



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

TONEY ANAYA  
GOVERNOR

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

February 19, 1986

Mr. John Gould  
Environmental Improvement Div.  
Water Quality Bureau  
P.O. Box 986  
Santa Fe, NM 87504-0968

Re: Mallon Oil Co., Howard Federal 11 #1 well  
Rio Arriba County, N.M.

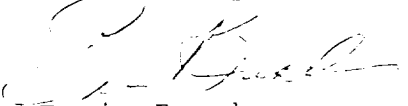
Dear Mr. Gould:

On Wednesday October 30th, 1985, Carolyn Taplin and I, followed up on a complaint from a Mrs. Georgia Davis concerning the referenced well. We found excessive oil on the ground around the separator and in the trees to the North of the location. The separator pit was completely full and running over with oil. I surmise what happened was that the separator was too small for the well and kicked out the water seal and ran oil to the separator pit, the operator then by-passed the separator and produced directly to the production tanks. The oil surged into the tanks and blew out of the top of the tanks through the thief hatch and sprayed the location and trees.

Since the well is a federal well, I contacted the B.L.M. and they asked me to contact the operator. I attempted several telecoms and followed up with the attached letter to Kevin Fitzgerald.

This letter is in reply to your telecom of 2-18-86, with Mr. Charles Gholson of this office. If you have any questions, please contact me at this office.

Yours truly,,

  
Ernie Busch  
Geologist III

xc: E. Busch  
Dick Stamets  
B.L.M.  
Well File  
Operator File