



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DIVISION
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

December 6, 1993

Mr. A.S. Low
Operations Manager
Bannon Energy Incorporated
3934 FM 1960 West, Suite 240
Houston, TX 77068-3539

RE: Illegal Pits in Northwestern New Mexico (attached)

Dear Mr. Low:

Thank you for partially responding to my August 20, 1993 letter by submitting some of the C-134's and cleaning some of the pits requested. Attached is an updated list of pits which still require C-134 compliance that were due in this office by August 19, 1993. You are hereby directed to submit these C-134's by December 20, 1993.

Field inspections conducted by Denny Foust on November 30, 1993 revealed that the pits located on the Marcus A-15, Marcus #8, Mesa 25 #6 and Mesa 25 #3R leases still contained hydrocarbons and remained unnetted. In order for these pits to be in compliance, you are hereby directed to remove all fluid and properly net these pits by December 27, 1993.

Your failure to respond to these second requests may result in fines or other appropriate measures. If you have any questions please feel free to call this office.

Sincerely,

Dianna K. Fairhurst

Dianna K. Fairhurst
Deputy Oil & Gas Inspector

xc: C-134 File
Well File
Jackie Neckels - BLM Farmington

Bannon Energy Inc.

1. Production Tank earthen pit dry, no net. Requires a C-134 exception.
2. Separator earthen pit contains hydrocarbons, no net. Requires cleaning and netting.

1. Production Tank earthen pit contains water, paraffins and some stained soil outside of pit, no net. Requires cleaning and netting.
2. Separator earthen pit contains water only, no net. Requires a C-134 exception.

1. Production Tank earthen pit filled with dead weeds, no net. Requires cleaning and a C-134 exception.
2. Separator earthen pit contains water with a hydrocarbon skim, cans, a 1-gallon plastic container and a dead snake. Requires cleaning and netting.

1. Production Tank earthen pit dry, no net. Requires a C-134 exception.
2. Separator earthen pit contains small puddles of water, wet soil on bottom of pit, no net. Requires cleaning and netting.

1. Separator earthen pit water covering bottom of pit, weeds blown into water, no net. Requires cleaning and netting.

1. Production Tank earthen pit dry with freshly stained weeds inside pit directly below line, no net. Requires cleaning and a C-134 exception.
2. Separator earthen pit contains small puddle of water in bottom of pit with old stained soils and weeds in bottom of pit, no net. Requires cleaning and a C-134 exception.

1. Earthen pit approximately 1/10 mile north of this location on pipeline row, contains hydrocarbons and stained soil, no net. Requires cleaning and netting.

1. Separator earthen pit, bottom covered with water, no net. Requires cleaning and netting.

Inspected 5/25/93 (JN/BLM)

1. Production Tank earthen pit contains water covered with hydrocarbons, no net. Requires cleaning and netting.
2. Separator earthen pit contains thick hydrocarbons, no net. Requires cleaning and netting.
3. Earthen pit on pipeline row just east of the Marcus A #15 contains hydrocarbons, no net. Requires cleaning and netting.

Reinspected 11/30/93 (DGF/OCD)

***Production Tank and Separator pits remain in the same condition. Requires cleaning and netting.**

Inspected 5/25/93 (JN/BLM)

1. Production Tank earthen pit contains hydrocarbons and stained soils, no net. Requires cleaning and netting.

Inspected 5/11/93 (JN/BLM)

1. Separator earthen pit contains water and paraffin skim, no net. Requires cleaning and netting.

Reinspected 11/30/93 (DGF/OCD)

*Production Tank pit is now clean and a C-134 is required. Separator pit remains in the same condition. Requires cleaning and netting.

Inspected 6/8/93 (JN/BLM)

1. Separator earthen pit contains water and paraffin skim, no net. Requires cleaning and netting.

Inspected 6/8/93 (JN/BLM)

1. Separator earthen pit contains small amount of water, paraffin, a gallon container and weeds , no net. Requires cleaning and netting.

Inspected 6/8/93 (JN/BLM)

1. Production Tank earthen pit filled with paraffin covered weeds with liquid on the bottom, no net. Requires cleaning and netting.
2. Separator earthen pit contains water, paraffin and weeds, no net. Requires cleaning and netting.

Inspected 5/27/93 (JN/BLM)

1. Production Tank earthen pit contains hydrocarbons, no net. Requires cleaning and netting.

Reinspected 11/30/93 (DGF/OCD)

* Production Tank pit remains in the same condition. Requires cleaning and netting.

Mesa 25 #3R M-25-24N-07W Inspected 6/8/93 (JN/BLM)
1. Separator/Production Tank combination earthen pit contains water and paraffin skim,
no net. Requires cleaning and netting.

Reinspected 11/30/93 (DGF/OCD)

*Separator/Production Tank pit remains in the same condition. Requires cleaning and
netting.

Marcus A #23 F-35-24N-07W Inspected 11/30/93 (DGF/OCD)
1. Separator pit contains paraffin, no net. Requires cleaning and netting.