

3R - 55

APPROVALS

YEAR(S):

JULY 1996



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

July 25, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-269-269-178

Mr. B.D. Shaw
Amoco Production Company
200 Amoco Court
Farmington, New Mexico 87401

RE: FINAL SAN JUAN BASIN PIT CLOSURE REPORTS

Dear Mr. Shaw:

The New Mexico Oil Conservation Division (OCD) has completed a review of Amoco Production Company's (Amoco) February 24, 1995 "AMOCO PRODUCTION COMPANY PIT CLOSURE VERIFICATIONS" which were submitted on behalf of Amoco by their consultant Blagg Engineering, Inc. This document contains "PIT REMEDIATION AND CLOSURE REPORTS" for 34 unlined pits in the San Juan Basin of Northwestern New Mexico.

The OCD's review of the above referenced document is addressed below:

A. The pit closure/soil remediation activities conducted at the sites listed below are approved as meeting the standards in effect at the time of closure.

1. Allen A #1 (Tank pit)	Unit D, Sec. 01, T29N, R12W.
2. A.L. Elliott D#2A (Separator pit)	Unit J, Sec. 11, T29N, R09W.
3. A.L. Elliott D#2A (Tank pit)	Unit J, Sec. 11, T29N, R09W.
4. Fred Feasel B#1 (Blow pit)	Unit A, Sec. 32, T28N, R10W.
5. GCU #154 E (Separator pit)	Unit E, Sec. 27, T29N, R12W.
6. R.P. Hargrave H#1 (Blow pit)	Unit B, Sec. 09, T27N, R10W.
7. R.P. Hargrave H#1 (Separator pit)	Unit B, Sec. 09, T27N, R10W.
8. E.J. Johnson C#1E (Tank pit)	Unit C, Sec. 21, T27N, R10W.
9. Johnston LS #7 (Dehy pit)	Unit N, Sec. 11, T28N, R09W.
10. C.A. McAdams C#1E (Separator pit)	Unit B, Sec. 05, T27N, R10W.
11. Neal #2E (Dehy pit)	Unit F, Sec. 04, T31N, R11W.
12. Neil A #8R (Dehy pit)	Unit H, Sec. 04, T31N, R11W.
13. Neil LS #7A (Dehy pit)	Unit D, Sec. 33, T32N, R11W.
14. Sullivan GC B#1 (Tank pit)	Unit B, Sec. 21, T32N, R10W.
15. Sullivan GC B#1 (Separator pit)	Unit B, Sec. 21, T32N, R10W.

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

B. The pit remedial activities conducted at the sites listed below are satisfactory. However, according to the reports, onsite landfarming and/or composting actions are still continuing at the sites. Subsequently, the OCD cannot issue final closure approval at this time and approval of closure actions at these sites is denied. Please resubmit the closure report for these sites upon completion of the landfarming and/or composting activities. The final reports will include the results of the soil remediation levels achieved and the disposition of the remediated soils.

1.	Cole GC A#1 (Separator pit)	Unit K, Sec. 15, T29N, R09W.
2.	Cole GC A#1 (Blow pit)	Unit K, Sec. 15, T29N, R09W.
3.	Ealum GC #1A (Blow pit)	Unit E, Sec. 33, T32N, R10W.
4.	A.L. Elliott A#4 (Dehy pit)	Unit F, Sec. 11, T29N, R09W.
5.	A.L. Elliott D#2A (Separator pit)	Unit J, Sec. 11, T29N, R09W.
6.	Fred Feasel A#1 (Blow pit)	Unit I, Sec. 32, T28N, R10W.
7.	Federal A#1 (Separator pit)	Unit K, Sec. 32, T28N, R10W.
8.	Kutz Deep GC D#1 (Blow pit)	Unit A, Sec. 27, T28N, R10W.
9.	McDaniel GC A#1 (Dehy pit)	Unit H, Sec. 26, T29N, R10W.

C. The final pit remedial contaminant levels at the sites listed below are in excess of the OCD's recommended remediation levels. Subsequently, the OCD cannot issue final closure approval and approval of closure actions at these sites is denied. The OCD requests that Amoco submit a plan to address the remaining contamination at these sites. The plan will be submitted to the OCD Santa Fe Office by September 1, 1996 with a copy supplied to the OCD Aztec Office.

1.	Allen A#1 (Separator pit)	Unit D, Sec. 01, T29N, R12W.
2.	Barnes LS #4A (Tank pit)	Unit C, Sec. 26, T32N, R11W.
3.	GCU #163 (Blow pit)	Unit O, Sec. 26, T29N, R13W.
4.	GCU #163 (Separator pit)	Unit O, Sec. 26, T29N, R13W.

D. The final pit remedial contaminant levels at the sites listed below are in excess of the OCD's recommended remediation levels and onsite landfarming and/or composting actions are still continuing at the sites. Subsequently, the OCD cannot issue final closure approval and approval of closure actions at these sites is denied. The OCD requests that Amoco address the remaining contamination at these sites prior to resubmitting the reports for these sites upon completion of landfarming activities.

1.	Fred Feasel E#1 (Blow pit)	Unit K, Sec. 32, T28N, R10W.
2.	Fred Feasel L#1E (Blow/tank pit)	Unit I, Sec. 32, T28N, R10W.
3.	Fred Feasel L#1E (Separator pit)	Unit I, Sec. 32, T28N, R10W.
4.	Federal GC D#1 (Separator pit)	Unit A, Sec. 28, T28N, R10W.
5.	McCulley LS #2 (Dehy pit)	Unit L, Sec. 14, T28N, R09W.

Mr. B.D. Shaw
July 25, 1996
Page 3

E. Ground water at the site listed below is contaminated with petroleum related constituents in excess of New Mexico Water Quality Control Commission ground water standards and the extent of ground water contamination at the site has not been determined. Therefore, approval of this pit closure form is denied. The OCD requests that Amoco investigate the extent of contamination and, if necessary, remediate contaminated ground water pursuant to Amoco's November 21, 1995 ground water investigation/remediation work plan which was approved by the OCD on November 29, 1995.

1. Valencia GC B#1M (Separator pit) Unit K, Sec. 18, T29N, R09W.

To simplify the approval process for both Amoco and OCD, the OCD requests that Amoco submit all future pit closure reports only upon completion of all closure activities including onsite landfarming or composting of contaminated soils. The results of final remediation levels achieved during landfarming or composting and the disposition of the remediated soils should be included in the report.

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

Sincerely,



William C. Olson
Hydrogeologist
Environmental Bureau

xc: OCD Aztec District Office
Bill Liess, BLM Farmington District Office
Robert O'Neill, Blagg Engineering, Inc.