# NM1-S

## APPROVALS

YEAR(S):

2010



#### Bill Richardson

Governor

Jim Noel Cabinet Secretary

Karen W. Garcia Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



December 13, 2010

Mr. John Volkerding General Manager Basin Disposal, Inc. P.O. Box 100 Aztec, New Mexico 87410

RE: Determination Request of Non-Domestic Waste Status Commercial Surface Waste Management Facility Permit NM-1-005 Facility Location: SE/4 NW/4 of Section 3, Township 29 North, Range 11 West NMPM, San Juan County, New Mexico

Dear Mr. Volkerding:

The Oil Conservation Division (OCD) has received and reviewed Basin Disposal, Inc.'s (Basin) request, dated December 9, 2010, to dispose of the produced water filters (20 um and 5 um filters) at a solid waste facility – the San Juan County Regional Landfill. The OCD has determined the laboratory analytical to demonstrate that the produced water filters satisfy the criteria specified in 19.15.35.8 NMAC and hereby grants the approval to dispose of the produced water filters at the solid waste facility identified above.

OCD approval does not relieve Basin of liability should its operations at this facility prove to have been harmful to fresh water, public health or the environment. Nor does it relieve Basin of its responsibility to comply with the rules and regulations of any other governmental entity.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3487 or brad.a.jones@state.nm.us.

Sincerely

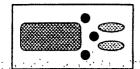
Brad A. Jones\_

Environmental Engineer

BAJ/baj

cc: OCD District III Office, Aztec





## BASIN DISPOSAL.

"SPECIALIZING IN DISPOSAL OF PRODUCED WATER AND DRILLING MUD P.O. BOX 100 - AZTEC, NEW MEXICO 87410 - PHONE: (505) 334-3013

6 December 2010 .

The property of the property of the property of the contract of the contract of the companies of the contract of the contract

Brad Jones EMNRD/OCD Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505

Non-Domestic Waste, Subsection (D), Paragraph 2 of Section 19.15.9.712 NMAC.

Dear Mr. Jones;

Paragraph C of 19.15.9.712 NMAC states:

audithmaethe hae far ar langide bacca be i ceirear i

"Waste listed in Subsection D, Paragraph (2) of Section 19.15.9.712 NMAC may be disposed of at a solid waste facility after testing and prior written authorization of the division. Before authorization is granted, copies of test results must be provided to the division and to the solid waste facility where the waste is to be disposed. Disposal may commence only after written authorization of the division. In appropriate cases and so long as a representative sample is tested, the division may authorize disposal of a waste stream listed in Subsection D, Paragraph (2) of Section 19.15.9.712 NMAC without individual testing of each delivery."

Subsection D. Paragraph 2 (m) lists: Produced water filters must be tested for Corrosivity (and drained and then air-dried for at least 48 hours before testing).

Prior to injection of the produced water from Basin Disposal, the water is filtered through a set of 20um and a set of 5um filters. Basin Disposal requests permission to dispose of these filters at the San Juan County Regional Landfill operated by Waste Management.

The Corrosivity analysis of both the 5um and a 20um filters is attached for the OCD's review and approval.

The approval granted by the OCD October 27, 2009 on did not explicitly list an annual renewal requirement nor could I find a frequency specified in 19.15.9.712 NMAC, Waste Management has requested that the OCD review the attached analysis and provide an updated annual approval.

I thank you for your help and if you have any questions, please feel free to phone me at 334-3013 or 320-2840 or via email at bdinc@digii.net.

Sincerely:

John Volkerding General Manager

Encl:

- 1. Envirotech Analysis
- 2. OCD Approval dated 10/27/09

Cc:

- 1. Brandon Powell, OCD/Aztec, 1000 Rio Brazos, Aztec, NM 87410
- 2. File



## SUSPECTED HAZARDOUS WASTE ANALYSIS

Client: Basin Disposal Project #: 03058-0003 Sample ID: 20 mlc Filter Date Reported: 11-29-10 Lab ID#: 56550 Date Sampled: 11-22-10 Sample Matrix Solid 11-29-10 Date Received: Preservative: Cool Date Analyzed: 11-29-10 Condition: In Plastic Bag Chain of Custody: 10801

Parameter Result

**CORROSIVITY:** 

Negative

pH = 6.70

RCRA Hazardous Waste Criteria

Parameter

Hazardous Waste Criterion

**CORROSIVITY:** 

Characteristic of Corrosivity as defined by 40 CFR, Subpart C, Sec. 261.22.

