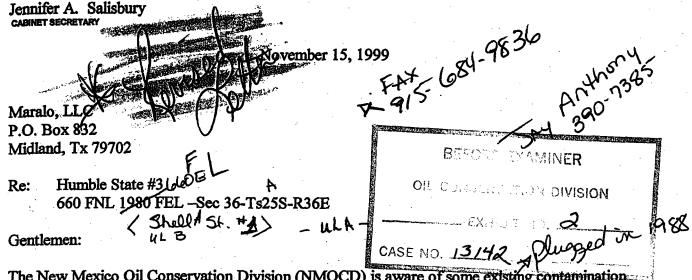


NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION DISTRICT | HOBBS PO BOX 1980, Hobbs, NM 88241 (505) 393-6161 FAX (506) 393-0720



The New Mexico Oil Conservation Division (NMOCD) is aware of some existing contamination at the location mentioned above. The last well was P&A'd December 11, 1989. Upon abandoning the last well on the lease, the tank battery site associated should have been cleared and the remaining contamination remediated. In the New Mexico Rules and Regulations, Rule 202.B (d) states after the completion of plugging operations the operator shall: take such other measures as are necessary or required by the Division to restore the location to a safe and clean condition. Also in Rule 19.B, Abatement Standards and Requirements states that the vadose zone shall be abated so that water contaminants in the vadose zone will not with reasonable probability contaminate ground water or surface water, in excess of the standards through leaching, percolation, or other transport mechanisms, or as the water table elevation fluctuates.

Due to the contamination at the above referenced location the NMOCD hereby requests for the following:

- 1. Maralo perform vertical and horizontal extent at the above referenced location.
- 2. Maralo perform a site assessment and determine cleanup standards, using the guidelines for assistance.
- Maralo submit to the NMOCD a site assessment and/or a remediation plan by December 1 1999 for approval.
- 4. Provide to NMOCD a verification of the legals of tank battery locations involved. (UL -S-Ts-R)

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If you have any further questions, or need any assistance please do not hesitate to write or call me at (505)393-6161 ext...113.

Sincerely,

Donna Williams

Environmental Engineer Specialist

Cc: Wayne Price; Chris Williams;

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