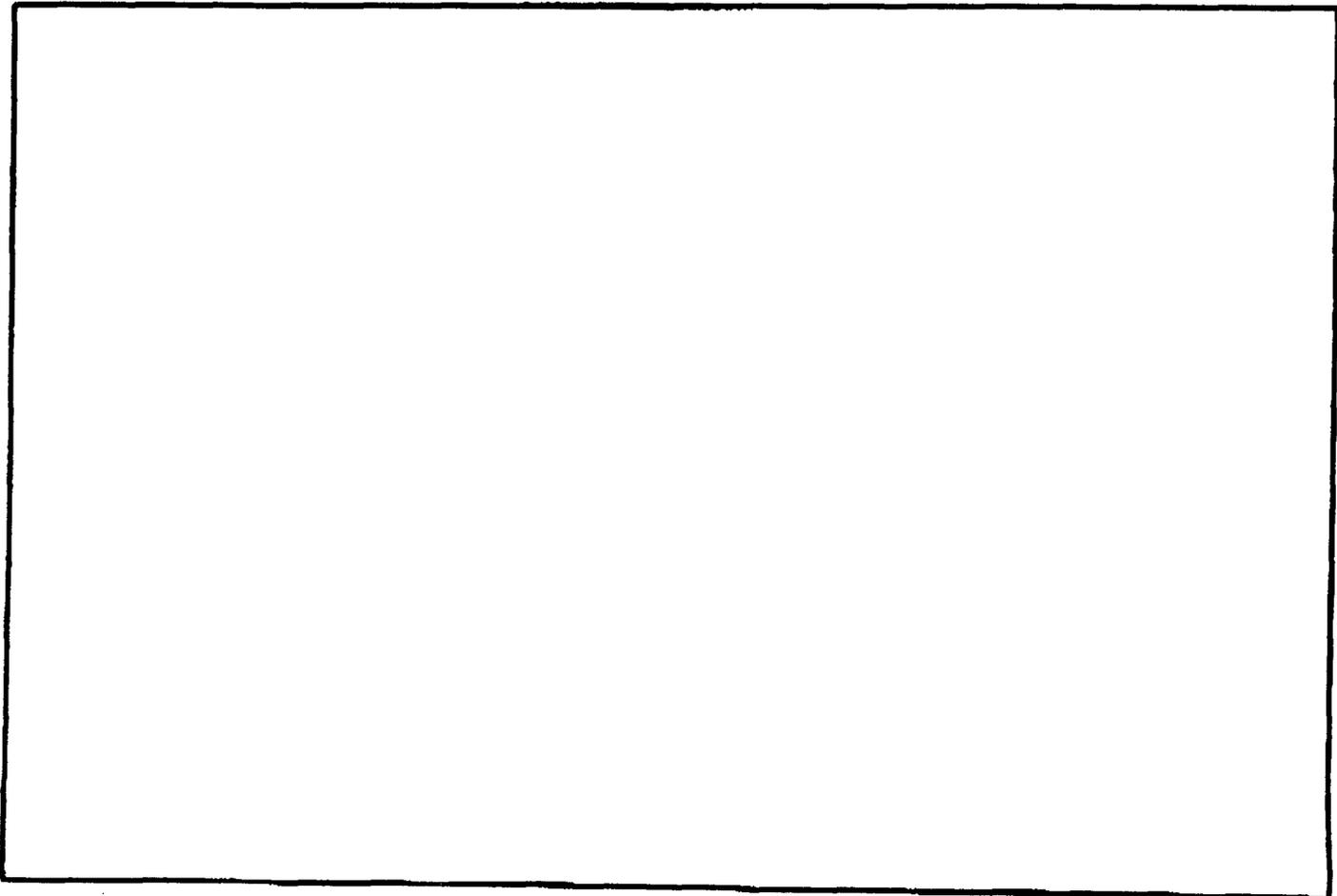
Pages including cover sheet: 3

Subject:

Extension Request

Message:

