

UIC - 1 - 8-2

**WDW-2
PERMITS,
RENEWALS,
& MODS**

2017

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Friday, August 30, 2019 9:57 AM
To: Combs, Robert; Griswold, Jim, EMNRD
Cc: Denton, Scott; Holder, Mike; Dade, Lewis (Randy)
Subject: RE: GW-028 permit question

Robert,

Approved.

The New Mexico Oil Conservation Division (OCD) will updated the permit administrative records for GW-28, UICI-8-1 (WDW-1), UICI-8-2 (WDW-2), UICI-8-3 (WDW-3) and UICI-8-4 (WDW-4).

Thank you.

Mr. Carl J. Chavez, CHMM (#13099)
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St Francis Drive
Santa Fe, New Mexico 87505
Ph. (505) 476-3490
E-mail: CarlJ.Chavez@state.nm.us

“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)

From: Combs, Robert <Robert.Combs@HollyFrontier.com>
Sent: Friday, June 28, 2019 1:54 PM
To: Griswold, Jim, EMNRD <Jim.Griswold@state.nm.us>
Cc: Chavez, Carl J, EMNRD <CarlJ.Chavez@state.nm.us>; Denton, Scott <Scott.Denton@HollyFrontier.com>; Holder, Mike <Michael.Holder@hollyfrontier.com>; Dade, Lewis (Randy) <Lewis.Dade@HollyFrontier.com>
Subject: [EXT] GW-028 permit question

Jim,

Thanks for the call earlier today. Per our conversation, we’re nearing the end of the quarter, and a question arose about the GW-028 permit, specifically regarding sampling of RO reject. In 4.B., the sampling and analysis requirements say ‘The Permittee shall characterize the discharge fluids...’ As you are aware, this discharge ended in January of 2019 when the Secondary RO unit and WDW-4 became operational. Fluids from the RO units are no longer discharged to the farm fields, the fluid is instead discharged (and sampled) according to the WDW permit requirements. Upon this review, Navajo believes that sampling of the RO reject is no longer required and will no longer submit any samples for analysis for this stream.

We would like to request a permit modification to modify Section 4 of the Permit to simply state that discharge of RO reject to the land ceased in January 2019 and it is now managed via the four (4) permitted UIC well requirements. This would capture that the conditions of Section 4 were fulfilled and that the reject is now subject to the requirements of the UIC permits.

The UIC permits require quarterly sampling for the constituents specified in Section 2.A, specifically, those listed in NMAC 20.6.2.3103A, B, & C. Therefore, we would like to concurrently modify the UIC well permits to add constituents not already covered by the UIC well sampling program.

If you would like to discuss, please give us a call.

Thanks,
Robert

Robert Combs

Environmental Specialist
The HollyFrontier Companies
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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



DECEMBER 11, 2017

Mr. Randy Dade
HollyFrontier Navajo Refining, LLC
501 East Main Artesia
New Mexico 88210

Re: Approval of Discharge Permit Renewals WDW-1 (UICI-8-1), WDW-2 (UICI-8-2), and WDW-3 (UICI-8-3) for Class I (Non-hazardous) Waste Injection Wells HollyFrontier Navajo Refining, LLC, Eddy County, New Mexico

Dear Mr. Dade:

The discharge permit renewals (UICI-8) for the HollyFrontier Navajo Refining, LLC (Navajo) Class I Non-hazardous Waste Injection Wells:

- 1) WDW-1 UICI-8-1 (API#: 30-015-27592) is located approximately 11 miles east-southeast of Artesia on Hwy-82 from Hwy-285 and about 1 mile south of Hilltop Road. UL: O, Section 31 Township 17 South, Range 28 East, 660 FSL 2310 FEL Lat. 32.78517, Long. -104.21376, NMPM, Eddy County, New Mexico;
- 2) WDW-2 UICI-8-2 (API#: 30-015-20894) is located approximately 10.5 miles east-southeast of Artesia on Hwy-82 from Hwy-285 and about 3.3 miles south of Hilltop Road. UL: E, Section 12 Township 18 South, Range 27 East, 1980 FNL 660 FWL Lat. 32.76366, Long. -104.23848, NMPM, Eddy County, New Mexico; and
- 3) WDW-3 UICI-8-3 (API#: 30-015-26575) is located approximately 10.5 miles S-SE of the intersection of I-285 and Hwy 82 or approximately 2.75 miles S of Hwy 82 and CR-225. UL: N, Section 1 Township 18 South, Range 27 East, 790 FSL 2250 FWL Lat. 32.77121, Long. -104.23328, NMPM, Eddy County, New Mexico.

OCD hereby approves these 3 discharge permit renewals pursuant to 20.6.2.3109A NMAC. Please note 20.6.2.3109G NMAC, which provides for possible future amendment of the permits. Please be advised that approval of these discharge permits does not relieve HollyFrontier Navajo Refining, LLC of liability if operations result in pollution of surface water, ground water, or the environment.

These discharge permits will **expire on December 11, 2022**. Navajo should submit discharge permit renewal applications in ample time before this date. Note that under 20.6.2.3106F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires, and is in compliance with the approved discharge permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved.

The discharge permit renewal applications for the Navajo's Class I Non-Hazardous Waste Injection Wells are subject to 20.6.2.3114 NMAC. Every billable facility submitting a discharge permit renewal

December 11, 2017

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application is assessed a non-refundable filing fee of \$100.00. OCD has already received the required \$100.00 filing fees for the aforementioned Class I non-hazardous waste injection wells. OCD now requires a \$4,500.00 per discharge permit fee for each of these Class I non-hazardous waste injection wells or one check made payable for a total amount of \$13,500 to the "Water Quality Management Fund."

If you have any questions, please contact Carl Chavez of my staff at (505) 476-3490 or email: CarlJ.Chavez@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during these discharge permit reviews.

Sincerely,



David R. Catanach
Director

DRC/cc

Attachments: Discharge Permits

xc: Jim Griswold, OCD- Environmental Bureau Chief
OCD Artesia District Office
Scott Denton, HollyFrontier Navajo Refining, LLC

**RENEWAL OF DISCHARGE PERMIT
FOR
CLASS I NON-HAZARDOUS WASTE INJECTION WELL
UICI-8-2 (WDW-2)**

**HollyFrontier Navajo Refining, LLC
Unit E of Section 12 Township 18 South, Range 27 East NMPM**

December 11, 2017

HollyFrontier Navajo Refining, LLC of 501 East Main Street in Artesia, New Mexico 88210 (the Permittee) is permitted to continue operation of Underground Injection Control (UIC) Class I non-hazardous waste disposal well WDW-2 described in applications filed in this regard by the Permittee or modifications and in accordance with (a) the terms of this Permit, (b) the rules governing underground injection 20.6.2.5000 NMAC, and (c) all other applicable provisions of the Water Quality Act and the rules promulgated under the Act. The Permittee is responsible for insuring any oil and gas operations located within the area of the disposal well do not interfere with the proper authorized operation of the well. Certain changes to the operations described will require a modification to this permit including any necessary changes to the amount of financial assurance. The Oil Conservation Division (OCD) of the Energy, Minerals, and Natural Resources Department will determine if any changes constitute a discharge permit modification under 20.6.2.7 P NMAC.

