

NM2 - 21

**PERMITS,
RENEWALS,
& MODS**

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



November 1, 2017

Carolyn D. Haynes
John H. Hendrix Corporation
PO Box 3040
Midland, Texas 79720

**Re: Request for Minor Modification of Surface Waste Management Permit NM2-021
John H. Hendrix Corporation
Permit NM2-021
Location: W/2NW/4 and W/2SW/4 of Section 15, Township 24 South, Range 36
East, NMPM, Lea County, New Mexico**

Dear Ms. Haynes:

The Oil Conservation Division (OCD) has reviewed John H. Hendrix Corporation's (JHHC) email request, dated October 24, 2017 and emailed to OCD on October 25, 2017, for a minor modification to the existing permit (NM2-021) to stop the bi-weekly tilling in all active landfarm cells.

OCD hereby grants JHHC approval of the minor modification requests, with the following conditions:

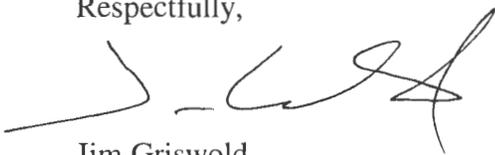
1. OCD approves JHHC's minor modification request to cease tilling in all active landfarm cells, based on the last two sampling events (Oct. 12, 2016 and Sept. 30, 2015) which demonstrate GRO/DRO combined fraction, Benzene, and BTEX concentrations were below the treatment zone closure standards of 19.15.36.15.F NMAC, as follows:
 - Benzene, as determined by EPA SW-846 Method 8021B or 8260B, shall not exceed 0.2 mg/kg;
 - Total BTEX, as determined by EPA SW-846 Method 8021B or 8260B, shall not exceed 50 mg/kg; and
 - GRO/DRO combined fractions, as determined by EPA SW-846 Method 8015M, shall not exceed 500 mg/kg;
2. JHHC shall comply with all other applicable requirements of the Oil and Gas Act (Chapter 70, Article 2 NMSA 1978), the existing permit NM2-021, the transitional provisions of 19.15.36.20 NMAC, and all conditions specified in this approval, including;

- JHHC shall monitor the vadose zone (native soils) for total petroleum hydrocarbons (TPH) by Method 8015 extended range for GRO, DRO, and MRO individually and volatile aromatic organics (BTEX) quarterly by either Method 8021 or 8260; Chloride semi-annually by either Method 300.1 or SM4500B; and major cations/anions (Calcium, Magnesium, Sodium, Potassium, Bicarbonate, Carbonate, and Sulfate) and Water Quality Control Commission (WQCC) metals annually; and
- JHHC shall continue to monitor the treatment zone (soils being remediated) semi-annually for TPH and Chloride to demonstrate compliance with the transitional provision of 19.15.36.20.A NMAC.

Please be advised that approval of this request does not relieve JHHC of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve JHHC of its responsibility to comply with any other applicable governmental authority's rules and regulations.

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

Respectfully,



Jim Griswold
Environmental Bureau Chief

JG/baj

cc: OCD District I Office, Hobbs



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

7001 1940 0004 7920 7584

March 4, 2005

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

John H. Hendrix Corp.
P.O. Box 3040
Midland, TX 79702-3040

Permit Number: NM-2-0021

Re: Administrative Modification of Landfarm Permits

The Oil Conservation Division (OCD) issued the landfarm permit identified above under OCD Rule 711. As explained in the public notice given prior to the issuance of the permit, the permit was for landfarming to remediate hydrocarbon-contaminated soils. The language of the permit, however, is broader, allowing the facility to accept oilfield contaminated solids which are either exempt from the Federal RCRA Subtitle C (hazardous waste) regulations or are "nonhazardous" by characteristic testing. If this language were interpreted to allow the landfarm to accept oilfield waste contaminated with salts, the salts could compromise the biodegradation capacity of the landfarm. And because salts leach more easily than hydrocarbons, the landfarm may pose a greater threat to groundwater.

According to the terms of the permit identified above, the OCD may change the permit conditions administratively for good cause shown as necessary to protect fresh water, human health and the environment. The OCD has determined that it is necessary to protect fresh water, human health and the environment to modify the permit as follows:

Effective immediately, the NMOCD permitted landfarm identified above is prohibited from accepting oilfield waste contaminated with salts.

