

AE Order Number Banner

Report Description

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App Number: pENV0000003RP9

3RP - 9

BP AMERICA PRODUCTION COMPANY

3R-9

Historic General Correspondence

Date: Pre 2000







ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

August 17, 1999

CERTIFIED MAIL RETURN RECEIPT NO. Z-274-520-696

Mr. B.D. Shaw Amoco Production Company 200 Amoco Court Farmington, New Mexico 87401



RE: GROUND WATER CONTAMINATION FLORANCE GAS COM #16A WELL SITE

Dear Mr. Shaw:

The New Mexico Oil Conservation Division (OCD) has reviewed Amoco Production Company's (Amoco) June 15, 1999 "FLORANCE 16A SEEP". This document contains Amoco's proposed remediation plan for ground water contamination at Amoco's Florance #16A well site located in Unit P, Section 6, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico.

The above referenced remediation plan is approved with the following conditions:

- 1. Amoco shall install soil borings and monitor wells to determine the extent and source of ground water contamination related to Amoco's activities. The soil boring and monitor well investigations shall be conducted according to Amoco's prior approved pit closure and ground water management plans.
- 2. Soil remediation activities in the wash and at the well site shall be conducted according to Amoco's prior approved pit closure plan.
- 3. All wastes generated shall be disposed of at an OCD approved facility.

Please be advised that OCD approval does not limit Amoco to the proposed work plan if the actions fail to remediate contamination related to Amoco's activities, or if contamination exists which is outside the scope of the work plan. In addition, OCD approval does not relieve Amoco of responsibility for compliance with any other federal, state, tribal or local laws and regulations.

If you have any questions or comments, please call me at (505) 827-7154.

Sincerely,

William C. Olson

Hydrologist

Environmental Bureau

xc: OCD Aztec District Office

Bill Liess, BLM Farmington District Office Mark Harvey, Williams Field Services



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

May 5, 1999



<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT NO. Z-274-520-651</u>

Mr. B.D. Shaw
Amoco Production Company
200 Amoco Court
Farmington, New Mexico 87401

RE: GROUND WATER CONTAMINATION FLORANCE GAS COM #16A WELL SITE

Dear Mr. Shaw:

The New Mexico Oil Conservation Division (OCD) recently inspected Amoco's Florance Gas Com #16A well site located in Unit P, Section 6, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico. During the inspection it was noted that product and water was seeping out of the top of a bedrock contact approximately 300 feet from the well pad. This bedrock underlies the Florance Gas Com #16A well pad and it appears that the fluids are originating from this site.

A review of OCD files on this site shows that both Amoco and Williams Field Services (WFS) had unlined pits at this location for the disposal of oilfield wastes. The OCD requires that both Amoco and WFS address whether this soil and ground water contamination is a result of their activities. The OCD requires that Amoco investigate and remediation any contamination related to their activities pursuant to Amoco's previously approved soil and ground water investigation and remediation plans. The OCD requests that Amoco work in conjunction with WFS in implementing investigation and remediation of the site.

If you have any questions or comments, please call me at (505) 827-7154.

Sincerely,

William C. Olson

Hydrologist

Environmental Bureau

XC:

OCD Aztec District Office

Bill Liess, BLM Farmington District Office Ingrid A. Deklau, Williams Field Services



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

August 17, 1999

<u>CERTIFIED MAIL</u> RETURN RECEIPT NO. Z-274-520-695

Mr. Mark Harvey Williams Field Services P.O. Box 58900 Salt Lake City, Utah 84108



RE: GROUND WATER CONTAMINATION

FLORANCE GAS COM #16A WELL SITE

Dear Mr. Harvey:

The New Mexico Oil Conservation Division (OCD) reviewed Williams Field Service's (WFS) June 10, 1999 "CONTAMINATION AT THE FLORANCE #16A AND YOUR LETTER OF MAY 6, 1999". This document contains the results of WFS's investigation of contamination related to WFS disposal activities at Amoco Production Company's (Amoco) Florance Gas Com #16A well site located in Unit P, Section 6, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico. The document concludes that WFS's activities did not contribute to ground water contamination at the site.

The OCD notes that past WFS pit closure data at the site shows that elevated levels of benzene, toluene, ethylbenzene and xylene were present in soil at the base of the excavation of WFS's dehydration pit. Due to the apparent shallow ground water depth, it is possible that WFS's activities may have contributed to the ground water contamination. However, the OCD defers comment on WFS's conclusions until the OCD reviews the results of Amoco's investigations.