1. GENERAL PROVISIONS

1.A. Permittee and Permitted Facility. The Director of the OCD renews Discharge Permit UICI-8-2 for operation of UIC Class I non-hazardous waste injection well Waste Disposal Well No. 2 (WDW-2 with API # 30-015-20894) located 1,980 feet from the Northern section line and 660 feet from the Western section line of Section 12 in Township 18 South, Range 27 East NMPM; Eddy County, New Mexico (Latitude 32.76366 degrees, Longitude -104.23848 degrees).

The Permittee is permitted to dispose of only non-hazardous (RCRA exempt and RCRA non-exempt non-hazardous) oil field waste fluids into WDW-2. This permit also covers the wastewater conveyance pipeline emanating from the Permittee's refinery situated in Artesia approximately 10.5 miles West to the location of WDW-2. Groundwater that may be affected by a release near the wellsite resides at an approximate depth of 100 feet below ground surface having a total dissolved solids concentration of approximately 1,000 – 1,535 ppm.

1.B. Scope of Permit. This discharge permit for an injection well is issued pursuant to the Water Quality Act (Chapter 74, Article 6 NMSA 1978) and regulations promulgated by the Water Quality Control Commission (WQCC). OCD has been granted the authority by statute and delegation from the WQCC to administer the Act as it applies to UIC Class I non-hazardous waste injection wells associated with the oil and gas industry. The Act and regulations protect groundwater and surface water of the State of New Mexico by providing that unless otherwise allowed by 20.6.2 NMAC, no person shall cause or allow effluent or leachate to discharge such that it may move directly or indirectly into groundwater.

This permit does not authorize any treatment of, or on-site disposal of, any materials, product, by-product, or waste other than exempt or non-hazardous oil field fluids into WDW-2 including, but not limited to, the on-site disposal of lube oil, glycol, antifreeze, and wash-down water. The Permittee may not dispose of any industrial waste fluid that is not oil field waste that is generated at its refinery. The New Mexico Environment Department permits the management of fluids that are not generated in the oil field. This permit does not convey any property rights of any sort or any exclusive privilege to the operator and does not authorize any injury to property or persons, any invasion of other private rights, or any infringement of state, federal, or local laws, rules, or regulations.

1.C. Permittee Commitments. The Permittee shall ensure all operations are consistent with the terms and conditions of this permit and in conformance with all pertinent regulations under the Water Quality Act so that neither a hazard to public health nor undue risk to property will result; so that no discharge will cause or may cause any stream standard to be violated; so that no discharge of any water contaminant will result in a hazard to public health;

and so that the technical criteria and performance standards for Class I non-hazardous waste injection wells are met. Furthermore, the Permittee shall abide by all commitments submitted in its permit renewal application of February 8, 2017 including any attachments and/or amendments all of which are hereby incorporated into this Permit by reference.

The Permittee shall not allow or cause water pollution, discharge, or release of any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 or 3103 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams). The Permittee shall not inject waste fluids into groundwater containing 10,000 parts per million or less total dissolved solids (TDS).

1.D. Definitions. Terms not specifically defined in this permit shall have the same meanings as those in the Water Quality Act or the regulations adopted pursuant to the Act, as the context requires.

1.E. Fees. Every facility that submits a discharge permit application for initial approval or renewal shall pay the filing and permit fees specified in 20.6.2.3114 NMAC. OCD has already received the required \$100.00 filing fee. The Permittee shall submit the \$4,500.00 permit fee for a Class I injection well to OCD by check made payable to "Water Quality Management Fund" no later than thirty days after the date that this renewal permit is issued.

1.F. Effective Date, Expiration, Renewal Conditions, and Penalties for Operating Without a Permit: This permit renewal is effective immediately until the permit is terminated or expires. This permit renewal will expire **December 11, 2022**. If the Permittee submits a subsequent application for renewal no later than 120 days before this permit expires and is in compliance with the permit, then the existing permit will not expire until OCD has approved or disapproved the renewal application. A permit continued under this provision remains fully effective and enforceable. Operating with an expired permit may subject the Permittee to civil and/or criminal penalties (Sections 74-6-10.1 and 10.2 NMSA 1978).

1.G. Modifications and Termination: The Permittee shall notify the OCD of any facility expansion, any injection pressure increase above the limit specified in permit condition 3.B, or process modification that would result in any significant modification in the discharge of water contaminants (20.6.2.3107C NMAC). The OCD may require the Permittee to submit a permit modification application pursuant to 20.6.2.3109E NMAC and may modify or terminate a permit pursuant to Sections 74-6-5(M) through (N) NMSA 1978 and 20.6.2.3109E and 20.6.2.5101I NMAC.

If data submitted pursuant to any monitoring requirements specified in this permit or other information available to the OCD indicate 20.6.2 NMAC is or may be violated, the OCD may require modification or terminate this permit for the following causes:

- Noncompliance by Permittee with any condition of this permit,
- The Permittee's failure in the application or during the review process to fully disclose all relevant facts, or the Permittee's misrepresentation of any relevant facts,
- A determination that the permitted activity may cause a hazard to public health or undue risk to property and can only be regulated to acceptable levels by permit modification or termination,
- Violation of any provisions of the Water Quality Act or any applicable regulations, standard of performance or water quality standards,
- Violation of any applicable state or federal effluent regulations or limitations, or
- Change in any condition that requires either a temporary or permanent reduction or elimination of the permitted discharge.

1.H. Transfer of Permit. The transfer provisions of 20.6.2.3111 NMAC do not apply to a permit for a Class I non-hazardous waste injection well. The Permittee may request to transfer its permit if the OCD receives written notice 30 days prior to the transfer date and the OCD does not object. OCD may require modifications to the permit as a condition of transfer and will require demonstration of adequate financial responsibility by the transferee.

The written notice shall be signed by both the Permittee and transferee, include an acknowledgment by the transferee that they will be responsible for compliance with the permit upon taking possession of the facility, set a specific date for transfer of the permit, and include information related to the transferee's financial responsibility as required by 20.6.2.5210B(17) NMAC.

