3R - 309

GENERAL CORRESPONDENCE

YEAR(S):
1996-1995

Public Service Company
of New Mexico
Alvarado Square MS. 0408
Albuquerque, NM 87158

November 1, 1996

Mr. William Olson
Hydrogeologist
Oil Conservation Division
2040 So. Pacheco
Santa Fe, New Mexico 87505

RE: SAN JUAN BASIN 3RD QUARTER 1996 GROUNDWATER REPORT

Dear Bill:

PNM Gas Services, PNMGS, (formerly Gas Company of New Mexico) is pleased to submit the 3rd Quarter 1996 Groundwater Report on Unlined Surface Impoundments in the San Juan Basin. Pursuant to PNM's Groundwater Management Program for Unlined Surface Impoundment Closures, the report details the ongoing investigation/remedial activities at unlined surface impoundments having groundwater contamination as identified by PNM. A list of groundwater sites is provided below.

Abrams Gas/Com L1
Cozzens B1
Cozzens B1E
Florance 32A
Florance 44
Florance 124
Honolulu Loop-Line Drip
Kaufmann 1
McCoy A1A
Templeton 1E
Zachry 18E

PNM hereby requests two modifications of our Groundwater Management Program Unlined Surface Impoundment Closures submitted to OCD in March of 1996:

- PNM wishes to file annual groundwater progress reports to the OCD instead of quarterly reporting. Concerning sites with problematic or unusual activities, we will prepare individual reports to the OCD between annual reports as necessary. We will also file closure reports on groundwater sites as remediation is completed.
- PNM also asks for an exemption from notifying the OCD 48 hours in advance of any major sampling event or related activity at a groundwater site. We invite OCD to participate in our sampling events at any time. Please feel free to call Denver Bearden or me to schedule a time in the field with us.

If you have any questions regarding the contents of this report or the proposed modifications, please contact me at (505) 241-2974.

Sincerely,
PNM Environmental Services Department

Maureen Gannon
Project Manager

Attachment

cc: Denver Bearden, PNMGS
Denny Foust, OCD-Aztec Office
Leigh Gooding, WFS

bcc: Colin Adams (w/o analytical results)
Ron Johnson (w/o analytical results)
Toni Ristau (w/o analytical results)
Mark Sikelianos (w/o analytical results)

PNMGS Well Site: **Cozzens B #1E**

Copies: WFS(1)
Operator (1)
NMOCD District Office (1)
NMOCD Santa Fe (1)

Groundwater Site Summary Report

Quarter: 3 **Year:** 96

Operator: Meridian (SRC)
Sec: 19 **Twn:** 29 **Rng:** 11 **Unit:** J
Canyon: Horn

Vulnerable Class: Original
OCD Ranking: 40
Lead Agency: NMOCD

Topo Map: previously submitted
Groundwater Contour Map: N/A
Hydrograph: N/A
Site Map with Testhole Locations: Figure 1
Well Completion Diagram: N/A
Analytical Results: N/A
Risk Assessment Form: attached

Activities for Quarter:

PNM did not conduct activities at the site during the third quarter of 1996.

Conclusions and Recommendations:

PNM is filing formal closure of our former pit at the Cozzens B #1E well site. Documentation to support closure of this site is provided as an attachment to this cover letter and is also included in the recent submittal of PNM Gas Services' October 30, 1996 "OCD Closure Reports" to OCD.

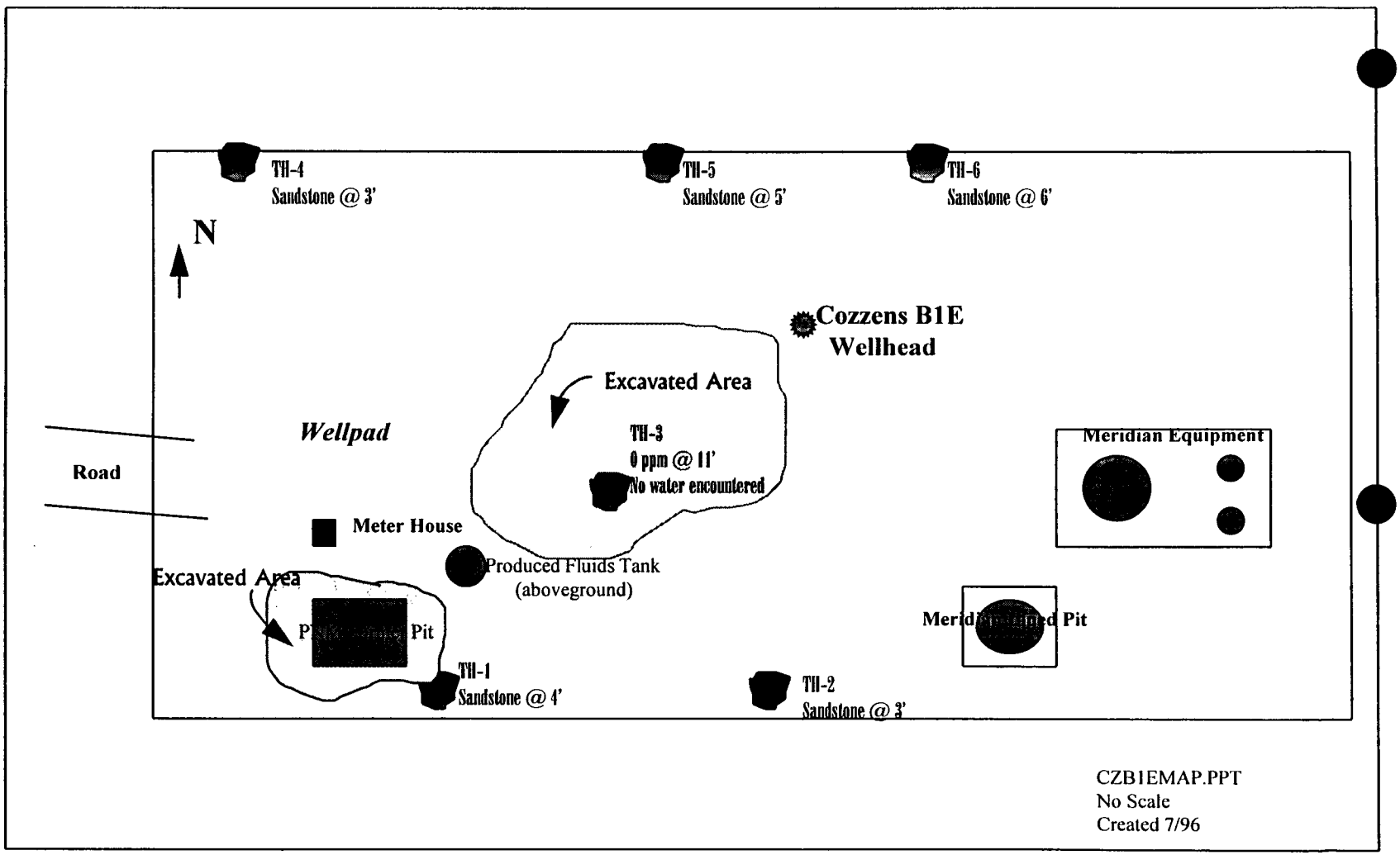
Further Action:

PNM will not conduct further activity at this site.