Date: 9/22/97





To: Bill Olsen

From: Mike Griffin

Date: September 9, 1997

Subject: Extension Request

Sent by FAX to: (505) 827-8177

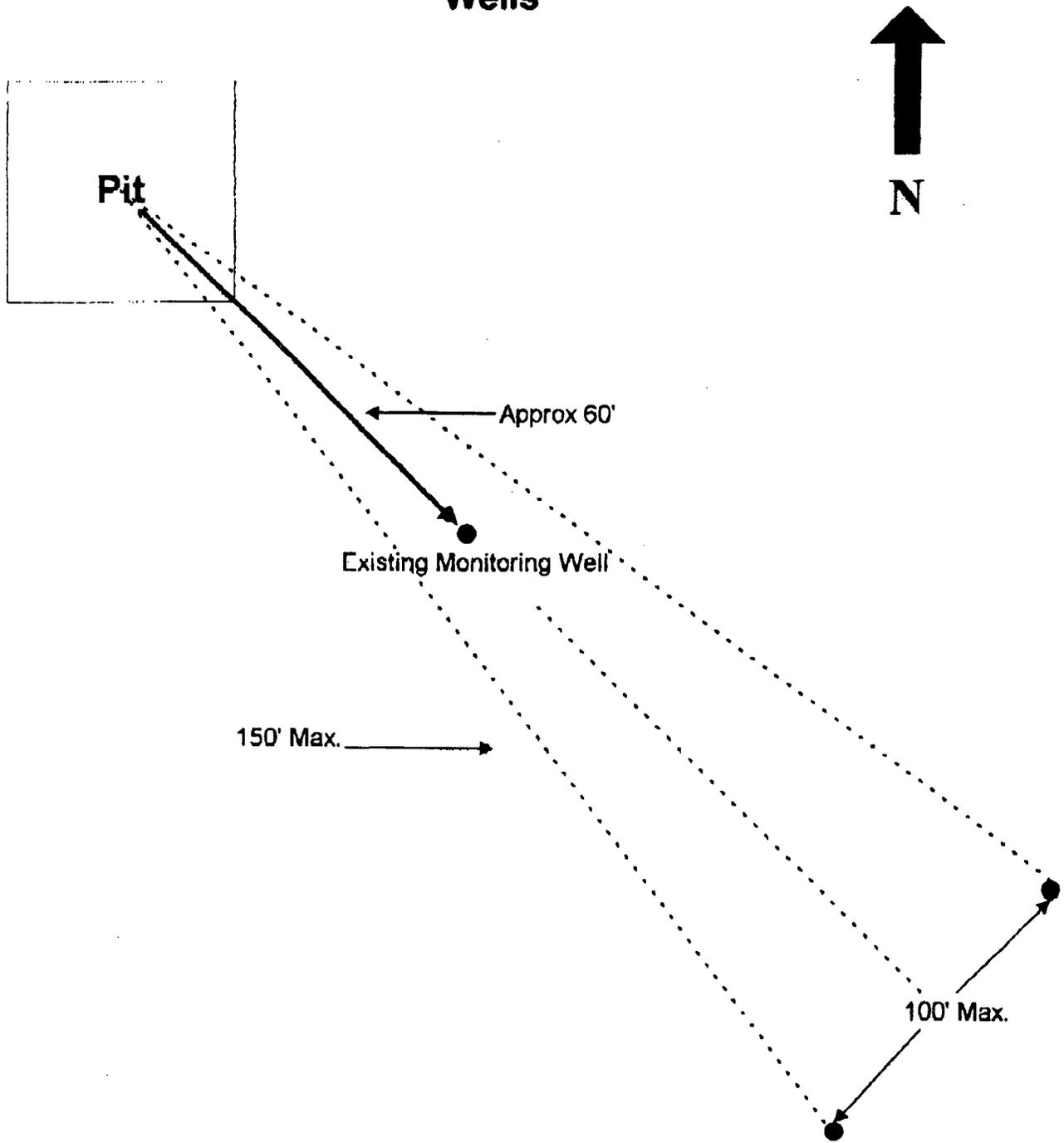
Bill, as you know we experienced an unforeseen delay in completing the Tipperary Tatum Pit Closure Project due to the discovery of detectable BTEX concentrations on five pit locations and the presence of free product in the G.S. State monitoring well. (Reference two letters Bob Fehlmann of Tipperary to you dated Sept. 11).

The new monitoring and recovery wells will be drilled beginning the morning of the 25<sup>th</sup> and will be sampled as soon as possible thereafter. We request an additional extension for project completion to the end of October.

By copy of this memorandum, I'm notifying Mr. Wayne Price of your Hobbe office as to the new schedule and will further advise him telephonically in advance of the final sampling events so as to allow him to witness.

Please advise if this causes any problems for you.