If the landfarm identified above wishes to accept oilfield waste contaminated with salts, you will need to file an application to modify the permit pursuant to OCD Rule 711.B(1) and follow the notice requirements of OCD Rule 711.B(2). If you have already filed a complete application for permit modification with this office and complied with the notice requirements, the OCD will process the application promptly.

Landfarms that wish to accept oilfield wastes contaminated with salts while their application for permit modification is pending may apply to the Division Director for an emergency order under OCD Rule 1202. Applications for emergency orders will be considered on a case-by-case basis.

This notice is being sent to all entities operating landfarm facilities in New Mexico permitted pursuant to OCD Rule 711, as shown on the attached list.

If you have any questions, please contact Ed Martin at (505) 476-3492 or emartin@state.nm.us.

Very truly yours,

Mark E. Fesmire, P.E.

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

7001 1940 0004 7920 7584

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Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.22

3-2-9
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NM-2-021

Sent To
JOHN H. HENDRIX CORP.
Street, Apt. No.,
or PO Box No. **P.O. Box 3040**
City, State, ZIP+4
MIDLAND, TX 79702-3040

JOHN H. HENDRIX CORPORATION



MAILING ADDRESS
P.O. BOX 3040
MIDLAND, TX 79702-3040

(432) 684-6631
FAX (432) 684-7317
110 N. MARIENFELD, SUITE 400
MIDLAND, TEXAS 79701-4412

December 15, 2004

Mr. Roger Anderson
Bureau Chief
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

DEC 17 2004

Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505

RE: OCD 711 Permit NM-02-0021 Approval

Dear Mr. Anderson:

Please find enclosed one signed copy of the conditions of approval for
OCD Rule 711 Permit NM-02-0021.

Thank you for your assistance in this matter. If you have any questions
please call.

Yours very truly,

A handwritten signature in cursive script that reads "Ronnie H. Westbrook".

Ronnie H. Westbrook
Vice President

RHW/ah

Enclosure

PERMIT CONDITIONS
PERMIT NM-02-0021
JOHN H. HENDRIX CORPORATION
W/2 NW/4 and W/2 SW/4 of Section 15, Township 24 South, Range 36 East NMPM
Lea County New Mexico
November 29, 2004

LANDFARM CONSTRUCTION

1. Construction must commence on the landfarm area within one year of the permit approval date (Nov. 29, 2004). If construction does not commence within one year of this date, this permit will be of no effect.
2. The facility must be fenced and have a sign at the entrance. This sign must be legible from at least 50 feet and contain the following: a) name of the facility, b) location by section, township, range and by latitude/longitude, and c) emergency telephone number.
3. Contaminated soils may not be placed within 100 feet of the boundary of the facility.
4. Contaminated soils may not be placed within 20 feet of any pipeline crossing the landfarm. No equipment may be operated within 10 feet of a pipeline. All pipelines crossing the facility must have surface markers identifying the location of the pipelines.
5. The portion of the facility containing contaminated soils must be bermed to prevent runoff and runon. A perimeter berm no less than 2 feet above grade with a base of at least 4 feet must be constructed and maintained such that it is capable of containing precipitation from a 100-year flood for the specific region. Individual cells must be contained with a berm no less than 2 feet above grade.
6. All aboveground tanks, saddle tanks or drums located at the facility, and containing materials other than fresh water, must be placed on an impermeable pad with curb containment. The pad and curb containment must be able to hold 133.33% of the volume of the largest tank or of all interconnected tanks. The tanks and containers must be labeled as to contents and hazards.

LANDFARM OPERATION

1. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.
2. All contaminated soils received at the facility must be spread and disked within 72 hours of receipt.