1.I. Compliance and Enforcement. If the Permittee violates any condition of this permit, OCD may issue a compliance order requiring compliance immediately or within a specified time period, or assess a civil penalty, or both (74-6-10 NMSA 1978). The compliance order may also include a suspension or termination of this permit. OCD may also commence a civil action in district court for appropriate relief, including injunctive relief (74-6-10(A)(2) NMSA 1978). The Permittee may be subject to criminal penalties for discharging a water contaminant without a permit or in violation of a condition of a permit; making any false material statement, representation, certification or omission of material fact in a renewal application, record, report, plan or other document filed, submitted or required to be maintained under the Water Quality Act; falsifying, tampering with or rendering inaccurate any monitoring device, method or record required to be maintained under the Water Quality Act; or failing to monitor, sample or report as required by a discharge permit issued pursuant to a state or federal law or regulation (74-6-10.2 NMSA 1978).

2. GENERAL FACILITY OPERATIONS

2.A. Quarterly Monitoring Requirements. The Permittee shall properly conduct operations at its facility by injecting only RCRA exempt and RCRA non-hazardous, non-exempt oil field waste fluids. Injected waste fluids shall not exhibit the characteristics of ignitability, reactivity, corrosivity, or toxicity under 40 CFR 261 Subpart "C" 261.21 – 261.24 (July 1, 1992), at the point of injection into WDW-2 based upon analytic laboratory testing and/or monitoring. Pursuant to 20.6.2.5207B, the Permittee shall provide analyses of the injected fluids at least quarterly to yield data representative of their toxicity characteristic.

The Permittee shall also analyze the injected fluids quarterly for the following characteristics:

- pH as determined by Method 9040
- Eh
- Specific conductance
- Specific gravity
- Temperature
- Concentrations of major dissolved cations and anions, including: fluoride, calcium, potassium, magnesium, sodium bicarbonate, carbonate, chloride, sulfate, bromide, total dissolved solids, and cation/anion balance using the methods specified in 40 CFR 136.3
- RCRA Characteristics for ignitability (ASTM Methods), corrosivity (SW-846), and reactivity (determined through Permittee's application of knowledge or generating process)

The Permittee shall also analyze the injected fluids quarterly for the constituents identified in the Quarterly Monitoring List below to demonstrate that the injected fluids do not exhibit the characteristic of toxicity using the Toxicity Characteristic Leaching Procedure, EPA SW-846 Test Method 1311 (see Table 1, 40 CFR 261.24(b)).

QUARTERLY MONITORING LIST			
EPA Hazardous Waste No.	Contaminant	SW-846 Method	Regulatory Level (mg/l)
D004	Arsenic	1311	5.0
D005	Barium	1311	100.0
D018	Benzene	8021B	0.5
D006	Cadmium	1311	1.0
D019	Carbon tetrachloride	8021B 8260B	0.5
D020	Chlordane	8081A	0.03
D021	Chlorobenzene	8021B	100.0

		8260B	
D022	Chloroform	8021B 8260B	6.0
D007	Chromium	1311	5.0
D023	o-Cresol	8270D	200.0
D024	m-Cresol	8270D	200.0
D025	p-Cresol	8270D	200.0
D026	Cresol	8270D	200.0
D027	1,4-Dichlorobenzene	8021B 8121 8260B 8270D	7.5
D028	1,2-Dichloroethane	8021B 8260B	0.5
D029	1,1-Dichloroethylene	8021B 8260B	0.7
D030	2,4-Dinitrotoluene	8091 8270D	0.13
D032	Hexachlorobenzene	8121	0.13
D033	Hexachlorobutadiene	8021B 8121 8260B	0.5
D034	Hexachloroethane	8121	3.0
D008	Lead	1311	5.0
D009	Mercury	7470A 7471B	0.2
D035	Methyl ethyl ketone	8015B 8260B	200.0
D036	Nitrobenzene	8091 8270D	2.0
D037	Pentachlorophenol	8041	100.0
D038	Pyridine	8260B 8270D	5.0
D010	Selenium	1311	1.0
D011	Silver	1311	5.0
D039	Tetrachloroethylene	8260B	0.7
D040	Trichloroethylene	8021B 8260B	0.5
D041	2,4,5-Trichlorophenol	8270D	400.0
D042	2,4,6-Trichlorophenol	8041A 8270D	2.0
D043	Vinyl chloride	8021B	0.2

*If o-, m-, and p-cresol concentrations cannot be differentiated, then the total cresol concentration is used.
 If the quantitation limit is greater than the regulatory level, then the quantitation limit becomes the regulatory level.
 If dissolved metals, EPA Method 1311 TCLP is required with the exception of total mercury.*

2.B. Groundwater Monitoring Wells. At least one groundwater monitoring well shall be installed in proximity of and hydrogeologically downgradient from WDW-2. The monitoring well(s) shall be screened into the uppermost water-bearing unit using 15 feet of well screen with the top of the screened interval positioned 5 feet above the water table. The Permittee shall propose a monitoring frequency with analytic and monitoring parameters to detect potential groundwater contamination.

2.C. Contingency Plan. The Permittee shall implement the contingency plans included in its application to cope with failure of a system.

2.D. Closure. Within 30-days of permit issuance, the Permittee shall submit for OCD's approval, a closure plan with third-party cost estimate for plugging and abandonment of WDW-2, surface restoration in the area of the well, and proper abandonment of the wastewater conveyance pipeline. The plan should include a completed form C-103 for plugging and abandonment of the injection well. The Permittee shall plug and abandon its well pursuant to 20.6.2.5209 NMAC. OCD may require the Permittee to revise or update the closure plan. The obligation to implement the closure plan as well as the requirements of the plan survives the termination or expiration of this permit.

At least 30 days prior to the date the Permittee proposes to close or discontinue operation of WDW-2, the Permittee shall notify OCD. The following information shall be provided in the pre-closure notification:

- Name and location of the facility
- Name and address of Permittee
- Contact person with telephone number
- Type of well
- Year of well construction
- Well construction details
- Type of discharge including average flow in gallons per day
- Proposed well closure activities
- Proposed date of well closure

2.E. Record Keeping. The Permittee shall maintain records of all inspections required by this permit at its facility office for a minimum of five years and shall make those records available for inspection by OCD.

2.F. Release Reporting. The Permittee shall comply with the following pursuant to 20.6.2.1203 NMAC if a release occurs of oil or other water contaminant in such quantity as may with reasonable probability injure or be detrimental to human health, animal or plant life, or property, or unreasonably interfere with the public welfare or the use of property. The Permittee shall report to OCD any unauthorized releases of water contaminants in accordance with any additional commitments made in its approved contingency plan.

As soon as possible after learning of such a release, but no more than 24 hours thereafter, the Permittee shall verbally notify OCD and provide the following:

- The name, address, and phone number of the person in charge of the facility, as well as of the owner/operator of the facility
- The name and location of the facility
- The date, time, location, duration, and volume of the release
- The cause of the release
- A description of the release, including its probable chemical constituents
- Any actions taken to mitigate immediate damage from the release

Within 15 days after the Permittee has discovered a release, the Permittee shall provide written notification (may use Form C-141) to OCD verifying the prior oral notification and providing any appropriate additions or corrections to the information previously provided.