If you have any questions or comments, please call me at (505) 827-7154.

Sincerely,

William C. Olson

Hydrologist

Environmental Bureau

xc: Denny Foust, OCD Aztec District Office

Bill Liess, BLM Farmington District Office

B.D. Shaw, Amoco Production Company



Amoco Production Company San Juan Operations Center 200 Amoco Court Farmington, New Mexico 87401

June 15,1999

Bureau of Land Management 1235 La Plata Hwy Farmington,NM 87401

Attention: Ruben Sanchez

Florance 16A Seep

DECETVED

JUN 1 5 1999

OIL COIX. DIV.

DIST. 3

Listed below is Amoco's proposed plan for the above subject wellsite. Please review and advise your concurrence/comments/suggestions.

- 1. Install sump to collect seepage
- 2. Divert runoff above the seep(East)
- 3. Remediate the wash area
- 4. Fence water areas to protect wildlife
- 5. Sample spring(s) for water quality/BTEX
- 6. Evaluate coring to flush the area of hydrocarbons

I am also sending a copy to the NMOCD for their input and approval! Thank you for your help and cooperation in this matter.

Buddy Shaw

Environmental Coordinator

(505) 326-9219

CC: NMOCD-Aztec/Santa Fe



295 Chipeta Way P.O. Box 58900 Salt Lake City, UT 84108 801-584-6361 801-584-7760 Fax



June 10, 1999

OIL CON. DIV. DIST. 3

Mr. Bill Olson New Mexico Oil Conservation Division 2040 S. Pacheco Sante Fe, NM 87505

RE: CONTAMINATION AT THE FLORANCE #16A AND YOUR LETTER OF MAY 6, 1999

Dear Bill:

In response to your letter of May 6, 1999, Williams Field Services (WFS) has completed an investigation at the above named site to determine if the soil and groundwater contamination is a result of WFS activities. A report on the investigation is enclosed.

Based on observations made in the field as well as the results of analyses performed on contaminated soils from the site, WFS has concluded that current dehydration and metering operations did not contribute to the contamination. Notwithstanding, impacts from the historic utilization of an unlined dehydration pit at this location have previously been addressed by Public Service of New Mexico (PNM) and approved by the Oil Conservation Division (OCD). A copy of the PNM Pit Remediation and Closure Report is enclosed for your reference. All known conditions suggest the problem is the result of Amoco operations.

WFS is ready to assist the Oil Conservation Division and Amoco Production Company to the extent appropriate. With this submittal, requirements defined in your letter of May 6, 1999 are considered satisfied. Your time to review this submittal is appreciated.

Sincerely,

Mark Harvey

Project Coordinator

Enclosure – Florence #16A Report

Cc: Ingrid Deklau - WFS

Denny Foust - OCD

Buddy Shaw – Amoco Production Company

INVESTIGATION AT THE FLORANCE = 16A

1.0 Background

During June 1996, as part of the agreement between Williams Field Services (WFS) and Public Service of New Mexico (PNM), the earthen dehydration pit at the Florance #16A was removed from service and effectively closed consistent with the New Mexico Oil Conservation Division (OCD) Pit Closure Guidelines. Subsequent to this action and following approximately three years of operations by WFS, the OCD inspected the well site and discovered product (i.e.petroleum hydrocarbons) and water seeping out of the top of a bedrock contact approximately 300 feet from the well pad.

Following this discovery, the OCD issued a letter to WFS dated May 6, 1999 requiring a determination of whether or not the contamination resulted from WFS operations. This report describes the investigation and the results obtained.

2.0 Site Investigation

A WFS Environmental Services representative visited the site on June 1, 1999 to make visual observations and collect samples as appropriate to better understand site conditions. Site reconnaissance revealed only minor impacts on the well pad in the form of soil staining around the WFS dehydration tank and the Amoco product storage and produced water tanks. Interviews with field operations personnel revealed that Amoco may have replaced the product storage tanks in 1996.

