GIL GONGERVATION DIVISIO AZTEO DISTRICT OFFICE 1900 RID GRAZDE ROAD AZTEO, NEW MEZICO 67416 (400) 324-0178 FOE (400)334-0

JENNIPER A. SALUSURY CASINET SECRETARY

GARY E. JOHNSON

Certificate # P-471-215-187

April 8, 1997

Burlington Oil & gas Resources Company Attn Craig Bock PO Box 4289 Farmington NM 87499

RE: Burlington Oil & Gas Resources Company, Hampton #4M\_1-13-30N-11W, 30-045-25810.

Dear Mr. Bock:

This letter replaces the letters of March 4 and 5, 1997, and shows the correct well, the Hampton #4M. The previous letters erroneously referred to the #1 well.

PNM Gas Services has identified groundwater impacts on this location near the production battery which are not related to PNM Gas Services activities. This groundwater impact is up gradient from PNM Gas Services activities. Apparently the groundwater impact on the Southeast corner of this location is related to Burlington's activities at the tank drain pit and production pit. Burlington is directed to address the cause and extent of the groundwater impact related to the tank drain pit and production pit on the Hampton #1 location. The Oil Conservation Division encourages cooperation between operators to alleviate the cost of remediation. Burlington will initiate activities by April 15, 1997.

Please feel free to contact this office if you have questions.

Yours truly,

Denny G. Foust

Environmental Geologist

XC:

**Environmental File** 

DGF File

Well File

Bill Olson-Santa Fe

EXHIBIT PNM 29