



memorandum

To: New Mexico Oil Conservation Division
From: Trihydro Corporation
Date: April 13, 2026
Re: HF Sinclair Hobbs Tank 5201 Release AP-113

Trihydro Corporation, on behalf of HF Sinclair Corporation (HF Sinclair), has prepared this memorandum to provide information to the New Mexico Oil Conservation Division (NMOCD) regarding the HF Sinclair Hobbs Tank 5201 release (Site). A leak was discovered coming from a 6-inch pipeline from the crude oil truck unloading rack at Tank 5201 in Hobbs, New Mexico on July 22, 2004. Contaminated soil was removed to the maximum feasible lateral and vertical extent without affecting the structural stability of the tank. The Site operates under the approved Combined Stage I/II Abatement Plan 113 (AP-113) and groundwater monitoring is conducted on a quarterly basis. Sampling locations and frequency are specified in the approved AP-113. In addition, enhanced fluid recovery is conducted biweekly.

A Closure Report for the Site was submitted to NMOCD on September 10, 2025 based on eight consecutive quarters of groundwater analytical data below the groundwater quality standards (GHD 2025). The request was rejected by NMOCD on September 16, 2025. HF Sinclair submitted supplemental information to NMOCD in response to the rejection on December 4, 2025 and December 31, 2025. The supplemental information to the closure request was rejected by NMOCD on February 10, 2026. A call was then conducted between HF Sinclair and NMOCD on March 6, 2026 to discuss next steps at the Site to work towards closure.

SITE WELL INFORMATION

Per the above referenced call, NMOCD requested information regarding the wells at the Site and their sampling history. The Site has five recovery wells and five monitoring wells. Several of these wells are sampled on a routine basis and others have discontinued sampling based on the reasoning provided below. The monitoring wells selected for sampling were proposed in the 2025 Technical Memorandum (2025 Memo) submitted by HF Sinclair and approved by NMOCD. This information can be found in previous reports submitted to NMOCD.



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HTRW-1	Installed in 2013; sampled on a quarterly basis.
HTRW-2	Installed in 2013; sampled semiannually through 2Q2017. Sampling was discontinued due to the proximity to HTRW-1 (detailed in the 2018 Site Closure Report).
HTRW-3	Installed in 2013; had product consistently observed between 2Q2013 and 2Q2020. Product has not been observed since 2Q2020. The well was last sampled in 4Q2014. There is no record on why sampling was discontinued although it is probable that the presence of product is the reason no groundwater sampling occurred.
HTRW-4	Installed in 2013; sampled semiannually through 2Q2017. Sampling was discontinued due to the proximity to HTRW-1 (detailed in the 2018 Site Closure Report).
RW-1	Installed as a recovery well, not a monitoring well so not routinely sampled. Product has not been observed since 1Q2019. Sampled once in 2023 during site-wide sampling event where benzene was detected greater than the groundwater quality standard. There have been no additional site-wide sampling events to date.
MW-1	Installed in 2004; product has not been observed since 1Q2020. The monitoring well has been dry since 1Q2021. Historically, the monitoring well was not sampled per the approved AP-113 which states that groundwater samples would only be collected from the monitoring wells that do not contain measurable crude oil (AP-113, 2012). Two consecutive quarters of fluid levels indicating the absence of measurable product were collected prior to the monitoring well going dry in 1Q2021.
MW-2	Installed in 2004; product has not been observed since at least 3Q2012 (prior records were not available). The monitoring well has been dry since 1Q2020. The monitoring well was last sampled during 4Q2019 with all results being less than the laboratory reporting limits.
MW-3	Installed in 2004; product has not been observed. The monitoring well has been intermittently dry since 2Q2021, however, the presence of water has been insufficient for sampling (less than 0.1 foot).
MW-4	Installed in 2010; sampled on a semiannual basis.
MW-5	Installed in 2010; sampled on a semiannual basis.

SITE-WIDE GROUNDWATER MONITORING

During the March 6, 2026 call, it was concluded to collect groundwater samples from any wells with sufficient water and analyze for the routine analyses, benzene, toluene, ethylbenzene, total xylenes (BTEX), and total petroleum hydrocarbons (TPH) diesel range organics (DRO) and gasoline range organics (GRO).



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Because some of the wells have not been sampled in several years, it was discussed during the call to have each well redeveloped prior to the site-wide sampling event. Redevelopment will ensure that a better representation of current groundwater conditions at the Site is obtained.

Well redevelopment will occur during the second quarter 2026 once planning has been completed. Site-specific information is needed to identify the correct equipment and supplies for redevelopment. This information will be captured during the first quarter 2026 sampling event (week of April 13th). Well redevelopment is expected to occur prior to the second quarter 2026 sampling activities.

MISCELLANEOUS INFORMATION

Additional information discussed during the March 6, 2026 call included the determination that the dry monitoring wells will not have to be re-drilled. As detailed in the 2025 Memo, submitted to NMOCD and approved on January 28, 2025, groundwater concentrations in these wells were below standards for eight consecutive quarters or more. The depth to groundwater at the Site has dropped approximately six feet since the initial installation of groundwater wells. This can likely be attributed to on-going droughts and the overall drop in water levels of the aquifer.

Because the Site release took place in 2004, NMOCD agreed that HF Sinclair could use the 2004 groundwater quality standards for comparison. The applicable standards are provided below.

Benzene	0.01 mg/L
Toluene	0.75 mg/L
Ethylbenzene	0.75 mg/L
Total Xylenes	0.62 mg/L

mg/L – milligrams per Liter

Following the site-wide groundwater monitoring event after redevelopment, the results will be reviewed, along with historical data, to identify next steps. Based on the analytical results, a request for closure may be submitted, if warranted.

REFERENCES

GHD. 2025. Closure Report, Hobbs Tank 5201 Release AP-113, Lea County, New Mexico. HF Sinclair Corporation. August 13.

HF Sinclair. 2025a. Hobbs Tank 5201 – AP-113, Response to Comments, Closure Report. December 4.



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HF Sinclair. 2025b. Hobbs Tank 5201 – AP-113, Request for No Further Action for Groundwater.
December 31.

HF Sinclair. 2025c. Technical Memorandum, Hobbs Tank 5201 – AP-113

New Mexico Oil Conservation Division (NMOCD). 2025. Approval - Technical Memorandum.
January 28.

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CONDITIONS

Action 574403

CONDITIONS

Operator: HF Sinclair Navajo Refining LLC ATTN: GENERAL COUNSEL Dallas, TX 75201	OGRID: 15694
	Action Number: 574403
	Action Type: [UF-GWA] Ground Water Abatement (GROUND WATER ABATEMENT)

CONDITIONS

Created By	Condition	Condition Date
amaxwell	Document accepted for record.	4/22/2026