Corrective actions shall be undertaken with oversight by the OCD.

2.G. Other Requirements.

The Permittee shall allow any authorized representative of the OCD to:

- Enter the premises at reasonable times
- Inspect and copy records required by this permit
- Inspect any treatment works, monitoring, or analytical equipment
- Sample effluent

- Use Permittee's monitoring systems and wells to collect samples

The Permittee shall provide OCD with at least five working days' advance notice of any environmental sampling to be performed pursuant to this permit, or any well subsurface work such as mechanical integrity testing, well plugging, or decommissioning of any equipment.

The Permittee shall ensure all environmental sampling and laboratory testing meets the standards specified in 20.6.2.3107B NMAC. The Permittee shall ensure all samples are analyzed by an accredited by the National Environmental Laboratory Accreditation Conference (NELAC). The Permittee shall submit summary data tables, laboratory reports, and laboratory quality assurance/quality control and data quality objectives documentation OCD.

2.H. Financial Assurance. Pursuant to 20.6.2.5210B(17) NMAC, the Permittee will provide financial assurance to the OCD in an acceptable form and in an amount representative of the estimated total cost provided in the closure plan (section 2.D. above) for plugging of the injection well, surface restoration, and abandonment of the wastewater conveyance pipeline. The Permittee shall review the financial assurance any time the closure plan is revised. OCD may require additional financial assurance to ensure funding is available to plug the well or for any required corrective actions.

2.I. Reporting. The Permittee shall submit quarterly reports pursuant to 20.6.2.5208A NMAC to OCD no later than 45 days following the end of each calendar quarter. The quarterly reports shall include:

- Physical, chemical and other relevant characteristics of injected fluids (see Condition 2.A)
- Monthly average, maximum and minimum values for injection pressure, flow rate, injected volume, and annular pressure
- Groundwater monitoring well information from Condition 2.B
- Continuous monitoring charts and information from Permit Condition 3.C

The Permittee shall submit its annual report pursuant to 20.6.2.3107 NMAC to OCD by **March 31st** of the following year. The annual reports shall include the following:

- Cover sheet marked as "Annual Class I Non-Hazardous Waste Injection Well (WDW-2), Name of Permittee, permit number, API number of well, date of report, and person submitting report
- Summary of injection well operations for the year including descriptions and reasons for any remedial work on the well with a copy of form C-103(s)
- Brief explanation describing deviations from the normal operation
- Monthly injection volume, including the cumulative total which should be carried over each year
- Maximum and average injection pressures
- Copies of the quarterly chemical analyses and all quality assurance and data quality objective information
- Summary tables providing historic laboratory data for quarterly waste fluid samples
- Mechanical integrity test data
- Fall-off testing data
- Summary with interpretation of mechanical integrity tests, fall-off tests, Bradenhead tests, *etc.*, with conclusions and recommendations
- Reports of any leaks or spills (include any C-141 forms)
- Area of Review (AOR) summary with any new wells penetrating the injection zone within a 1-mile radius of WDW-2

3. OPERATIONS

3.A. Operating Requirements. The Permittee shall comply with the operating requirements specified in 20.6.2.5206A NMAC and 20.6.2.5206B NMAC to ensure the maximum injection pressure at the wellhead does not initiate new fractures or propagate existing fractures in either the injection or confining zones, or cause the movement of injection or formation fluids into groundwater having 10,000 ppm or less TDS except for fluid movement approved pursuant to 20.6.2.5103 NMAC.

Injection between the outermost casing and the well bore is prohibited in a zone other than the authorized injection zone. If the Permittee determines that WDW-2 is discharging or suspects that it is discharging fluids into a zone other than the permitted injection zone specified in Permit Condition 3.B, then the Permittee shall cease operations until proper repairs are made, notify the OCD within 24 hours, and shall not resume injection until the Permittee has received approval from the OCD.

The annulus between the injection tubing and the long string of injection casing shall be filled with a fluid approved and at an annulus pressure both approved by the OCD.

3.B. Injection Operations. The Permittee shall inject only RCRA exempt or non-hazardous, non-exempt oil field waste fluids into the subsurface formations residing from approximately 7,570 to 8,399 feet below ground surface (bgs) at WDW-2. The surface casing is set with a maximum depth of 1,995 feet bgs. The intermediate casing is set to a maximum depth of 7,570 feet bgs. The production casing is set to a maximum depth of 7,570 feet bgs. The injection tubing is set with the injection packer at a depth of approximately 7,528 feet bgs. The Permittee shall ensure the injected fluids enter only the specified injection interval and do not escape into other formations.

The Permittee shall ensure the injection pressure on WDW-2 as measured at the surface shall not exceed a gauge pressure of 1,514 pounds per square inch and equip the well with a pressure limiting device. The Permittee shall inspect the device daily and shall report any pressure exceedances within 24 hours of detection to OCD.

OCD may authorize an increase in the maximum surface injection pressure if the Permittee demonstrates higher pressure will not result in migration of the injected fluid from the designated injection interval by means of a valid step-rate test preferably run in coordination with a fall-off test. Any increase in injection pressure shall not exceed the formation parting pressure. Any step rate testing shall be pre-approved by OCD.

3.C. Continuous Monitoring Device. The Permittee shall continue to use a continuous monitoring device in advance of injection that records on an hourly basis the injection pressure, injection rate, totalized injection volume, and annular pressure between the injection tubing and the production casing. If the device requires chart changing, the Permittee shall utilize a procedure that depressurizes and properly re-aligns the pens on the chart scale during changing to prevent anomalous noise.

3.D. Mechanical Integrity. A Class I non-hazardous waste injection well has mechanical integrity if there is no detectable leak in the casing, tubing or packer which OCD considers to be significant at maximum operating temperature and pressure, and no detectable conduit for fluid movement out of the injection zone through the well bore, or vertical channels adjacent to the well bore, which the OCD considers to be significant. Pursuant to 20.6.2.5204 NMAC, the Permittee shall conduct a mechanical integrity test (MIT) for WDW-2 at least once every five years or more frequently as the OCD may require for good cause during the life of the well. The Permittee shall also complete an MIT after all well workovers, including when it pulls the tubing or reseats the packer. The Permittee shall request MIT pre-approval from OCD using form C-103 (Sundry Notices and Reports on Wells). The Permittee shall notify OCD five working days prior to conducting any MIT to allow the opportunity to witness.

The Permittee shall conduct the MIT by applying a pressure of at least 500 psig to the casing/tubing annulus from surface to the injection packer for at least 30 minutes. The MIT passes if there is a less than a 10% change in the final test pressure compared to the starting pressure. When conducting and evaluating an MIT, the Permittee shall apply methods and standards generally accepted in the oil and gas industry and follow OCD's 2004 *Underground Injection Control Program Manual* guidance. The Permittee shall submit the results to OCD within 30 days of completion. If any remedial work or any other workover operations are necessary, the Permittee shall comply with Permit Condition 3.F.

