

**GARY E. JOHNSON** 

GOVERNOR

## STATE OF NEW MEXICO

## ENERGY, MINERALS AND NATURAL RESOURC

## OIL CONSERVATION DIVISION **AZTEC DISTRICT OFFICE**



Foust 5-19-95

1626 25400

Ptzsynski A#1 1-11-19N-85W

JENNIFER A. SALISBURY CABINET SECRETARY

MEMORANDUM (3-95-9)

Date: June 7, 1995

To: Frank Chavez et al

From: Denny Foust 547

Woosley Oil Company operations in the Star Lake Area, Sections 8, 16 and 17-19N-06W, RE:

McKinley County New Mexico

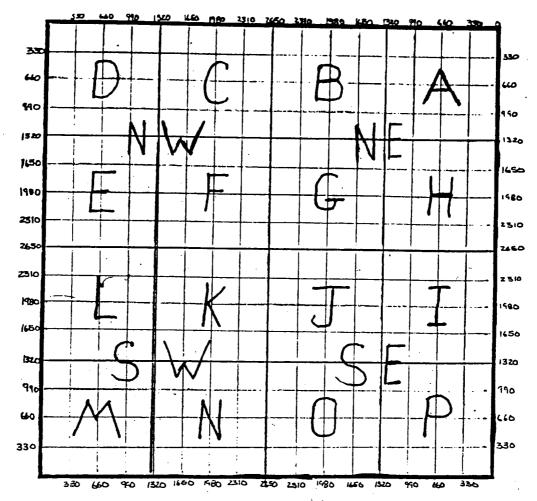
During an inspection trip for the Hospah Coal Company Santa Fe #1, N-9-19N-06W, a recently plugged well on December 28, 1994, subsequent visits to Woosley Oil Company operations in the area revealed the following environmental violations and concerns:

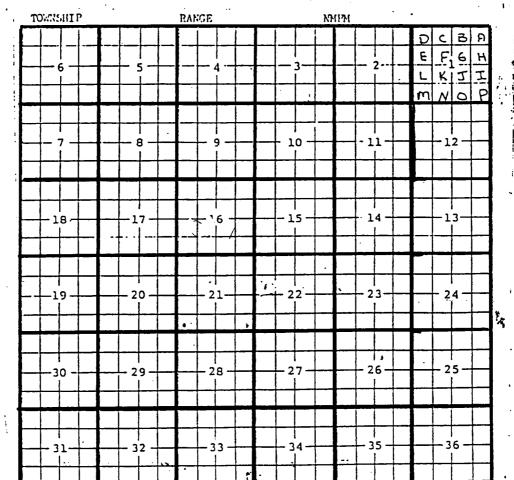
The Woosley Oil Company State #1, 2 and 3 Tank Battery, 16-19N-06W has a load that appears to be leaking. The soil is oil saturated around the tanks. Oil often collects on top of precipitation presenting a hazard to livestock and wildlife. The vertical separator has similar problems. A production pit at the tank battery is oil covered and has no bird netting.

At the Woosley Oil Company, Santa Fe Energy #1, P-8-19N-06W the vertical separator is leaking oil onto the ground forming a hazard to wildlife and livestock. The production pit is covered with oil and has no bird netting. A subsequent visit May 19, 1995, revealed the problems remain and may be getting worse due to warming temperatures.

Jim Woosley of Woosley Oil Company was notified of the problems by telephone as was Ken Barker of Citizens Bank of Cortez, Colorado, the court appointed trustee for the property. I sent a formal notification of violation to Woosley Oil Company and Ken Barker of Citizens Bank dated January 4, 1995. Subsequent conversations with Rick Bisel, attorney for the bank, have not solved the problems (303-565-8581). Apparently Bill Frey at 303-241-5500 represents Mr. Woosley. According to Mr. Bisel Citizens Bank has filed a motion with the court to abandon property, although I have no confirmation of this motion. Five Woosley Oil Company wells have not produced in the past twelve months:

- 1. Santa Fe Energy #1, P-8-19N-06W
- 2. Santa Fe Energy #2, A-17-19N-06W
- 3. State #1, D-16-19N-06W
- State #2, C-16-19N-06W 4.
- State #3, A-16-19N-06W 5.





WOOSley 0 | SF Enen. H | 330FS+E 8-19N-1W Western 1 300ABL, Ser 5/9 10-82 Atte 1. pit 40' oil on top Pariffin on Btm. remediate. 150 nes. X60' dry BS+O Heatertnest 31-04-002-Z| (Roto Phase Generator ISOVMM, 15HP ArcoElec, Model L)
Puna Sack Files 1 2 2 5 5 5 37 1 LN Pump Jack (No(Meter) Country Spec. 10334 23/ptbg, Rods 4/2 csg. Hay, le Kansas Church , 1) Model- 25.67-36 D25 Ser. 25048504279 23/8 Tbg + Rdg 4/2 csg, ? No Pdg A-17-29N-6W 27/8 Tbg +4/2 csy. Tbg, Tongs woosley SF Energy # 2 Stzle#3 6.16-19-6 27/8 they & Rds Larkin Head 7 00 x 2 1/2 1099 16x16 pit dry 16'2" tank 36x11 18" BS+W 30185 Woosley St. #1 C.16-19-06 Cabot 25 Pump Jack Sev. B 53187-0 18"BS+W 2- Graver Tank 30060L 1. Betane Tank Texel Steel E 4381 Ser, 1- 4- 1939 2506. 2- consty tanks

Heaten Treate (ENatob) w-420-A Crude oil Proc, ser ELT 941/3011/ Built 9.79 1-pit 40 x 20 oil 1- Ohman Heath Co 3P 4/02508 Ser, 32858 Date 3-82 1- Prod. Equip Corp LPS Heated

Hasynski Al 2310ESL 330 Trailer + Tank

I-11-19-5 23/8 Tbg 4/2 csg.

BTRD 0,1 Cop Fed 12-1 1980F9-880FWL 12-19-5