To the west and southwest of the well pad, significant oil staining was observed. The nearest staining was approximately 175 feet west of the well pad at the base of a sandstone outcrop. A small amount of water was also seeping from this point (SP-01). Further north of this point was a groundwater seep at the same relative elevation with no apparent hydrocarbon impact. Vegetation in the immediate vicinity of the northern most ground water seep is indicative of perennial moisture. Both seeps were estimated to be approximately 18 feet lower than the well pad elevation.

The second hydrocarbon seep (SP-02) was observed southwest of the well pad approximately 325 feet. This seep seemed to emanate from a small outcrop near the head of a localized drainage. The drainage was observed to have significant hydrocarbon staining and free hydrocarbon liquids for approximately 100 feet. Sorbent material had been applied to the affected drainage area and was covered by chicken wire to apparently keep the sorbent in place.

Soil samples were collected from four areas. Samples were collected from each of the hydrocarbon seeps described above as well as from soils adjacent to the WFS dehydration tank (DHY-01) and the Amoco below grade crude oil tank (AMO-TK01). Aside from a casing leak, the tanks were seen as the likely sources of the contamination observed and there was limited hydrocarbon impact at each. Samples were collected using a stainless steel probe and placed into clean 4-oz glass jars. The probe was decontaminated between each sampling event to prevent cross contamination. Soil samples were immediately placed into an iced cooler and hand carried to the laboratory for "fingerprint" analyses.

3.0 Analytical Results

Samples were delivered to James W. Bunger and Associates. Incorporated (Bunger) in Salt Lake City, UT. Each sample was analyzed by gas chromatography – mass spectrometry in an attempt to determine the type of petroleum hydrocarbons present in the soil. The Bunger results, dated June 10, 1999 and included in this report, indicate that the hydrocarbons present at the Amoco tank are very similar to the hydrocarbons found at the two seep areas. The hydrocarbons present at the dehydration tank are dissimilar according to the Bunger results in that they lack components above C₁₁. The report concludes that the contamination found at each seep is not the result of hydrocarbons from the dehydrator discharge. Chromatographs from each sample analyzed are also included with the Bunger results.

Based on this investigation, as well as the apparent successful remediation of the former unlined pit, it appears further investigation and additional remediation should be the responsibility of Amoco.

JAMES W. BUNGER AND ASSOCIATES, INC.

Energy Technology & Engineering

2207 W. Alexander St./P.O. Box 520037 Salt Lake City, UT 84152-0037 (801) 975-1456



June 10, 1999

Mr. Mark Harvey Environmental Services Williams Field Services 295 Chipeta Way Salt Lake City, UT 84158-0900

Dear Mr. Harvey:

Four soil samples were received and analyzed by gc-ms. Results show the following:

Sample FL16A-AMO-TK01 exhibits a distribution of components typical of a crude oil.

Sample FL16A-SP02 exhibits a distribution of components characteristic of a degraded crude oil. Degradation is seen both in terms of loss of light ends, which is probably due to exposure to air at the surface, and in terms of partial loss of n-paraffins compared to iso-paraffins due to biodegradation.

Sample FL16A-SP01 exhibits a distribution of crude oil components but with relatively higher concentrations of diesel range components compared to SP02 or TK01. This enrichment in diesel range components could be due to the action of water which would preferentially mobilize lighter components while leaving larger components (boiling in the atmospheric resid range) adsorbed on the soil along the migration path.

Sample FL16A-DHY-01 exhibits components typical of a natural gas condensate and contains none of the components larger than about n-C₁₁ found in the other three samples. Because of the lack of heavy components, it is not possible that AMO-TK01, SP01 or SP02 derived from the same release as DHY-01. Conversely, the lack of a bimodal distribution exhibited in AMO-TK01, SP02 and SP01 argues that the source of DHY-01 is not a contributor to the other three contaminant sites.

It is not possible to age date these samples without further considering other factors related to this contamination site. However, the observation of weathering and the changes in distribution resulting from water and soil interactions suggests the samples are not fresh releases and the time since release for SP01 and SP02 could be a matter of a few years rather than a few months.

Sincerely yours,

James W. Bunger, Ph. D.