(i.e. pH less than or equal to 2.0 or pH greater than or equal to 12.5)

Reference:

40 CFR part 261 Subpart C sections 261.21 - 261.23, July 1, 1992.

Comments:

**Basin Yard** 

Analyst

Review



## SUSPECTED HAZARDOUS WASTE ANALYSIS

Client: Basin Disposal Project #: 03058-0003 Sample ID: 5 mic Filter Date Reported: 11-29-10 Lab ID#: 56551 Date Sampled: 11-22-10 Sample Matrix Solid Date Received: 11-29-10 Preservative: Cool Date Analyzed: 11-29-10 Condition: In Plastic Bag Chain of Custody: 10801

Parameter Result

**CORROSIVITY:** 

Negative

pH = 6.30

RCRA Hazardous Waste Criteria

Parameter

Hazardous Waste Criterion

CORROSIVITY:

Characteristic of Corrosivity as defined by 40 CFR, Subpart C, Sec. 261.22.

(i.e. pH less than or equal to 2.0 or pH greater than or equal to 12.5)

Reference:

40 CFR part 261 Subpart C sections 261.21 - 261.23, July 1, 1992.

Comments:

**Basin Yard** 

Analyst

Review



#### **Bill Richardson**

Governor

Joanna Prukop Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



October 27, 2009

Mr. John Volkerding General Manager Basin Disposal, Inc. P.O. Box 100 Aztec, New Mexico 87410

RE: Determination Request Of Non-Domestic Waste Status

Commercial Surface Waste Management Facility Permit NM-1-005

Facility Location: SE/4 NW/4 of Section 3, Township 29 North, Range 11 West

NMPM, San Juan County, New Mexico

Dear Mr. Volkerding:

The Oil Conservation Division (OCD) has received and reviewed Basin Disposal, Inc.'s (Basin) request, dated October 21, 2009, to dispose of the produced water filters (20 um and 5 um filters) at a solid waste facility – the San Juan County Regional Landfill. The OCD has determined the laboratory analytical to demonstrate that the produced water filters satisfy the criteria specified in 19.15.35.8 NMAC and hereby grants the approval to dispose of the produced water filters at a solid waste facility.

OCD approval does not relieve Basin of liability should its operations at this facility prove to have been harmful to fresh water, public health or the environment. Nor does it relieve Basin of its responsibility to comply with the rules and regulations of any other governmental entity.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3487 or <a href="mailto:brad.a.jones@state.nm.us">brad.a.jones@state.nm.us</a>.

Sincerely,

Brad-A. Jones

Environmental-Engineer

BAJ/baj

cc: OCD District III Office, Aztec





Bill Richardson

Governor

Jim Noel
Cabinet Secretary

Karen W. Garcia Deputy Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



November 2, 2010

Mr. John Volkerding General Manager Basin Disposal, Inc. P.O. Box 100 Aztec, NM 87410

RE: Basin Disposal, Inc. – Compliance with Condition 5A of Permit Major Modification Commercial Surface Waste Management Facility Permit NM-1-005 Facility Location: SE/4 NW/4 of Section 3, Township 29 North, Range 11 West NMPM, San Juan County, New Mexico

Dear Mr. Volkerding:

The Oil Conservation Division (OCD) has received and reviewed Basin Disposal Inc.'s (Basin) request, dated September 30, 2010, for approval of a plan to retrofit or replace an existing belowgrade tank (referred to as a "sump" in the request) in accordance with Condition 5A of the permit major modification dated May 19, 2010. The plan satisfies the requirements specified within Condition 5A of the permit major modification.

The OCD hereby approves the plan to retrofit or replace an existing below-grade tank with the following condition(s):

• Basin shall submit a summary report of the activities completed under the below-grade tank retrofit/replacement plan. The summary report shall include photo documentation of the soils beneath the existing below-grade tank after removal, a copy of the analytical results of the soils beneath the existing below-grade tank, and photo documentation of the installation of the new below-grade tank design. Basin shall submit the summary to the OCD within 60 days of the completion of the retrofit/replacement activities.

Please be advised that OCD approval does not relieve Basin of responsibility should their operations fail to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not



Mr. Volkerding Basin Disposal, Inc. Permit NM-1-005 November 2, 2010 Page 2 of 2

relieve Basin of responsibility for compliance with any other federal, state, or local laws and/or regulations

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3487 or <a href="mailto:brad.a.jones@state.nm.us">brad.a.jones@state.nm.us</a>.

