

**NM1-10-B**

**Enforcement**

**Date:**  
**2013**

**Jones, Brad A., EMNRD**

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**From:** Jones, Brad A., EMNRD  
**Sent:** Thursday, March 20, 2014 3:06 PM  
**To:** 'Marcella Marquez'  
**Subject:** RE: Amendment to Concrete Impoundment Closure Plan-Approved by the Division on 01/15/14

Marcella,

OCD hereby approves the amendment (as describe in the attached emails below) to the Concrete Impoundment Closure Plan which was approved by the division on 01/15/14. Please be advised that approval of this request does not relieve JFJ of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve JFJ of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If there are any questions regarding this matter, please do not hesitate to contact me.

Brad

**Brad A. Jones**  
*Environmental Engineer*  
*Environmental Bureau*  
*NM Oil Conservation Division*  
*1220 S. St. Francis Drive*  
*Santa Fe, New Mexico 87505*  
*E-mail: [brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us)*  
*Office: (505) 476-3487*  
*Fax: (505) 476-3462*

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**From:** Marcella Marquez [<mailto:marcella@industrialecosystems.com>]  
**Sent:** Thursday, March 20, 2014 1:28 PM  
**To:** Jones, Brad A., EMNRD  
**Subject:** FW: Amendment to Concrete Impoundment Closure Plan-Approved by the Division on 01/15/14  
**Importance:** High

Brad:

To clarify how the rinsate from cleaning (pressure wash) the concrete slab/walls will be collected:

The concrete slab/walls will be steam cleaned over a 12' metal stock tank which will be set in a lined and earthen bermed area. The collected rinsate will then be processed on-site as described below.

Please let me know if any additional information is needed.

**Thanks,**  
**Marcella Marquez, HSE Administrator**

**Industrial Ecosystems, Inc.**  
**Phone: (505) 632-1782**  
**Fax: (505) 632-1876 or (505) 334-1003**

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**From:** Marcella Marquez [<mailto:marcella@industrialecosystems.com>]  
**Sent:** Thursday, March 20, 2014 1:04 PM  
**To:** Jones, Brad A., EMNRD  
**Subject:** Amendment to Concrete Impoundment Closure Plan-Approved by the Division on 01/15/14  
**Importance:** High

Brad:

This email is being sent to you as an "*Amendment*" to the Concrete Impoundment Closure Plan which was approved by the division on 01/15/14.

The concrete slab/walls will be cleaned (pressure washed) to remove any residual solids from the surface. The rinsate will be collected via King Vacuum truck. The collected rinsate will be solidified to comply with the paint filter testing and tested for chloride concentration standards prior to being placed into a biopile for remediation. Any solidified waste not meeting chloride concentration standards will be transported off-site, with proper manifest C-138 for, to a division-approved SWMF or approval to dispose of the waste at a landfill will be obtained pursuant to 19.15.35.8 NMAC.

After the concrete slab/walls have been cleaned they will dismantled and demolished in place and composite samples consisting of both surface and subsurface concrete will be gathered and tested for:

- GRO/DRO (EPA 8015) /or TPH (EPA 418.1)-1000 mg/kg;
- RCRA 8 Metals-TCLP (Method 1311/or other approved by OCD)-TCLP Regulatory Limits;
- Benzene (EPA 8021B or 8260B)-less than or equal to 10 mg/kg;
- BTEX (EPA 8021B or 8260B)-less than or equal to 500 mg/kg;

In accordance with 19.15.35.8 NMAC, the results of the testing will be submitted to OCD along with a request for approval to dispose of the concrete at San Juan County landfill. The concrete slab/walls will not removed for disposal until authorization has been obtained from OCD.

**Thanks,**  
**Marcella Marquez, HSE Administrator**  
**Industrial Ecosystems, Inc.**  
**Phone: (505) 632-1782**  
**Fax: (505) 632-1876 or (505) 334-1003**

**Jones, Brad A., EMNRD**

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**From:** Jones, Brad A., EMNRD  
**Sent:** Wednesday, January 15, 2014 1:37 PM  
**To:** 'Marcella Marquez'  
**Cc:** Powell, Brandon, EMNRD (Brandon.Powell@state.nm.us); Perrin, Charlie, EMNRD  
**Subject:** FW: Concrete Impoundment Closure Plan JFJ  
**Attachments:** Concrete Impoundment Closure Plan JFJ.doc  
  
**Importance:** High

Marcella,

The attached closure plan for the concrete impoundment satisfies the closure conditions of permit NM1-010-B and the transitional provisions and closure requirements of 19.15.36 NMAC.