President

File : C:\HPCHEM\1\DATA\WFS\991501.D

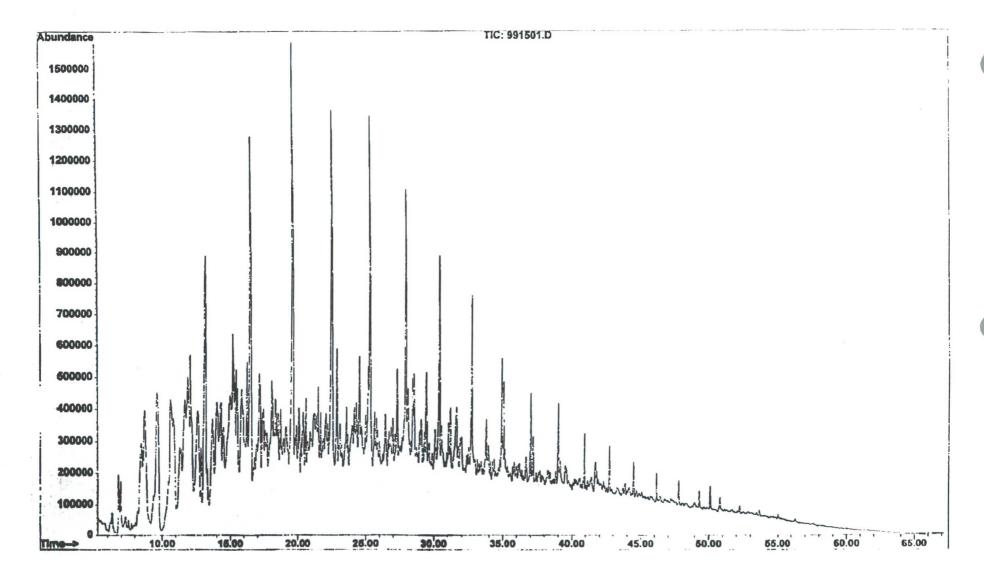
Operator : Don

Acquired : 2 Jun 99 5:00 pm using AcqMethod DCRDSHRT

Instrument : GC/MS Ins

Sample Name: WFS-99-15 1ul inj. in pentane

Misc Info : soil extract FL16A-SP01



File : C:\HPCHEM\1\DATA\WFS\991601.D

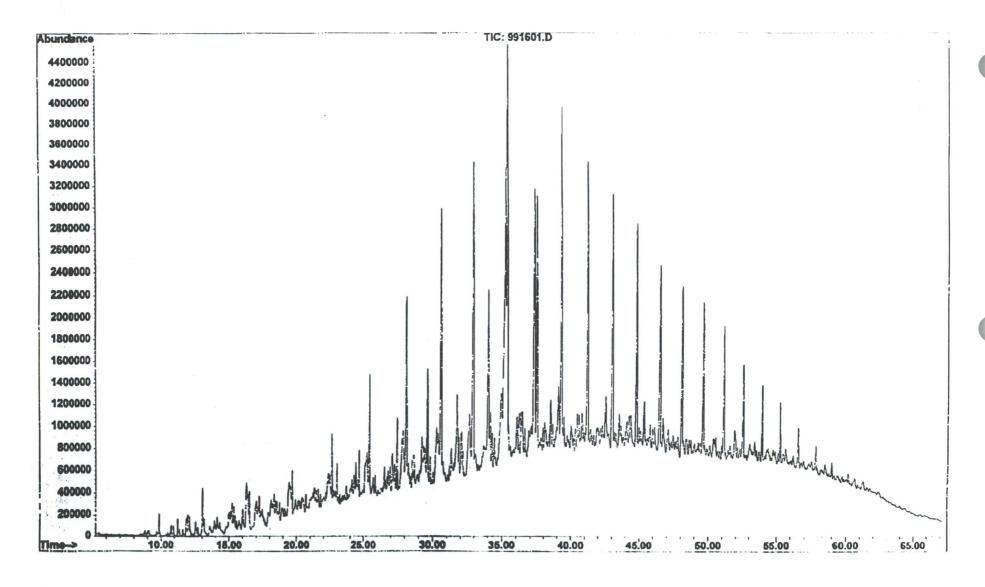
Operator : Don

Acquired : 2 Jun 99 6:19 pm using AcqMethod DCRDSHRT

Instrument: GC/MS Ins

Sample Name: WFS-99-16 1ul inj. in pentane

Misc Info : soil extract FL16A-SP02



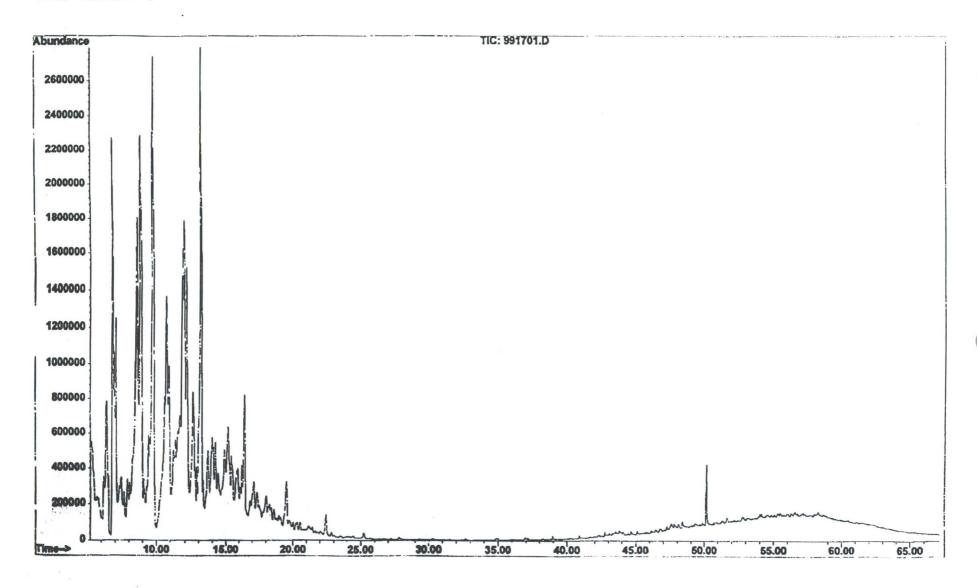