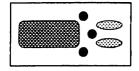
Sincerely

Brad A. Jones

Environmental Engineer

BAJ/baj

cc: OCD District III Office, Aztec



### BASIN DISPOSAL, INC.

"SPECIALIZING IN DISPOSAL OF PRODUCED WATER AND DRILLING MUD'
P.O BOX 100 - AZTEC, NEW MEXICO 87410 - PHONE: (505) 334-3013

30 September 2010

Brad Jones EMNRD/OCD Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 ~2010 OCT -4 P 1: 15

RE: Plan of Retrofitting Loading Area Sump in Accordance with NM-1-005 Permit Condition 5A

Mr. Jones;

Please find below Basin Disposal's plan for retrofitting the current single walled sump at the loading area with a double walled sump with leak detection.

#### Condition 5A of Permit NM-1-005

The plan is submitted pursuant to Condition 5A of Permit NM-1-005 which states:

"The Owner/Operator shall retrofit existing below-grade tanks and sumps that lack secondary containment and/or leak detection to meet the design and construction specifications of 19.15.17.11 NMAC. The Owner/Operator shall submit a retrofit plan for the below-grade tank which includes procedures and protocols for addressing any releases discovered during the retrofit operation to Division's Environmental Bureau no later than one year from the date of issuance of the Permit."

#### Requirements of Subsection D of 19.15.17.12 NMAC

Basin Disposal currently has in place a single wall below grade tank as the loading area sump. Per the permit and 19.15.17.12 NMAC D (6) "The operator of a below-grade tank constructed and installed prior to June 16, 2008 that is single walled and where any portion of the tank sidewall is below the ground surface and not visible shall equip or retrofit the below-grade tank to comply with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC, or close it, within five years after June 16, 2008. If the existing below-grade tank does not demonstrate integrity, the operator shall promptly remove that below-grade tank and install a below-grade tank that complies with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC. The operator shall comply with the operational requirements of 19.15.17.12 NMAC

As such, Basin Disposal plans to remove the current single wall below grade tanks and install a below-grade tank that complies with Paragraphs (1) through (4) of Subsection I of 19.15.17.11 NMAC.

#### Requirements of Subsection I of 19.15.17.11 NMAC

(1) The operator shall ensure that a below-grade tank is constructed of materials resistant to the below-grade tank's particular contents and resistant to damage from sunlight.

The tank proposed to be installed shall be constructed of 6 gauge steel and shall be painted to protect the steel from corrosion.

(2) A below-grade tank system shall have a properly constructed foundation consisting of a level base free of rocks, debris, sharp edges or irregularities to prevent punctures, cracks or indentations of the liner or tank bottom.

The foundation shall be constructed using smooth fill dirt free of rocks or debris to ensure that there are no sharp edges or irregularities so as to prevent punctures, cracks or indentions of the tank bottom.

(3) The operator shall construct a below-grade tank to prevent overflow and the collection of surface water run-on.

The below grade tank shall be placed so as to maintain the top of the tank approximately 2-3 inches above the grade of the ground surface to prevent collection of surface water run-on.

The liquid level in the below grade tank shall be checked daily every morning and emptied, if liquids are present, daily every afternoon. Both events are documented on the attached Daily  $H_2S$  and Sump Inspection Form.

(4) An operator shall construct a below-grade tank in accordance with one of the following designs.

(b) All other below-grade tanks, in which the side walls are not open for visible inspection for leaks shall be double walled with leak detection capability.

Basin Disposal proposes to construct and install a double walled below grade tank with leak detection capability. The interior tank shall be a 71 inch diameter, 70 inch deep tank. The exterior tank shall be a 82 inch diameter, 72 inch deep tank. This will result in a 2" deep separation at the bottom for leak detection. The interior tank shall be affixed to the exterior tank at the top with a solid plate and along the sides with welded supports. The interior tank will have a 3" diameter pipe going from the top to the bottom for removing liquids. The exterior tank will have a 4" diameter pipe going from the top to the bottom so the tank can be inspected for leaks of the interior tank. The top of the interior tank will be constructed of a reinforced mesh to prevent wildlife from being able to enter the tank.

#### Requirements of Subsection E of 19.15.17.13 NMAC

(1) The operator shall remove liquids and sludge from a below-grade tank prior to implementing a closure method and shall dispose of the liquids and sludge in a division-approved facility.