Brad

**Brad A. Jones**  
*Environmental Engineer*  
*Environmental Bureau*  
*NM Oil Conservation Division*  
*1220 S. St. Francis Drive*  
*Santa Fe, New Mexico 87505*  
*E-mail: [brad.a.jones@state.nm.us](mailto:brad.a.jones@state.nm.us)*  
*Office: (505) 476-3487*  
*Fax: (505) 476-3462*

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**From:** Marcella Marquez [<mailto:marcella@industrialecosystems.com>]  
**Sent:** Wednesday, January 15, 2014 1:28 PM  
**To:** Jones, Brad A., EMNRD  
**Subject:** Concrete Impoundment Closure Plan JFJ  
**Importance:** High

Brad:

Attached please find the revised Closure Plan for the Concrete Impoundment.

Sorry I missed adding the information about retesting for paint filter....someone has to keep you on your toes (it's actually the other way around).

Thanks,  
Marcella

## **JFJ Landfarm (Permit # NM01-0010B) CONCRETE IMPOUNDMENT CLOSURE PLAN**

The JFJ Landfarm operated by Industrial Ecosystems, Inc. is submitting the following Closure Plan to OCD for approval to close and dismantle the concrete impoundment (bottoms/sludge/mud receiving area) located on the facility. Dismantling of the concrete impoundment will not occur until approval has been obtained from OCD. This plan will also serve as notice pursuant to 19.15.36.18.A NMAC with the proposed schedule specified in the following plan.

Closure of the concrete impoundment includes removal of the concrete slab/walls, liner beneath the slab, and any soils below the liner which have been impacted.

Any residual waste inside of the concrete impoundment will be removed and placed into a biopile (estimated ½ day) for remediation upon meeting the waste acceptance protocols for paint filter and chloride concentration testing. Waste not meeting the paint filter test will be solidified and retested for chlorides and paint filter prior to being placed into a biopile. Waste not meeting chloride concentration standards will be transported off-site, with proper manifest C-138 form, to a division-approved SWMF or approval to dispose of at San Juan County landfill will be obtained pursuant to Part 19.15.35.8 NMAC.

In accordance with 19.15.35.8 NMAC, the concrete slab/walls will be tested for NORM (estimated ½ day). If the results indicate no NORM, then a sample scraping (surface of the slab) will be tested (estimated 1 day to perform testing and 7-10 days to receive the analytical results back from the lab) for:

- GRO/DRO (EPA 8015) /or TPH (EPA 418.1)-1000 mg/kg;
- RCRA 8 Metals-TCLP (Method 1311/or other approved by OCD)-TCLP Regulatory Limits;
- Benzene (EPA 8021B or 8260B)-less than or equal to 10 mg/kg;
- BTEX (EPA 8021B or 8260B)-less than or equal to 500 mg/kg;

In accordance with 19.15.35.8 NMAC, the results of the NORM testing and the analytical report for the concrete sample scraping will be submitted to OCD along with a request for approval to dispose of the concrete at San Juan County landfill. The concrete slab/walls will not be dismantled/demolished/removed until authorization has been obtained from OCD.

Once the concrete slab and walls have been removed, the liner beneath the concrete will be exposed, cut into manageable pieces, scraped clean with putty knife and/or steam cleaned prior to disposal to the San Juan County landfill (estimated 2 days). The liner will be steam cleaned over a 12' metal stock tank which will be set in a lined and earthen bermed area. The collected rinsate will be solidified to comply with the paint filter testing and tested for chloride concentration standards prior to being placed into a biopile for remediation. Any solidified waste not meeting chloride concentration standards will be transported off-site, with proper manifest C-138 form, to a division-approved SWMF or approval to dispose of at the San Juan County landfill will be obtained pursuant to 19.15.35.8 NMAC. Once the metal stock tank is no longer needed it will be removed from the lined and earthen bermed area, the liner will be removed and the earthen berms will be removed or spread in place.