Public Service Company of New Mexico - Gas Services
Environmental Services Division - Alvarado Square, MS-0408
Albuquerque, NM 87158

Contact: Maureen Gannon **Telephone: 505-241-2974**

Figure 1. Cozzens B1E Well Site Testhole Locations



Well Name:	Cozzens B # 1E
Legal:	Sec: 19 Twn: 29 Rng:11 Unit: J
Pit Type:	Separator Pit
Vulnerable Area:	Area I
Horizontal Distance to Surface Water:	200 feet to 1000 feet
Depth to groundwater:	50 feet to 99 feet

RISK ASSESSMENT

No past or future threat to surface water or groundwater is likely based on the following considerations:

- Past production fluids were contained locally by a relatively shallow sandstone bedrock located between 3 and 6 feet below grade.
- The site poses minimal environmental risk since source removal has occurred (January 1996) and there is now no evidence of groundwater.
- A recent canvas of neighboring residences revealed a domestic water well with groundwater at a depth of 70 feet, much deeper than the shallow sandstone bedrock.
- PNM conducted further site investigation activities at the Cozzens B1E. Using a backhoe, PNM dug several testholes (TH) on the well pad in attempt to install monitoring wells on location. Figure 1 presents a site map with the testhole locations identified. As indicated in the figure, sandstone was encountered between 3 and 6 feet throughout the site except in the location of the former pit excavation (TH-3). The backhoe operator was able to dig to 11 feet in this area; however, no groundwater was encountered. At each testhole location, a PNM technician monitored organic vapors using a PID. PID readings remained at 0 ppm throughout the investigation.

Conclusions and Recommendations:

Based upon the results of the recent investigation, PNM believes that the groundwater encountered at the site during the pit excavation was most likely perched water confined above the shallow sandstone bedrock. PNM encountered groundwater in the former pit area only during the original site investigation and subsequent pit excavation. There was no evidence of shallow groundwater during this latest phase of the investigation.

PNM wishes to close this site based upon the absence of shallow groundwater and the layering of sandstone encountered throughout the site. The site poses no future risk to the environment.

Public Service Company
of New Mexico
603 W. Elm - P.O. Box 4750
Farmington, NM 87499
505 950-1997
Fax 505 325-7365

October 29, 1996

PNM Gas Services

Oil Conservation Division
Attention: Bill Olson
2040 South Pacheco
Santa Fe, NM 87505

Subject: OCD Closure Reports
3rd Reporting Quarter 1996

Dear Bill Olsen,

PNM Gas Services is submitting closure reports to the Oil Conservation Division for the sites listed at the bottom of this page. These sites were remediated between July 1, 1996 and October 1, 1996. Our office is also submitting two groundwater sites, the Abrams Gas Com L#1 and Cozzens B #1E, for closure. If you have any questions, call Krista Lawrence at (505) 324-3764.

Angel Peak #22 South
Archuleta #1
Bruington #1
Bruington #2
Calloway #1
Calvin #1E
Congress #4
Current #2
FJ Titt #2
FJ Titt #2A
Federal Gas Com L #1
Federal Gas Com L #1E
Florance #10
Florance #13
Florance #13A
Florance #16
Florance #16A
Florance #18A
Florance #19A
Florance #2
Florance #24
Florance #27
Florance #2A
Florance #40A
Florance #42
Florance AC #3
Florance P #39
Giomi GC C #1
Hamner #1
Hampton #5
Hare #4
Helen Jackson #1
Helen Jackson #1A
Helen Jackson #2
Howell #2A

Largo Federal #3
Manley #1
Mansfield #1
Mansfield #1A
McClanahan #16E
McClanahan #18
McCord 2&3 Tie In Drip
Michael #1
Mims State Com #1A
Mims State Com #2
Nye #11
Nye #12
Nye #13
Nye #14
Nye #16
Nye #16A
Nye #17
Nye #1A
Nye #3A
Nye #8
Omler A #3E
Omler A #5E
Payne #2A
Pierce #3
Pierce #5
Pritchard #3
Pritchard #3A
Pritchard A #1
Pritchard A #1A
Reid #10 Drip
Reid #12
Reid #15
Reid #18
Reid #18Drip
Reid #19
Reid #21E
Reid #23
Riddle #2
State AE #2 Drip
State Com B #3A
Wilson #1
Zachry #19E
Zachry #4 Drip

In addition PNM Gas Services is filing closure for the following Jicarilla Apache Locations:

Axi Apache O #2
Axi Apache O #2 Drip
Axi Apache O #7
Jicarilla 103 #10
Jicarilla 103 #11
Jicarilla 103 #11E Drip
Jicarilla 103 #12M
Jicarilla 103 #12M Drip North
Jicarilla 103 #12M Drip East
Jicarilla 103 #13
Jicarilla 103 #13 Drip

Jicarilla 103 #4 Drip
Jicarilla 103 #7
Jicarilla 103 #7E
Jicarilla A #20
Jicarilla A #8
Jicarilla Apache 102 #1
Jicarilla D #1
Jicarilla D #13
Jicarilla D #3 Drip
Jicarilla E #10E
Jicarilla E #11
Jicarilla E #2
Jicarilla E #3
Jicarilla E #4
Jicarilla E #4 Drip
Jicarilla E #8
Jicarilla F #2
Jicarilla F #4
Jicarilla F #4 Drip
Jicarilla F #5A
Jicarilla F #5A Drip North
Jicarilla F #5A Drip South
Jicarilla F #6
Jicarilla H #5 Drip
Jicarilla J #10E
Jicarilla J #11
Jicarilla J #16
Jicarilla J #18
Jicarilla J #23A
Jicarilla J #3
Jicarilla J #4
Jicarilla J #5
Jicarilla J #6
Jicarilla J #6 Drip
Jicarilla J #8
Jicarilla J #9
Jicarilla J #9E
Lowe #3
Lowe #4