3. Soils must be spread on the surface in lifts of 12 inches or less.
4. Soils must be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
5. Exempt contaminated soils must be placed in the landfarm so that they are physically separate (*e.g.*, bermed) from non-exempt contaminated soils. There may be no mixing of exempt and non-exempt soils.
6. Successive lifts of contaminated soils may not be spread until a laboratory measurement of total petroleum hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained. Authorization from the OCD must be obtained prior to application of successive lifts and/or removal of the remediated soils.
7. Prior to removal of remediated soils from the facility the soils must be tested for TPH, BTEX and benzene content. The remediated soils may only be moved to another location when the level of TPH in the remediated soil is less than 100 ppm, BTEX is less than 50 ppm, and benzene is less than 10 ppm. Comprehensive records of the laboratory analyses, destination, and volume of remediated soils removed from the facility will be maintained at the facility for OCD review. Authorization from the OCD Santa Fe office must be obtained prior to removal of the remediated soils to sensitive areas.
8. Moisture may be added as necessary to enhance bioremediation and to control blowing dust. There may be no ponding, pooling or run-off of water allowed. Any ponding of precipitation must be removed within 24 hours of discovery.
9. Enhanced bioremediation through the application of microbes (bugs) and/or fertilizers requires prior approval from the OCD. Requests for application of microbes or fertilizers must include the location of the area designated for the program, the composition of additives, and the method, amount and frequency of application.
10. Any design changes to the landfarm facility must be submitted to the OCD Santa Fe office for approval and a copy must be sent to the Hobbs District office.
11. Landfarm inspection must be conducted on at least a weekly basis and immediately following each consequential rainstorm or windstorm. If any defect is noted, repairs must be made as soon as possible. If the defect will jeopardize the integrity of the landfarm the OCD Santa Fe and Hobbs offices must be notified within 24 hours and additional wastes may not be placed into the landfarm until repairs have been completed.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

November 29, 2004

Mr. Ron Westbrook
John H. Hendrix Corp.
1310 18th Street
Eunice, NM 88231

RE: OCD Rule 711 Permit NM-02-0021 Approval

Dear Mr. Westbrook:

The permit for the John H. Hendrix Corp. (John H. Hendrix) centralized surface waste management facility located in the W/2 NW/4 and W/2 SW/4 of Section 15, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico is hereby approved in accordance with New Mexico Oil Conservation Division (OVD) Rule 711 under the conditions contained in the enclosed attachment. **This approval is conditional upon the receipt and approval by the Director of financial assurance in the amount of \$ 25,000 for this facility.** This financial assurance is required within 30 days from the date of this approval.

The operation, monitoring and reporting shall be as proposed in the C-137 application and supplemental material and as specified in the enclosed conditions. Any alternative methods of operating, monitoring and reporting must receive prior OCD approval. John H. Hendrix is required to notify the Director of any facility expansion or process modification and to file the appropriate materials with the OCD.

This approval does not relieve John H. Hendrix of liability should its operation result in pollution of surface water, ground water, or the environment. Nor does it relieve John H. Hendrix of its responsibility to comply with other federal, state or local laws and or regulations.

All tanks exceeding 16 feet in diameter and exposed pits, ponds or lagoons must be screened, netted or otherwise rendered non-hazardous to migratory birds. OCD Rule 310 prohibits oil from being stored or retained in earthen reservoirs or open receptacles.

Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the OCD Santa Fe office within five working days of receipt of this letter.**

John H. Hendrix Corp.

711 Permit NM-2-0021

November 29, 2004

Page 2 of 8

If you have any questions, please contact Ed Martin at (505) 476-3492 or
emartin@state.nm.us

Sincerely,

A handwritten signature in black ink, appearing to read "Roger C. Anderson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Roger C. Anderson
Environmental Bureau Chief

cc: OCD office, Hobbs NM
 Mark J. Larson, Larson and Associates

PERMIT CONDITIONS
PERMIT NM-02-0021
JOHN H. HENDRIX CORPORATION
W/2 NW/4 and W/2 SW/4 of Section 15, Township 24 South, Range 36 East NMPM
Lea County New Mexico
November 29, 2004

