



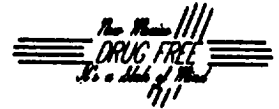
BRUCE KING
GOVERNOR

STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

ANITA LOCKWOOD
CABINET SECRETARY



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AZTEC, NEW MEXICO 87410
(505) 334-6178

July 12, 1993

Meridian Oil Inc.
Attn Mr M J McEneny
Regional Safety and Environmental Manager
PO Box 4289
Farmington NM 87499-4289

RE: Pit Remediation at the Meridian Calloway #1A and Larcher #1.

Dear Mr. McEneny:

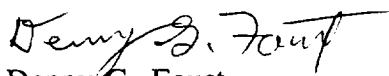
As requested by Meridian Oil Inc., this letter is written in concurrence of follow-up testing data submitted in your letter dated June 11, 1993. On June 10, 1993, Meridian Oil Inc. did follow-up testing on the Meridian Calloway #1A, O-27-31N-11W and the Meridian Larcher #1, K-7-31N-10W. The testing was needed to estimate the potential risk to groundwater by obtaining indications of the volume of hydrocarbon contamination left in place.

At the Larcher #1 an auger sample was taken 16 feet down gradient and 14 foot deep which registered 5.6 ppm by headspace analysis using a photo ionization detector. Such a low reading is indicative of being out of the plume of contamination at the 14 feet depth. At the Calloway #1 A an auger sample from approximately 16 feet down dip and 14 feet deep gave a headspace reading of 24.7 ppm indicating no plume of contamination at the 14 feet depth.

Based on the information available, hydrocarbon contamination left in place at the Calloway #1A and Larcher #1 does not pose a threat to groundwater and no further action is warranted at this time.

Please be advised that this letter does not relieve Meridian of liability should remaining contaminants pollute surface or ground waters or endanger public health. In addition, OCD approval does not relieve you of liability for compliance with any other laws and regulations.

Yours truly,


Denny G. Foust
Environmental Geologist

XC: Well Files
Environmental File
DGF File