Sincerely,

Krista Lawrence for Maureen Gannon

ureen Gannon
ironmental Engineer

enny Foust
M - Farmington
lliams Field Services

District I
P O Box 1980, Hobbs, NM

District II
P O Drawer DD, Artesia, NM 88221

District III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco Street
Santa Fe, New Mexico 87505

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

OK

PIT REMEDIATION AND CLOSURE REPORT

Operator: PNM Gas Services (SRC) **Telephone:** 324-3764

Address: 603 W. Elm Street Farmington, NM 87401

Facility or Well Name: Cozzens B #1E

Location: Unit: J Sec. 19 T. 29 N R. 11 W County San Juan

Pit Type: Separator ☑ Dehydrator ☐ Other

Land Type: BLM ☑ State ☐ Fee ☐ Other

Pit Location: (Attach diagram)

Pit dimensions: length 25 ' width 25 ' depth 4 '

Reference: wellhead ☑ other

Footage from reference: 120'

Direction from reference: 20 Degrees ☐ East North ☐ of ☑ West South ☑

Depth to Ground Water: (Vertical distance from contaminants to seasonal high water elevation of ground water)	Less than 50 feet 50 feet to 99 feet Greater than 100 feet	(20 points) (10 points) (0 points)	20
Wellhead Protection Area: (Less than 200 feet from a private domestic water source, or; less than 1,000 feet from all other water sources)	Yes No	(20 points) (0 points)	20
Distance to Surface Water: (Horizontal distance to perennial lakes, ponds, rivers, streams, creeks, irrigation canals and ditches)	Less than 200 feet 200 feet to 1,000 feet Greater than 1,000 feet	(20 points) (10 points) (0 points)	10
RANKING SCORE (TOTAL POINTS) :			50

RECEIVED
OCT 31 1996
Environmental Bureau
Oil Conservation Division

Date Remediation Started: 1/16/96 **Date Completed:** 1/25/96

Remediation Method: Excavation X Approx. Cubic Yard 1350

(Check all appropriate sections) Landfarmed X Amount Landfarmed (cubic yds) 1350

Other

Remediation Location: Onsite Offsite Tierra Environmental

(i.e., landfarmed onsite, name and location of offsite facility)

Backfill Material Location:

General Description of Remedial Action:

Excavated contaminated soil to pit size of 40'x50'x18' and transported contaminated soil to an offsite commercial landfarm.

Ground Water Encountered: No ☐ Yes ☑ Depth 2 feet

Final Pit Closure Sampling:

(if multiple samples, attach sample result and diagram of sample locations and depths.)

Sample Location 3 pt composite

Sample depth 18'

Sample date 1/17/96 Sample time 9:25:00 AM

Sample Results

Benzene (ppm) < 0.0002

Total BTEX (ppm) < 0.0002

Field headspace (ppm)

TPH < 25.00 Method 418.1

Vertical Extent (ft) Bedrock Risk Assessment form attached Yes ☑ No ☐

Ground Water Sample: Yes ☐ No ☑ (If yes, attach sample results)

I HEREBY CERTIFY THAT THE INFORMATION ABOVE IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND MY BELIEF

DATE October 25, 1996

SIGNATURE Maureen Gannon

PRINTED NAME AND TITLE Maureen Gannon
Environmental Engineer

OFF: (505) 325-8786

ON SITE
TECHNOLOGIES, LTD.

LAB: (505) 325-5667

TOTAL PETROLEUM HYDROCARBONS

Attn:	*Denver Bearden*	Date:	17-Jan-96
Company:	*PNM Gas Services*	*COC No.:*	*4526*
Address:	*603 W. Elm*	*Sample No.*	*10073*
City, State:	*Farmington, NM 87401*	*Job No.*	*2-1000*

Project Name:	***PNM Gas Services - Cozzens B-1E***				
Project Location:	***9601170925 - 1; 3pt. Composite***				
Sampled by:	GC	Date:	17-Jan-96	Time:	9:25
Analyzed by:	HR	Date:	17-Jan-96		
Type of Sample:	*Soil*				

Laboratory Analysis

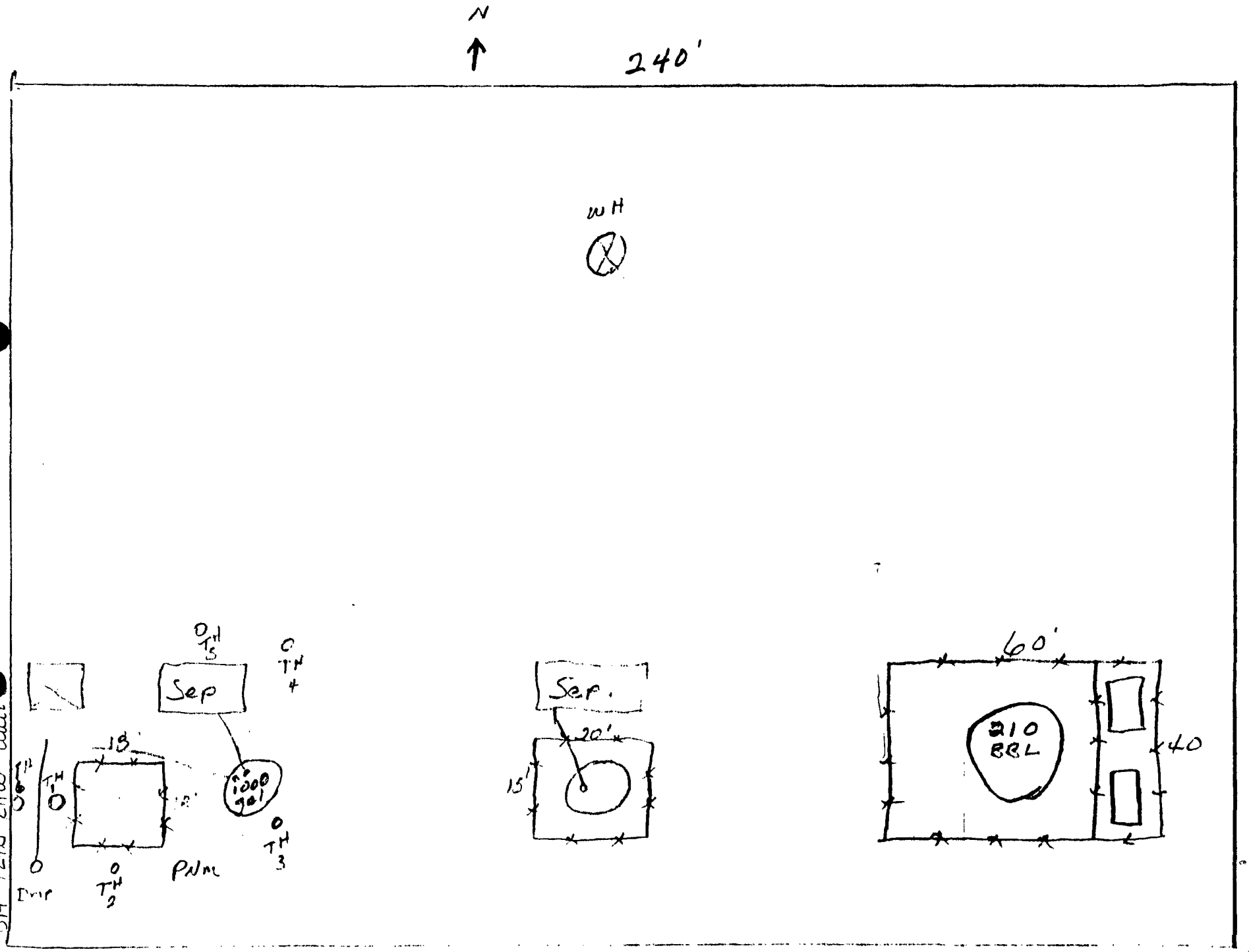
Laboratory Identification	***Sample Identification***	***Total Petroleum Hydrocarbons***
10073-4526	*PNM Gas Services - Cozzens B-1E* ***9601170925 - 1; 3pt. Composite***	*<25 mg/kg*

