



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 24, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. Z-235-437-321

Mr. Tom Evans
Manana Gas, Inc.
2520 Tramway Terrace Court NE
Albuquerque, New Mexico 87122

RECEIVED
AUG 27 1998
OIL CON. DIV.
DIST. 3

RE: FINAL SAN JUAN BASIN PIT CLOSURE REPORT

Dear Mr. Evans:

The New Mexico Oil Conservation Division (OCD) has reviewed Manana Gas, Inc.'s (Manana) May 20, 1998 "MANANA GAS, INC., BOBBY HERRERA NO. 1, NE/4 SW/4 (K) SEC 4 - T29N - R11W, SAN JUAN COUNTY, NEW MEXICO, REQUEST FOR CLOSURE OF BLOWDOWN AREA" which was submitted on behalf of Manana by their consultant Blagg Engineering, Inc. This document contains the results of Manana's pit closure activities for an unlined oil and gas production pit in the San Juan Basin.

The pit closure/soil remediation activities conducted at the site listed below are **approved**.

1. Bobby Herrera #1 (Blowdown pit) Unit K, Sec. 04, ^{30N}~~T29N~~, R11W.

Please be advised that OCD approval does not relieve Manana of liability if remaining contaminants are found to pose a future threat to surface water, ground water, human health or the environment. In addition, OCD approval does not relieve Manana of responsibility for compliance with any other federal, state, tribal or local laws and regulations.

If you have any questions, please call me at (505) 827-7154.

Sincerely,

William C. Olson
Hydrologist
Environmental Bureau

xc: Denny Foust, OCD Aztec District Office
Jeffery C. Blagg, Blagg Engineering, Inc.