

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

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

Ray Westall Operating PO Box 4 Loco Hills NM 88255 ATTN: Randall Harris

March 9, 2007

Reference: Taylor Unit (Water Flood Station) Tracking: Taylor Unit 007 N-12-18s-31e 30-015-05527

Operator,

The New Mexico Oil Conservation Division District 2 Office (OCD) is in receipt of an Initial Report Form C-141 reporting a release of produced fluids that occurred on or about February 21, 2007 at the above referenced site. Please submit a work plan proposal (plan) for remediation, removal and/or clean up of contaminants that may be present at this site. The plan is to be formulated based on vertical and horizontal delineation of contamination, site ranking, and OCD Rules and Guidelines.

A publication outlining OCD guidelines and requirements for site ranking and spill remediation can be found on the OCD website as follows: http://www.emnrd.state.nm.us/ocd Click on each of the following items as they appear:

- Publications
- Environmental Handbook
- Miscellaneous Guidelines

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Remediation of Leaks, Spills and Releases

Please submit this plan to the OCD District 2 office no later than April 7, 2007. Please include any remedial or clean up actions that have already been performed.

Remediation requirements may be subject to other federal, state, local laws and/or regulations.

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

Sincerely,

Mike Bratcher NMOCD District 2 1301 W. Grand Ave. Artesia, NM 88210 (505) 748-1283 Ext.108 (505) 626-0857

mike.bratcher@state.nm.us

OCD incident number: nMLB0706836418