

3R - 206

APPROVALS

YEAR(S):

2001



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

July 18, 2001

CERTIFIED MAIL
RETURN RECEIPT NO. 3771-7460

Mr. Scott T. Pope
El Paso Field Services
614 Reilly Ave.
Farmington, New Mexico 87401

RE: 2000 SAN JUAN BASIN ANNUAL GROUNDWATER REPORT

Dear Mr. Pope:

The New Mexico Oil Conservation Division (OCD) has reviewed El Paso Field Services (EPFS) February 26, 2001 "2000 PIT PROJECT ANNUAL GROUNDWATER REPORT". This document contains the results of EPFS's 2000 monitoring and remediation of contaminated ground water related to the closure of unlined oil and gas production pits at 36 sites in the San Juan Basin. The documents also requests closure for 6 of the sites based on the remediation and monitoring actions taken to date.

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

A. Final pit closure approvals for the sites listed below were previously issued by the OCD on April 3, 2001.

- | | | |
|----|------------------------------|-----------------------------|
| 1. | Charlie Pah #2 (Drip pit) | Unit B, Sec. 12, T27N, R09W |
| 2. | K-51 Line Drip (Drip pit) | Unit A, Sec. 34, T26N, R06W |
| 3. | Mesa CPD (Drip pit) | Unit E, Sec. 04, T29N, R14W |
| 4. | Sheets Well #2 (Drip pit) | Unit H, Sec. 28, T31N, R09W |
| 5. | Turner A#1 Pit #1 (Dehy pit) | Unit K, Sec. 34, T31N, R11W |
| 6. | Turner A#1 Pit #2 (Drip pit) | Unit K, Sec. 34, T31N, R11W |

Mr. Scott T. Pope
July 18, 2001
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B. The final pit closure and ground water activities at the sites listed below appear satisfactory. However, the reports do not include a completed pit remediation and closure form which contains the results of all soil remediation actions. The OCD cannot issue final closure approval until EPFS submits this information.

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|----|---------------------------------|------------------------------|
| 1. | Ohio C Government #3 (Dehy pit) | Unit P, Sec. 26, T28N, R11W |
| 2. | Anderson GC A#1 (CH) (Dehy pit) | Unit C, Sec. 28, T29N, R10W. |

C. A review of the annual ground water reports for the sites listed below shows that the extent of ground water contamination in excess of WQCC standards at these sites has not been defined or the sites do not contain permanent downgradient ground water monitoring points. The OCD requires that EPFS install additional ground water monitoring wells at these sites to monitor and determine the extent of ground water contamination pursuant to their previously approved ground water investigation plan.

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|----|------------------------|-----------------------------|
| 1. | Hammond #41A | Unit O, Sec. 25, T27N, R08W |
| 2. | James F Bell #1E | Unit P, Sec. 10, T30N, R13W |
| 3. | K-27 Line Drip | Unit E, Sec. 04, T25N, R06W |
| 4. | K-31 Line Drip | Unit N, Sec. 16, T25N, R06W |
| 5. | Lateral 0-21 Line Drip | Unit O, Sec. 12, T30N, R09W |
| 6. | Lindrith B#24 | Unit N, Sec. 09, T24N, R03W |
| 7. | Miles Federal #1A (CH) | Unit F, Sec. 05, T26N, R07W |
| 8. | State Gas Com N#1 | Unit H, Sec. 16, T31N, R12W |

D. At the sites listed below where EPFS states that there is possible ground water contamination related to the operators activities, the OCD requests that EPFS work cooperatively with the operator to investigate and remediate contaminated ground water.

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|----|----------------------------------|-----------------------------|
| 1. | Canada Mesa #2 | Unit I, Sec. 24, T24N, R06W |
| 2. | Fields A #7A | Unit E, Sec. 34, T32N, R11W |
| 3. | Fogelson 4-1 Com #14 | Unit P, Sec. 04, T29N, R11W |
| 4. | Gallegos Canyon Unit Com A #142E | Unit G, Sec. 25, T29N, R12W |
| 5. | Johnston Federal #4 | Unit H, Sec. 33, T31N, R09W |
| 6. | Johnston Federal #6A | Unit F, Sec. 35, T31N, R09W |
| 7. | Knight #1 | Unit A, Sec. 05, T30N, R13W |
| 8. | Sandoval Gas Com A #1A | Unit C, Sec. 35, T30N, R09W |
| 9. | Standard Oil Com #1 | Unit N, Sec. 36, T29N, R09W |

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

Sincerely,

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

William C. Olson
Hydrologist
Environmental Bureau

xc: Denny Foust, OCD Aztec District Office
Bill Liess, BLM Farmington District Office
Mike Matush, NM State Land Office
Bill Freeman, Navajo Nation EPA



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Oil Conservation Division

April 3, 2001

CERTIFIED MAIL
RETURN RECEIPT NO. 5051-4225

Mr. Scott T. Pope
El Paso Field Services
614 Reilly Ave.
Farmington, New Mexico 87401

RE: SAN JUAN BASIN ANNUAL GROUNDWATER REPORTS

Dear Mr. Pope:

The New Mexico Oil Conservation Division (OCD) has completed a review of El Paso Field Services (EPFS) December 13, 2000 "MISSING INFORMATION FOR GROUNDWATER SITES REQUESTED FOR CLOSURE IN THE 1999 PIT PROJECT ANNUAL GROUNDWATER REPORT" and March 24, 2000 "1999 PIT PROJECT ANNUAL GROUNDWATER REPORT". These documents contain the results of EPFS's 1999 monitoring and remediation of contaminated ground water related to the closure of unlined oil and gas production pits at 6 sites in the San Juan Basin. The documents also requests closure of the sites based on the remediation and monitoring actions taken to date.

The soil and ground water remediation activities conducted at the sites listed below are satisfactory and the OCD approves of the final closure of these sites on the condition that EPFS plug and abandon all monitor wells by either pulling the casing or cutting the casing below the ground surface and filling the hole or casing annulus with a cement grout containing 3-5% bentonite.

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|---------------------------------|-----------------------------|
| 1. Charlie Pah #2 (Drip pit) | Unit B, Sec. 12, T27N, R09W |
| 2. K-51 Line Drip (Drip pit) | Unit A, Sec. 34, T26N, R06W |
| 3. Mesa CPD (Drip pit) | Unit E, Sec. 04, T29N, R14W |
| 4. Sheets Well #2 (Drip pit) | Unit H, Sec. 28, T31N, R09W |
| 5. Turner A#1 Pit #1 (Dehy pit) | Unit K, Sec. 34, T31N, R11W |
| 6. Turner A#1 Pit #2 (Drip pit) | Unit K, Sec. 34, T31N, R11W |

Mr. Scott T. Pope

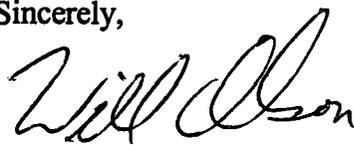
April 3, 2001

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Please be advised that OCD approval does not relieve EPFS of responsibility 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 EPFS of responsibility for compliance with any other federal, state or local laws and regulations.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Will Olson". The signature is written in a cursive style with a large, sweeping "W" and "O".

William C. Olson
Hydrologist
Environmental Bureau

xc: Denny Foust, OCD Aztec District Office
Bill Liess, BLM Farmington District Office
Mike Matush, New Mexico State Land Office