All liquids and sludge from the existing single walled below-grade tank shall be removed. Liquids shall be disposed of at Basin Disposal and sludges shall be disposed of at Envirotech.

(2) The operator shall remove the below-grade tank and dispose of it in a division-approved facility or recycle, reuse, or reclaim it in a manner that the appropriate division district office approves.

Basin Disposal proposes to wash the single wall tank to remove any residual oil and gas waste, disposing of that generated liquid at Basin Disposal, and taking the metal tank to a scrap metal yard for recycling.

(3) If there is any on-site equipment associated with a below-grade tank, then the operator shall remove the equipment, unless the equipment is required for some other purpose.

Any equipment associated with the single wall tank will be used with the double walled tank.

(4) The operator shall test the soils beneath the below-grade tank to determine whether a release has occurred. The operator shall collect, at a minimum, a five point, composite sample; collect individual grab samples from any area that is wet, discolored or showing other evidence of a release; and analyze for BTEX, TPH and chlorides to demonstrate that the benzene concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 0.2 mg/kg; total BTEX concentration, as determined by EPA SW-846 methods 8021B or 8260B or other EPA method that the division approves, does not exceed 50 mg/kg; the TPH concentration, as determined by EPA method 418.1 or other EPA method that the division approves, does not exceed 100 mg/kg; and the chloride concentration, as determined by EPA method 300.1 or other EPA method that the division approves, does not exceed 250 mg/kg, or the background concentration, whichever is greater. The operator shall notify the division of its results on form C-141. The division may require additional delineation upon review of the results.

Basin Disposal shall test the soils beneath the single walled tank upon removal. A five point composite sample shall be collected. If any areas are wet, discolored, or showing other evidence of release individual grab samples shall be collected from those areas. All samples shall be analyzed for:

Benzene: EPA SW-846 method 8021B or 8260B BTEX: EPA SW-846 method 8021B or 8260B

TPH: EPA method 418.1 Chlorides: EPA method 300.1

Basin Disposal shall notify the division of the results.

If the analytical results are less than the following:

Benzene: 0.2 mg/kg Total BTEX: 50 mg/kg TPH: 100 mg/kg Chlorides: 250 mg/kg

Basin Disposal will conduct no further remediation action.

(5) If the operator or the division determines that a release has occurred, then the operator shall comply with 19.15.29 NMAC and 19.15.30 NMAC, as appropriate.

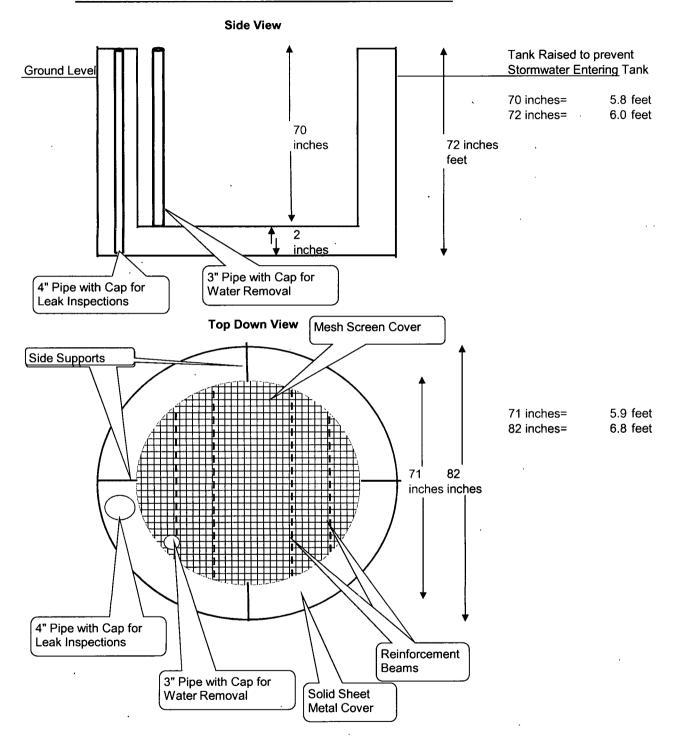
If any of the analytical results above are greater than the limits listed, Basin Disposal shall comply with 19.15.29 NMAC and 15.15.30 NMAC, as appropriate.

If any further information is needed, please feel free to contact me at via phone at 505-320-2840 or email at jvolkerding@aztecwell.com.

