

**NM1-61**

**Minor Permit  
Modification**

**2/7/18**

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley**  
Director, Oil Conservation Division



February 7, 2018

Bryce Karger  
CK Disposal, LLC  
5909 86<sup>th</sup> Street  
Lubbock, Texas 79424

**RE: Minor Modification of Commercial Surface Waste Management Facility Permit NM1-61. North ½ of Section 5, Township 22 South, Range 38 East NMPM, Lea County, New Mexico**

Mr. Karger,

The Oil Conservation Division (OCD) has reviewed the application for permit modification submitted on your behalf by Parkhill, Smith & Cooper dated February 5, 2018 regarding the waste management facility referenced above and relocation of the entrance road. The OCD determines the proposed modification is "minor" as defined within 19.15.36 NMAC as it does not involve any increase in the facility's land area, change in capacity, change in the nature of the waste, addition of a new treatment process, any exception, change, or waiver of numeric standards, nor a modification substantial enough to require public notice and participation. The OCD hereby approves the requested modification to permit NM1-61.

If you have any questions, please contact Jim Griswold of my staff at (505) 476-3465 or by email at [jim.griswold@state.nm.us](mailto:jim.griswold@state.nm.us). On behalf of the OCD, I wish to thank you and your staff for your cooperation during this review.

Respectfully,

Heather Riley  
Director

HR/jg



4222 85th Street  
Lubbock, Texas 79423  
806.473.2200

February 5, 2018

Mr. Jim Griswold  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Re: C.K. Disposal Facility  
Minor Modification to Surface Waste Management Facility

Dear Mr. Griswold:

Parkhill, Smith and Cooper Inc. (PSC) is submitting a minor modification for the C.K. Disposal Surface Waste Management Facility. As requested by Item 4 on the attached form C-137A, the following is a description of the proposed minor modification to the surface waste management facility.

The minor modification updates the location and layout of the facility entrance road. The layout was modified to match an existing easement road located outside of the permitted property. The updated layout provides adequate turning radii and lane widths for the expected traffic to occur on site.

This modification does not involve changes to any of the aspects of the permitted facility called out in Items 5-9 on the attached form C-137A. Please call me at (915) 543-3357 if you have any questions.

Sincerely,

PARKHILL, SMITH & COOPER, INC.

By Nicholas N. Ybarra  
Nicholas N. Ybarra, P.E.  
Project Manager

NNY/ev  
Enclosures



District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

For State Use Only:

Form C-137A  
June 30, 2016

Submit 1 Copy to Santa Fe Office

## APPLICATION FOR MINOR MODIFICATION TO SURFACE WASTE MANAGEMENT FACILITY

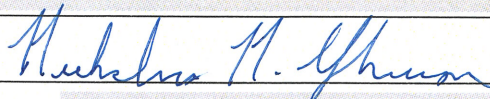
1. Operator: C.K. Disposal LLC.  
Address: 5909 86<sup>th</sup> Street, Lubbock, Texas 79424  
Contact Person: Bryce Karger Phone: 480-437-0044
2. Location:        /4        /4 Section 5 Township 336 Range 38E
3. Provide permit number NM1-61
4. Attach a description of the proposed minor modification(s) to the surface waste management facility.
5. If the Minor Modification involves changes to a treatment, remediation, or disposal method, attach engineering designs, certified by a registered professional engineer, including technical data on the design elements of each applicable treatment, remediation, and disposal method and detailed designs of surface impoundments.
6. If the Minor Modification will affect the closure and post-closure plan, attach an updated closure and post closure plan, including a responsible third party contractor's cost estimate, sufficient to close the surface waste management facility in a manner that will protect fresh water, public health, and the environment (the closure and post closure plan shall comply with the requirements contained in 19.15.36.18 NMAC).
7. If the Minor Modification will affect the contingency plan, attach an updated contingency plan that complies with the requirements of Subsection N of 19.15.36.13 NMAC and with NMSA 1978, Sections 12-12-1 through 12-12-30, as amended (the Emergency Management Act).
8. If the Minor Modification will affect the control of run-on or run-off water at the site, attach an updated plan to control run-on water onto the site and run-off water from the site that complies with the requirements of Subsection M of 19.15.36.13 NMAC.
9. If the Minor Modification will affect the best management practice plan, attach a best management practice plan to ensure protection of fresh water, public health, and the environment.
10. The division may require additional information to demonstrate that the surface waste management facility's operation will not adversely impact fresh water, public health, or the environment and that the surface waste management facility will comply with division rules and orders.

