



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

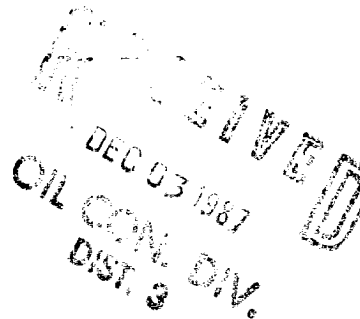
GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

December 1, 1987

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Robert C. Frank
Permit Coordinator
Union Texas Petroleum
375 U.S. Highway 64
Farmington, New Mexico 87401



RE: Quinn 10 Lined Evaporation Pit
Section 19-T31N-R8W
San Juan County, New Mexico

Dear Mr. Frank:

The Oil Conservation Division has reviewed the plans and specifications in your application for the above referenced lined evaporation pit. The design specifications submitted are acceptable and your application is hereby approved with the following conditions:

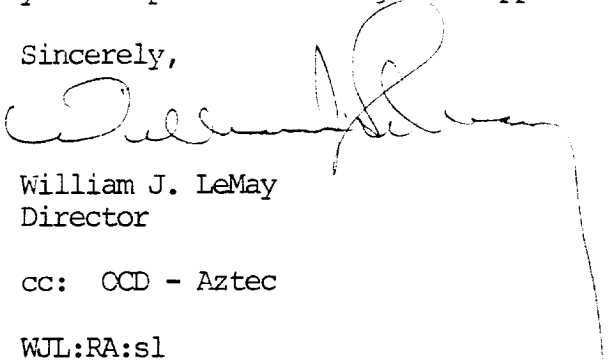
1. The leak detection sump shall be inspected monthly for the presence of fluid. If fluid is observed, the Oil Conservation Division will be notified, a sample taken and analyzed, and the results, along with proposed corrective actions, if necessary will be supplied to the Oil Conservation Division.
2. The pit berms will be inspected for integrity monthly and immediately following any significant rainfall event.

The approved application consists of the application dated September 10, 1987 and materials dated October 6, 1987, submitted as supplements to the application. The application was submitted pursuant to Oil Conservation Commission Order 7940-A and approved pursuant to that order. Any modification of the facility or disposal of wastes not identified in the application or specifically approved must be submitted to the Oil Conservation Division for review. Please be advised that the approval of this disposal facility does not relieve you of liability should your operation result in actual pollution of surface or groundwaters which may be actionable under laws and/or regulations.

The Oil Conservation District Office in Aztec shall be notified at least 24 hours in advance of primary and secondary liner installation to allow for the opportunity of an Oil Conservation Division representative to witness the installation.

On behalf of the staff of the Oil Conservation Division, I wish to thank you for your cooperation during this application review.

Sincerely,

A handwritten signature in dark ink, appearing to read 'William J. LeMay', is written over a horizontal line. A long, thin vertical line extends downwards from the end of the signature.

William J. LeMay
Director

cc: OCD - Aztec

WJL:RA:sl