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APPROVALS

YEAR(S):

1998-1997



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 8, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-235-437-304

Ms. Sandra D. Miller
El Paso Field Services
614 Reilly Ave.
Farmington, New Mexico 87401

RE: SAN JUAN BASIN ANNUAL GROUNDWATER REPORT

Dear Ms. Miller:

The New Mexico Oil Conservation Division (OCD) has completed a review of El Paso Field Services (EPFS) February 27, 1998 "RE: 1997 GROUNDWATER ANNUAL REPORT" and accompanying March 1998 "SAN JUAN BASIN PIT CLOSURES, SAN JUAN BASIN, NEW MEXICO, EL FIELD SERVICES PIT PROJECT PIT CLOSURE REPORT" and March 1998 "SAN JUAN BASIN PIT CLOSURE, SAN JUAN BASIN, NEW MEXICO, EL PASO FIELD SERVICES PIT PROJECT GROUNDWATER REPORT ANNUAL REPORT". These documents contain the results of EPFS's 1997 monitoring and remediation of contaminated ground water related to the closure of unlined oil and gas production pits at 57 sites in the San Juan Basin. The documents also requests closure for 11 of the sites based on the remediation and monitoring actions taken to date.

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

A. The final pit closure, soil remediation and ground water activities conducted at the 10 sites listed below are **approved** and the OCD considers these sites closed.

- | | | |
|-----|-----------------------------------|-----------------------------|
| 1. | 2C-45 Line Drip (Drip pit) | Unit P, Sec. 06, T25N, R13W |
| 2. | Miles Federal #1A (MV) (Drip pit) | Unit F, Sec. 05, T26N, R07W |
| 3. | Graham #53 (Dehy pit) | Unit L, Sec. 10, T27N, R08W |
| 4. | K-17 Line Drip (Drip pit) | Unit C, Sec. 26, T27N, R08W |
| 5. | John Charles #8 (Dehy pit) | Unit B, Sec. 13, T27N, R09W |
| 6. | Florance C LS #7 (Drip pit) | Unit F, Sec. 30, T28N, R08W |
| 7. | Trunk D Line Drip (Drip pit) | Unit F, Sec. 20, T28N, R08W |
| 8. | Trujillo GC #1 PC (Drip pit) | Unit M, Sec. 21, T29N, R10W |
| 9. | Usselman Gas Com #1 (Drip pit) | Unit B, Sec. 04, T31N, R10W |
| 10. | Lat H-37 Drip Y-3 (Line drip pit) | Unit F, Sec. 01, T31N, R13W |

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

B. The closure report for the site listed below shows that ground waters in a piezometer downgradient from the source area at the pit are still contaminated in excess of New Mexico Water Quality Control Commission (WQCC) ground water standards. In addition a review of the data shows that the downgradient extent of contamination has not been completely defined. Therefore, the OCD cannot issue final closure approval at this time and approval of closure actions at this site is **denied**. The OCD requires that EPFS install additional ground water monitoring wells to monitor and determine the extent of ground water contamination pursuant to their previously approved ground water investigation plan.

1. Sheets #2 (Drip pit) Unit H, Sec. 28, T31N, R09W.

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.

1. Anderson GC A#1 CH	Unit C, Sec. 28, T29N, R10W
2. D Loop Line Drip	Unit I, Sec. 33, T28N, R08W
3. Hammond #41A	Unit O, Sec. 25, T27N, R08W
4. Horton #1E	Unit H, Sec. 28, T31N, R09W
5. James F Bell #1E	Unit P, Sec. 10, T30N, R13W
6. Jennapah #1	Unit H, Sec. 36, T28N, R09W
7. K-27 Line Drip	Unit E, Sec. 04, T25N, R06W
8. K-31 Line Drip	Unit N, Sec. 16, T25N, R06W
9. Lat 3B-39 Line Drip	Unit M, Sec. 10, T29N, R09W
10. Lat L-40 Line Drip	Unit H, Sec. 13, T28N, R04W
11. Lateral 0-21 Line Drip	Unit O, Sec. 12, T30N, R09W
12. Lindrith B#24	Unit N, Sec. 09, T24N, R03W
13. K-27 Line Drip	Unit E, Sec. 04, T25N, R06W
14. Mesa CPD	Unit C, Sec. 04, T29N, R14W
15. Miles Federal #1A (CH)	Unit F, Sec. 05, T26N, R07W
16. Ramenta Et Al #1	Unit J, Sec. 13, T27N, R09W
17. State Gas Com N#1	Unit H, Sec. 16, T31N, R12W