Once the liner is removed, any visually evident contaminated soils will be removed (estimated 3 days), with the depth of the excavation controlled by field screening for TPH using a PetroFlag Unit until contaminated soils are removed to a screening level below 50 ppm. The excavated soils will be placed into a biopile for remediation, upon meeting the waste acceptance protocols for paint filter and chloride concentration testing. Waste not meeting the paint filter test will be solidified and retested for chlorides & paint filter prior to being placed into a biopile. Waste not meeting chloride concentration standards will be transported off-site, with proper manifest C-138 form, to a division-approved SWMF or landfill. To determine potential migration of contamination, two five point composite samples taken from the exposed surface of the excavation (estimated two days). The samples will be submitted for laboratory testing (estimated 7-10 days to receive the analytical results back from the lab) and characterized according to permit requirements as specified in the JFJ Permit, Page 8, Section 2.b for:

- TPH (EPA 8015M or 418.1) and
- BTEX (EPA 8021B or 8260B)

If analytical results detect TPH and/or BTEX, IEI will comply with the provisions set forth in 19.15.29 NMAC (timeline unknown for 19.15.29 activities).

Any visually evident contaminated soils surrounding the concrete impoundment will be removed (estimated 2 days), with the extent of the excavation controlled by field screening for TPH using a PetroFlag Unit until contaminated soils are removed to a screening level below 50 ppm (see attached drawing from SMA). The excavated soils will be placed into a biopile for remediation, upon meeting the waste acceptance protocols for paint filter and chloride concentration testing. Waste not meeting the paint filter test will be solidified and retested for chlorides and paint filter prior to being placed into a biopile. Waste not meeting chloride concentration standards will be transported off-site, with proper manifest C-138 form, to a division-approved SWMF or landfill. Once the visually evident contaminated soils surrounding the concrete impoundment have been removed, IEI will comply with the provisions set forth in 19.15.29 NMAC (timeline unknown for 19.15.29 activities).

Upon completion of 19.15.29 activities, the area will be backfilled and contoured with "virgin" soils (estimated 2 days).

Re-vegetation of the concrete impoundment and surrounding area will be postponed until the time that final closure of the facility is requested.

Souder Miller and Associates will be contracted to complete all of the above indicated sampling/testing.

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary-Designate

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey, Division Director**  
Oil Conservation Division



**NOTICE OF VIOLATION**  
**(03-13-04)**

November 26, 2013

**Certified Mail**

**Return Receipt #: 7006 3450 0000 0451 8698**

Terry Lattin  
President/ General Manager  
JFJ Landfarm, LLC  
Industrial Ecosystems Inc.  
P.O. Box 2043  
Farmington, NM 87499

Re: **JFJ Land Farm Crouch Mesa**

Facility: **Commercial Surface Waste Management Facility, Environmental Permit  
NM1-10-B**

Location: **NW/4, SE/4, Section 2, Township 29 North, Range 12 West, San Juan County,  
New Mexico**

Rule: **19.15.5.11 NMAC**

Mr. Lattin:

On July 29, 2013, the OCD received a call from a concerned citizen about fluid being discharged directly onto the ground at the JFJ facility. OCD District III Inspection and Enforcement Supervisor Brandon Powell responded to the concern and went to the facility to conduct an inspection. Mr. Powell conducted his inspection with JFJ's President/ General Manager Terry Lattin. His inspection discovered oily fluid directly placed in the compost piles in three separate depressions. Mr. Powell told Mr. Lattin placing fluid directly into the compost piles was a violation of his permit. Mr. Lattin agreed and stated all of the fluids would be removed by the following day and he would have a meeting with all employees to make sure they are supervising all off loading.

On October 10, 2013, the OCD received another call from a concerned citizen about fluid being discharged directly onto the ground at the JFJ facility. Compliance Officer Jonathan Kelly responded and conducted a facility inspection. Mr. Kelly conducted his inspection with Terry Lattin. His inspection discovered oily fluid placed into depressions in two compost piles. Mr. Kelly also observed JFJ mixing fluids in a steel mixing containment placed in the old concrete mixing containment. Due to the continued non-compliance a subsequent investigation was performed.