LANDFARM CONSTRUCTION

1. Construction must commence on the landfarm area within one year of the permit approval date (Nov. 29, 2004). If construction does not commence within one year of this date, this permit will be of no effect.
2. The facility must be fenced and have a sign at the entrance. This sign must be legible from at least 50 feet and contain the following: a) name of the facility, b) location by section, township, range and by latitude/longitude, and c) emergency telephone number.
3. Contaminated soils may not be placed within 100 feet of the boundary of the facility.
4. Contaminated soils may not be placed within 20 feet of any pipeline crossing the landfarm. No equipment may be operated within 10 feet of a pipeline. All pipelines crossing the facility must have surface markers identifying the location of the pipelines.
5. The portion of the facility containing contaminated soils must be bermed to prevent runoff and runoff. A perimeter berm no less than 2 feet above grade with a base of at least 4 feet must be constructed and maintained such that it is capable of containing precipitation from a 100-year flood for the specific region. Individual cells must be contained with a berm no less than 2 feet above grade.
6. All aboveground tanks, saddle tanks or drums located at the facility, and containing materials other than fresh water, must be placed on an impermeable pad with curb containment. The pad and curb containment must be able to hold 133.33% of the volume of the largest tank or of all interconnected tanks. The tanks and containers must be labeled as to contents and hazards.

LANDFARM OPERATION

1. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.
2. All contaminated soils received at the facility must be spread and disked within 72 hours of receipt.

3. Soils must be spread on the surface in lifts of 12 inches or less.
4. Soils must be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
5. Exempt contaminated soils must be placed in the landfarm so that they are physically separate (e.g., bermed) from non-exempt contaminated soils. There may be no mixing of exempt and non-exempt soils.
6. Successive lifts of contaminated soils may not be spread until a laboratory measurement of total petroleum hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained. Authorization from the OCD must be obtained prior to application of successive lifts and/or removal of the remediated soils.
7. Prior to removal of remediated soils from the facility the soils must be tested for TPH, BTEX and benzene content. The remediated soils may only be moved to another location when the level of TPH in the remediated soil is less than 100 ppm, BTEX is less than 50 ppm, and benzene is less than 10 ppm. Comprehensive records of the laboratory analyses, destination, and volume of remediated soils removed from the facility will be maintained at the facility for OCD review. Authorization from the OCD Santa Fe office must be obtained prior to removal of the remediated soils to sensitive areas.
8. Moisture may be added as necessary to enhance bioremediation and to control blowing dust. There may be no ponding, pooling or run-off of water allowed. Any ponding of precipitation must be removed within 24 hours of discovery.
9. Enhanced bioremediation through the application of microbes (bugs) and/or fertilizers requires prior approval from the OCD. Requests for application of microbes or fertilizers must include the location of the area designated for the program, the composition of additives, and the method, amount and frequency of application.
10. Any design changes to the landfarm facility must be submitted to the OCD Santa Fe office for approval and a copy must be sent to the Hobbs District office.
11. Landfarm inspection must be conducted on at least a weekly basis and immediately following each consequential rainstorm or windstorm. If any defect is noted, repairs must be made as soon as possible. If the defect will jeopardize the integrity of the landfarm the OCD Santa Fe and Hobbs offices must be notified within 24 hours and additional wastes may not be placed into the landfarm until repairs have been completed.

12. Within 24 hours of receiving notification from the OCD that an objectionable odor has been detected or reported, the facility must implement the following response procedure:

- a. Log date and approximate time of notice that an odor exists.
- b. Log investigative steps taken, including date and time, and conclusions reached.
- c. Log actions taken to alleviate the odor, which may include adjusting chemical treatment, air sparging, solidification, landfarming, or other similar responses.

A copy of the log, signed and dated by the facility manager, must be maintained for OCD review.

WASTE ACCEPTANCE CRITERIA

1. The facility is authorized to accept only exempt and "non-hazardous" non-exempt oilfield wastes that are generated in the State of New Mexico by John H. Hendrix.
2. The facility is authorized to accept only:
 - a. Oilfield wastes that are exempt from RCRA Subtitle C regulations and that do not contain Naturally Occurring Radioactive Material (NORM) regulated pursuant to 20 NMAC 3.1 Subpart 1403.
 - b. "Non-hazardous" non-exempt oilfield wastes on a case-by-case basis after conducting a hazardous waste characterization including corrosivity, reactivity, ignitability, and toxic constituents. The samples for these analyses must be obtained from the wastes prior to removal from the point of origin and without dilution in accordance with EPA SW-846 sampling procedures. The test for hazardous characteristics for a particular waste may be effective for an extended period of time from the date of analysis if approved by the OCD. In addition the generator must certify that this waste does not contain Naturally Occurring Radioactive Material (NORM) regulated pursuant to 20 NMAC 3.1 Subpart 1403.
3. At no time may any OCD-permitted surface waste management facility accept wastes that are hazardous by either listing or characteristic testing
4. No free liquids or soils with free liquids may be accepted at the facility.