Quality Assurance Report

Laboratory Identification	***Analyzed Value***	***Acceptable Range***	***Units of Measure***
Laboratory Fortified Blank Soil - QCBS2	<25	<25	*mg/kg*
Laboratory Fortified Spike Soil - QCSS1	941	828 - 1024	*mg/kg*

Method - *EPA Method 418.1 Total Petroleum Hydrocarbons*

Approved by:
Date: 1/17/96


N
240'
WH
Sep
TH 5
TH 4
18'
1000 gal
TH 1
TH 2
TH 3
Dmr
PWm
Ser.
20'
15'
60'
210 BBL
40

OFF: (505) 325-8786

ON SITE TECHNOLOGIES, LTD.

LAB: (505) 325-5667

AROMATIC VOLATILE ORGANICS

Attn:	*Denver Bearden*	Date:	17-Jan-96
Company:	*PNM Gas Services*	*COC No.:*	*4526*
Address:	*603 W. Elm*	*Sample No.*	*10073*
City, State:	*Farmington, NM 87401*	*Job No.*	*2-1000*

Project Name:	***PNM Gas Services - Cozzens B-1E***				
Project Location:	***9601170925 - 1; 3pt, Composite***				
Sampled by:	GC	Date:	17-Jan-96	Time:	9:25
Analyzed by:	DC	Date:	17-Jan-96		
Type of Sample:	*Soil*				

Aromatic Volatile Organics

Component	*Result*	*Units of Measure*	*Detection Limit*	*Units of Measure*
Benzene	<0.2	*ug/kg*	0.2	*ug/kg*
Toluene	<0.2	*ug/kg*	0.2	*ug/kg*
Ethylbenzene	<0.2	*ug/kg*	0.2	*ug/kg*
m,p-Xylene	<0.2	*ug/kg*	0.2	*ug/kg*
o-Xylene	<0.2	*ug/kg*	0.2	*ug/kg*
TOTAL	<0.2	*ug/kg*		

Method - *SW-846 EPA Method 8020 Aromatic Volatile Organics by Gas Chromatography*

Approved by:

Date: 1/17/96

Well Name:	Cozzens B # 1E
Legal:	Sec: 19 Twn: 29 Rng:11 Unit: J
Pit Type:	Separator Pit
Vulnerable Area:	Area I
Horizontal Distance to Surface Water:	200 feet to 1000 feet
Depth to groundwater:	50 feet to 99 feet

RISK ASSESSMENT

No past or future threat to surface water or groundwater is likely based on the following considerations:

- Past production fluids were contained locally by a relatively shallow sandstone bedrock located between 3 and 6 feet below grade.
- The site poses minimal environmental risk since source removal has occurred (January 1996) and there is now no evidence of groundwater.
- A recent canvas of neighboring residences revealed a domestic water well with groundwater at a depth of 70 feet, much deeper than the shallow sandstone bedrock.
- PNM conducted further site investigation activities at the Cozzens B1E. Using a backhoe, PNM dug several testholes (TH) on the well pad in attempt to install monitoring wells on location. Figure 1 presents a site map with the testhole locations identified. As indicated in the figure, sandstone was encountered between 3 and 6 feet throughout the site except in the location of the former pit excavation (TH-3). The backhoe operator was able to dig to 11 feet in this area; however, no groundwater was encountered. At each testhole location, a PNM technician monitored organic vapors using a PID. PID readings remained at 0 ppm throughout the investigation.

Conclusions and Recommendations:

Based upon the results of the recent investigation, PNM believes that the groundwater encountered at the site during the pit excavation was most likely perched water confined above the shallow sandstone bedrock. PNM encountered groundwater in the former pit area only during the original site investigation and subsequent pit excavation. There was no evidence of shallow groundwater during this latest phase of the investigation.

PNM wishes to close this site based upon the absence of shallow groundwater and the layering of sandstone encountered throughout the site. The site poses no future risk to the environment.

Public Service Company
of New Mexico
Alvarado Square MS. 0408
Albuquerque, NM 87158

August 1, 1996

Mr. William Olson
Hydrogeologist
Oil Conservation Division
2040 So. Pacheco
Santa Fe, New Mexico 87505

RE: SAN JUAN BASIN 2ND QUARTER 1996 GROUNDWATER REPORT

Dear Bill:

PNM Gas Services, PNMGS, (formerly Gas Company of New Mexico) is pleased to submit the 2nd Quarter 1996 Groundwater Report on Unlined Surface Impoundments in the San Juan Basin. Pursuant to PNM's Groundwater Management Program for Unlined Surface Impoundment Closures, the report details the ongoing investigation/remedial activities at unlined surface impoundments having groundwater contamination as identified by PNM. A list of groundwater sites is provided below.