File : C:\HPCHEM\1\DATA\WFS\991701.D

Operator : Don

Acquired : 2 Jun 99 7:37 pm using AcqMethod DCRDSHRT

Instrument : GC/MS Ins

Sample Name: WFS-99-17 1ul inj. in pentane Misc Info : soil extract FL16A-DH7-01



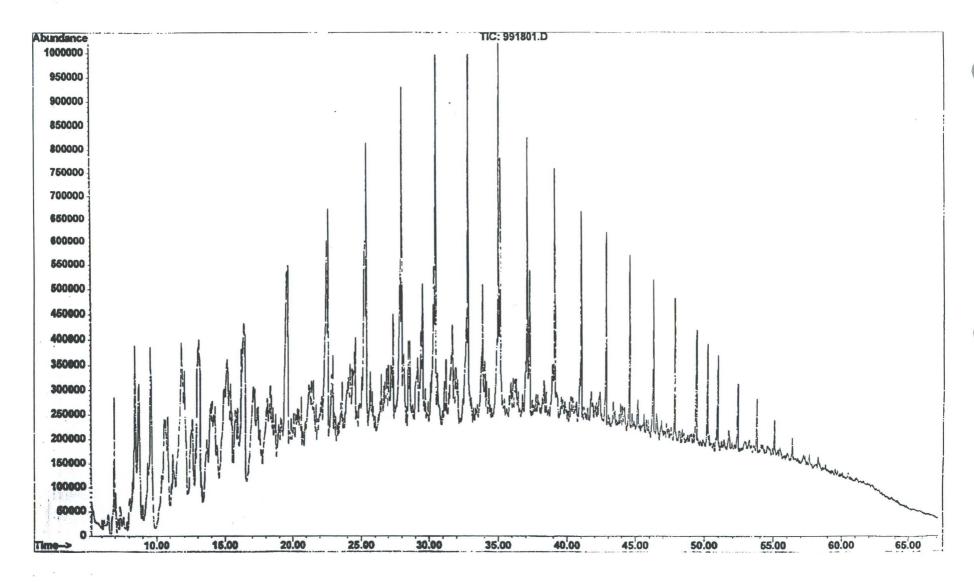
File : C:\HPCHEM\1\DATA\WFS\991801.D

Operator : Don

Acquired: 2 Jun 99 8:55 pm using AcqMethod DCRDSHRT

Instrument: GC/MS Ins

Sample Name: WFS-99-18 lul inj. in pentane Misc Info : soil extract FL16A-AMO-TK01



District I P.O. Box 1980, Hobbs, NM State of New Mexico
Energy, Minerals and Natural Resources Department