### 11. CERTIFICATION

I hereby certify that the information submitted with this application is true, accurate, and complete to the best of my knowledge and belief.

Name: Nicholas N. Ybarra

Title: Associate

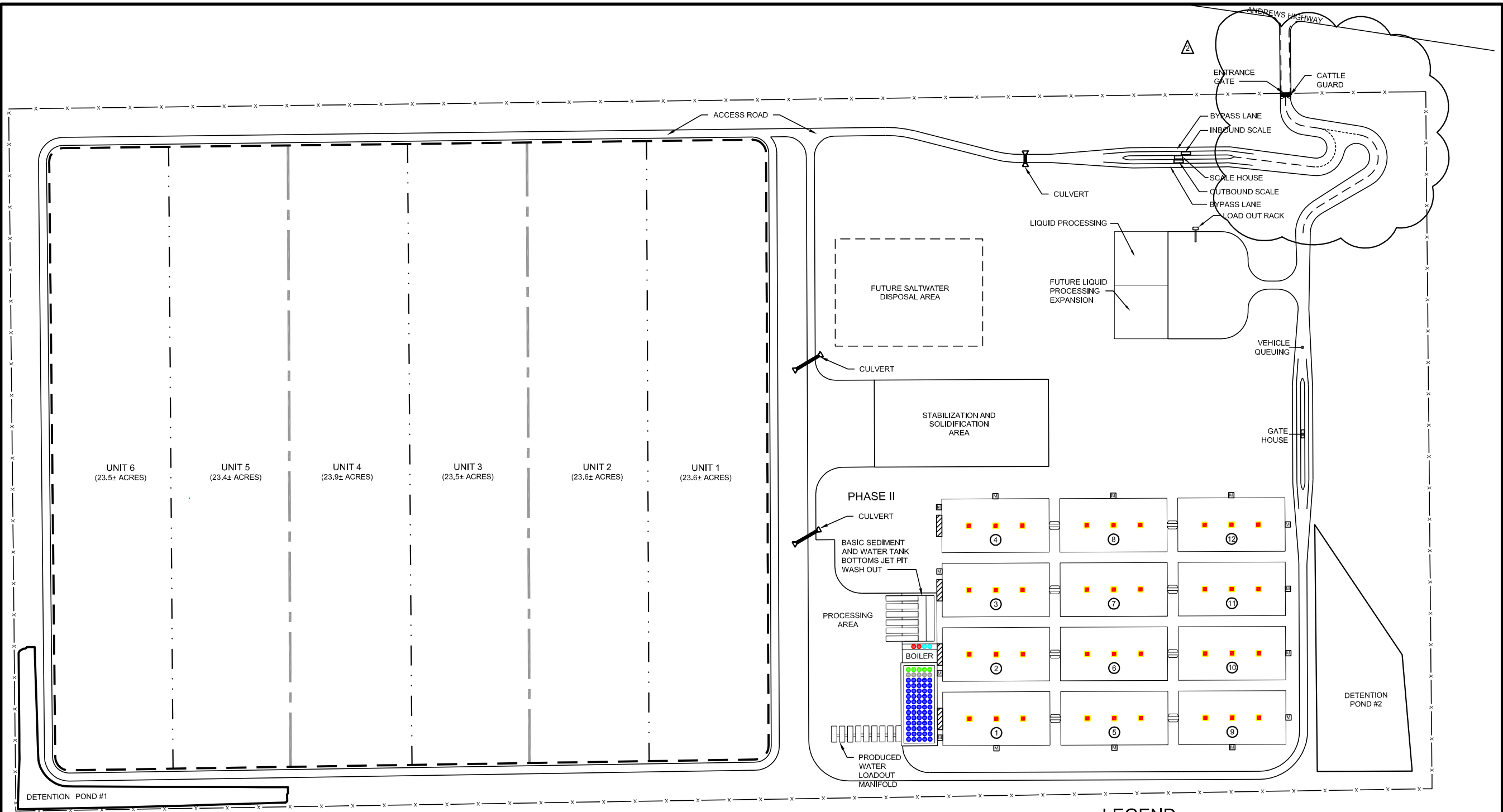
Signature: 

