

3R - 353

**GENERAL
CORRESPONDENCE**

YEAR(S):
2002-1999

3R353

RICHARDSON PRODUCTION COMPANY

3100 La Plata Highway
Farmington, New Mexico 87401 (505) 564-3100
Fax (505) 564-3109

August 30, 2002

State of New Mexico OCD
Attn: Denny Foust
1000 Rio Brazos Road
Aztec, NM 87410

RECEIVED

SEP 10 2002

**ENVIRONMENTAL BUREAU
OIL CONSERVATION DIVISION**

Re: Richardson Operating Company
Groundwater Analysis
Lobo Hatch #1

Dear Mr. Foust,

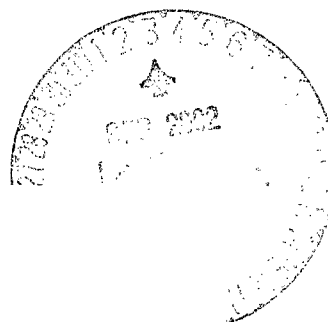
Enclosed are the analytical results for the groundwater sample collected from the Lobo Hatch #1 location. The sample was retrieved from a PVC pipe set into the ground for the purpose of providing access to the water. The sample was preserved in a cooler and immediately transported to Envirotech for analysis.

If you should have any questions, please feel free to contact me at the above telephone number.

Regards,



Drew Carnes
Operations Manager



Bill Olson,
This is the groundwater analysis that
was due in May, 2001. The sample
was a requirement in your letter
to Richardson. This incident happened
about 3yrs ago. Ernie Busch did
the investigation.

WJZ

ENVIROTECH LABS

PRACTICAL SOLUTIONS FOR A BETTER TOMORROW

August 30, 2002

Mr. Drew Carnes
Richardson Operating
3100 La Plata
Farmington, NM 87401

Phone: (505) 564-3100

Fax: (505) 564-3109

Project No.: 98094-001

Dear Mr. Carnes,

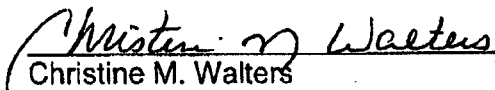
Enclosed are the analytical results for the sample collected from the location designated as "LOBO Hatch No 1". One water sample was collected by Richardson Operating designated personnel on 8/28/02, and received by the Envirotech laboratory on 8/28/02 for BTEX per USEPA 8021.

The sample was documented on Envirotech Chain of Custody No. 10203 and assigned Laboratory No. 23688 (LOBO Hatch No 1) for tracking purposes.

The sample was analyzed on 8/30/02 using USEPA or equivalent methods.

Should you have any questions or require additional information, please do not hesitate to contact us at (505) 632-0615.

Respectfully submitted,
Envirotech, Inc.


Christine M. Walters
Laboratory Coordinator / Environmental Scientist

enc.

CMW/cmw

C:/files/labreports/Rich.wpd

Client:	Richardson Operating	Project #:	98094-001
Sample ID:	LOBO Hatch No 1	Date Reported:	08-30-02
Chain of Custody:	10203	Date Sampled:	08-28-02
Laboratory Number:	23688	Date Received:	08-28-02
Sample Matrix:	Water	Date Analyzed:	08-30-02
Preservative:	Cool	Analysis Requested:	BTEX
Condition:	Cool & Intact		0

Parameter	Concentration (ug/L)	Dilution Factor	Det. Limit (ug/L)
Benzene	0.3	1	0.2
Toluene	1.4	1	0.2
Ethylbenzene	0.6	1	0.2
p,m-Xylene	4.4	1	0.2
o-Xylene	1.1	1	0.1

Total BTEX 7.8

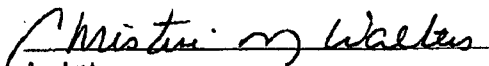
ND - Parameter not detected at the stated detection limit.

Surrogate Recoveries:	Parameter	Percent Recovery
	fluorobenzene	97 %
	1,4-difluorobenzene	97 %
	4-bromochlorobenzene	97 %

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.

Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments:


Analyst


Review



Client: N/A
Sample ID: 08-30-BTEX QA/QC
Laboratory Number: 23688
Sample Matrix: Water
Preservative: N/A
Condition: N/A

Project #: N/A
Date Reported: 08-30-02
Date Sampled: N/A
Date Received: N/A
Date Analyzed: 08-30-02
Analysis: BTEX

Calibration and Detection Limits (ug/L)	E-Cal RF	C-Cal RF	%Diff	Blank Conc	Detect Limit
		Accept: Range 0.5-1.5%			
Benzene	2.6914E-002	2.6968E-002	0.20%	ND	0.2
Toluene	3.3709E-002	3.3716E-002	0.02%	ND	0.2
Ethylbenzene	5.8262E-002	5.8379E-002	0.20%	ND	0.2
p,m-Xylene	7.1891E-002	7.1905E-002	0.02%	ND	0.2
o-Xylene	5.4522E-002	5.4686E-002	0.30%	ND	0.1

Duplicate Conc. (ug/L)	Sample	Duplicate	%Diff	Accept Limit
Benzene	0.3	0.3	0.0%	0 - 30%
Toluene	1.4	1.4	0.0%	0 - 30%
Ethylbenzene	0.6	0.6	0.0%	0 - 30%
p,m-Xylene	4.4	4.3	2.3%	0 - 30%
o-Xylene	1.1	1.1	0.0%	0 - 30%

Spike Conc. (ug/L)	Sample	Amount Spiked	Spiked Sample	% Recovery	Accept. Limit
Benzene	0.3	50.0	50.2	99.8%	39 - 150
Toluene	1.4	50.0	51.4	100.0%	46 - 148
Ethylbenzene	0.6	50.0	50.5	99.8%	32 - 160
p,m-Xylene	4.4	100	104	99.9%	46 - 148
o-Xylene	1.1	50.0	51.0	99.8%	46 - 148

ND - Parameter not detected at the stated detection limit.

References: Method 5030B, Purge-and-Trap, Test Methods for Evaluating Solid Waste, SW-846, USEPA, December 1996.
Method 8021B, Aromatic and Halogenated Volatiles by Gas Chromatography Using Photoionization and/or Electrolytic Conductivity Detectors, SW-846, USEPA December 1996.

Comments: QA/QC for sample 23688.

Christine M. Waters
Analyst

0000.788
Review

CHAIN OF CUSTODY RECORD

ENVIROTECH INC.

RICHARDSON OPERATING COMPANY

1700 Lincoln, Suite 1700
Denver, Colorado 80203 (303) 830-8000
FAX (303) 830-8009

NOV 17 2000

November 15, 2000

Mr. Bill Olson
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Via Fax and Mail: (505) 827-8177

Re: Lobo Hatch #1 Spill
Unit C, Section 14-T29N-R15W
San Juan County, NM

Dear Mr. Olson:

In response to your letter dated November 8, 2000, relating to a spill from a gathering line on the captioned location, we would like to advise that the gathering line to the plugged and abandoned well was capped approximately September 1999. The contaminated soil was land farmed on location. The remediated soil was returned to the excavated hole.

We plan to confirm that the site was properly remediated by sampling from a temporary monitor well. Both soil and groundwater will be analyzed in accordance with EPA Methods (Modified) 80-15. Soil will be tested for BTEX and TPH and water tested for BTEX and TDS. The monitor well will be placed at the end of the pipeline where the spill occurred.

Please advise of specific stipulations that are applicable.

Sincerely,

RICHARDSON OPERATING COMPANY

Cathleen Colby

Cathleen Colby
Land Manager



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

November 8, 2000

CERTIFIED MAIL

RETURN RECEIPT NO. 5051-3808

Mr. David Richardson
Richardson Operating Company
1700 Lincoln St., Suite 1700
Denver, Colorado 80203

**RE: NOTICE OF VIOLATION
LOBO HATCH #1 SPILL
KIRTLAND, NEW MEXICO**

Dear Mr. Richardson:

On October 20, 1999 the New Mexico Oil Conservation Division (OCD) sent you a letter requiring that Richardson Operating Company (ROC) provide the OCD with a report on all soil and ground water investigation and remediation actions related to a spill from a gathering line on the location of the Lobo (Lauritsen) Hatch #1 well site located in Unit C, Section 14, Township 29 North, Range 15 West, NMPM, San Juan County, New Mexico. The report was to have been submitted to the OCD by November 3, 1999. The OCD received no response from ROC. On August 16, 2000, the OCD sent a second letter requiring that ROC submit a report on all investigation and remediation actions conducted at the site to date. The report was to required to be submitted to the OCD by August 31, 2000. The OCD again received no response from ROC.