Sincerely;

John Volkerding General Manager

#### LOADNIG AREA SUMP SECONDARY CONTAINMENT PROPOSAL





Intials and Time

#### BASIN DISPOSAL, INC. **DAILY H2S AND SUMP INSPECTION**

YEAR	2010	_ MONTH	WEEK BEGINNING

AMBIENT AIR WIND SPEED/DIRECTION (Initials & Time)
A AM READINGS
B PM READINGS

SUMP LEVELS (Initials & Time)
C PUMP HOUSE SUMP CHECKED AM & PM
D LOADING AREA SUMP CHECKED AM & PM,
E CONCRETE SLAB, NOTE WHEN EMPTOED
. Date Sun Mon Tues Wed Thu Fri Sat Ambient Air H2S (AM) H2S Reading (ppm) Wind Speed (mph) Wind Direction Initials and Time Ambient Air H2S (PM) H2S Reading (ppm) Wind Speed (mph) Wind Direction Initials and Time Sump Levels AM Cement Slab Sump (ft) AM Loading Area (ft) AM Pump House Sump (ft) Intials and Time Empty Cement Slab (Initial/Date) 4 PM EMPTY THE SUMPS PM Loading Area Sump (ft) PM Pump House Sump (ft) Intials and Time Stormwater Control Strutural Defect (Y,N) Action Taken Initials and Time Manager Verification

#### Jones, Brad A., EMNRD

From:

John Volkerding [jvolkerding@basindisposalinc.com]

Sent:

Wednesday, September 29, 2010 3:56 PM

To:

Jones, Brad A., EMNRD

Subject:

Withdrawl of September 15, 2010 Below Grade Tank Letter

Mr. Jones;

Based on our phone conversation today, I'd like to withdraw the letter dated September 15, 2010 concerning the Plan of Retrofitting Loading Area Sump. I will be submitted an updated and more detailed Plan within the week.

Thanks! John

#### John Volkerding

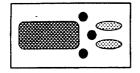
General Manager Basin Disposal, Inc.

PO Box 100, Aztec, NM 87410
Office: 505-334-3013
Mobile: 505-320-2840
Fax: 505-333-3898

Plant: 505-632-8936

Email: <a href="mailto:jvolkerding@basindisposalinc.com">jvolkerding@basindisposalinc.com</a>
Email: <a href="mailto:jvolkerding@aztecwell.com">jvolkerding@aztecwell.com</a>

17.1 miles by foot over a 13140 foot pass in 6:00:58, not great but survived



## BASIN DISPOSAL, INC.

"SPECIALIZING IN DISPOSAL OF PRODUCED WATER AND DRILLING MUD"
P.O BOX 100 - AZTEC, NEW MEXICO 87410 - PHONE: (505) 334-3013

15 September 2010

Edward J Hansen EMNRD/OCD Environmental Bureau 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 RECEIVED OCD
2010 SEP 17 P 1: 16

RE: Plan of Retrofitting Loading Area Sump in Accordance with NM-1-005 Permit Condition 5A

Mr. Hansen;

The plan is submitted pursuant to Condition 5A of Permit NM-1-005 which states:

"The Owner/Operator shall retrofit existing below-grade tanks and sumps that lack secondary containment and/or leak detection to meet the design and construction specifications of 19.15.17.11 NMAC. The Owner/Operator shall submit a retrofit plan for the below-grade tank which includes procedures and protocols for addressing any releases discovered during the retrofit operation to Division's Environmental Bureau no later than one year from the date of issuance of the Permit."

Basin Disposal proposes to install a below-grade tank (tank within a tank) with secondary containment and leak detection as depicted on the attached drawing.

The below-grade tank will be constructed to prevent stormwater from entering the primary tank and/or secondary containment-leak detection tank.