Abrams Gas/Com L1
Cozzens B1
Cozzens B1E
Florance 44
Honolulu Loop-Line Drip
Kaufmann 1
McCoy A1A
Templeton 1E

If you have any questions regarding the contents of the report, please contact me at (505) 241-2974.

Sincerely,
PNM Environmental Services Department

Maureen Gannon
Project Manager

MDG/GASPITS/OLSON01.LTR

Attachment

cc: Denver Bearden, PNMGS
Denny Foust, OCD-Aztec Office
Leigh Gooding, WFS

Public Service Company of New Mexico
2nd Quarter 1996 Groundwater Report
August 1, 1996

Prepared for:

New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Prepared by:

Public Service Company of New Mexico
Environmental Services Department
Alvarado Square - MS 0408
Albuquerque, New Mexico 87158

PNMGS Well Site: Cozzens B #1E

Copies: WFS(1)
Operator (1)
NMOCD District Office (1)
NMOCD Santa Fe (1)

Site Summary Report

Quarter: 2 **Year:** 96

Operator: Meridian (SRC)
Sec: 19 **Twn:** 29 **Rng:** 11 **Unit:** J
Canyon: Horn

Vulnerable Class: Original
OCD Ranking: 40
Lead Agency: NMOCD

Topo Map: **Figure 1**
Groundwater Contour Map: N/A
Site Map with Testhole Locations: Figure 2
Well Completion Diagram: N/A
Hydrograph: N/A
Analytical Results: N/A

Activities for Quarter:

PNM conducted further site investigative activities at the Cozzens B1E. Using a backhoe, PNM dug several testholes (TH) on the well pad in an attempt to install monitoring wells on location. Figure 2 presents a site map with the testhole locations identified. As indicated in the figure, sandstone was encountered between 3 and 6 feet throughout the site except in the location of the former pit excavation (TH-3). The backhoe operator was able to dig to 11 feet in this area; however, no groundwater was encountered. At each testhole location, a PNM technician monitored organic vapors using a PID. PID readings remained at 0 ppm throughout the investigation.

Conclusions and Recommendations:

Based upon the results of the recent investigation, PNM believes that the groundwater encountered at the site during the pit excavation was most likely perched water confined within a sandstone layer. To date, PNM has encountered groundwater in the former pit area only during the original site investigation and subsequent pit excavation. There was no evidence of shallow groundwater during this latest phase of the investigation.

Further Action:

PNM wishes to close this site based upon the absence of shallow groundwater and the layering of sandstone encountered throughout the site. The site poses minimal environmental risk since source removal has occurred (January 1996) and there is now no evidence of groundwater. A recent canvas of neighboring residences revealed a domestic water well with groundwater at a depth of 70 feet. With this in mind, PNM will file a closure report for the Cozzens B1E during the third quarter of 1996 unless OCD directs PNM otherwise.

Public Service Company of New Mexico - Gas Services
Environmental Services Division - Alvarado Square, MS-0408
Albuquerque, NM 87158

Contact: Maureen Gannon **Telephone: (505) 241-2974**

Figure 1. HORN CANYON QUADRANGLE
NEW MEXICO – SAN JUAN CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)

