

NM1 - 35

**GENERAL
CORRESPONDENCE**

YEAR(S):

2009

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



April 21, 2009

Robert G. Hall
Lea Land, LLC
1300 W. Main Street
Oklahoma, OK 73106

**RE: Request for Variance for the Maximum Size of a Cell for the Lea Land (OCD)
Landfill (NM-1-0035), Lea County, New Mexico**

Dear Mr. Hall:

The New Mexico Oil Conservation Division (OCD) has received your Request for Variance for the Maximum Size of a Cell Lea County, New Mexico, dated April 10, 2009. Per our telephone conversation of April 15, 2009, it is the understanding of OCD that you will rescind your request for variance since you have been operating substantially in compliance with your current permit for the Lea Land (OCD) Landfill. Also, per our conversation some issues were clarified:

1. Your excavation of 16 acres for landfilling is not considered to be a single landfill cell since it is constructed (lined with leachate collection system) in "Stages" with intermediate berms between stages.
2. Each stage is considered to be a separate landfill cell.
3. Your permit restricts each cell to 2.75 acres.
4. Your permit also restricts the landfill to have only two cells active and/or constructed at any given time [i.e., typically, one active cell as the other cell is being lined, then two cells active cells as one of the two cells is being closed (as least with intermediate cover)].



5. Your permit requires Lea Land to notify the OCD prior to construction of a new cell. In addition, Lea Land must submit the design and placement plan for the new cell to the OCD.
6. It is the OCD's understanding that a new cell has been recently constructed (lined). Therefore, Lea Land must submit an updated design and placement plan for all cells that have been constructed to date. The plan must include a current survey plat of the lined cells (indicating each cell and which is active) and current and proposed excavation. The plan must also include an installation report to demonstrate that cells have been constructed in compliance with your permit (e.g., photo documentation, certification statement, etc.). Please submit this plan to the OCD within 30 days of receipt of this letter.
7. Lea Land wishes to propose minor modifications to the permit:
 - a. Lea Land plans to discontinue landfarming at the facility; and therefore, Lea Land should request permission to eliminate the current landfarming permit conditions.
 - b. Lea Land may slightly exceed the 2.75 acre size for a new cell; therefore, Lea Land should request an increase (with justification) in the size of each cell (e.g., 3.5 acres).
 - c. Lea Land plans to develop the landfill above existing grade; therefore, Lea Land should request permission for vertical expansion. The request should include the proposed vertical extent and slopes (e.g., 25' vertical expansion above existing grade with side slopes of 25% and top slopes of 3%). Engineered drawings should be included for this purpose. Site drainage should also be included in the drawings. A plan for the above-grade development should be included with the request (i.e., describe how the active working face will be contained and where the working face will proceed as the above-grade area is developed).
 - d. In general, the request for minor modifications to the permit should include a plan to conform to 19.15.36 NMAC (Part 36) and your permit. This would include the notification requirements for new cells and a description regarding how these will be fulfilled as new cells are proposed to be constructed. In addition, the plan should describe how Lea Land will comply with the operational, waste acceptance, and closure requirements of Part 36 that are not specifically addressed in your permit (e.g., describe how intermediate cover will be placed on inactive cells).

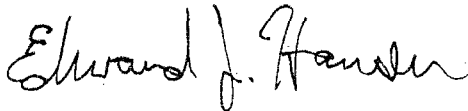
Robert G. Hall
NM-1-0035
April 21, 2009
Page 3

Per our above-referenced telephone conversation, the OCD is expecting the following:

1. Written confirmation to rescind the Request for Variance;
2. An updated design and placement plan for all cells that have been constructed to date within 30 days of receipt of this letter (see item #6 above);
3. A request for minor modifications to your permit (see item #7 above).

Thank you for your cooperation in this matter. If you have any questions regarding this matter, please contact me at 505-476-3489 or edwardj.hansen@state.nm.us.

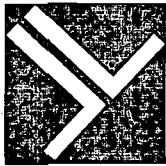
Sincerely,



Edward J. Hansen
Hydrologist

EJH:ejh

cc: OCD; Hobbs District Office
Kin Slaughter, Lea Land, LLC, Mile Marker 64, US Hwy. 62/180 East, Carlsbad, NM 88220
Saralyn Hall, P.E., Lea Land, LLC, 2638 Bering Dr., Houston, TX 77507



Lea Land LLC

RECEIVED

2009 APR 13 AM 9 39

April 10, 2009

Mr. Brad Jones
Environmental Engineer
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Request for Variance for the Maximum Size of a Cell
Permit NM-1-0035

Dear Mr. Jones,

This week a misunderstanding about the maximum size for a cell in our OCD landfill was brought to my attention. The OCD Regulations clearly state that the maximum cell size is 2 $\frac{3}{4}$ acres; evidently our comprehension and retention of what we read was lacking.

The 2 $\frac{3}{4}$ acre limitation works very well for land farming; however, in order to operate safely within a landfill, it is necessary to have ample space for heavy equipment and tractors with containers to maneuver. Placing the liner and leachate collection system every 2 $\frac{3}{4}$ acres compromises the economic effectiveness of the landfill operation by leaving only a small footprint for the disposal area.

We are requesting that the maximum cell size be increased to 16 acres per cell. This will enable us to add to the liner and the leachate collection system in a practical manner as required by the volume of disposed material as evidenced by our recent addition to Cell 1.

If this variance is granted, it will be necessary for us to compute an additional amount of surety. Whether we will supply the additional surety by a letter of credit or a surety bond will depend on these calculations.

Corporate Office Located at 1300 W. Main Street, Oklahoma City, OK 73106

Phone: 405-236-4257; Fax: 405-236-4261

Landfill Located at Mile Marker 64, US Highway 62/180 East, Carlsbad, NM 88220

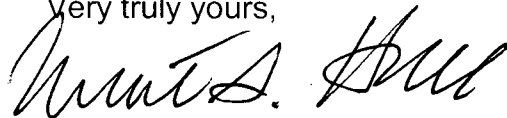
Phone: 575-887-4048; Fax: 575-887-7640

Mr. Brad Jones
April 10, 2009
Page 2

I am embarrassed that we are exceeding the maximum cell size and hope this misunderstanding can be corrected with a variance. If you need additional information, please let me know.

If you agree to approve the variance, please sign and date the space below and return to me. Thank you for your assistance.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert G. Hall", written in a cursive style.

Robert G. Hall
Managing Member

This variance is approved this ____ day of _____, 2009, by Brad Jones,
Environmental Engineer, Oil Conservation Division.

Brad Jones

1300 W. Main Street
Oklahoma City, OK 73106

Lea Land, LLC

Fax

To: Brad Jones – Oil Conservation Division **From:** Robert Hall

Fax: 505-476-3462 **Pages:** 3

Phone: 505-476-3487 **Date:** 4/9/2009

Re: Request for Variance **CC:**

Mr. Jones,

Hard copy of attached letter to follow.

Bob Hall



Lea Land LLC

April 10, 2009

Mr. Brad Jones
Environmental Engineer
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

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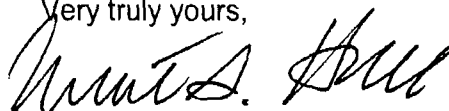
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Brad Jones