The primary tank will be constructed to prevent access to wildlife

Upon removal of the current sump the soils will be inspected via sight and smell for the indication of possible releases. If such inspection suggests any releases have occurred four discrete soil samples will be collected and submitted to Envirotech who shall create one composite sample. The laboratory composite samples shall be analyzed for:

total petroleum hydrocarbons (TPH), as determined by US EPA method 418.1

BTEX, as determined by EPA SW-846 method 8021B or 8260B

Chlorides and Total Metals, as determined by EPA SW-846 method 6010B

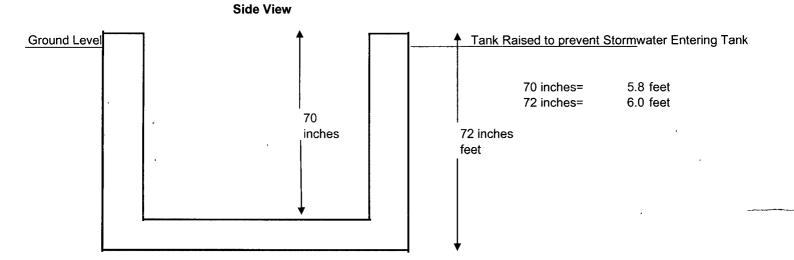
or other EPA methods approved by the division. A summary report of the investigation shall be submitted to OCD within 14 days of the receipt of the analytical results. If contamination is discovered, Basin Disposal, Inc. shall submit a remediation plan within 30 days of the finding.

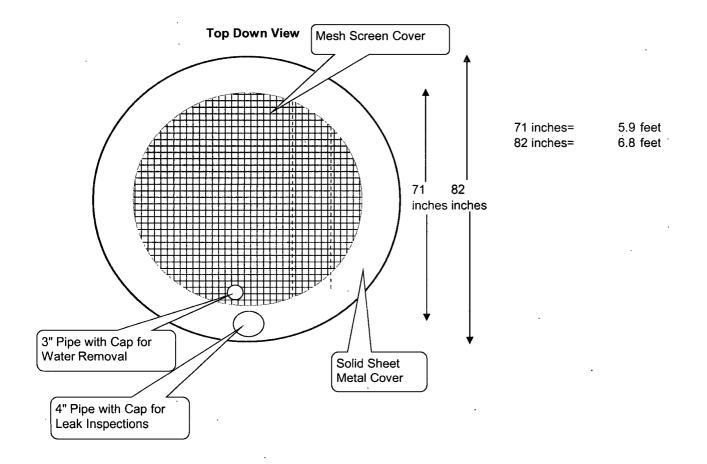
If any further information is needed, please feel free to contact me at via phone at 505-320-2840 or email at jvolkerding@aztecwell.com.

Sincerely;

John Volkerding General Manager

#### LOADNIG AREA SUMP SECONDARY CONTAINMENT PROPOSAL





#### Hansen, Edward J., EMNRD

From:

Hansen, Edward J., EMNRD

Sent:

Tuesday, April 06, 2010 4:40 PM

To:

'bdinc@digii.net'

Cc:

Powell, Brandon, EMNRD; 'Pamela Gonzales'; 'jwjengr@aol.com'

Subject:

Basin Disposal (NM1-005) - Approval of the Engineering Certification Report for Evaporation

Pond #3 Construction

#### Dear Dr. Volkerding:

The New Mexico Oil Conservation Division (OCD) has received the above-reference report, dated August 2009, and has conducted a review of the report. The report indicates that the Basin Disposal, Inc. (Basin) Pond #3 and the storm water detention basin have been constructed as specified in the Application for Modification (December 10, 2008 and June 11, 2009) to the Permit (NM1-005) for Basin Disposal, Inc. Therefore, the OCD hereby conditionally approves the operation of Pond #3 at the Basin Disposal facility in accordance with 19.15.36 NMAC:

Basin must operate (and closed if required) Pond #3 as specified in the Application for Modification (June 11, 2009, as deemed administratively complete on October 20, 2009) to the Permit (NM1-005) for Basin Disposal, Inc.

Basin must submit written notification of commencement of operation of Pond #3 to the Environmental Bureau of the OCD at least 72 hours prior to said operation.

Basin must close Pond #3 within 60 days (unless otherwise ordered by the Director) of the Director's Decision in accordance with Part 36 if the pond is not permitted as a permanent part of the facility under the Application for Modification (June 11, 2009, as deemed administratively complete on October 20, 2009) to the Permit (NM1-005) for Basin Disposal, Inc. If the Director's Decision includes Pond #3 as a permanent part of the facility (i.e., Pond #3 is included in the permit to operate the facility), then this approval will be superseded by that Decision.

Please be advised that OCD approval of this Report does not relieve the owner/operator of responsibility should operations pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the owner/operator of responsibility for compliance with any OCD, federal, state, or local laws and/or regulations.

If you have any questions regarding this matter, please contact me at 505-476-3489.

Edward J. Hansen Hydrologist Environmental Bureau