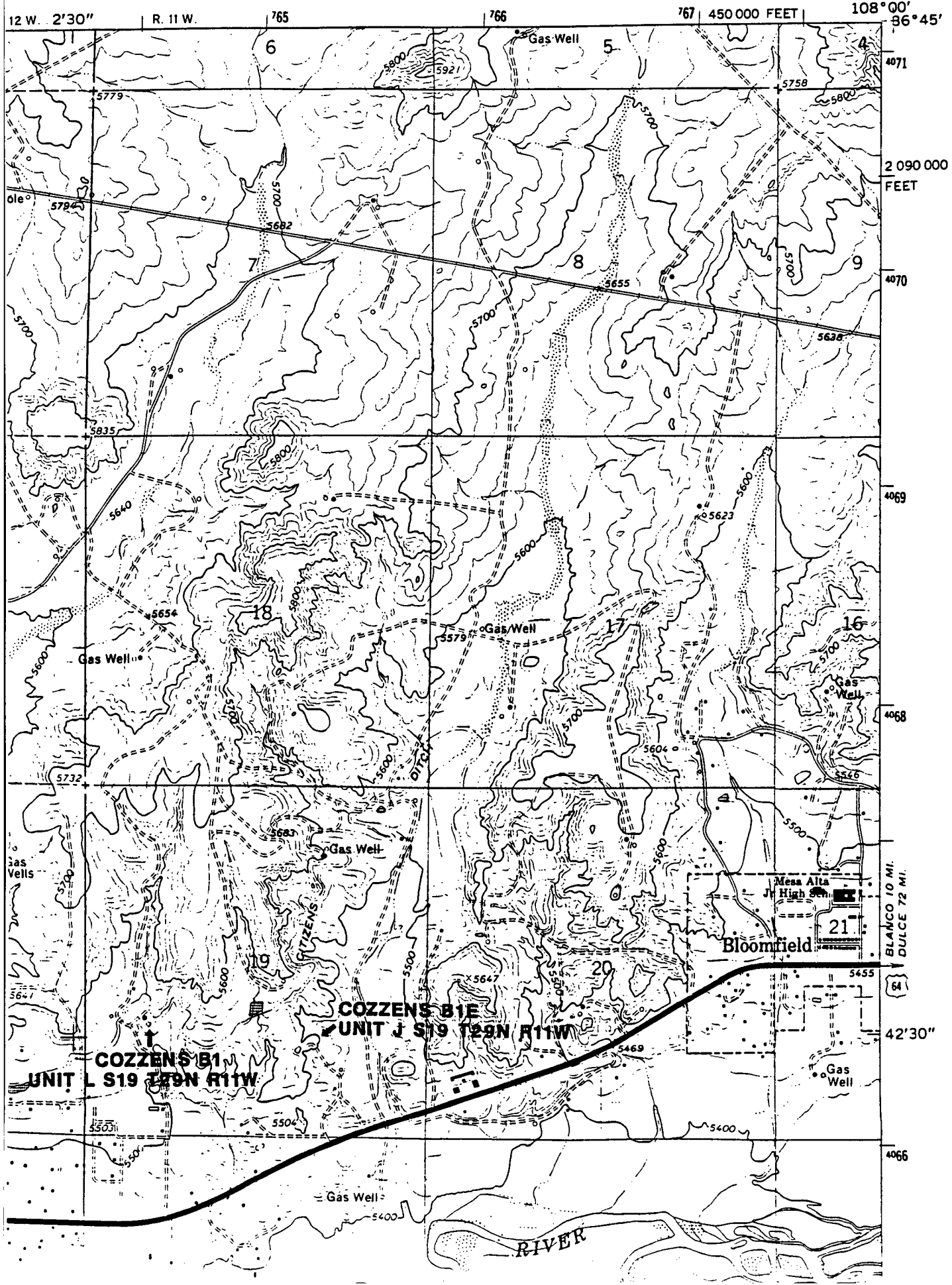
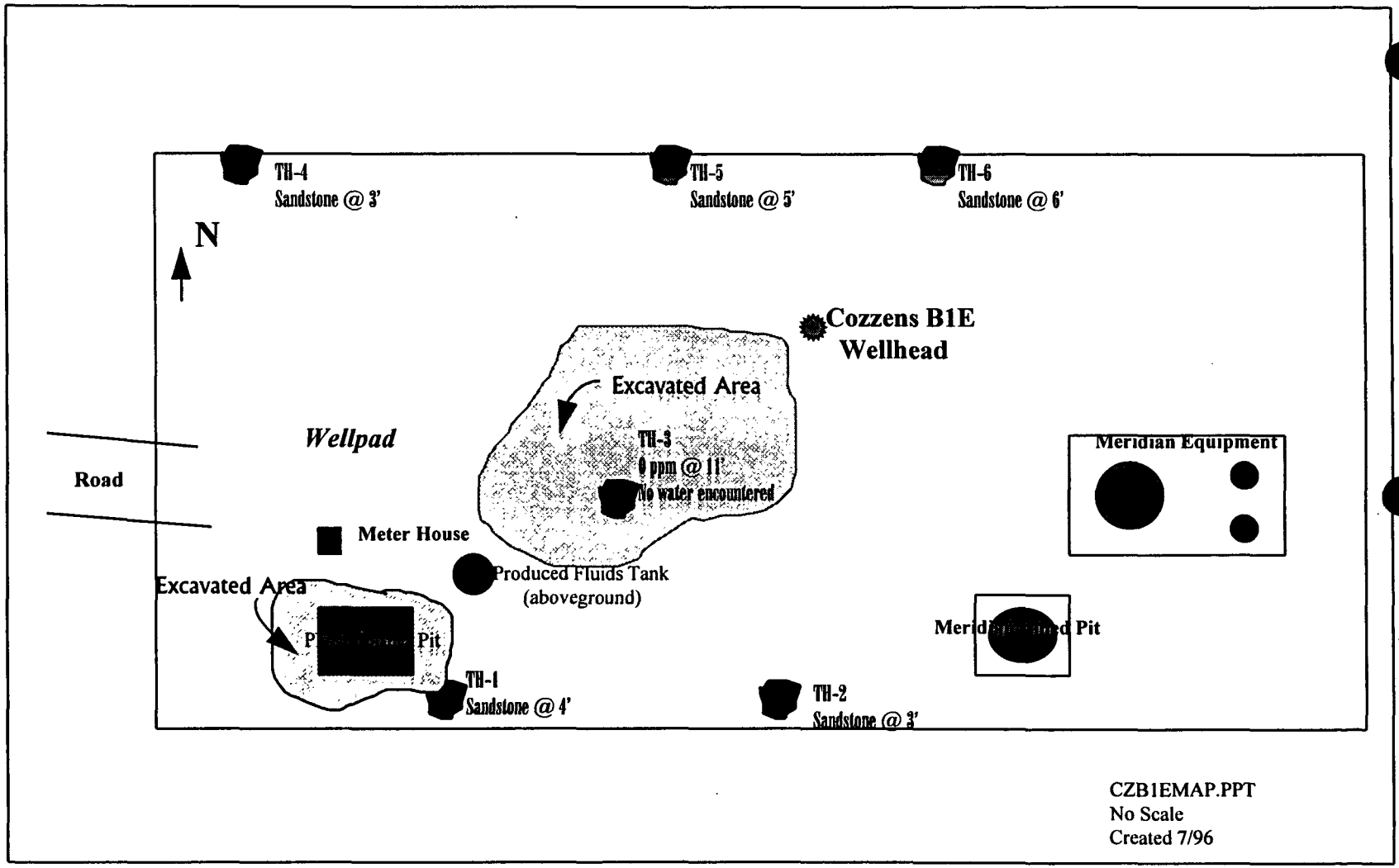


Figure 2. Cozzens B1E Well Site Testhole Locations



Public Service Company
of New Mexico
Alvarado Square, MS-0806
Albuquerque, NM 87158
505 241-4538
FAX 505 241-2338

Colin L. Adams
Corporate Counsel

PNM

January 3, 1996

Denny G. Foust
Deputy Oil & Gas Inspector
OCD - Aztec Office
1000 Rio Brazos Road
Aztec, NM 87410

Re: Groundwater and Soil Impacts at the Meridian Cozzens B#1, Cozzens B#1E and the Amoco McCoy A#1A, San Juan County

Dear Mr. Foust:

Please find enclosed a duplicate original of our December 28, 1995 letter to you concerning the above matter. Our letter was in response to your December 15, 1995 letter. Unfortunately, our letter was addressed to you at the Santa Fe office of the OCD. We sincerely apologize for having misdirected that letter and for any inconvenience that such error may have caused.

Sincerely,

Colin L. Adams
Environmental Counsel

cc: Toni Ristau, PNM Environmental
Denver Bearden, PNMGS Operations
Maureen Gannon, GCL
Bill Olson, OCD

Public Service Company
of New Mexico
Alvarado Square, MS-0806
Albuquerque, NM 87158
505 241-4538
FAX 505 241-2338

L. Adams
Corporate Counsel

December 28, 1995

Denny G. Foust
Environmental Geologist
Oil Conservation Division
P.O. Box 6429
Santa Fe, New Mexico

Re: Groundwater and Soil Impacts at the Meridian Cozzens B#1, Cozzens B#1E and the Amoco McCoy A#1A, San Juan County

Dear Mr. Foust:

I received a copy of your December 15, 1995 letter to Denver Bearden of PNM Gas Services ("PNMGS") in connection with the above matter. After reading it, we felt that a response was necessary so that the record, from our perspective, is clear.