Date: 2-5-2018

E-mail Address: nybarra@team-psc.com



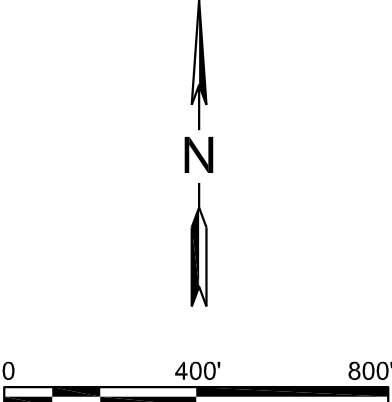
FILE NAME: \\Data1\Projects\2015\0580.15\BIM\_CAD\01\_CIVIL\USERTSK\UPDATED FIG.A.2 -SITE DEVELOPMENT.dwg LAYOUT NAME: FIG.A.2 PRINTED: Monday, February 05, 2018 - 5:05pm USER: TKrueger



THIS UPDATED SITE DEVELOPMENT PLAN, FOR THE ENTRANCE ROAD ONLY, WILL REPLACE THE ENTRANCE ROAD SHOWN ON THE FOLLOWING FIGURES WITHIN THE PERMIT:

FIG.A.2, FIG.A.9, FIG.A.10, FIG.A.13, FIG.A.16, FIG.A.17, G-004, G-005, C-101, C-102, C-103, C-507, FIG.G.10, FIG.H.4, FIG.H.5, FIG.H.6, FIG.J.6, FIG.J.7

NICHOLAS N. YBARRA  
NEW MEXICO  
20683  
PROFESSIONAL ENGINEER  
02/05/18



- LEGEND**
- x—x—x— FENCE/LANDFILL PROPERTY/PERMIT BOUNDARY
  - — — — LANDFILL FOOTPRINT
  - — — — LANDFILL PHASE LINE
  - · — · — UNIT LIMITS
  - ▨ MECHANICAL OIL/WATER SEPARATOR
  - EVAPORATOR
  - MONITORING POINTS
  - ≡ LOW WATER CROSSING
  - PRODUCED WATER SETTING TANK
  - OIL RECOVER TANK
  - OIL SALES TANK
  - CHEMICAL TANK
  - JET OUT WATER TANK
  - ⑤ EVAPORATION POND NUMBER

THIS DOCUMENT IS RELEASED ON SEPT. 23, 2015 FOR THE PURPOSE OF INTERIM REVIEW UNDER THE AUTHORITY OF NICHOLAS N. YBARRA, P.E., NEW MEXICO LICENSE 20683. IT IS NOT TO BE USED FOR REGULATORY APPROVAL, CONSTRUCTION, BIDDING OR PERMIT PURPOSES. PARKHILL, SMITH & COOPER, INC.