SUBMIT 1 COPY TO APPROPRIATE DISTRICT OFFICE AND 1 COPY TO SANTA FE OFFICE

Drawer DD, Artesia, NM 88221

OIL CONSERVATION DIVISION

District IIII
1000 Rio Brazos Rd, Aztec, NM 87410

2040 South Pacheco Street Santa Fe, New Mexico 87505

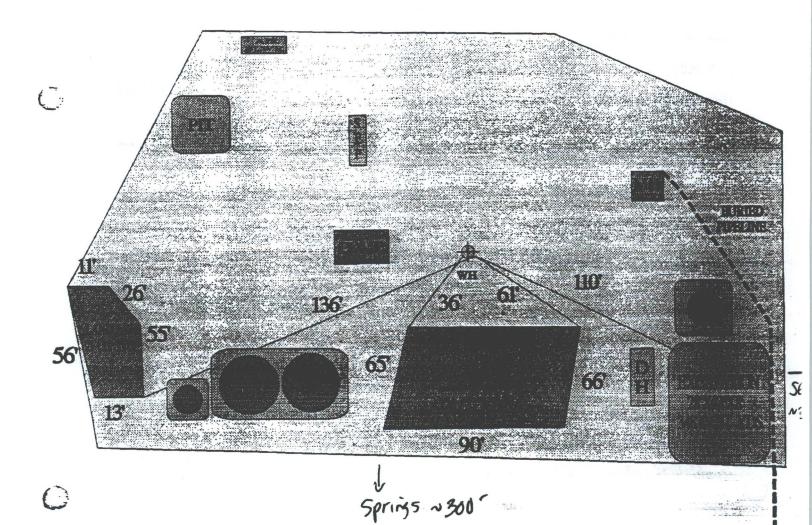
PIT REMEDIATION AND CLOSURE REPORT

Operator: PN	M Gas Services (Amoco) Tele	phone:	324-3764		4,0	
Address: 603 W.	Elm Street Farmington, NM 8	37401			THE		
Facility or Well Name	Florance #16A						
Location: Unit:	P Sec	6 т.	30 N F	s. 9 W	County	San Juan	_
Pit Type: Separ	ator Dehydr	rator 🔀	Other				_
Land Type: BLM	State	Fee	Othe		- Jan 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1		
Pit Location:	Pit dimensions: length	20 '	width	20 '	depth	4	
(Attach diagram)	Reference: wellhead	✓	other _				
20.00	Footage from reference:	10°			Letter A	and entering	er :i)
error on the second	Direction from reference: 20	Degrees	<u> </u>	East	North		
			, 0	of West	South	₹ .	4
Depth to Ground Water (Vertical distance from contaminants to seasonal high water elevation of ground water		Less than 50 feet to Greater than	99 feet			(20 points) (10 points) (0 points)	0
Wellhead Protection A	rea:		Yes			(20 points)	
(Less than 200 feet from a private domestic water source, or, less than 1,0 feet from all other water sources)	000		No			(0 points)	0
Distance to Surface W		Less tha 200 feet to Greater than				(20 points) (10 points) (0 points)	0
ponds, rivers, streams, creeks, irrigation canals and disches		RANKING	SCORE	(TOTAL P	OINTS)	TO NAME OF THE PARTY OF THE PAR	. 0