First, contrary to what seems to be implied in your letter, PNMGS is not the "designated responsible party." The position of PNMGS is that either it has no liability for remediating the soil and groundwater in question or it shares liability with other parties. Put more directly, PNMGS' position is that the liable parties are the producers. PNMGS does have an agreement with Williams Field Services ("WFS") resulting from the sale of the gas assets, which addresses the question of who, as between PNMGS and WFS, is responsible for responding to directives from environmental regulatory authorities. However, that agreement does not constitute an admission of liability or responsible party designation by PNMGS. Even though it is PNMGS' position that it is not the responsible party, PNMGS will commence remedial activities per your direction. The responsible parties can be pursued later, and PNMGS specifically reserves any rights it may have to seek recovery from such responsible parties

Though PNMGS will commence remedial activities as expeditiously as possible, your January 15, 1996 deadline for commencement of active remediation at Amoco McCoy A#1A, and for definition of the plumes at the other two well sites may be unrealistic. To perform the nature of the work required, PNMGS has to obtain rights of access from the producer and/or lessee, as well as the landowners involved, which may possibly include adjoining landowners. PNMGS is working diligently to obtain these rights, but cannot guarantee that they will be obtained in time for PNMGS to commence remedial activities on January 15.

Secondly, we point out that the soil and groundwater contamination is not due to "gas transporter equipment malfunctions" at the sites in question. As you are aware, until recently, when certain regulatory schemes were put in place, it was standard operating procedure in the natural gas industry to discharge fluids into unlined pits. This practice in fact continues in areas that are not within the OCD vulnerable areas. Also, we wish to point out that in most cases, the dehy and separator pits are ahead of the meter, so the fluids that were discharged into the pits were the property of and the responsibility of the producer, not the transporter. The pits are generally located on the producer's leasehold, and not upon any easement or right-of-way of the transporter. Further, it is likely that other pits, equipment discharges, spills, etc., other than those alleged to have been from the "transporter's equipment" at these sites have also contributed to groundwater contamination, as there are commonly multiple pits located at these sites over time. Again, we do not wish to split hairs on the issue of responsible party designation at this time, but we want to preserve any rights of cost recovery that we may have from other parties who are wholly or partially responsible for contributing to groundwater contamination at these sites. We also wish to encourage OCD's solicitation of other parties who may have responsibilities for cleanup to actively participate in or share the cost of any remediation that PNMGS may undertake at these sites.

Thank you for your time. If you have any questions concerning the points that I have set out, please call me at (505) 241-4538.

Sincerely,

Colin L. Adams
Environmental Counsel

cc: Toni Ristau, PNM Environmental
Denver Bearden, PNMGS Operations
Leigh Gooding - WFS Environmental, Salt Lake City
Bill Liess, BLM

NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
GOVERNOR

JENNIFER A. SALISBURY
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178 FAX: (505) 334-6170

RECEIVED
95 DEC 18 AM 8 52

Certified: P 987 892 160

December 15, 1995

Denver Bearden
Administrator III PNM Gas Services
603 West Elm Street
Farmington NM 87401

RE: Groundwater and Soil Impacts at the Meridian Cozzens B #1, Cozzens B #1E and the Amoco Mc Coy A #1A all in San Juan County, New Mexico

Dear Mr. Bearden:

PNM Gas Services remains the designated responsible party, through agreement with Williams Field Services, for remediating soil and groundwater contaminated due to gas transporter equipment malfunctions at the above sites.

All three sites have soil and groundwater contamination exceeding State standards. Due to its location near residences and a domestic water well, PNM Gas Services should start active remediation at the Amoco McCoy A #1A, F-18-T31N-R10W, by January 15, 1996. PNM Gas Services needs to define the contamination plumes at the Meridian Cozzens B #1, L-19-T29N-R11W and Cozzens B #1E, J-19-T29N-R11W, by January 15, 1996, due to their locations near residences. PNM Gas Services at all three sites will have soil remediation essentially completed and groundwater remediation definitely in the active mode by April 1, 1996.

Please feel free to contact me at 505-334-6178 if you have questions.

Yours truly,

Denny Foust

Denny G. Foust
Environmental Geologist

XC: DGF File
Environmental File
Bill Olson
Leigh Gooding-WFS
Bill Liess-BLM

Public Service Company
of New Mexico
Alvarado Square MS. 0408
Albuquerque, NM 87158

December 5, 1995

Mr. William Olson, Hydrogeologist
Environmental Bureau
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

RE: GROUNDWATER RELEASE AT THE COZZEN B1 AND COZZEN B1E

Dear Mr. Olson:

Pursuant to New Mexico Water Quality Control Commission (WQCC) Regulations, section 1-203, PNM hereby provides written notification of two separate groundwater releases, one at the Cozzen B1 well site and the other at the Cozzen B1E well site. Both sites are operated by Meridian Oil Company and are located between Farmington and Bloomfield, New Mexico in section 19, township 29 north, range 11 west, unit J. The sites are located downgradient of Citizen's Ditch, within 1/4 mile of each other, but do not share the same well pad.

On November 20, 1995, field personnel collected groundwater samples from approximately three feet below ground surface in the Cozzen B1 pit and at approximately two feet below ground surface in the Cozzen B1E pit. Groundwater samples were delivered to OnSite Technologies, Ltd., for laboratory analysis. Analytical results are provided below:

Component	Units	WQCC Stds. (ppb)	Cozzen B1 Results (ppb)	Cozzen B1E Results (ppb)
Benzene	ppb	10	**12,149.4**	**4,992.4**
Toluene	ppb	750	**20,922.7**	**7,709.8**
Ethylbenzene	ppb	750	**1,448.8**	93.4
Xylenes	ppb	620	**18,266.4**	**8,708.9**

Boldtype indicates a WQCC exceedance.

A hardcopy of the analytical results are attached.

This written transmittal follows verbal notification provided by PNM's representative to OCD on Friday, December 1, 1995 regarding the Cozzen B1 and on Tuesday, December 5, 1995 concerning the Cozzen B1E. PNM will develop a groundwater investigation/remediation workplan and submit it to OCD for approval prior to further activities at either site. If you have any questions, please call me at (505) 241-2974.