**C. K. DISPOSAL  
E & P LANDFILL &  
PROCESSING  
FACILITY**

OCD PERMIT NM1-61

**NEW LANDFILL SITE  
& PROCESSING FACILITY**

LEA COUNTY, NEW MEXICO

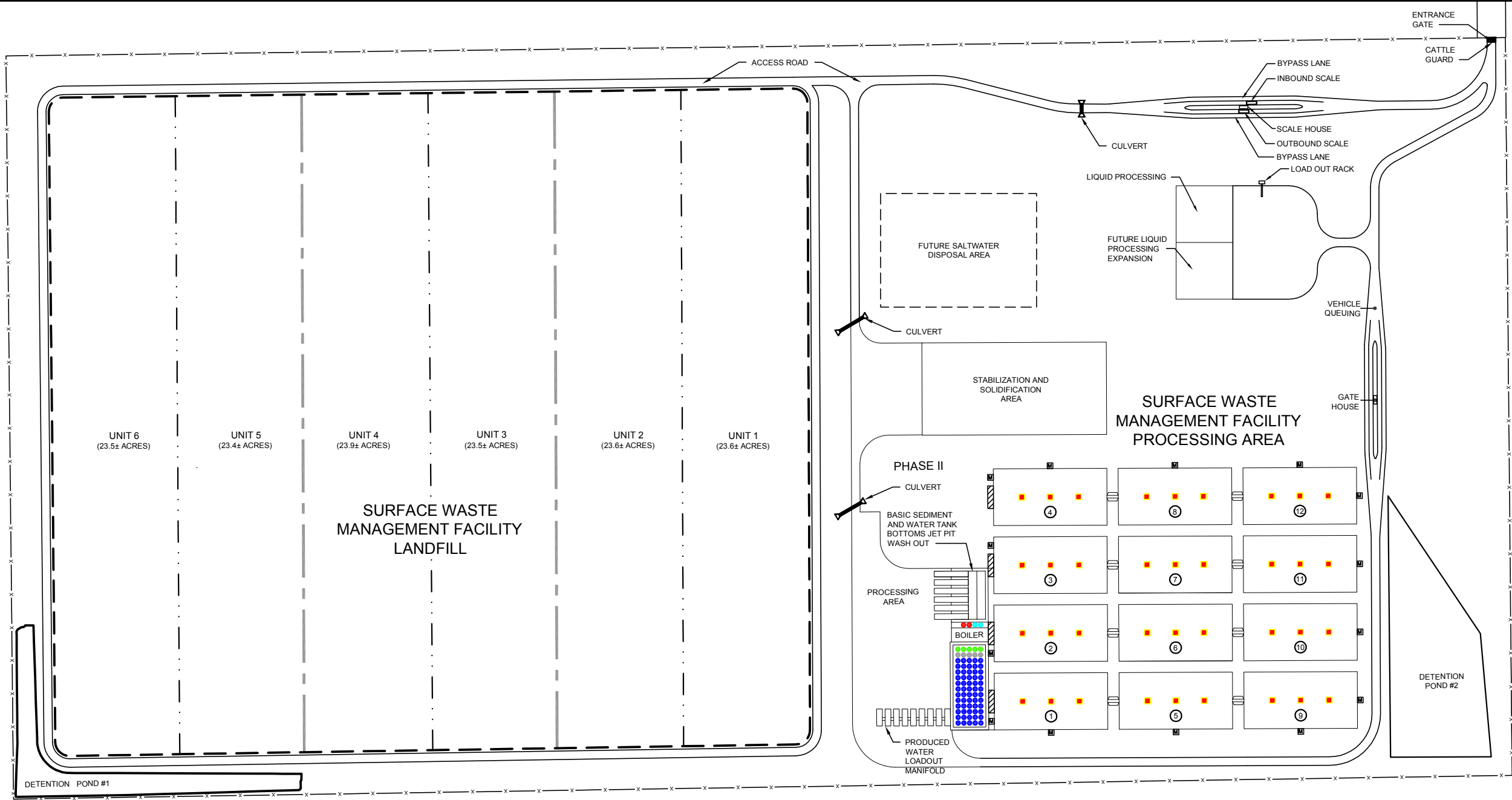
KEY PLAN

02/05/18	SITE PLAN UPDATE
09/23/15	ISSUE FOR REVIEW
NO DATE	DESCRIPTION
ISSUING OFFICE: EL PASO PROJECT NO: 0580.15	

**SITE DEVELOPMENT  
PLAN**

**FIG.A.2**

FILE NAME: \\Data1\\Projects\\2015\\0580.15\\BIM\_CAD\\09\_PERMIT\\ATT-FIG.A.2 -SITE DEVELOPMENT.dwg LAYOUT NAME: FIG.A.2 PRINTED: Thursday, November 05, 2015 - 8:32pm USER: TKrueger



**C. K. DISPOSAL  
E & P LANDFILL &  
PROCESSING  
FACILITY**

NMED PERMIT NO. \_\_\_\_

**NEW LANDFILL SITE  
& PROCESSING FACILITY**

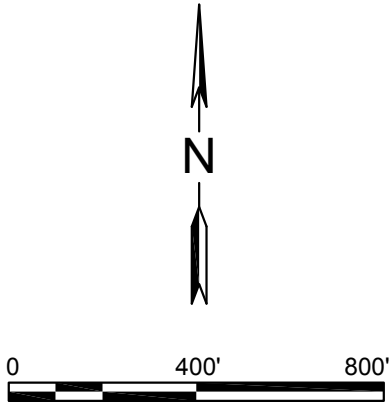
LEA COUNTY, NEW MEXICO

KEY PLAN

- LEGEND**
- x — x — FENCE/LANDFILL PROPERTY/PERMIT BOUNDARY
  - — — LANDFILL FOOTPRINT
  - — — LANDFILL PHASE LINE
  - . . . UNIT LIMITS
  - ▨ MECHANICAL OIL/WATER SEPARATOR
  - EVAPORATOR
  - MONITORING POINTS
  - ≡ LOW WATER CROSSING
  - PRODUCED WATER SETTING TANK
  - OIL RECOVER TANK
  - OIL SALES TANK
  - CHEMICAL TANK
  - JET OUT WATER TANK
  - ⑤ EVAPORATION POND NUMBER



*Nicholas N. Ybarra*  
11/6/2015



1	09/23/15	ISSUE FOR REVIEW
NO	DATE	DESCRIPTION
ISSUING OFFICE: EL PASO		PROJECT NO: 0580.15

**SITE DEVELOPMENT  
PLAN**

**FIG.A.2**

RODEY, DICKASON, SLOAN, AKIN & ROBB, P. A.

