

NEW MAXICO ENERGY, MIL ERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

May 2, 2003

Lori Wrotenbery
Director
Oil Conservation Division

Mr. Dan Watson Watson Treating Plant P.O. Box 75 Tatum, NM 88267

Re:

CLOSURE OF WATSON TREATING PLANT

Section 12, Township 8 South, Range 34 East, NMPM, Lea County, New Mexico permitted by Order No. R-6095 issued in Case No. 6616, under date of September 10, 1979.

Dear Mr. Watson:

The New Mexico Oil Conservation Division (OCD) is in receipt of Watson Treating Plant's (Watson) closure report dated March 20, 2003 for the treating plant at the above-referenced location. Based on the closure report with photos and "Proof of Test Holes Report" dated February 3, 2003 The OCD has determined that the treating plant location has been remediated to OCD standards and the site has been restored. The OCD hereby approves of the closure of Watson Treating Plant.

Please be advised that OCD approval does not relieve Watson of liability should any remaining contaminants result in pollution of the ground water, surface water or the environment. In addition, OCD approval does not relieve Watson of the responsibility for compliance with other federal, state, or local laws and/or regulations.

If you have any questions please contact me at 505-476-3488.

Sincerely.

Martyne Kieling

Environmental Geologist

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OCD Hobbs Office