If the MIT indicates failure, the Permittee shall immediately shut-in the well, investigate, and notify the OCD within 24 hours. The Permittee shall not resume injection operations until approved by OCD.

The Permittee shall conduct a Bradenhead test at least annually and each time that it conducts an MIT.

The OCD may consider the use of equivalent alternative test methods to determine mechanical integrity. The Permittee shall submit information on the proposed alternative and all technical data supporting its use. The OCD may approve the request if it will reliably demonstrate the integrity of the well.

3.E. Fall-Off Testing. The Permittee shall undertake fall-off testing on at least an annual basis. The Permittee shall submit an initial form C-103 sundry notice to OCD for pre-approval and comply with OCD's 2007 *UIC Class I Well Fall-Off Test Guidance* for conducting and for reporting the test. Any report should be submitted to OCD within 60 days of test completion and include historic fall-off test results to evaluate injection zone characteristics over time.

3.F. Well Workovers. The Permittee shall provide notice to and shall obtain approval from the OCD prior to commencement of any remedial work or any other workover operations and allow OCD the opportunity to witness the operation. The Permittee shall request approval from OCD using form C-103 (Sundry Notices and Reports on Wells). After completing remedial work, pressure tests, or any other workover operations, the Permittee shall run an MIT in accordance with Permit Condition 3.D to verify that the remedial work has successfully repaired any problems.

3.H. Area of Review. The Permittee shall report to OCD within 72 hours of discovery of any new wells, conduits, or any other device that penetrates or may penetrate the injection zone within a 1-mile radius from WDW-2. Any un-cemented wells within the injection interval shall also be identified by the Permittee and reported to OCD.

4. CLASS V WELLS

Leach fields and other waste disposal systems that inject fluid into or above an underground source of drinking water are considered UIC Class V injection wells. This permit does not authorize the use of any Class V injection well for the disposal of industrial waste and the Permittee shall close any such well that injects industrial wastes or a mixture of industrial and domestic waste within 90 calendar days of the issuance of this permit. The Permittee shall document the closure of any such Class V wells in its Annual Report. Class V wells, including wells used only for the injection of domestic wastes, are typically permitted by the New Mexico Environment Department.

FACT SHEET
New Mexico Oil Conservation Division Class I Nonhazardous
Underground Injection Control Draft Discharge Permit # UICI-8-2
County of Eddy
HollyFrontier Navajo Refining, LLC

Location:

Eddy County
HollyFrontier Navajo Refining, LLC (Navajo)
Section 12, Township 18 South, Range 27 East NMPM
(Lat. 32.76366, Long. -104.23848)

Discharge Permit Contact:

Mr. Scott Denton
Environmental Manager
HollyFrontier Navajo Refining, LLC
501 East Main, Artesia, NM 88210
Telephone: (575) 746-5487
Email: Scott.Denton@HollyFrontier.com

Regulatory Contact:

Mr. Carl Chavez, Environmental Engineer
New Mexico Oil Conservation Division, Energy, Minerals & Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505 Telephone: (505) 476-3490
Fax: (505) 476-3462 (Attn.: Mr. Carl Chavez)
Email: CarlJ.Chavez@state.nm.us

I. Purpose of the Fact Sheet

Pursuant to the Underground Injection Control (UIC) regulations in Title 40 of the Code of Federal Regulations (CFR), §124.8, and the State water quality regulations §20.6.2 et seq. NMAC, the purpose of this fact sheet is to briefly describe the principal facts and the considerations that went into preparing the draft discharge permit. To meet these objectives, this fact sheet contains background information on the discharge permit process, a description of the facility, a brief discussion of the discharge permit conditions, and the reasons for these discharge permit conditions.

II. Discharge Permit Process

Application and Review Period

The New Mexico Oil Conservation Division Director has authority to issue discharge permits for underground injection activities under 40 CFR §144.31, and §20.6.2.3104 and 5101 NMAC. HollyFrontier Navajo Refining, LLC (Navajo) is applying for the renewal of Underground Injection Control (UIC) discharge permit # UICI-8-2 to continue injecting into one (1) Class I injection well known as Chukka Well No. 2 (WDW-2). The well is used to dispose of industrial non-hazardous fluids produced from the Artesia Refinery in Artesia, NM. Wastewater from the process units, cooling towers, boilers, streams from water purification units, desalting units, recovered and treated groundwater are pumped via subsurface pipeline from the refinery approximately 10.5 miles E-SE through a filtration unit before disposal or injection down WDW-2.

In February 2017, OCD received a discharge permit renewal application for the continued operation of WDW-2 from Navajo. OCD requested, and Navajo provided, supplemental information in February 2017. After completing a thorough technical review of all submitted information, OCD has determined that the information provided by Navajo is now sufficient to complete a draft renewal UIC discharge permit. Accordingly, OCD has completed a draft Class I non-hazardous UIC discharge permit that would authorize the continuation of injection for another 5-year period. The draft discharge permit contains operation, maintenance, monitoring, reporting, closure and well abandonment requirements.

Based on OCD's review of the operational standards, monitoring requirements, existing geologic setting, and the operational history of the facility over the prior ten (5) year discharge permitted period, OCD believes the activities allowed under the proposed draft discharge permit are protective of Underground Sources of Drinking Water (USDWs) as required under the Safe Drinking Water Act.

Public Participation

The public has thirty (30) days to review and comment on the Class I UIC draft discharge permit (20.6.2.3108 NMAC).

The draft discharge permit, this fact sheet, and the discharge permit application are available at the following location:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505 Telephone: (505) 476-3441 or
E-mail: CarlJ.Chavez@state.nm.us

The draft permit, fact sheet and permit application are also available at the OCD Website: <http://www.emnrd.state.nm.us/OCD/env-draftpublicetc.html>

The public comment period begins on September 10, 2017 and ends on October 10, 2017. During this period, all written comments on the draft discharge permit can be sent, faxed, or e- mailed to Carl Chavez (see the contact information listed on the first page of this fact sheet), who is also available by phone for any questions regarding the draft discharge permit.

During the public comment period, a person may request that a public hearing be held. Any request for a public hearing must be in writing and shall set forth the reasons why a hearing should be held. A public hearing shall be held if OCD Director determines there is substantial public interest in the draft discharge permit (20.6.2.3108.K NMAC).

Final Decision-Making Process

After the close of the public comment period, OCD will review and consider all comments relevant to the UIC discharge permit renewal and application. If public comments are received, OCD will send a response to comments to the applicant and each person who has submitted written comments or requested notice of the final discharge permit decision. OCD will also post the response to comments document on its website. The response to comments will contain: a response to all significant comments on the draft discharge permit raised during the public comment period or at any hearing; OCD's final discharge permitting decision; and any provisions in the discharge permit that were changed and the reasons for the changes. The final decision shall be to either issue or deny the discharge permit. Within thirty (30) days after the final discharge permit decision has been issued, any person who participated in the permitting action and who is adversely affected by such action, may file a petition for review with the Water Quality Control Commission (NMSA 1978, §74-6-5.O; 20.6.2.3112 NMAC). Commenters are referred to NMSA 1978, §74-6-5 for procedural requirements of the appeal process. If no comments request a change in the draft discharge permit, the discharge permit shall become effective immediately upon issuance.

