



August 11, 1994

Mr. Roger Anderson
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

RE: MIDDLE MESA COMMERCIAL DISPOSAL FACILITY, SAN JUAN COUNTY, NEW MEXICO

Dear Mr. Anderson:

Please consider the following in response to OCD's submittal of the final permit conditions as relate to the permit for the facility referenced above.

RMI is willing to fully accept the conditions as outlined with the OCD's consideration of the following modifications to the terms as noted below:

PRE-CONSTRUCTION CONDITIONS

1. Before proceeding with the construction of the facility, RMI shall have a surety or cash bond in the amount of \$25,000 in a form approved by the Division. Within three months of commencing operation the operator will submit and obtain approval of detailed closure plan with a cost estimate from a disinterested third party that includes the following minimum requirements:
 - a. (no change)
 - b. transport and dispose of the water and sludges as necessary for this type of operation and taking into account the characteristic treated water quality
 - c. (no change)
 - d. (no change)

The bond will be increased to the amount of the above closure estimate according to the following schedule:

When the pond is filled to 25% of the permitted capacity the bond will be increased to one quarter (25%) of the estimated closure cost, cumulative with the original \$25,000 bond.

When the pond is filled to 50% of the permitted capacity the bond will be increased to one quarter (50%) of the estimated closure cost, cumulative with the original \$25,000 bond.

When the pond is filled to 75% of the permitted capacity the bond will be increased to one quarter (75%) of the estimated closure cost, cumulative with the original \$25,000 bond.

When the pond is filled to 100% of the permitted capacity the bond will be increased to one quarter (100%) of the estimated closure cost, cumulative with the original \$25,000 bond.

In the event that the bonding requirements are modified in the future to reflect different requirements than those outlined herein, RMI will be subject to those requirements in lieu of those listed above.

RMI
Environmental
Services

P. O. Box 2522
Farmington, NM 87499
Fax: 505-327-5988

2080 Afton Place, Suite A
Farmington, NM 87401
505-327-5966

FACILITY DESIGN AND CONSTRUCTION

7. A six (6') chainlink fence topped with three strands of barbed wire will be constructed and maintained around the perimeter of the ponds so as to prevent big game, livestock, and people from entering the facility. The fence will be constructed around the impoundments so as to provide unimpeded access for any required maintenance of the berms.

If you have any question or I can be of any further help or assistance, please give me a call at 505-327-5966. I will be awaiting your response this afternoon. Again, your attention and expediency concerning this application is greatly appreciated.

Sincerely,
RMI ENVIRONMENTAL SERVICES, INC.



Brad F. Simmons
President

cc: Frank Chavez/Denny Foust, OCD Aztec Office
Elyse Gold, BLM Farmington Office