

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

November 6, 1998

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



RE: Burlington Hampton 4M Well

Dear Bill:

This letter serves as written notification that Public Service Company of New Mexico ("PNM") will file a soil and groundwater closure report of PNM's former pit at the Hampton 4M well site. Burlington Resources' impending soil excavation at the site, scheduled for Tuesday, November 10, 1998, will destroy PNM's groundwater monitoring well network on site and interrupt our ongoing activities related to groundwater monitoring and free product recovery. PNM learned on Thursday, November 5, 1998, that our product recovery system in MW-6 was shut off sometime earlier in the week and removed without our knowledge or permission. Given Burlington's recent activities and plans for extensive soil removal next week, PNM must conclude that Burlington has assumed total responsibility and control of this site. These actions absolutely preclude PNM from conducting any further operations under its existing groundwater management plan as approved by OCD at the Hampton 4M. It would be pointless for PNM to conduct any further investigations or install and operate another remediation system at the site, given that another entity has been allowed to come in and negate all work done at the site, ignore the data collected, and frustrate the achievement of the objectives of PNM's OCD-approved remediation program. We must further assume that, since PNM completely remediated all contamination that could conceivably have come from its prior operations months ago, and since substantial free product and other contamination have been detected by both PNM and Burlington upgradient from PNM's former pit, PNM's obligations at this site are terminated, and submittal of a closure report is now appropriate.

You may expect our closure report on Friday, November 13, 1998. If you have any questions, please call me at (505) 241-2974.

Sincerely,

A handwritten signature in cursive script, appearing to read "Maureen Gannon".

Maureen Gannon
Project Manager

cc: Colin Adams, PNM
Richard Alvidrez, Keleher & McLeod
Denny Foust, OCD-Aztec Office
Ed Hasely, Burlington Resources
Bill VonDrehle, WFS

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