

GRCC 96



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

May 8, 1996

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-765-963-145**

Mr. Edward L. Horst  
Environmental Manager  
Giant Refining - Ciniza  
Route 3, Box 7  
Gallup, NM 87301



**RE: Corrective Action Plan Dated April 15, 1996(CAP)  
Discharge Plan GW- 32  
Giant Ciniza Refinery**

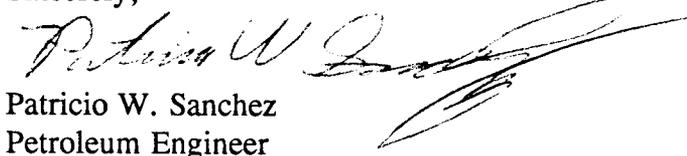
Dear Mr. Horst:

The New Mexico Oil Conservation Division (OCD) has received Giant's letter and "Corrective action Plan" (CAP) dated April 15, 1996. The OCD will be reviewing the plan in detail over the next few weeks and will have a review submitted to Giant no later than June 18, 1996 regarding the plans adequacy to address the contamination and remediation in the area outlined in the CAP. **In the mean time Giant shall begin free phase product recovery no later than July 1, 1996 from the two proposed recovery wells B-2 and BG-4, with all the effluent from these wells going to the API Separator.**

Note, that OCD direction does not relieve Giant of liability should operations at Ciniza result in contamination of surface waters, ground waters or the environment which is a result of this directive to recover free phase product. In addition, OCD direction does not relieve Giant of responsibility for compliance with any other Federal, State, or local laws and/or regulations.

If you have any questions please feel free to me at (505)-827-7156.

Sincerely,

  
Patricio W. Sanchez  
Petroleum Engineer

xc: Mr. Denny Foust - NMOCD  
Mr. Ron Kern - NMED, HRMB  
Mr. Bob Sweeney - NMED, HRMB