

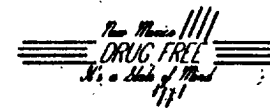


BRUCE KING
GOVERNOR

STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DIVISION
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

ANITA LOCKWOOD
CABINET SECRETARY

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



July 20, 1993

BCO, Inc.
135 Grant
Santa Fe, NM 87501

RE: Illegal Pits in Northwestern New Mexico

To Whom It May Concern:

New Mexico Oil Conservation Order R-8952 (for the protection of migratory birds) became effective June 15, 1989 and states that all pits and open top tanks more than 16' in diameter shall be screened, netted or covered. Field inspections conducted by Jackie Neckels from the BLM revealed that several BCO pits listed on the attached paper require compliance.

Exception to the order may be requested for pits which do not generally contain hydrocarbons, by filing Form C-134. No requests for exceptions have been received in this office for these dry pits. Also noted on the attached list are several unnetted pits which contained fluid and/or hydrocarbons.

You are hereby directed to submit exceptions for all dry pits to this office by August 20, 1993 and remove all fluid and properly net the remaining pits by September 3, 1993. If you have any questions please feel free to call me at 505-334-6178.

Sincerely,

Dianna K. Fairhurst

Dianna K. Fairhurst
Deputy Oil & Gas Inspector

xc: Well File
C-134 File
Jackie Neckels - BLM

BCO, Inc.

State H #7 Tank Battery

F-02-23N-07W

Inspected 5/27/93

1. Separator earthen pit contained water only, no net. Requires a C-134 exception.

Dunn #9, 10, 11 Unit A Tank Battery

03-23N-07W

Inspected 5/25/93

1. Large earthen pit approximately 24'x15' contained water and hydrocarbons with heavily stained soils around pit, no net. Requires cleaning and netting.

Bobby B #1

B-31-24N-06W

Inspected 5/25/93

1. Old earthen pit behind production tank, no longer in use filled with sage, no net. Pit needs to be scheduled for closing, until such time requires a C-134 exception.

Bobby B #3 & 4 Tank Battery

E-31-24N-06W

Inspected 5/25/93

1. Separator earthen pit contained water and fencing material, no net. Requires cleaning and netting.

Byrd #1

A-23-24N-07W

Inspected 6/8/93

1. Earthen pit below wellhead dry, no net. Pit is no longer in use and needs to be scheduled for closing, until such time requires a C-134 exception.
2. Separator/Production Tank contained water and hydrocarbons, no net. Requires cleaning and netting.

Kenny Compressor

J-23-24N-07W

Inspected 6/8/93

1. Separator earthen pit contained hydrocarbons, no net. Requires cleaning and netting.
2. Production Tank/Compressor earthen pit contained hydrocarbons, no net. Requires cleaning and netting.

Byrd #5

O-23-24N-07W

Inspected 6/8/93

1. Separator/Production Tank earthen pit contained water and paraffin skim, no net. Requires cleaning and netting.

Federal 2-26 #1 Tank Battery

26-24N-07W

Inspected 6/8/93

1. Separator earthen pit contained water and paraffin skim, no net. Requires cleaning and netting.

Lybrook 7-27 #2

I-27-24N-07W

Inspected 6/8/93

1. Abandoned pit contained some standing water only, no longer in use and needs to be scheduled for closing, until such time requires a C-134 exception.