	6/21/96		Date Comp	oleted:	6/26/96
emediation Method:	Excavation	Х	Approx. Cu	ibic Yard	348
heck all propriate	Landfarmed	х	Amount La	ndfarmed (cub	pic yds) 348
ctions)	Other				
Remediation Location:	Onsite	241 yds	Offsite	Florance #99 (P&A) 6-30N-9W - 107 yd
e.e., landfarmed onsite, name and ocation of offsite facility)					
Backfill Material Location:					
General Description of Ren	nedial Action:	4		- 10 p	
Excavated contaminated soil to		3' and landfarmed soil o	กรสe/offsite within a b	ermed area at a	depth of 6" to 12" Soil v
aerated by piowing/disking unti	soil met regulatory	levels.	Marchinite William & E	onnou area at a	dopth of o to 12 . Son v
	*/ S //				.0.20830
	20,000				
				The same	
Ground Water Encountere	ed: No	$\overline{\mathbf{v}}$	Yes	Dep	th
Siddia Water Encountere	. 110	<u> </u>			
			The system of the same		
Final Pit Closure Sampling:	Sample Location	5 pt. composit	e-4 side walls and ce	nter of pit bottom	1
Sampling: (if multiple samples, attach sample result and diagram of	Sample Location	5 pt. composit	e-4 side walls and ce	nter of pit bottom	1
Sampling: (if multiple samples, attach			e-4 side walls and ce		1:30:00 PM
Sampling: (if multiple samples, attach sample result and diagram of	Sample depth	8' 6/24/96	- 2210		
Sampling: (if multiple samples, attach sample result and diagram of	Sample depth Sample date Sample Results	8' 6/24/96	- 2210		
Sampling: (if multiple samples, attach sample result and diagram of	Sample depth Sample date Sample Results Benzer	8° 6/24/96	Sample		
Sampling: (if multiple samples, attach sample result and diagram of	Sample depth Sample date Sample Results Benzer	8' 6/24/96 see (ppm)	Sample 0.1206		
Sampling: (if multiple samples, attach sample result and diagram of	Sample depth Sample date Sample Results Benzer	8' 6/24/96 sine (ppm) BTEX (ppm)	Sample 0.1206		
Sampling: (if multiple samples, attach sample result and diagram of	Sample depth Sample date Sample Results Benzer Total I	8' 6/24/96 ne (ppm) BTEX (ppm) eadspace (ppm) 145.40	0.1206 8.3783	e time	
Sampling: (if multiple samples, attach sample result and diagram of sample locations and depths.)	Sample depth Sample date Sample Results Benzer Total I	8' 6/24/96 ne (ppm) BTEX (ppm) eadspace (ppm) 145.40	0.1206 8.3783 Method	e time 8015A ched Yes	1:30:00 PM
Sampling: (if multiple samples, attach sample result and diagram of sample locations and depths.) Vertical Extent (ft)	Sample depth Sample date Sample Results Benzer Total I Field he TPH Yes	8' 6/24/96 ne (ppm) BTEX (ppm) eadspace (ppm) 145.40 Risk As	O.1206 8.3783 Method sessment form atta	8015A ched Yes (If yes, attack	1:30:00 PM No _ ch sample results)







WELL PAD



OFF: (505) 325-8786

LAB: (505) 325-5667

Diesel Range Organics

Attn:

Denver Bearden

Date:

26-Jun-96

Company: PNM Gas Services

COC No .:

4718

Address:

Sample No.

11285

City, State: Farmington, NM 87401

603 W. Elm

Job No.

2-1000

PNM Gas Services - Florance #16A

Project Name: **Project Location:**

9606241330; Pit Excavation Composite Sample

24-Jun-96 Time:

13:30

Sampled by: Analyzed by: RH DC Date: Date:

25-Jun-96

Sample Matrix:

Soil

Laboratory Analysis

Perameter	Result	Unit of Measure	Detection Limit	Unit of
Diesel Range Organics (C10 - C28)	145.4	mg/kg	5.0	mg/kg

Quality Assurance Report

DRO QC No.:

0475-QC

Calibration Check

Perameter	Mathed Blank	Unit of Measure	True Value	Analyzad Value	% DHI	Limit
Diesel Range (C10 - C28)	<5.0	ppm	2,000	1,898	5.1	15%

Matrix Spike

Parameter		2 - Percent Recovered	Limit	%RSD	Limit
Diesel Range (CIO-C28)	103	94	(70-130)	6	20%

Method - SW-846 EPA Method 8015A mod. - Nonhalogenated Volatile Hydrocarbons by Gas Chromatography

Approved by:

P. O. BOX 2606 • FARMINGTON, NM 87499

- TECHNOLOGY BLENDING INDUSTRY WITH THE ENVIRONMENT -



OFF: (505) 325-8786

LAB: (505) 325-5667

AROMATIC VOLATILE ORGANICS

Attn:

Denver Bearden

Date:

26-Jun-96

Company: PNM Gas Services

COC No .:

4718

Address:

Sample No.

11285

603 W. Elm

Job No.

