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January 26, 1996

Roger Anderson
Environmental Bureau Chief
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

RECEIVED
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OIL CON. DIV.
DIST. 2

**Re: Giant Refining Company Class I Injection Well
Discharge Plan GW-130
San Juan County, New Mexico**

Dear Mr. Anderson:

Giant Refining Company - Bloomfield ("Giant") submits the following information that you requested in your letter of January 25, 1995. This information is provided in numerical order per your letter.

1. Did Giant Refining Company receive prior approval from the OCD to dispose of the wastes offsite?

In the phone conversation on January 12, 1996, Giant asked OCD about options that might be available onsite. Giant was told at that time that the only emergency option was trucking to another facility or permitting and building additional evaporation lagoons.

2. Where were the wastes stored prior to offsite disposal?

The water that was trucked offsite was taken from the return flow line in the South Lined Evaporation Pond and from two tanks. The 20,640 barrels of water taken offsite from the evaporation pond was essentially water that was flowing out of the refinery's injection well. An additional 465 barrels of water was taken offsite from two 400 barrel tanks that received water directly from the well. No other storage facilities were used.

3. Who transported the wastes for disposal?

All water was transported by Sunco Trucking.

4. What facility disposed of the wastes?

All water was disposed of by Sunco Trucking at its disposal facility located on Crouch Mesa.

5. What were the disposed volumes?

20,640 barrels of water were taken from the South Lined Evaporation Pond and 465 barrels were taken from two tanks that received water directly from the injection well

6. What is the current status of the Class I well?

Water from the evaporation ponds is being pumped into the well in accordance with permit requirements.

7. Please submit the results of all tests performed on the wastes.

The results are attached.

8. Please submit the results of the latest Mechanical Integrity Test performed on the Class I well.

Although the Mechanical Integrity Test for 1996 is tentatively scheduled for Wednesday, January 31, 1996 (as arranged by phone with the OCD office in Aztec), Giant is submitting a copy of the August 17, 1995 Mechanical Integrity Test which was obtained from the OCD files in Aztec.

9. Please submit all other paperwork associated with this disposal incident.

Giant is not clear what additional paperwork that you might require. Please let us know if there is paperwork that you would like to see that has not been appended to this letter.

Although there was no possibility of harm to human health or the environment in connection with the water transported offsite by Sunco Trucking, Giant shares OCD's concerns regarding the proper disposal of water from Giant's injection well. Giant was not aware, nor did OCD inform Giant in the above-referenced January 12, 1996 telephone conversation, that Giant could only dispose of water at certain types of OCD-approved injection wells. Further, Sunco Trucking never informed Giant that there was any problem disposing of the water at Sunco's Crouch Mesa facility. If any requirements were violated by Giant, Giant deeply regrets them.

Thank you for the time that you have taken to fully explain this issue. If you require additional information, please do not hesitate to contact me at (505) 632 8013.

Sincerely:



Lynn Shelton
Environmental Manager
Giant Refining Company - Bloomfield

cc: John Stokes, Refinery Manager, Giant Refining Company - Bloomfield
Kim Bullerdick, Corporate Counsel, Giant Industries Arizona, Inc.