



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
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Cabinet Secretary

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Director
Oil Conservation Division

January 2, 2002

CERTIFIED MAIL

RETURN RECEIPT NO: 7000-1670-0012-5357-8130

Mr. Robert C. Lang IV
Chaparral Energy, Inc.
701 Cedar Lake Blvd.
Oklahoma City, Oklahoma 73114-7806

**RE: STAGE 1 ABATEMENT PLAN PROPOSAL (AP-18)
SOUTH LANGLIE JAL UNIT
JAL, NEW MEXICO**

Dear Mr. Lang:

The New Mexico Oil Conservation Division (OCD) has reviewed the following Chaparral Energy, Inc. (Chaparral) documents:

- Two October 8, 2001 correspondences.
- August 22, 2001 "AMENDED SOUTH LANGLIE JAL UNIT STAGE I ABATEMENT PLAN".
- March 23, 2001 "SOUTH LANGLIE JAL UNIT STAGE I ABATEMENT PLAN".

These documents contain Chaparral's proposed Stage 1 abatement plan and proof of public notice for investigation of the extent of contamination related to Chaparral's South Langlie Jal Unit located in portions of Sections 7, 8, 17 and 18 of Township 25 South, Range 37 East, Lea County, New Mexico. The OCD has also received a number of public comments in response to the public notice.

Upon a review of the above-referenced documents the OCD has identified several deficiencies in the Stage 1 Abatement Plan Proposal as set out below:

1. A couple of leak and spill contamination sites within the unit are noted in the plan, however the public comments have identified some potential contamination source areas that were not identified by Chaparral. Please provide an inventory of the location of all former leak, spill and release areas within the unit. The inventory shall include a description of the dates, nature, volume and remediation actions taken of all leaks, spills and releases and a map showing their locations within the unit.

OCD Exhibit No. 14
Case No. 13061

July 15, 2003 Sept 2, 2004

1 South St. Francis Drive * Santa Fe, New Mexico 87505
x (505) 476-3462 * <http://www.emmrd.state.nm.us>

2. The plan does not contain complete information on oil and gas production and disposal activities within the unit. Please provide a description of all current and former disposal activities within the unit, and a map showing the location of all current and former production wells, injection wells, gathering systems, pipelines, tank batteries and disposal or storage pits .
3. Chaparral proposes to install monitor wells along the upgradient side of the unit to determine the quality of ground water entering the site, but does not propose to investigate contamination at leak, spill or disposal areas within the unit. Please submit a work plan for investigating the magnitude of soil and ground water contamination at these sites.
4. The plan states that other water wells in the area may be sampled. In order to get a complete snapshot of the relationship of unit operations on ground water quality, the OCD requires that Chaparral sample ground water from all newly installed and existing monitor wells, and private and public water wells within the unit. Please provide a commitment to conduct this sampling.
5. The OCD requires that all ground water samples be obtained and analyzed for benzene, toluene, ethylbenzene, xylene (BTEX), total dissolved solids (TDS), major cations and anions and New Mexico Water Quality Control Commission (WQCC) metals using EPA approved methods and quality assurance/quality control (QA/QC). Please provide a commitment to obtain these samples.
6. The plan does not contain information on the mechanical integrity of injection and production wells within the unit. Please provide this information.

Please submit the above information by February 2, 2002. Submission of this information will allow the OCD to complete a review of Chaparral's Stage 1 Abatement Plan Proposal.

If you have any questions, please contact me at (505) 476-3491.

Sincerely,



William C. Olson
Hydrologist
Environmental Bureau

cc: Chris Williams, OCD Hobbs District Office
Mary C. Claiborne, Mayor, City of Jal
Clay Osborn
Carroll H. Leavell
Darrell E. Bailey
Darrold E. Stephenson & JoAn R. Stephenson