III. Description of the Facility

Navajo operates a refinery wastewater treatment plant in Artesia, New Mexico. Navajo disposes of the concentrated brine (saline) waste product from the reverse osmosis treatment process at the plant via a Class I non-hazardous injection well operating at approximately 10.5 miles E-SE of the plant. The well is permitted by OCD under a UIC discharge permit, and the injection well has been previously operating under the existing UIC discharge permit. The well was converted from a former oil well in 1999.

The Navajo injection well facility is located approximately 10.5 miles east - southeast of the Navajo refinery wastewater treatment plant. The injection fluid is piped via an eight-inch pipeline

from the treatment plant to the injection well. The wastewater or injection fluid is generated from the process units, cooling towers, boilers, streams from water purification units, desalting units, recovered and treated groundwater are pumped via subsurface pipeline from the refinery approximately 10.5 miles E-SE through a series of filtration units before disposal or injection down WDW-2. The units generate a high Total Dissolved Solids- TDS concentrate that is sent to the injection well.

The injection well has been operating under an existing discharge permit which is up for renewal. The daily flow to the injection well has averaged 152,640 gallons per day for the last five (5) years. The well is discharge permitted to inject at a maximum of 1,510 psi. The high TDS wastewater effluent is injected into the Wolfcamp, Cisco, and Canyon Formations in the injection interval from 7,570 to 8,399 feet (depth below ground level).

IV. Brief Summary of Specific Discharge Permit Conditions

In order to protect public health and the environment, OCD is proposing the following conditions for operation, monitoring and reporting, plugging and abandonment, and financial responsibility in the Draft Class I UIC Discharge permit:

Well Operation (Section 2.D of the Draft Discharge permit)

The discharge permit restricts Navajo from injecting any hazardous waste into the injection well. The maximum allowable injectate volume and pressure limitations are already set based on the results of testing under the existing discharge permit. The draft discharge permit requires mechanical integrity testing every 5-years or after well workovers, and pressure transient testing annually to ensure protection of underground sources of drinking water. Navajo must demonstrate mechanical integrity by means of an annular pressure test in the tubing/casing annulus, an evaluation of cement integrity in the casing/borehole annulus and sufficient results from temperature logs and radioactive tracer testing. Under the discharge permit renewal, the permittee is required to provide OCD (for its approval) with Sundries to describe the proposed procedures to conduct the various well tests. The permittee is also responsible for measuring and monitoring formation pressure data annually to ensure that pressure buildup is limited to the AOR. The discharge permit also requires that Navajo operate their injection well in such a manner as to not initiate or propagate fractures in the injection formation or the confining zone (aquitard).

Monitoring, Record Keeping, and Reporting (Section 2.E of the Draft Discharge permit)

Navajo is required to continuously monitor injection rate, total injection volume, injection pressure, annular pressure, and injection fluid temperature. Navajo is required to sample the injectate on a quarterly basis to determine the quantities/values of the following: Inorganics (i.e., Major Anions and Cations); Solids (i.e., Total Dissolved Solids); General and Physical Parameters (i.e., pH, Conductivity, Hardness, Specific Gravity, Alkalinity and Viscosity); Metals; and Organics.

All sampling analyses must be performed at a certified laboratory. Navajo is required to maintain all operational and monitoring records, and to submit quarterly and annual summary reports to OCD.

Well Plugging and Abandonment (Section 2.C of the Draft Discharge Permit)

Upon determination that the injection well regulated by this discharge permit is to be permanently abandoned, Navajo is required to abandon the injection well according to the Plugging and Abandonment Plans in 2.C of the draft discharge permit. OCD reserves the right to change the manner in which a well will be plugged if the well is modified during its discharge permitted life or if the well is not consistent with OCD requirements for construction or mechanical integrity.

Financial Responsibility (Section 2.H and 5.B of the Draft Discharge Permit)

The Permittee shall maintain a bond (non-expiring) or arrange for other financial assurance for WDW-2 in the amount of \$95,000 to guarantee closure.

The financial responsibility mechanism and amount shall be reviewed and updated periodically, upon request of OCD. OCD may require the permittee to change to an alternate method of demonstrating financial responsibility.

Duration of Discharge permit (Section 1.F of the Draft Discharge Permit)

OCD proposes to issue the discharge permit and the authorization to inject for a period of up to five (5) years with a renewal option unless terminated under the conditions set forth in Section 1.G of the draft discharge permit.

US-285 and Hwy 82 or approximately 3 miles South of the intersection of Hwy 82 and CR 204 (Hilltop Road). Underground injection at WDW-2 occurs within the interval from 7,570 to 8,399 feet bgs. The injection rate will not exceed 500 gpm and the maximum allowable surface injection pressure is 1,510 psig.

Gaines Well No. 3 (WDW-3), API No. 30-015-26575 (UICI-8-3)
UL: N, Section 1 Township 18 South, Range 27 East, NMPM, Eddy County 790 FSL 2250 FWL, Lat. 32.77121, Long. -104.23328

WDW-3 is located approximately 14 miles E-SE of the intersection of I-285 and Hwy 82 (Navajo Refinery) or approximately 2.75 miles S of Hwy 82 and CR 225. Underground injection at WDW-3 occurs within the injection interval from 7,660 to 8,620 feet bgs. The injection rate into WDW-3 will not exceed 500 gpm and the maximum allowable surface injection pressure of 1,530 psig.

Underground injection for each of the wells occurs within the Lower Wolfcamp, Cisco and Canyon Formations. The injected refinery wastewater quality is approximately 3,400 ppm Total Dissolved Solids- TDS. Formation fluids within the permitted injection intervals exceed 10,000 ppm TDS and is not protectable. Groundwater is first encountered around the wells at a depth of approximately 50 - 100 feet below land surface. The shallow groundwater quality ranges from about 1,500 to 2,200 ppm TDS.

The OCD has determined that the applications are administratively complete and has prepared draft permit renewals. OCD will accept comments and statements of interest regarding these applications and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permits may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the OCD website: <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permits may contact the OCD at the address given above. Prior to ruling on any proposed discharge permit renewal or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that OCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit renewal based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed renewal based on information in the application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energía, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Laura Tulk, 575-748-1283).

