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NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

March 6, 1998

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-288-259-041**

Mr. Lynn Shelton  
Environmental Manager  
Giant Refining Co.  
P.O. Box 159  
Bloomfield, NM 87413

**RE: Remediation Plan for the River Bank Contamination  
Bloomfield Refinery (GW-001)  
San Juan County, New Mexico**

Dear Mr. Shelton:

The New Mexico Oil Conservation Division (OCD) has completed a review of the Giant Refining Co. (Giant) "Remediation Plan for the River Bank Contamination" dated February 17, 1998. This plan contains Giant's proposal to install an impermeable barrier to prevent migration of contaminants to the San Juan River, installation of a monitor well in place of the current recovery culvert, and in-situ remediation of hydrocarbon contaminated soils. Based on the information provided, Giant's plan is hereby approved with the following conditions:

1. The monitor well will be constructed with:
  - a. A minimum of ten feet of well screen, with at least one foot of well screen above the water table and nine feet of well screen below the water table.
  - b. An appropriately sized gravel pack will be set around the well screen from the bottom of the hole to 2-3 feet above the top of the well screen.
  - c. A 2-3 foot bentonite plug will be placed above the gravel pack.
  - d. The remainder of the hole will be grouted to the surface with cement containing 5% bentonite.
  - e. A 2 foot by 2 foot cement pad will be installed around the wellbore at the surface.
2. After completion of the monitor well, ground water will be sampled and analyzed for concentrations of BTEX on a quarterly basis. Quarterly reports will be sent to the OCD Santa Fe Division Office, and copies to the OCD Aztec District Office. Quarterly analysis

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of the ground water will continue until BTEX levels fall below Water Quality Control Commission (WQCC) levels. At that time Giant may make a request to the OCD to modify this remediation plan. The modification will include recommendations for future actions based on the results of ground water sampling, and may include proposals for sampling intervals.

3. All separate phase hydrocarbons (SPH) will be recovered from the monitor well. Monthly SPH monitoring will continue one year beyond the last detected SPH. When one year without SPH detection has been reached, Giant may make a request to the OCD to modify this remediation plan. The modification will include recommendations for future actions based on the results of ground water sampling.
4. Applications of fertilizer and oxidizers should be directly to contaminated soils where ever possible.
5. The hydrocarbon contaminated soils will be sampled annually until BTEX levels fall below WQCC levels. At that time Giant may make a request to the OCD to modify this remediation plan. The modification will include recommendations for future actions based on the results of ground water sampling.
6. The recovery culvert will be plugged using materials consistent with the surrounding river bank.
7. Giant will submit a report on remediation activities to the OCD by August 1, 1998. The report will include a description of the actions performed and the results of the most recent sampling activities.
8. Giant will notify the OCD Aztec District Office at least 72 hours in advance of all activities.
9. All original documents will be submitted to the OCD Santa Fe Office with copies provided to the OCD Aztec District Office.

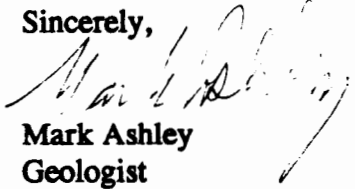
Please note that a potential for hydraulic head behind the sheet piling installation does exist.

Please be advised that OCD approval does not relieve Giant of liability if contamination exists which is beyond the scope of this remediation plan or if the activities fail to adequately determine the extent of contamination related to Giant's activities. In addition, OCD approval does not relieve Giant of responsibility for compliance with any other federal, state or local laws and/or regulations.

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If you have any questions, please call me at (505) 827-7155.

Sincerely,



Mark Ashley  
Geologist

xc: OCD Aztec Office