



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Mr. Louis Fulton
CFM Oil Company
PO Box 1176
Artesia, NM 88211

February 24, 2006

REMEDIAL WORK PLAN APPROVAL - FEDERAL T NO. 2

The New Mexico Oil Conservation Division District 2 Office is in receipt of your Form C-103 dated 2-14-06 which provides an outline for work to remediate the release at the Federal T No. 2 (30-015-00974).

Your proposed method of remediation (excavation and hauling contaminated materials) is approved for this remediation under the following conditions:

- All soils removed from the location must be documented as to volume, contaminants in the soils, contaminant levels, method of determining contaminant levels and disposition of the soils (OCD approved landfarm, centralized site, etc.)
- All materials used to backfill the excavation must be contamination free. Any materials used to backfill that come from a remediation facility or site (OCD approved landfarm, localized landfarm or centralized landfarm) must have analysis conducted and OCD approval prior to using such previously contaminated materials. This documentation must be submitted with the closure final report required below.
- Contaminated soils requiring remediation should be remediated so that residual contaminant concentrations are below the recommended soil remediation action level. If soil action levels cannot practicably be attained, a detailed evaluation of risk may be performed and provided in writing to OCD for approval showing that the remaining contaminants will not pose a threat to present or foreseeable beneficial use of fresh water, public health and the environment.
 - Based on information that you have provided in the Form C-103 (water well with ID RA 04211 has a reported water depth of 100 feet and is 1273 feet southwest of the release location) the site ranking for this location is considered to be 0 and remediation action levels are:
 - Benzene 10 ppm
 - BTEX 50 ppm
 - TPH 5000 ppm
- If alternate methods of remediation are to be used, prior approval from the OCD District 2 Office is required before beginning any work using these alternate methods. A specific proposal outlining the alternate methods must be submitted in writing.
- If ground water is encountered during the soil/waste characterization, excavation or remediation of the impacted soils, a sample should be obtained to assess the incidents potential impact on ground water quality and the OCD District 2 Office should be notified immediately.
- Notify OCD District 2 Office 24 hours prior to conducting work by CFM Oil Company, contractors or sub-contractors that is intended to excavate, wash, move or disturb (such as in tilling, blading, etc.) soils or contaminated materials for the purpose of remediation, or hauling any soils or contaminated materials into or out of the location covered under this

remediation work plan. This notification is to ensure NMOCD personnel are able to monitor compliance with approved remediation work plans as required by the New Mexico Administrative Code. Therefore, if a reasonable schedule of work cannot be provided then a separate notification that work is to resume is required if work ceases at the location for more than 5 days.

- Notify OCD District 2 Office 24 hours prior to obtaining samples where analysis of samples will be submitted to OCD. **Final samples for determination of having met the remediation action levels for this release are required.** ALL final delineation sample results must be submitted to the OCD whether or not the OCD actually witnesses those samples being taken.
 - Upon termination of any required remedial actions, the area of a leak, spill or release may be closed, **after obtaining approval for the closure from the OCD District 2 office**, by backfilling any excavated areas, contouring to provide drainage, revegetating the area or other OCD approved methods. Upon completion of remedial activities a final report summarizing all actions taken to mitigate environmental damage related to the leak, spill or release will be provided to OCD for approval.
 - For all Federal Lease wells, a "Like Approval" by the United States Bureau of Land Management may be required. It is the operators' responsibility to obtain this approval and the approval of any other surface owner that may be required by law, regulation or contractual obligation of the operator and surface owner.
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Further discussion of remediation techniques, site ranking criteria, remediation action levels and alternative methods for remediation may be found on our website. You are encouraged to use the OCD publication entitled "Remediation of Leaks, Spills and Releases" as a guide during your remediation of this location. This guide may be found on our web site at:
<http://www.emnrd.state.nm.us/emnrd/ocd/EH-MiscGuidelines.htm> .

Acceptance of the remediation work plan does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of reports and work plans does not relieve the operator of responsibility for compliance with any other federal, state or local laws and/or regulations.

NMOCD District 2 Contact Person: Chris Beadle, Office: (505) 748-1283 x107 / Cell: (505) 626-0831 / Fax: (505) 748-9720 / E-mail: Chris.Beadle@state.nm.us

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,


Artesia OCD District Office

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-00974
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name FEDERAL T
8. Well Number 002
9. OGRID Number 3322
10. Pool name or Wildcat DAYTON GRBG, EAST

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐ FEB 14 2006

2. Name of Operator
CFM OIL CO

3. Address of Operator
PO BOX 1176 ARTESIA NM 88211

4. Well Location
Unit Letter H : 1650 feet from the N line and 660 feet from the E line
Section 29 Township 18S Range 27E NMPMEDDY County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3385 GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

IN RESPONSE TO INSPECTION #ICLB0603037073 DATED 1/30/06

- 1) REGARDING WATER WELL REFERENCED, STATE ENGINEERS OFFICE SHOWS WATER DEPTH TO BE 100' to 120'
- 2) OLD TANK WILL BE HAULED OFF AND ANY SPILL FROM TANK WILL BE EXCAVATED AND DISPOSED OF
- 3) CONTAMINATED SOIL IN THE NEW BERM WILL BE EXCAVATED AND DISPOSED OF
- 4) CONTAMINATED SOIL INSIDE THE BERM WILL BE EXCAVATED AND DISPOSED OF

IT IS OUR INTENTION TO HAVE ALL CONTAMINATION ASSOCIATED WITH THIS BATTERY EXCAVATED AND REMOVED BY 2/28/06

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE LOUIS FULTON TITLE OWNER DATE 2-14-06

Type or print name LOUIS FULTON E-mail address: FULTONJEM@MSN.COM Telephone No. 505 746-478

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____