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STATE OF NEW MEXICO

ENERGY, MINÉRALS AND NATURAL RESOURCES DE ARTMENT

DIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

August 27, 1997

RECEIVED SEP 0 3 1997

CERTIFIED MAIL RETURN RECEIPT NO. P-410-431-214

Ms. Maureen Gannon
PNM
Alvarado Square, MS 0408
Albuquerque, New Mexico 87158

RE: GROUND WATER CONTAMINATION

HAMPTON 4M WELL SITE

Dear Ms. Gannon:

The New Mexico Oil Conservation Division (OCD) has recently reviewed Burlington Resources' (BR) August 1997 "BURLINGTON RESOURCES OIL & GAS CO. DATA SUMMARY, HAMPTON 4M PRODUCTION LOCATION". This document contains a summary of BR's recent investigation of soil and ground water contamination at BR's Hampton 4M well site near Aztec, New Mexico.

A review of the above referenced document shows that soil and ground water contamination upgradient of PNM's former dehydration pit appears to be a result of production activities related to BR's Hampton 4M well site. However, free phase product contamination of ground water in the vicinity of the dehy unit appears to be the result of disposal practices at PNM's former unlined dehy pit. Therefore, the OCD requires that PNM address soil and ground water contamination at PNM's former dehy pit and downgradient of the pit under PNM's "GROUNDWATER MANAGEMENT PROGRAM FOR UNLINED SURFACE IMPOUNDMENT CLOSURES".

If you have any questions, please call me at (505) 827-7154.

Sincerely,

William C. Olson Hydrogeologist

Environmental Bureau

xc: Denny Foust, OCD Aztec District Office

Craig A. Bock, Burlington, Resources

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