

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Bird Creek LLC 7134 Yale Ave Suite 600 Tulsa OK 74136 December 8, 2004

Reference: East Loving SWD 001

A-15-23s-28e

30-015-26764

Operator,

On November 10, 2004, core samples were obtained from the above referenced well site and from areas outside of the location for background reference. Sample analysis were performed by Hall Environmental Analysis Laboratory in Albuquerque NM.

Results from this analysis indicate unacceptable levels of TPH and Chlorides at this well site. These results also indicate that previous remediation efforts at this site have been unsuccessful, partially due to ongoing leaks and or releases that occurred during the remediation process.

Information obtained from the New Mexico Office of the State Engineer indicates records of five water wells in this section, township and range with an average water depth of 37' bgs which places this area in a sensitive groundwater protection zone.

At this time, the NMOCD is requesting a formal proposal (workplan) from your company for actions to be taken to remediate this well site to acceptable levels of any applicable contaminates. We would like to meet with your company's representatives in our office in Artesia NM on December 17, 2004 with the proposal for remediation. This incident came to the attention of the OCD in April of 2004. Since we are already in the 9th month since notification, we are requesting an expedient resolution to this matter.

Information that may be helpful in formulating your proposal may be found on the NMOCD website as follows: http://www.emnrd.state.nm.us/ocd

Click on Publications, Environmental Handbook, Misc Guidelines, Remediation of Leaks, Spills and Releases.

A copy of this letter along with a copy of the State Engineers water well information will be faxed to your company today, December 8, 2004 at 918-496-3996. The original copy of this letter will be sent to your company via US Postal Service.

If I can be of assistance in this matter, my contact information is listed below.

Thank you, Myre Kenkher

Mike Bratcher

Compliance Officer NMOCD District 2

1301 W. Grand Ave Artesia, NM 88210 (505) 748-1283 Ext 108 Cell: (505) 626-0857

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New Mexico Office of the State Engineer Well Reports and Downloads

Township: 23S Range: 28E Sections: 15								
NAD27 X: Y: Zone: Search Radius:								
County: Basin: Number: Suffix:								
Owner Name: (First) (Last) C Non-Domestic C Domestic								
Well / Surface Data Report Avg Depth to Water Report Water Column Report								
Clear Form WATERS Menu Help								

AVERAGE DEPTH OF WATER REPORT 07/26/2004

								(nebru	water in	reet)
Bsn	Tws	Rng	Sec	Zone	x	Y	Wells	Min	Max	Avg
С	23S	28E	15				5	12	54	37

Record Count: 5