

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

*CASE NO. 10507
ORDER NO. R-9769*

**APPLICATION OF C & C LANDFARM, INC.
FOR A COMMERCIAL SURFACE WASTE
DISPOSAL FACILITY, LEA COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on Tuesday, September 1, 1992, at Santa Fe, New Mexico, before Examiner Michael E. Stogner in Docket No. 27-92.

NOW, on this 16th day of November, 1992 the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) Sections 70-2-12.B(21) and (22), N.M.S.A. (1978) Compilation, also known as the New Mexico Oil and Gas Act, authorizes the New Mexico Oil Conservation Division (Division) to regulate the disposition of non-domestic wastes resulting from various oil and gas activities and operations and to protect public health and the environment.

(3) The applicant, C & C Landfarm, Inc., (C & C) originally filed its application, pursuant to General Rule 711 with the Division on October 8, 1991 for authorization to construct and operate a commercial "landfarm" facility for the remediation of non-hazardous hydrocarbon contaminated soils utilizing an enhanced biodegradation process on a site located in the SW/4 NE/4 (Unit G) of Section 3, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, which is located

approximately two miles southeast of Monument, New Mexico. The term "non-hazardous" in this matter is synonymous with the terminology and usage in the Resource Conservation and Recovery Act (RCRA) Subtitle C regulations.

(4) This application, subsequent to review by the Division, has been administratively determined to be approveable and this hearing was scheduled to allow interested parties the opportunity to present technical evidence why this application should not be approved pursuant to the applicable rules of the Division.

(5) Within the required time frame and in accordance with Division rules, five parties of interest filed written objections to the proposed facility:

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| a) Walter C. Laughlin
4139 E. Laughlin Road
Casa Grande, Arizona 85222 | b) Larry N. Henry
500 E. Scharbauer
Hobbs, New Mexico 88240 |
| c) Elsie M. Reeves
3902 W. Keim Drive
Phoenix, Arizona 85019 | d) W. T. Stradley, President
S-W Cattle Company
P.O. Box 1799
Hobbs, New Mexico 88241 |
| e) Ken Marsh
Controlled Recovery, Inc.
P.O. Box 369
Hobbs, New Mexico 88241 | |

(6) At the time of the hearing Elsie M. Reeves and W. Trent Stradley entered appearances through counsel in objection to this matter.

(7) Also at the hearing, all previous correspondence, letters, applications from the applicant, notices and other such pertinent material prepared by the Division, interested parties, other state and federal agencies and the applicant were made part of the record in this case.

(8) The proposed landfarm is to be located on a forty-acre tract of land, as described in Finding Paragraph No. 3, which is bordered by Lea County Road No. 58 on the east. C & C proposes to excavate on the property as needed down to the top of the "redbed", which is a thick layer of relatively impermeable clays. Oilfield contaminated soils will be trucked to the site and broadcast within the excavated site(s) in six-inch lifts; these soils will be tilled or plowed to ensure proper aeration and bio-

remediation to proper governmental standards. New lifts will be added in the above-described method until an excavated area has been filled and properly tested to within one foot of the surrounding surface elevation, the area will then be backfilled with topsoil, mound over and compacted to prevent rainfall from standing or leaching into backfill. All should be constructed, operated and maintained in accordance with applicable NMOCD rules and standards.

(9) There is a need for such solids disposal facilities in Southeastern New Mexico to provide environmentally safe and cost effective means of disposing of such solid wastes in connection with oil and gas operations, and approval of a properly designed facility will help to prevent illegal dumping of solid material in a manner which could endanger the environment.

(10) Applicant appeared at the hearing and presented testimony about the design and operational standards and established a prima facie showing that the facility could be designed and operated so as to protect fresh water supplies and not constitute an unreasonable harm to human health and the environment if standards for such operation are met and followed.

(11) Testimony presented in this matter indicates that the proposed facility can be constructed and operated in a manner that will not cause contamination of underground fresh water resources, will not leach-out and migrate onto off-setting properties, can be operated and maintained in a safe manner and will not cause waste.

(12) "Conditions of Approval" should be adopted by this order which will assure safe operations and provide an adequate monitoring system to detect any leaching process or movement of contaminants that could cause the pollution of nearby underground fresh water supplies.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, C & C Landfarm, Inc., is hereby authorized to construct and operate a commercial "landfarm" facility for the remediation of non-hazardous hydrocarbon contaminated soils utilizing an enhanced biodegradation process on a site located in the SW/4 NE/4 (Unit G) of Section 2, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER THAT the proposed facility shall be constructed and operated in accordance with the permit conditions attached hereto as Exhibit "A" which are incorporated herein and made a part of this order, and in accordance with such

additional conditions and requirements as may be directed by the Division Director, and shall be operated and maintained in such a manner as to preclude spills, fires, limit emissions and protect persons, livestock and the environment.