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 10th day of September 2017.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

David R. Catanach, Director
Journal: September 10, 2017



2017 OCT 10 P 2:45

RECEIVED OCD

Chavez, Carl J, EMNRD

From: Estes, Bob, DCA
Sent: Wednesday, September 27, 2017 3:15 PM
To: Chavez, Carl J, EMNRD
Subject: Holley Frontier permit renewels WDW-1, WDW-2, WDW-3, and new permit WDW-4

OFFICIAL RESPONSE OF THE NEW MEXICO STATE HISTORIC PRESERVATION OFFICER (SHPO)

Dear Mr. Chavez,

On behalf of the SHPO I have completed a review of the documentation for the aforementioned Holley Frontier permits applications.

Our records show that the locations of the wells have been surveyed cultural and there are no cultural resources listed on the National Register or State Register within or near the proposed permit area and no known cemeteries or burial grounds.

Land status for the injection well locations belong primarily to the Bureau of Land Management, Carlsbad Field Office, whereas one location WDW-1 is on split estate. The BLM may require additional surveys and or avoidance of any eligible archaeological sites and an archaeological monitor to ensure that eligible sites are not affected.

However, based on the existing information the SHPO has no concerns that the permits will affect properties eligible for listing in the National Register of Historic Places.

If you have any questions or comments, please feel free to call me directly at 5505-827-4225 or email me.

Sincerely,

Bob Estes Ph.D.
HPD Staff Archaeologist

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Wednesday, September 6, 2017 11:13 AM
To: Sandoval, Alexandra J., DGF; Wunder, Matthew, DGF; Shije, Suzette, IAD; 'ddapr@nmda.nmsu.edu'; 'adunn@slo.state.nm.us'; 'James_Amos@blm.gov'; 'psisneros@nmag.gov'; 'r@rthicksconsult.com'; 'sric.chris@earthlink.net'; 'nmparks@state.nm.us'; Blaine, Tom, OSE; 'marieg@nmoga.org'; Fetner, William, NMENV; 'lazarus@glorietageo.com'; 'perry@glorietageo.com'; Majure, Allison, NMENV; 'cjoyner@fs.fed.us'; Kieling, John, NMENV; 'bsg@garbhall.com'; Hunter, Michelle, NMENV; 'claudette.horn@pnm.com'; 'ekendrick@montand.com'; 'pam@ipanm.org'; Brown, Maxey G, EMNRD; Bayliss, Randolph, EMNRD; Bratcher, Mike, EMNRD; Perrin, Charlie, EMNRD; Jones, William V, EMNRD; Kelly, Jonathan, EMNRD; Powell, Brandon, EMNRD; Jones, William V, EMNRD; Wojahn, Beth, EMNRD; Sanchez, Daniel J., EMNRD; Griswold, Jim, EMNRD; Goetze, Phillip, EMNRD; Podany, Raymond, EMNRD
Cc: Denton, Scott (Scott.Denton@HollyFrontier.com); Combs, Robert (Robert.Combs@hollyfrontier.com); 'Dade, Lewis (Randy)'; Tulk, Laura, EMNRD; DeVargas, Lorraine, EMNRD
Subject: Discharge Permit Renewal (UICI-8) HollyFrontier Navajo Refining, LLC Class I (Non-hazardous) WDW 1 (API# 30-015-27592), WDW-2 (API# 30-015-20894), WDW-3 (API# 30-015-26575) & WDW-4 (API# to be determined) in Eddy County

Ladies and Gentlemen:

Please find below the New Mexico Oil Conservation Division (OCD) Public Notice (30-day public comment period begins Sunday, September 10, 2017) in accordance with New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC) and Discharge Permits for the above subject Underground Injection Control (UIC) Class I (Non-hazardous) Disposal Wells.

Discharge Permit Renewals WDW-1 (UICI-8-1), WDW-2 (UICI-8-2), and WDW-3 (UICI-8-3) HollyFrontier Navajo Refining LLC Waste Disposal Wells (4/11/17):

The Underground Injection Control (UIC) Class I (Non-hazardous) Disposal Wells (WDW-1 API#: 30-015-27592; WDW-2 API#: 30-015-20894; and WDW-3 API#: 30-015-26575) are located in Eddy County. WDW-1 is located approximately 11 miles east-southeast of Artesia on Hwy-82 from Hwy-285 and about 1 mile south of Hilltop Road. WDW-2 is located approximately 10.5 miles east-southeast of Artesia on Hwy-82 from Hwy-285 and about 3.3 miles south of Hilltop Road. WDW-3 is located approximately 10.5 miles S-SE of the intersection of I-285 and Hwy 82 or approximately 2.75 miles S of Hwy 82 and CR-225.

[Not Administratively Complete \(2/24/2017\)](#)

[Administrative Completeness \(4/11/2017\)](#)

[Description \(4/11/2017\)](#)

[Application \(2/8/2017\)](#)

[Application Supplement \(2/8/2017\)](#)

[Application Addendum \(3/22/2017\)](#)

[WDW-1 Discharge Permit \(9/6/2017\)](#)

[WDW-2 Discharge Permit \(9/6/2017\)](#)

[WDW-3 Discharge Permit \(9/6/2017\)](#)

[Public Notice \(9/10/2017\)](#)

Discharge Permit New WDW-4 (UICI-8-4) HollyFrontier Navajo Refining LLC Waste Disposal Well (7/26/17):

The Underground Injection Control (UIC) Class I (Non-hazardous) Disposal Well (WDW-4) is located in at UL: N, Section 23, Township 17 South, Range 27 East (Lat./Long.: 32.81581/104.25003), NMPM, Eddy County. WDW-4 is located approximately 8.5 miles S-SE of the intersection of Hwy 285 and Hwy 82 on the North side of Hwy 82.

[Not Administratively Complete \(5/9/2017\)](#)

[Administrative Completeness \(7/26/2017\)](#)

[Description \(7/26/2017\)](#)

[Application \(4/6/2017\)](#)

[Discharge Permit \(9/6/2017\)](#)

[Public Notice \(9/10/2017\)](#)

The OCD Website for public notices is at <http://www.emnrd.state.nm.us/OCD/env-draftpublicetc.html> (see “Draft Permits and Public Notices” section).

Please contact me if you have questions. Thank you.

Mr. Carl J. Chavez, CHMM (#13099)
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St Francis Drive
Santa Fe, New Mexico 87505
Ph. (505) 476-3490
E-mail: CarlJ.Chavez@state.nm.us

“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Tuesday, April 11, 2017 1:20 PM
To: 'Dade, Lewis (Randy)'
Cc: Griswold, Jim, EMNRD; Oberding, Tomas, EMNRD
Subject: HollyFrontier Navajo Refining, LLC (UICI-8-1; UICI-8-2; and UICI-8-3) WDWs 1, 2 & 3 UIC Class I (NH) Disposal Well Discharge Permit Renewal Applications OCD Administratively Complete Designation
Attachments: OCDAC4-11-17.pdf

Mr. Dade:

The New Mexico Oil Conservation Division (OCD) has completed its review of the above subject application for discharge permit renewals for WDW-1, WDW-2 and WDW-3.