2-1000

City, State: Farmington, NM 87401

PNM Gas Services - Florance #16A

Project Name: Project Location:

9606241330; Pit Excavation Composite Sample

Date:

24-Jun-96 Time:

13:30

Sampled by: Analyzed by: RH DC

Date:

25-Jun-96

Sample Matrix:

Soil

Aromatic Volatile Organics

Component		Result	Units of Measure	Detection Limit	Units of
Component		resun	Meesule	Linat	Measure
Benzene		120.6	ug/kg	0.2	ug/kg
Toluene		292.0	ug/kg	0.2	ug/kg
Ethylbenzene		494.1	ug/kg	0.2	ug/kg
m,p-Xylene		7088.5	ug/kg	0.2	ug/kg
o-Xylene		383.0	ug/kg	0.2	ug/kg
	TOTAL	8378.3	ug/kg		

Method - SW-846 EPA Method 8020 Arometic Volatile Organics by Gas Chrometography

Approved by:

P. O. BOX 2606 • FARMINGTON, NM 87499

- TECHNOLOGY BLENDING INDUSTRY WITH THE ENVIRONMENT -

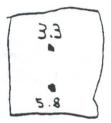
Florance 16A Amoco Sec. 06-30N-09W July 30, 1996

Land Farm: On Location 204 Yards

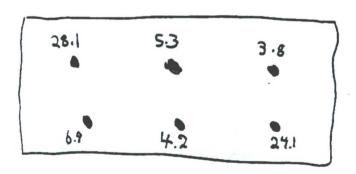
Composite Sample #: 9607311625

Soil Vapor Head-Space Reading = 49.1 ppm (PID)

Sample depths between 2" and 12"









OFF: (505) 325-5667

LAB: (505) 325-1556

2-Aug-96

4932

11640

2-1000

16:25

Diesel Range Organics

Attn:

Denver Bearden

Company: PNM Gas Services

Address:

603 W. Elm

City, State: Farmington, NM 87401

PNM Gas Services - Florance 16A Landfarm

Project Name: Project Location: Sampled by:

GC

9607301625; 8pt. Composite, 2-12" depth Date:

Date:

30-Jul-96 Time:

Date:

COC No .:

Job No.

Sample No.

31-Jul-96

Analyzed by: Sample Matrix: DC/HR Soil

Laboratory Analysis

Parameter	Result	Unit of Measure	Detection Limit	Unit of Measure
Diesel Range Organics (C10 - C28)	88.4	mg/kg	5.0	mg/kg

Quality Assurance Report

DRO QC No.:

0479-QC

Calibration Check

Parameter	Method Blank	Unit of Measure	True Value	Analyzed Value	% Diff	Limit
Diesel Range (C10 - C28)	<5.0	ppm	2,000	1,883	5.8	15%

Matrix Spike

Parameter	1- Percent Recovered	2 - Percent Recovered	Limit	%RSD	Limit
Diesel Range (C10-C28)	109	99	(70-130)	7	20%

Method - SW-846 EPA Method 8015A mod. - Nonhalogenated Volatile Hydrocarbons by Gas Chromatography

Approved by:

P.O. BOX 2606 • FARMINGTON, NM 87499

- TECHNOLOGY BLENDING INDUSTRY WITH THE ENVIRONMENT -



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

May 6, 1999

OIL CON. DIV

<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT NO. Z-274-520-652</u>

Ms. Ingrid A. Deklau Williams Energy Group P.O. Box 58900 Salt Lake City, Utah 84158-0900

RE: GROUND WATER CONTAMINATION FLORANCE GAS COM #16A WELL SITE

Dear Ms. Deklau:

The New Mexico Oil Conservation Division (OCD) recently inspected Amoco's Florance Gas Com #16A well site located in Unit P, Section 6, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico. During the inspection it was noted that product and water was seeping out of the top of a bedrock contact approximately 300 feet from the well pad. This bedrock underlies the Florance Gas Com #16A well pad and it appears that the fluids are originating from this site.

A review of OCD files on the site shows that both Amoco and Williams Field Services (WFS) had unlined pits at this location for the disposal of oilfield wastes. The OCD requires that both Amoco and WFS address whether this soil and ground water contamination is a result of their activities. The OCD requires that WFS investigate and remediation any contamination related to their activities pursuant to WFS's previously approved soil and ground water investigation and remediation plans. The OCD requests that WFS work in conjunction with Amoco in implementing investigation and remediation activities at the site.

If you have any questions or comments, please call me at (505) 827-7154.

Sincerely,

William C. Olson

Hydrologist

Environmental Bureau

XC:

OCD Aztec District Office

Bill Liess, BLM Farmington District Office B.D. Shaw, Amoco Production Company