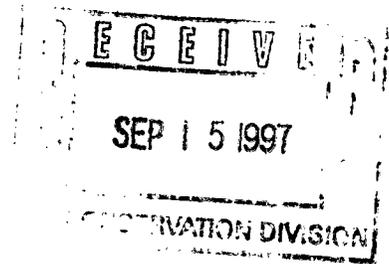
# Typical Location of Monitoring Wells





**Tipperary**  
CORPORATION

633 Seventeenth Street  
Suite 1550  
Denver, Colorado 80202



September 11, 1997

Mr. William C. Olson  
Hydrogeologist – Environmental Bureau  
New Mexico Energy And Natural Resources Dept.  
Oil Conservation Division  
2040 South Pacheco 87505  
Santa Fe, New Mexico 87504

**Subject: GS State #1 pit in the Tatum, New Mexico Area pit closure project.**

Dear Mr. Olson:

This letter is to inform the OCD that, in the process of closing the production emergency upset pits in the Tatum area Tipperary has discovered hydrocarbons on the ground water table in the pit at the GS State #1 well. Therefore, our intention at this location is to set two monitor wells, down gradient 150 feet from the pit that straddle a 60° arc centered on the hydrodynamic gradient, and to install a recovery well with a windmill similar to those on the Iva Com #1 and Mabel Com #1 pits.

Please accept this letter both as notification that we have tagged the ground water table at the GS State #1 well pit, and as our proposed protocol for remediation of this Pit. Let me know if you have questions or need more information.

Sincerely,

Robert H. Fehlmann  
Environmental Coordinator

WPWIN \ TIP \ LETTERS \ NMPClose.L08



STATE OF  
 NEW MEXICO  
 OIL  
 CONSERVATION  
 DIVISION

MEMORANDUM OF MEETING OR CONVERSATION

<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Personal	Time 1445	Date 9/10/97
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<u>Originating Party</u>	<u>Other Parties</u>
Mike Griffin - Whole Earth Environmental	Bill Olson - Environmental Bureau

Subject  
 Tipperary - Gulf State #1 Ground Water Notification

Discussion  
 Discovered free phase hydrocarbons on ground water in downgradient of former pit.  
 Want to - install recovery well in center of old pit  
 - install downgradient monitor wells approx 150' away  
 Told him that Tipperary is required to notify Environmental Bureau chief in writing within 15 days. Notification should include proposal actions

Conclusions or Agreements  
 He will put notification together

Distribution  
 file  
 Wayne Price - OCD Hobbs

Signed 

**Bill Olson**

---

**From:** Wayne Price  
**Sent:** Monday, September 08, 1997 11:35 AM  
**To:** Bill Olson  
**Cc:** Chris Williams  
**Subject:** Tipperary Pits  
**Importance:** High

Dear Bill,

Mike Griffin called and notified the NMOCD that the Tipperary Gulf State #1 has PSH in the MW.

This is the one I told you that I took a bottom hole sample at 10 feet and it exceeded my PID limit >2500 ppm. Field TPH was >10k.

I am sending the water samples we took on friday up to the lab.

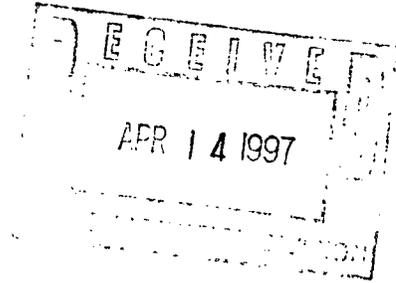
Mike is going to call you concerning the PSH.



# Tipperary

CORPORATION

633 Seventeenth Street  
Suite 1550  
Denver, Colorado 80202



April 9, 1997

Mr. William C. Olson  
Hydrogeologist - Environmental Bureau  
New Mexico Energy and Natural Resources Dept.,  
Oil Conservation Division  
2040 Pacheco  
Santa Fe, New Mexico

**RE: PIT CLOSURES TATUM, NEW MEXICO**

Dear Mr. Olson:

Enclosed is a copy of Tipperary's work results to date, and a new proposed closure plan, for the production emergency upset pits at Tatum, New Mexico. I believe that this report includes all the information that you requested in your March 27, 1997 letter concerning Tipperary's progress with this project.

I have forwarded a copy of this report to Jerry Sexton, in the OCD's Hobbs, NM office. Let me know if you have any questions.

Sincerely,

Larry G. Sugano  
Vice President - Engineering

cc: Jerry Sexton, OCD Hobbs Office