



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

AZTEC DISTRICT OFFICE
OIL CONSERVATION DIVISION
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AZTEC NM 87410-1814
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<http://nemnr.state.nm.us/ocd/DistrictIII/3district.htm>

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Certified Receipt # P 471 215 221
August 31, 1998

Burlington Resources
Attn.: Ed Hasely
POB 4289
Farmington, NM 87499-4289

Re: Burlington Resources Cedar Hill SWD#1, B-29-32N-10W, 30-045-26909, San Juan
County, New Mexico.

Dear Mr. Hasely:

During an inspection of the Cedar Hill SWD #1 on January 16, 1998 oil was noted on the blow down pit with a torn plastic liner. Ed Hasely was notified of this problem and oil lube oil draining from the injection pump house. Denny Foust and Ed Hasely later visited the site. Another inspection of the Cedar Hill SWD #1 on August 11, 1998, revealed a continuing problem with oil on the blow down pit. Notification of Bruce Gantner resulted in some fluids being removed from the pit. An inspection on August 24th showed this work had been done but water and oil still remained on the pit. Notifying Ed Hasely on August 24th resulted in no additional work being done prior to an inspection on August 28, 1998. Oil is still on the pit and some water remains in the pit which is lined with broken plastic and not netted. This pit is located on the edge of the extended vulnerable area.

Burlington Resources will eliminate the oil from the pit by September 3, 1998. Burlington Resources has until September 15, 1998, to remediate the pit and bring the pit into compliance with Oil Conservation Division Guidelines for below grade pits. Please note all plastic lined pits within the vulnerable area must have a double lining with leak detection and netting. All fiberglass or metal lined pits greater than 16 feet in diameter must be netted (see enclosure).

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

Yours truly,

Denny G. Foust
Denny G. Foust
Environmental Geologist

Enclosure

XC: DGF File
Well File
UIC File