Sincerely,

Maureen D. Gannon
Contract Project Manager

olson02.ltr

Attachment

cc: C. Adams, PNM
D. Bearden, PNMGS
D. Foust, OCD-Aztec
T. Ristau, PNM

OFF: (505) 325-8786

ON SITE TECHNOLOGIES, LTD.

LAB: (505) 325-5667

AROMATIC VOLATILE ORGANICS

Attn:	*Maureen Gannon*	Date:	22-Nov-95
Company:	*PNM Gas Servies*	*COC No.:*	*3705*
Address:	*Alevardo Square, Mail Stop 0408*	*Sample No.*	*9332*
City, State:	*Albuquerque, NM 87158*	*Job No.*	*2-1000*

Project Name:	***PNM Gas Services - Cozzen 1B***				
Project Location:	***Cozzen 1B - 9511201100***				
Sampled by:	MS	Date:	20-Nov-95	Time:	11:00
Analyzed by:	DC	Date:	21-Nov-95		
Type of Sample:	*Liquid*				

Aromatic Volatile Organics

Component	*Result*	*Units of Measure*	*Detection Limit*	*Units of Measure*
Benzene	12149.4	*ug/L*	0.2	*ug/L*
Toluene	20922.7	*ug/L*	0.2	*ug/L*
Ethylbenzene	1448.8	*ug/L*	0.2	*ug/L*
m,p-Xylene	15389.4	*ug/L*	0.2	*ug/L*
o-Xylene	2877.0	*ug/L*	0.2	*ug/L*
TOTAL	52787.3	*ug/L*		

Method - *SW-846 EPA Method 8020 Aromatic Volatile Organics by Gas Chromatography*

Approved by: DaG

Date: 11/22/95

OFF: (505) 325-8786

ON SITE TECHNOLOGIES, LTD.

LAB: (505) 325-5667

AROMATIC VOLATILE ORGANICS

Attn:	*Maureen Gannon*	Date:	22-Nov-95
Company:	*PNM Gas Servies*	*COC No.:*	*3705*
Address:	*Alevardo Square, Mail Stop 0408*	*Sample No.*	*9333*
City, State:	*Albuquerque, NM 87158*	*Job No.*	*2-1000*

Project Name:	***PNM Gas Services - Cozzen 1BE***				
Project Location:	***Cozzan 1BE - 9511201130***				
Sampled by:	MS	Date:	20-Nov-95	Time:	11:30
Analyzed by:	DC	Date:	21-Nov-95		
Type of Sample:	*Liquid*				

Aromatic Volatile Organics

Component	*Result*	*Units of Measure*	*Detection Limit*	*Units of Measure*
Benzene	4992.4	*ug/L*	0.2	*ug/L*
Toluene	7709.8	*ug/L*	0.2	*ug/L*
Ethylbenzene	93.4	*ug/L*	0.2	*ug/L*
m,p-Xylene	7123.3	*ug/L*	0.2	*ug/L*
o-Xylene	1585.6	*ug/L*	0.2	*ug/L*
TOTAL	21504.5	*ug/L*		

Method - *SW-846 EPA Method 8020 Aromatic Volatile Organics by Gas Chromatography*

Approved by: Jack

Date: 11/22/95

OFF: (505) 325-8786

ON SITE TECHNOLOGIES, LTD.

LAB: (505) 325-5667

QUALITY ASSURANCE REPORT

for EPA Method 8020

Date Analyzed: 21-Nov-95

Internal QC No.: 0419-STD
Surrogate QC No.: 0420-STD
Reference Standard QC No.: 0355-STD

Method Blank

Analyte	Result	Units of Measure
Average Amount of All Analytes In Blank	<0.2	ppb

Calibration Check

Analyte	Units of Measure	True Value	Analyzed Value	% Diff	Limit
Benzene	ppb	20.0	19.3	3	15%
Toluene	ppb	20.0	19.8	1	15%
Ethylbenzene	ppb	20.0	19.6	2	15%
m,p-Xylene	ppb	40.0	40.2	0	15%
o-Xylene	ppb	20.0	19.4	3	15%

Matrix Spike

Analyte	1- Percent Recovered	2 - Percent Recovered	Limit	%RSD	Limit
Benzene	97	93	(39-150)	3	20%
Toluene	78	71	(46-148)	7	20%
Ethylbenzene	83	86	(32-160)	3	20%
m,p-Xylene	84	78	(35-145)	5	20%
o-Xylene	90	87	(35-145)	2	20%

Surrogate Recoveries

Laboratory Identification	S1 Percent Recovered	S2 Percent Recovered
Limits	(70-130)	
9333-3705	95	

S1: Flourobenzene

CHAIN OF CUSTODY RECORD

3705

ON SITE TECHNOLOGIES, LTD.

657 W. Maple • P. O. Box 2606 • Farmington NM 87499
LAB: (505) 325-5667 • FAX: (505) 325-6256

Date: 11/20/95

Page 1 of 1

Purchase Order No.: | Job No.

SEND INVOICE TO

Name: Denver Bearden
Company: PNM Gas Services | Dept. 324-3763
Address: 603 W. Elm Street
City, State, Zip: Farmington, NM 87401

REPORT RESULTS TO

Name: Maureen Gannon | Title:
Company: PNM Gas Services
Mailing Address: Alverado Square, Mail Stop 0408
City, State, Zip: Albuquerque, NM 87158
Telephone No.: 505-848-2974 | Telefax No.:

Sampling Location: Cozzen 1B
Cozzen 1BE

Sampler: Mark Sikulians

ANALYSIS REQUESTED

SAMPLE IDENTIFICATION	SAMPLE DATE	SAMPLE TIME	MATRIX	PRES.	Number of Containers	BTEX 8020	LAB ID
Cozzen 1B 9511201100	11/20/95	1100	Aqueous	$HgCl_2$	2	X	9332-3705
Cozzen 1BE 9511201130	11/20/95	1130	Aqueous	$HgCl_2$	2	X	9333-3705

Relinquished by:	Date/Time 11/21/95 1510	Received by:	Date/Time 11/21/95 1510
Relinquished by:	Date/Time	Received by:	Date/Time
Relinquished by:	Date/Time	Received by:	Date/Time

Method of Shipment:

Authorized by: _____ Date 11/21/95
(Client Signature Must Accompany Request)

Rush	24-48 Hours	10 Working Days	Special Instructions:
			Results to be sent to both parties.

Distribution: White - On Site Yellow - LAB Pink - Sampler Goldenrod - Client