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APPROVALS

YEAR(S):

1998



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 20, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-235-437-317

Ms. Kathy Juckes
PNM Gas Services
P.O. Box 4750
Farmington, NM 87499

RE: FINAL SAN JUAN BASIN PIT CLOSURE REPORTS

Dear Ms. Juckes:

The New Mexico Oil Conservation Division (OCD) has completed a review of PNM Gas Services' (PNM) April 29, 1998 "OCD PIT CLOSURE REPORTS, 1ST REPORTING QUARTER 1998". This document contains "PIT REMEDIATION AND CLOSURE REPORTS" for 7 unlined pits in the San Juan Basin of Northwestern New Mexico.

Following is the OCD's review of the above referenced document:

A. The pit closure/soil remediation activities conducted at the sites below are **approved**.

- | | | |
|----|-------------------------------|-----------------------------|
| 1. | Breech B #217 Drip (Drip pit) | Unit D, Sec. 14, T26N, R07W |
| 2. | Breech D #640 (Separator pit) | Unit A, Sec. 11, T26N, R06W |
| 3. | Breech F #545 (Dehy pit) | Unit M, Sec. 35, T27N, R06W |
| 4. | Cozzens B#1 (Dehy pit) | Unit L, Sec. 19, T29N, R11W |
| 5. | Mangum #5E (Unknown pit) | Unit G, Sec. 29, T29N, R11W |
| 6. | Sammons #2 (Separator pit) | Unit G, Sec. 32, T30N, R12W |

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

B. The final pit remedial contaminant levels at the site listed below are well in excess of the OCD's recommended remediation levels. Due to the location of the site, the magnitude of the contamination and the potential for shallow ground water contamination the OCD cannot

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issue final closure approval and approval of closure actions at this site is **denied**. The OCD requires that PNM address the extent of the remaining contamination at this site and potential impacts on groundwater.

1. Sammons #2E (Separator pit)

Unit I, Sec. 32, T30N, R12W.

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
Pat Hester, BLM Albuquerque Office