OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
http://emnrd.state.nm.us/ocd/District ill/3distric.htm

GARY E. JOHNSON Governor

Jennifer A. Salisbury
Cabinet Secretary

Certified Receipt # Z 437 492 335

May 17, 1999

Orville S. Slaughter, Jr. 2626 Adams St. Denver, CO 80205

RE: Spill Clean Up at Sangre De Cristo #4, G-29-29N-10W

Dear Mr. Slaughter:

A production tank over topping was reported to The New Mexico Oil Conservation Division (OCD) on May 5, 1999. Denny Foust of OCD met with Orville Slaughter on location May 7, 1999, to remove standing liquids from the tank berms, a total of 32 barrels were recovered. During two separate meetings you were directed to remove fluids from the tank berms and take appropriate steps to determine the extent of contamination.

When the location was inspected on May 10, 12, and 15th, 1999, small volumes of oil and water were still standing within the tank berms and no action to determine the extent of contamination had been taken. You are directed to remove all standing liquids from within the tank berms by May 20, 1999. You will determine the vertical and horizontal extent of contamination by May 24, 1999. Determination of the extent of contamination must be done by excavation and/or auger testing. Laboratory tests on bottom hole samples will be run for BTEX and Total Petroleum Hydrocarbons. If groundwater is encountered water samples will be taken and tested for BTEX. You will submit a remediation plan to Denny Foust of the OCD Aztec Office, including test results, by June 1, 1999.

If you have questions, please contact me at 505-334-6178, ext 15.

Yours truly,

Denny G. Foust

Environmental Geologist

Deny & Fourt

XC: Well File DGF File