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D. At the sites listed below EPS proposes to take no further actions until the operator commences remediation associated with their production pits. The OCD is sending letters to the operators of these sites requiring them to investigate and remediate soil and ground water contamination related to their activities. The OCD requests that EPFS work cooperatively with the operator to investigate and remediate contaminated ground water at these sites.

1.	Canada Mesa #2	Unit I, Sec. 24, T24N, R06W
2.	Coldiron Com A #1	Unit K, Sec. 02, T30N, R11W
3.	Fields A #7A	Unit E, Sec. 34, T32N, R11W
4.	Fogelson 4-1 Com #14	Unit P, Sec. 04, T29N, R11W
5.	Gallegos Canyon Unit Com A #142E	Unit G, Sec. 25, T29N, R12W
6.	Johnston Federal #4	Unit H, Sec. 33, T31N, R09W
7.	Johnston Federal #6A	Unit F, Sec. 35, T31N, R09W
8.	Knight #1	Unit A, Sec. 05, T30N, R13W
9.	Ohio C Govt #3	Unit P, Sec. 26, T28N, R11W
10.	Sandoval Gas Com A #1A	Unit C, Sec. 35, T30N, R09W
11.	Standard Oil Com #1	Unit N, Sec. 36, T29N, R09W
12.	Turner A #1	Unit K, Sec. 34, T31N, R11W

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

Sincerely,



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



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

August 6, 1997

CERTIFIED MAIL
RETURN RECEIPT NO. P-410-431-203

Mr. Ricky D. Cosby
El Paso Field Services
P.O. Box 4990
Farmington, New Mexico 87499

RE: SAN JUAN BASIN GROUND WATER REPORTS

Dear Mr. Cosby:

The New Mexico Oil Conservation Division (OCD) has reviewed El Paso Field Service's (EPFS) June 2, 1997 "SEMI-ANNUAL EL PASO FIELD SERVICES PIT PROJECT GROUND WATER REPORT". This document contains EPFS's a listing of San Juan Basin pit closure sites at which EPFS has encountered ground water and a proposal to modify the reporting schedule for ground water cases from semi-annual to annual.

The above referenced proposal is approved with the following conditions:

1. EPFS will submit the annual reports on investigation/remedial activities to the OCD by December 1 of each respective year. The reports will present the information on each site as a separate case. Each case will contain:
 - a. A description of all investigation remediation activities which occurred during the past year including conclusions and recommendations.
 - b. Summary tables of all past and present laboratory analytic results of ground water quality monitoring including copies of the past years laboratory data sheets and associated quality assurance/quality control data.

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- c. A site map and a quarterly water table elevation map using the water table elevation of the ground water in all monitor wells.
- d. A geologic log and completion diagram for each monitor well.
- e. The disposition of all wastes generated.
- f. Isoconcentration maps for contaminants of concern at the site (ie. benzene, BTEX, chloride, TDS, etc.).

Please be advised that OCD approval does not relieve EPFS of liability if contamination exists which is beyond the scope of the work plan; if the activities fail to adequately determine the extent of contamination; or if the activities fail to adequately remediate or monitor contamination related to EPFS's activities. In addition, OCD approval does not relieve EPFS 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: Denny Foust, OCD Aztec District Office
Bill Liess, BLM Farmington District