A Subsequent OCD Investigation found the following:

1. JFJ's current NM1-10-B Commercial Surface Waste Management permit was issued by the OCD on February 3, 2004.
2. On December 2, 2003, the OCD inspected the concrete impoundment and found several deficiencies.
3. On December 8, 2003, JFJ submitted a letter to the OCD which requested a temporary metal mixing pit.
4. On December 15, 2003, JFJ submitted a letter to the OCD which stated in part, "During this excavation it was discovered that the overall condition of the impoundment is extremely poor, with numerous cracks in the sidewalls, the concrete has deteriorated to the point that it can be crumbled in your hand."
5. On December 15, 2003, the OCD approved JFJ to use a temporary mixing containment with the condition that the use of the temporary mixing pit expires on February 15, 2004.
6. In the February 3, 2004, permit, the OCD approved JFJ to repair the existing concrete impoundment.
7. On February 4, 2004, JFJ submitted a letter to the OCD requesting to close the temporary mixing pit. The request was approved via email on February 10, 2004, with the condition that a pit closure report be filed with the Aztec District Office. The closure report was received on March 25, 2004.
8. On August 19, 2004, the OCD issued a Notice of Violation to JFJ for violations of their permit.
9. As a result of the Notice of Violation, Agree Compliance Order (ACO) #32 was issued by the OCD on October 23, 2004, and was signed by JFJ on October 14, 2004. The ACO included a \$6,000 penalty for six violations. **Five of the six violations listed in the ACO were based on improper care of the concrete impoundment and improper fluid acceptance.**
10. On July 26, 2006, JFJ submitted a request to the OCD to replace the concrete impoundment.

11. On October 3, 2006 the OCD requested additional information to be able to process the requested concrete impoundment replacement. The requested information has not been received by OCD and JFJ has made no additional requests concerning the impoundment.
12. On October 31, 2013, OCD performed a follow-up inspection at JFJ. No fluid was observed in or on the compost piles.

**OCD Rule 19.15.5.11 NMAC states** “A person who conducts an activity pursuant to a permit, administrative order or other written authorization or approval from the division shall comply with every term, condition and provision of the permit, administrative order, authorization or approval.”

Pursuant to **NM1-10-B** permit condition #1 of the **CONCRETE IMPOUNDMENT CONSTRUCTION AND MAINTANANCE**, “The existing concrete impoundment will be reconstructed reducing the size to approximately 26.5 feet in length and adding a new reinforced end wall as outlined in the January 2, 2004 request for modification.”

**Violation 1:** JFJ violated rule 19.15.5.11 NMAC as it pertains to permit condition #1. The violation occurred by not reconstructing the concrete impoundment in accordance with conditions 2, 3, and 4 of their permit.

**Violation 2:** JFJ violated rule 19.15.5.11 NMAC as it pertains to permit condition #1. The violation occurred when a mixing facility was constructed and used in a manner not approved or outlined in the January 2, 2004 request for modification.

Pursuant to **NM1-10-B** permit condition #2 of the **TANK BOTTOM & SLUDGE ACCEPTANCE**, “All tank bottoms and sludge must be accepted into either the concrete impoundment or frac tanks for settling prior to landfarm or compost application.”

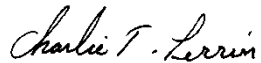
**Violation 3:** JFJ violated rule 19.15.5.11 NMAC as it pertains to permit condition #2. On July 29, 2013 fluids were discover by the OCD placed directly into the compost piles. At that time the OCD explained it was a violation of their permit to take fluid directly into the compost piles instead of the concrete impoundment or frac tanks. JFJ stated they knew it was a violation to accept fluids directly into the compost piles and they would take the necessary steps to correct the issue.

**Violation 4:** JFJ knowingly and willfully violated rule 19.15.5.11 NMAC as it pertains to permit condition #2. On October 10, 2013 the OCD again discovered fluids directly placed into the compost piles instead of the concrete impoundment or frac tanks.

Please contact me at (505) 334-6178 Ext 111 by **December 13, 2013**, to schedule a compliance conference to discuss the outstanding compliance issues. **Please be advised, continued non-compliance with the fluid acceptance conditions of permit NM1-10-B can result in the immediate temporary suspension of JFJ’s ability to receive fluids at this facility.**

The goal of the conference will be to negotiate corrective actions for JFJ to come into compliance. If you do not respond to this letter, or if we are not able to resolve these issues administratively, the OCD will file an application for hearing seeking an order setting a compliance schedule for JFJ.

Sincerely yours,

A handwritten signature in cursive script that reads "Charlie T. Perrin".

Charlie T. Perrin  
District III Supervisor  
[charlie.perrin@state.nm.us](mailto:charlie.perrin@state.nm.us)

PC: NOV file

ec: Daniel Sanchez, OCD Compliance Manager  
Gabriel Wade, OCD Assistant General Counsel  
Brad Jones, OCD Environmental Engineer  
NM-10-B Environmental File