5. The transporter of any wastes to the facility must supply a certification that wastes delivered are those wastes received from the generator and that no additional materials have been added.
6. Comprehensive records of all material disposed of at the surface waste management facility must be maintained by the permit holder.

TREATMENT ZONE MONITORING

1. One background soil sample must be taken from undisturbed ground within 20 feet of the landfarm boundary, and 2 feet below the native ground surface prior to operation. The sample must be analyzed for total petroleum hydrocarbons (TPH), volatile aromatic organics (BTEX), major cations/anions and Water Quality Control Commission (WQCC) metals.
2. A treatment zone 3 feet beneath the landfarm native ground surface must be monitored. A minimum of one random soil sample must be taken from each individual cell, 6 months after the first contaminated soils are received in the cell and then quarterly thereafter. This sample must be taken 2 to three 3 feet below the cell ground surface.
3. The soil samples must be analyzed using EPA-approved methods for total petroleum hydrocarbons (TPH) and volatile aromatic organics (BTEX) quarterly and for major cations/anions and Water Quality Control Commission (WQCC) metals annually.
4. After soil samples are obtained, the boreholes must be filled with an impermeable material such as cement or bentonite.

REPORTING

1. Analytical results from the treatment zone monitoring, including a sample location map, will be submitted to the OCD Santa Fe office by November 29th of each year.
2. Background sample analytical results must be submitted to the OCD Santa Fe office within 30 days of receipt from the laboratory.
3. The applicant must notify the OCD Hobbs District office within 24 hours of any circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.
4. All records of testing and monitoring must be retained for a period of five (5) years.
5. The OCD must be notified prior to the installation of any pipelines or wells or other construction within the boundaries of the facility.

FINANCIAL ASSURANCE

1. Pursuant to OCD Rule 711.B.3.a., financial assurance in a form approved by the Director is required from John H. Hendrix in the amount of \$25,000 for this facility.
2. Financial assurance must be submitted by December 29, 2004.
3. The facility is subject to periodic inspections by the OCD. The conditions of this permit and the facility will be reviewed no later than five (5) years from the date of this approval.

CLOSURE

1. The OCD Santa Fe and Hobbs offices must be notified when operation of the facility is to be discontinued for a period in excess of 6 months or when the facility is to be dismantled. Within 6 months after discontinuing use, or within 30 days of deciding to dismantle the facility, a closure plan must be submitted to the OCD Santa Fe office for approval. The operator must complete cleanup of constructed facilities and restoration of the facility site within 6 months of receiving the closure plan approval. The Director may grant an extension of this time period.
2. A closure plan to include the following procedures must be submitted to the OCD Santa Fe office for approval:
 - a. When the facility is to be closed, no new material will be accepted.
 - b. Existing landfarm soils will be remediated until they meet the OCD standards in effect at the time of closure.
 - c. The treatment zone soils beneath the landfarm cells will be characterized as to the total petroleum hydrocarbons (TPH) and volatile aromatic organics (BTEX) content in order to determine potential migration of contamination beneath the facility.
 - d. The area will be contoured, seeded with native grasses and allowed to return to its natural state. At the request of the landowner and upon approval of the OCD, existing structures, berms, or fences may be left in place for future alternative uses.
 - e. Closure will be pursuant to all OCD requirements in effect at the time of closure, and any other applicable local, state and/or federal regulations.

CERTIFICATION

John H. Hendrix Corporation, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. John H. Hendrix Corporation further acknowledges that the Division, for good cause shown as necessary to protect fresh water, human health and the environment, may change the conditions and requirements of this permit administratively.

Accepted:

John H. Hendrix Corporation

Signature _____

Title _____

Date _____