As a result, the OCD is notifying you that ROC is in violation of OCD Rule 116.D. for failing to submit a remediation plan to the OCD for approval. Pursuant to OCD Rule 116.D., the OCD requires that ROC submit a remediation plan to the OCD Santa Fe Office by November 16, 2000 with a copy provided to the OCD Aztec District Office. **Failure to submit a remediation plan will result in the OCD issuing an order requiring compliance and may include civil penalties.** If you have any questions, please call Bill Olson of my staff at (505) 827-7154.

Sincerely,

Roger C. Anderson
Environmental Bureau Chief

xc: Denny Foust, OCD Aztec District Office



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

August 16, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. 5051-3495

Mr. David Richardson
Richardson Operating Company
1700 Lincoln St., Suite 1700
Denver, Colorado 80203

**RE: LOBO HATCH #1 SPILL
KIRTLAND, NEW MEXICO**

Dear Mr. Richardson:

On October 20, 1999 the New Mexico Oil Conservation Division (OCD) sent you a letter requiring that Richardson Operating Company (ROC) provide the OCD with a report on all soil and ground water investigation and remediation actions related to a spill from a gathering line on the location of the Lobo (Lauritsen) Hatch #1 well site located in Unit C, Section 14, Township 29 North, Range 15 West, NMPM, San Juan County, New Mexico. The report was to have been submitted to the OCD Santa Fe Office by November 3, 1999 with a copy provided to the OCD Aztec District Office. The OCD has no record of receiving this report or any response in this matter.

The OCD requires that ROC submit a report on all investigation and remediation actions conducted at the site to date. The report shall be submitted to the OCD Santa Fe Office by August 31, 2000 with a copy provided to the OCD Aztec District Office.

If you have any questions, please call Bill Olson of my staff at (505) 827-7154.

Sincerely,

Roger C. Anderson
Environmental Bureau Chief

xc: Denny Foust, OCD Aztec District Office



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

October 20, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z-274-520-719

Mr. David Richardson
Richardson Operating Company
1700 Lincoln St., Suite 1700
Denver, Colorado 80203

**RE: LOBO HATCH #1 SPILL
KIRTLAND, NEW MEXICO**

Dear Mr. Richardson:

On April 12, 1999 Richardson Operating Company (ROC) had a spill from a gathering line on the location of the Lobo (Lauritsen) Hatch #1 well site located in Unit C, Section 14, Township 29 North, Range 15 West, NMPM, San Juan County, New Mexico. The New Mexico Oil Conservation Division (OCD) Aztec District Office directed ROC to investigate and remediate contamination at the site. OCD field inspections have shown that some soil remedial work was conducted at the site. The inspections also showed that an excavation open to ground water remains at the site and that contaminated soils from the excavation have been stockpiled at the site. In addition, the OCD has no record of ROC filing a final report documenting that investigation and remediation activities were completed in accordance with OCD rules and regulations.

The OCD requires that ROC provide the OCD with a report on all investigation and remediation actions conducted at the site to date. The report shall be submitted to the OCD Santa Fe Office by November 3, 1999 with a copy provided to the OCD Aztec District Office

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

Sincerely,

A handwritten signature in black ink, appearing to read "William C. Olson".

