Amended Pit Rule Hearing

Jerry D. Fanning, Jr.

PERMITTING AND REGISTRATION CLOSED-LOOP SYSTEMS AND SUMPS

EXCLUDED FROM PERMITTING AND REGISTRATION REQUIREMENTS

19.15.17.8.D. PERMIT OR REGISTRATION REQUIRED:

"Closed loop systems and sumps do not require a division-issued permit or registration with the division's district office."

NOTIFICATION OF CONSTRUCTION OR USE OF A CLOSED LOOP SYSTEM REQUIRED.

19.15.17.9A. <u>NOTIFICATION</u>

An operator shall use a C-101, C-103 or applicable BLM form to notify the appropriate division district office of construction or use of a closed-loop system. A closed loop system shall use appropriate engineering principles and practices and follow applicable manufactures' requirements of equivalent thereto.

PERMITTING AND REGISTRATION: TEMPORARY PITS

WHERE TO SITE SPECIFIC DATA EXISTS, A REASONABLE
DETERMINATION OF GROUND WATER DEPTH CAN BE BASED ON DATA
GENERATED BY MODELS, CATHODIC WELL LITHOLOGY, PUBLISHED
INFORMATION OR OTHER TOOLS AS APPROVED BY THE
APPROPRIATE DIVISION DISTRICT OFFICE

19.15.17.9B (2) NMAC <u>PERMIT APPLICATION AND</u> REGISTRATION - DETAILED PLAN REQUIRED:

"... In the absence of site-specific ground water data, the operator can provide a reasonable determination of probable ground water depth using data generated by models, cathodic well lithology, published information or other tools as approved by the appropriate division district office.

PERMITTING AND REGISTRATION: TEMPORARY PITS

STANDARDIZED PLANS AUTHORIZED

19.15.17.9.B (2) NMAC <u>PERMIT APPLICATION AND</u> <u>REGISTRATION - DETAILED PLAN REQUIRED:</u>

The operator may utilize, with approval by the appropriate division district office, standardized plans for pit construction, pit closure, and other plans which will remain approved until a subsequent plan is either required by the appropriate division district office or is submitted by the operator and approved by the appropriate division district office.

<u>DESIGN CRITERIA</u> <u>CLOSED-LOOP SYSTEMS AND SUMPS:</u>

19.15.17.11 NMAC

- B. CLOSED-LOOPED SYSTEMS AND SUMPS NOT REQUIRED TO STOCKPILE TOPSOIL.
- C. CLOSED-LOOPED SYSTEMS AND SUMPS NOT SUBJECT TO SIGNING REQUIREMENTS.

OPERATIONAL REQUIREMENTS / NOTIFICATIONS OF PENETRATION OR COMPROMISE TO LINER INTEGRITY

NOTICE OF LEAKS AND PENETRATION OF PIT LINERS ARE REQUIRED PURSUANT TO THE RELEASE NOTIFICATION SECTION OF DIVISION RULES

19.15.17.12 A.4 AND 5 NMAC – <u>OPERATIONAL REQUIREMENTS</u> - GENERAL SPECIFICATIONS:

- (4) If any pit liner's integrity is compromised, or if any penetration of the liner occurs above the liquid's surface, then the operator shall notify the appropriate division district office within 48 hours of the discovery initiate repair of the damage or replacement of the liner within 48 hours of the discovery or seek a variance from the appropriate division district office.
- (5) If a pit <u>or</u> below grade tank closed loop system or sump develops a leak, or if any penetration of the pit liner, below grade tank, closed loop system or sump occurs below the liquid's surface, then the operator shall remove all liquid above the damage or leak line within 48 hours <u>of the discovery</u>, notify the appropriate division district office within 48 hours of the discovery pursuant to 19.15.29 NMAC and repair the damage or replace the pit liner or below-grade tank, closed-loop system or sump <u>as applicable</u>.

THE RELEASE NOTIFICATION SECTION OF DIVISION RULES REQUIRES 19.15.29 NMAC

Immediate verbal notice and timely written notice of a major release

AND

Timely written notice of a minor release [5-25 bbls OR greater than 50 MCF but less than 500 MCF]

OPERATIONAL REQUIREMENTS – TEMPORARY PITS

DISPOSAL OF SOLIDS AND COMPLETION FLUIDS IN DRILLING PITS

DELETION OF REQUIREMENT FOR STEEL TANK FOR HYDROCARBON BASED DRILLING FLUIDS

1915.17.12 NMAC - OPERATIONAL REQUIREMENTS - TEMPORARY PITS

B.1 Only fluids or solids used or generated or used during the drilling, completion or workover process may be discharged into a temporary pit. The operator shall maintain a temporary pit free of miscellaneous solid waste or debris. The operator shall use a tank made of steel or other material which the appropriate division district office approves, to contain hydrocarbon based drilling fluids. Immediately after cessation of a drilling or workover operation, the operator shall remove any visible or measurable layer of oil from the surface of a drilling or workover pit.

OPERATIONAL REQUIREMENTS (continued)

B.4 The operator shall remove all All free liquids from the surface of a temporary pit shall be removed within 30 60 days from the date the operator releases the drilling or workover rig...

Emergency Action 19.15.17.14 NMSA

NO SUBSTANTIVE CHANGE

EXCEPTIONS AND VARIANCES 19.15.17.15

EXCEPTIONS OBTAINED FROM THE ENVIRONMENTAL BUREAU IN SANTA FE

NOTICE IS PROVIDED TO SURFACE OWNER AND PERSONS WHO HAVE FILED A WRITTEN REQUEST WITH THE DIVISION TO BE NOTIFIED OF THE FILING OF SUCH APPLICATIONS.

VARIANCES OBTAINED FROM THE APPROPRIATE DIVISION DISTRICT OFFICE.

NOTICE IS PROVIDED TO THE SURFACE OWNER

EXCEPTIONS AND VARIANCES – PROCEDURES 19.15.17.15 NMSA **APPLICATION / APPROVAL:**

OPERATOR MAY REQUEST EXCEPTION OR VARIANCE

IF OPERATOR DEMONSTRATES THAT THE REQUEST PROVIDES EQUAL OR BETTER PROTECTION TO FRESH WATER, PUBLIC HEALTH AND SAFETY, LIVESTOCK AND THE ENVIRONMENT, THE AGENCY SHALL APPROVE THE APPLICATION WITHIN 60 DAYS.

IF AGENCY DENIAL OR NO ACTION IN 60 DAYS, THE OPERATOR MAY REQUEST A HEARING

THE APPLICATION MUST MEET REQUIREMENTS SET OUT IN THE MODIFICATIONS CONCERNING NOTICE AND CONTAIN A WRITTEN EXPLANATION OF THE NEEDED AND JUSTIFICATION FOR THE REQUESTED VARIANCE OR MODIFICATION.

IF THERE IS AN OBJECTION TO A REQUEST FOR EXCEPTION OR VARIANCE, AND DIRECTOR DETERMINES THE OBJECTION HAS MERIT, THE APPLICATION IS SET FOR HEARING.