



July 4, 1996

Route 3, Box 7
Gallup, New Mexico
87301

505
722-3833

Mr. Patricio W. Sanchez
Petroleum Engineer
State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

RECEIVED

JUL 08 1996

Environmental Bureau
Oil Conservation Division

Dear Mr. Sanchez:

SUBJECT: CORRECTIVE ACTION PLAN DATED APRIL 15, 1996,
CLARIFICATION ON OCD REQUIREMENTS.

Giant Refining Company is in receipt of the Oil Conservation Division (OCD)'s letter dated June 20, 1996, and is requesting clarification on one of the requirements. In the first bullet OCD is requiring Giant to sample recovery water from the two proposed recovery wells. Collected samples would then be analyzed for constituents of concern set out in WQCC Regulations Section 3103 A, B, and C. In checking with Giant's contracting analytical laboratory, it appears as though 24 sample bottles for each well would be required to analyze for the constituents of concern at a cost of \$2,000 to \$2,500 per well. Giant feels that since they know the source of contamination, sampling the recovery water from the wells and analyzing for benzene, toluene, ethylbenzene, xylene (BTEX) and lead constituents would properly characterize the well water.

If you are in agreement with this approach please acknowledge by signing in the space(s) provided below and returning one fully executed original to me. If there are any questions or comments that you feel should be included please contact me at (505)722-0227.

Signature: _____

Date: _____

Signature: _____

Date: _____

Sincerely,

Edward E. Horst, Environmental Manager
Giant Refining Company
Ciniza Refinery