William C. Olson
Hydrologist
Environmental Bureau

xc: Denny Foust, OCD Aztec District Office

Olson, William

From: Foust, Denny
Sent: Thursday, August 12, 1999 8:12 AM
To: Olson, William
Cc: Chavez, Frank
Subject: Richardson Operating Hatch #1 Spill

August 12, 1999

The Lobo (Lauritsen) Hatch #1, C-14-29N-15W, this was a well involved in a bankruptcy and plugged under RFA in 1997. The Gathering system located in the Kirtland area has since been acquired by Richardson operating from Brad Salzman operating as Keystone Energy under Headington Oil Company's bond. A spill was reported by the landowner on April 12, 1999. The gathering line which was not plugged was flowing out onto the location due to some corrosion at an adjacent well. Thompson Engineering as a representative for Richardson excavated the spill for remediation. Ernie Busch re-inspected the site on July 30, 1999, we later talked to John Thompson and explained the water testing necessary and turning of the landf armed material, and soil testing. Mr. Thompson was apparently instructed to do nothing by Richardson. My inspection on August 9, 1999, indicates no attempt at remediating the soil has been made. The groundwater at approximately two feet in depth appears to have some hydrocarbon film and smelling the water indicates some hydrocarbon odors. These problems need to be addressed as well as all abandoned portions of the gathering system (out of service for more than six months need to be purged of hydrocarbons in this semi residential area with shallow groundwater. Comments should be



hatch spill.tif.tiff

addressed to David Richardson 1700 Lincoln Street Suite 1700 Denver, CO 80203.

Non-UIC Inspection Results:

FIELD TRIP TO THE 29N 14W AREA TO INSPECT AN ABANDONED GAS LINE ON THE LOBO HATCH #1 PA SITE. THE OLD GAS LINE WAS NEVER PROPERLY ABANDONED AND RESIDUAL WATER AND OIL LEFT IN THE LINE WAS BLOWN BACK BY THE RICHARDSON OPERATING KIRTLAND #8 WELL INTO A CORROSION HOLE TO SURFACE ON THE HATCH LOCATION. JOHN THOMPSON (AGENT) HAD THE LINE BLANKED AT THE MANIFOLD BUT DID NOT SUCK THE LINE DOWN. JOHN THEN EXCAVATED THE GROUND AROUND THE PIPELINE LEAK AND FARMED THE SOIL ON THE SURFACE, BUT THE EXCAVATION FILLED WITH WATER FROM IRRIGATION AND JOHN WAS WAITING UNTIL IRRIGATING SEASON ENDS BEFORE COVERING THE EXCAVATION. I TOLD JOHN TO TAKE WATER SAMPLES AND HAVE THEM ANALYZED BY EPA METHOD 8015. JOHN CONTACTED RICHARDSON TO LET THEM KNOW THAT THEY WERE NOT FINISHED WITH THE CLEANUP AND THAT THEY NEEDED TO TAKE SAMPLES AND VACCUM OUT THE LINE, DAVID RICHARDSON TOLD JOHN HE WOULD DEAL WITH US. I TALKED TO DENNY FOUST AND HE SAID HE WOULD CONTACT RICHARDSON.

DAVID RICHARDSON

Microsoft Paint

MISHAPS RECORD: 504

DATE OF CALL: 06/12/97 PERSON TAKING THE CALL, LAST NAME: JUCH

OPERATOR: RICHARDSON OPERATIONS CO. CALLER: JOHN THOMPSON

LOCATION OF THE MISHAP: C-14-29N-14W

WELL OR FACILITY: HATCH #1

DATE OF OCCURRENCE: 6/7/97

DATE OF DISCOVERY: 06/12/97

DESCRIPTION OF THE MISHAP:
OIL & GAS SEEPING UP ABOUT 130' DUE EAST OF P&A MARKER APPROX. 18' IN DIAMETER. MET J THOMPSON AT LOCATION. SURMIZED IT MIGHT BE THE RICHARDSON KIRTLAND #8 WELL FLOWING BACK INTO THE OLD GAS LINE, JOHN SHUT THE #8 IN AND THE FLOW STOPPED. WILL EXCAVATE AND PLUG OFF OLD HATCH FLOW LINE WHERE IT CONNECTS INTO THE MAIN SYSTEM. RICHARDSON WILL ALSO CLEAN UP THE SPILL

Buttons: Top, Print, Next, Action, Append, Exit

Mishaps Record: 504/540 Record Locked