PROVIDED FURTHER THAT, prior to initiating operations, the facility shall be inspected by a representative of the Hobbs District Office in order to determine the adequacy of fences, gates and cattle guards necessary to preclude livestock and unauthorized persons from entering and/or utilizing said facility, and also to determine the adequacy of dikes and berms to assure safe facility operations.

(2) Prior to commencing operations on said facility, the applicant shall submit, to the Santa Fe office of the Division, a surety or cash bond pursuant to General Rule 711, in the amount of \$25,000 in a form approved by the Division.

(3) The Director of the Division shall be authorized to administratively grant approval for the expansion or modification of the proposed disposal facility.

(4) Authority for operation of the "landfarm" facility shall be transferrable only upon written application and approval by the Division Director.

(5) Authority for operation of the "landfarm" facility shall be suspended or rescinded whenever such suspension or rescission should appear necessary to protect human health or property, to protect fresh water supplies from contamination, to prevent waste, or for non-compliance with the terms and conditions of this order or Division Rules and Regulations.

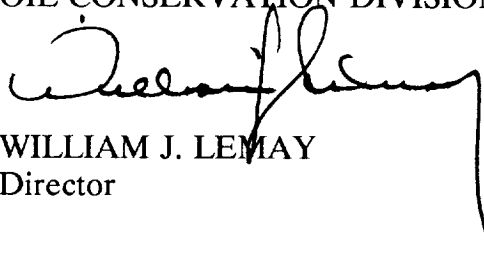
(6) The permit granted by this order shall become effective only upon acceptance and certification by the applicant.

(7) The Division shall have the authority to administratively change any condition of this permit to protect fresh water, human health and the environment. Applicant may request a hearing upon any change which materially affects the operation of the facility.

(8) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'William J. Lemay', written over the printed name and title.

WILLIAM J. LEMAY
Director

S E A L

Exhibit "A"
Case No. 10507
Order No. R-9769

**C & C LANDFARM, INC. APPLICATION
OCD CONDITIONS OF APPROVAL**

LANDFARM OPERATIONS

1. Disposal will only occur when an attendant is on duty. The facility will be secured when no attendant is present.
2. The facility will be fenced and have a sign at the entrance. The sign will be legible from at least fifty (50) feet and contain the following information: a) name of the facility, b) location by section, township and range, and c) emergency phone number.
3. A redbed dike will be installed on the south, west and north edges of the property as proposed in C & C's correspondence dated March 2, 1992.
4. All contaminated soils received at the facility will be spread and disked within 72 hours of receipt.
5. Soils will be spread on the surface in six-inch lifts or less.
6. Soils will be disked a minimum of one time every two weeks (bi-weekly) to enhance biodegradation of contaminants.
7. Successive lifts of contaminated soils will not be spread until a laboratory measurement of Total Petroleum Hydrocarbons (TPH) in the previous lifts is less than 100 parts per million (ppm), and the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and the benzene is less than 10 ppm. Comprehensive records of the laboratory analysis and the sampling locations will be maintained at the facility. Authorization from the OCD will be obtained prior to application of successive lifts.
8. Only oilfield wastes which are exempt from Federal Resource Conservation and Recovery Act (RCRA), (42 U.S.C. §§6921-6939b), Subtitle C regulations (40 C.F.R. Parts 260-272) will be accepted at the facility. Solids from operations not currently exempt under RCRA Subtitle C or mixed exempt/non-exempt solids will be tested for appropriate hazardous constituents. Test results may be submitted to the OCD along with a request to receive non-exempt solids, and a written OCD approval (case specific) must be obtained prior to disposal. Any

non-oilfield wastes which are RCRA Subtitle C exempt or are non-hazardous by characteristic testing will only be accepted on a case-by-case basis and with prior OCD approval. Comprehensive records of all laboratory analyses and sample locations will be maintained by the operator.

9. Moisture will be added as necessary to enhance biodegradation and to control blowing dust. There will be no ponding, pooling or run-off of water allowed. Any ponding of precipitation will be removed within seventy-two hours of discovery.

CLOSURE

When the facility is to be closed, no new material will be accepted. Existing soils will be remediated until they meet the OCD standards in effect at the time of closure. The area will then be reseeded with natural grasses and allowed to return to its natural state. Closure will be pursuant to all OCD requirements in effect at the time of the closure.