ATTORNEYS AT LAW  
201 THIRD STREET NW, SUITE 2200  
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P.O. BOX 1888  
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WWW.RODEY.COM

TELEPHONE (505) 765-5900  
FACSIMILE (505) 768-7395

February 16, 2018

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DON L. DICKASON (1906-1999)  
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WRITER'S DIRECT NUMBER  
(505) 768-7264

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DEBORA E. RAMIREZ  
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STEPHANIE L. LATIMER  
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JUAN M. MARQUEZ  
TAYLOR C. ZANGARA  
PATRICK A. CORONEL  
PAOLA V. JAIME

**Via Email**

Jim Griswold  
Environmental Bureau Chief  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
jim.griswold@state.nm.us

RE: Commercial Surface Waste Management Facility; Permit NM1-61; Section 5, Township  
22 South, Range 38 East NMPM, Lea County, New Mexico

Dear Mr. Griswold:

As you know from our recent correspondence, this firm represents Louisiana Energy Services, LLC, d/b/a URENCO USA ("LES"). LES was a protesting and interested party in The Matter of Application of CK Disposal, LLC, for Permit No. NM1-61, OCC Case No. 15617.

Thank you for sending me a copy of the February 5, 2018 application for permit modification submitted by Parkhill, Smith & Cooper on behalf of CK Disposal. Your same-day response to my February 15, 2018 email was impressive and very much appreciated.

We understand that Director Riley determined that CK Disposal's proposed modification was "minor" as that term is defined in 19.15.36.7(B) NMAC. We also recognize that minor modifications are not subject to the application requirements listed in 19.15.36.8(C) NMAC. Perhaps that was why our client, LES, was not served with a copy of the application for permit modification in advance of the Director's determination.

We are concerned, however, that more substantive matters (*i.e.*, those of more than minor consequence) might occur without LES being given proper notice and an opportunity to comment.

Jim Griswold  
February 16, 2018  
Page 2

Such matters include the conditions set forth in the Oil Conservation Commission's April 4, 2017 Order No. R-14254-B which granted CK Disposal's permit application:

CK Disposal must submit to the OCD "a more comprehensive H<sub>2</sub>S monitoring system that includes monitoring at each of the facility's property boundaries ... prior to commencement of operations."

CK Disposal must demonstrate that it has obtained "all required local, state, and federal permits" before commencing operations.<sup>1</sup>

Earlier, the Commission established another condition of the permit which has yet to be satisfied:

CK Disposal is to provide "design documentation for [the] liquid processing operations ... to the OCD for approval" before the operations start.<sup>2</sup>

Our concern is that CK Disposal might attempt to satisfy these and the other conditions of the Order without giving LES advance notice. We are also concerned that the OCD might then determine whether the conditions are satisfied, and issue a final permit, without LES having been given an opportunity to comment.

It would seem inherent in the OCC's Order that since conditions for the permit were imposed, LES would be given notice of any attempt to satisfy those conditions. Such would be consistent with due process and traditional notions of justice and fairness.

Also, the above-listed conditions are "major modifications" within the meaning of 19.15.36.7(B)(9) NMAC. The more comprehensive Hydrogen Sulfide monitoring system and the design documentation for the liquid processing operations would each be "a change in the design capacity or nature of the permitted oil field waste stream." *Id.* Given the public interest in the requirement for local, state and federal permits, as well as the public interest in Hydrogen Sulfide monitoring, those conditions would also be "sufficiently substantial that public notice and public participation in the application process are appropriate." *Id.*

We ask, therefore, that if CK Disposal submits any information to your Division in an attempt to satisfy any of the conditions required for issuance of a final permit, LES be given timely notice and an opportunity to comment.

Thank you for considering this request. I look forward to your response.

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<sup>1</sup> Order of the Commission, Case No. 15617, Order No. R-14254-B, at 7.

<sup>2</sup> NM1-61 Draft Surface Waste Management Permit, Oct. 13, 2016, at 5.

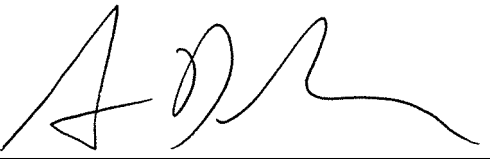


RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

Jim Griswold  
February 16, 2018  
Page 3

Very truly yours,

RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

By   
\_\_\_\_\_  
Scott D. Gordon

cc: Perry Robinson, External General Counsel, URENCO USA  
Michael L. Woodward, HANCE SCARBOROUGH, LLP