3R - 450

2015 GEN COR

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary **David Catanach, Division Director**Oil Conservation Division



MARCH 1, 2015

Mr. Jordan Radin, PE Compliance Manager & Regulatory Specialist Koch Exploration Company, LP 950 17th Street, Suite 1900 Denver, CO 80202

RE: DRYDEN 2E - GROUNDWATER INVESTIGATION – FINAL REPORT

KOCH EXPLORATION COMPANY, LLC. - DRYDEN 2E

NE 1/4 OF THE SE 1/4 of SECTION 22, TOWNSHIP 28 NORTH, RANGE 8 WEST,

NMPM, SAN JUAN COUNTY

API: 30-045-26002

OCD CASE NO.: 3R-450

Mr. Radin:

The Oil Conservation Division (OCD) has reviewed Koch's January 2015 ground water investigation report. This report documents Koch's installation of three soil borings, soil sampling and analyses, and ground water sampling and analyses at the Dryden 2E well site. The report documents that no ground water contamination has occurred. OCD accepts Koch's interpretation that the elevated Total Dissolved Solids (TDS) concentration is naturally occurring at this site.

OCD hereby approves Koch's report and request to P&A the monitor wells and to conduct any additional closure activities at the site. OCD will close case 3R-450 in its database. Koch may proceed with the proper plugging and abandonment of any remaining ground water monitoring wells per requirements of the Office of the State Engineer.

This determination by OCD does not relieve Koch of responsibility should future information indicate a threat to ground water, surface water, human health, or the environment. Furthermore, it does not relieve Koch of responsibility for compliance with any federal, state, or local laws and/or regulations.

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Please contact me at (505) 476-3488 (<u>Glenn.VonGonten@state.nm.us</u>) if you have any questions.

Sincerely,

Glenn von Gonten Senior Hydrologist

Cc: Jim Griswold, Brandon Powell