Please find attached OCD's administratively complete letter designation. OCD placed a hardcopy in the U.S. Mail this afternoon.

Please contact me if you have questions. Thank you.

Mr. Carl J. Chavez, CHMM (#13099)
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St Francis Drive
Santa Fe, New Mexico 87505
Ph. (505) 476-3490
E-mail: CarlJ.Chavez@state.nm.us

“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)

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



APRIL 11, 2017

CERTIFIED MAIL
RETURN RECEIPT NO: 7913 8121

Mr. Randy Dade
Environmental Specialist
HollyFrontier Navajo Refining LLC
501 East Main
Artesia, New Mexico 88210

Mr. Dade,

Re: HollyFrontier Navajo Refining LLC, Discharge Permit Application Renewals for UIC Class I (Non-hazardous) Disposal Wells (February 2017), Eddy County, New Mexico:

Mewbourne Well No. 1, API No. 30-015-27592 (UICI-8-1)
UL: O, Section 31 Township 17 South, Range 28 East, 660 FSL 2310 FEL
Lat. 32.78517, Long. -104.21376

Chukka Well No. 2, API No. 30-015-20894 (UICI-8-2)
UL: E, Section 12 Township 18 South, Range 27 East, 1980 FNL 660 FWL
Lat. 32.76366, Long. -104.23848

Gaines Well No. 3, API No. 30-015-26575 (UICI-8-3)
UL: N, Section 1 Township 18 South, Range 27 East, 790 FSL 2250 FWL
Lat. 32.77121, Long. -104.23328

The New Mexico Oil Conservation Division (OCD) has received HollyFrontier (HF) Navajo Refining LLC's 3 discharge permit renewal applications for the disposal wells listed above with an initial total filing fee of \$300. Oilfield exempt and non-exempt non-hazardous fluids generated from the Artesia Refinery are routed via pipeline and injected into the disposal wells located approximately 12 – 13 miles E-SE of the refinery. The wells inject fluids into the Wolfcamp, Cisco, and Canyon Formations. The initial submittal was received on February 19, 2017, which was followed by an addendum (addendum) dated March 22, 2017. The addendum provided responses to OCD requested information to deem the application **administratively complete**.

As such, the Water Quality Control Commission (WQCC) regulations notice requirements of 20.6.2.3108 NMAC must be satisfied and demonstrated to the OCD. OCD will also provide public notice pursuant to WQCC requirements and determine if there is sufficient public interest.

Please contact me at (505) 476-3490 or carlj.chavez@state.nm.us if you have questions. Thank you for your cooperation throughout the discharge permit review process.

April 11, 2017
Page 2

Sincerely,

A handwritten signature in blue ink, appearing to read "Carl J. Chávez", is written over a light blue rectangular background.

Carl J. Chávez
Environmental Engineer

xc: Jim Griswold, OCD- Environmental Bureau Chief
OCD Artesia District Office

Cash Remittance Report (CRR)

Energy, Minerals & Natural Resources Department CASH REMITTANCE REPORT (CRR)

Location Name ^① OCD-ENVIRONMENT Location Code ^② 0740

Today's Date: 02 / 14 / 2017
MONTH DAY YEAR ^③

Collection Period: ___ / ___ / ___ through ___ / ___ / ___ ^④
MM DD YYYY MM DD YYYY

Cost Center ^⑤	Revenue Code ^⑤	Receipt Amount ^⑦	Collected Amount ^⑧
0740		300.00	

Total =====> \$ 300.00 ^⑨ \$ ^⑩

Over/Short Amount \$ ^⑪

CRR Deposit Amount \$ ^⑫

Print Name: Lorraine DeVargas ^⑬ Signature: Lorraine DeVargas ^⑬

Print Name: _____ ^⑬ Signature: _____ ^⑬

Distribution: White and Yellow copy to Accounts Receivable-ASD,
Pink copy retained at CRR submitting location.

Official Use Only
Completed by the Accounts Receivable Date Received: _____ ^①
Notes: _____ ^② Amount Received: _____ ^③
State Treasurer Deposit Number: _____ ^④ Verified by: _____ ^⑥
Deposit Date: _____ ^⑤



HOLLYFRONTIER.

February 9, 2017

2017 FEB 14 10:00 AM

Submitted electronically via email to jim.griswold@state.nm.us and carlj.chavez@state.nm.us

Oil Conservation Division
New Mexico Energy, Minerals & Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Certified Mail / Return Receipt
7014 3490 0000 6269 6441

RE: Discharge Permit Renewal Application for WDW-1, WDW-2, WDW-3, Class 1 Non-Hazardous Injection Well & Application Filing Fee Hollyfrontier Navajo Refinery Co. LLC

Dear Sirs:

HollyFrontier Navajo Refining LLC has submitted the required discharge permit renewal application for WDW-1; 30-015-27592, WDW-2; 30-015-20894, WDW-3; 30-015-26575.

Enclosed is a check for \$ 300.00 application fee. This is \$ 100.00 per each well.

If you have any questions regarding this renewal application, please contact Randy Dade at (575) 746-5281 or Scott Denton at (575) 746-5487, or by email at Scott.Denton@HollyFrontier.com

Sincerely,



Scott M. Denton
Environmental Manager

Enclosures: Attachment 1: Check # 100034137

Env. Files: Injection Wells, Permit Applications, WDW-1, WDW-2, WDW-3, Subm', 2017-02-08 Discharge Renewal Application Fee

cc. HFC: D. McWatters, R. O'Brien, M. Holder

HollyFrontier Navajo Refining LLC
501 East Main • Artesia, NM 88210
(575) 748-3311 • <http://www.hollyfrontier.com>

HollyFrontier Navajo Refining LLC
2828 N. Harwood St., Suite 1300
Dallas TX 75201-1507

WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIV
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4225

Check Date 02/03/2017
Check Amount \$ 300.00
Vendor No 5111809
Payment Document 2000012018
Company Code 1020

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
02/01/2017	020117	FILLING FEE FOR CLASS I INJECTION	300.00	0.00	300.00

Payment document	Check number	Date	Currency	Payment amount
2000012018	1000341375	02/03/2017	USD	*****300.00*

↓ PLEASE FOLD ON PERFORATION AND DETACH HERE ↓

VERIFY THE AUTHENTICITY OF THIS MULTI-TONE SECURITY DOCUMENT.

■ CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

HollyFrontier Navajo Refining LLC
2828 N. Harwood St., Suite 1300
Dallas TX 75201-1507

64-1278/611 1000341375
02/03/2017

PAY EXACTLY

*****300.00*USD

VOID AFTER 180 DAYS

PAY *** THREE HUNDRED and 00 /100 USD***

TO THE
ORDER OF WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIV
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4225



AUTHORIZED SIGNATURE

Bank of America N.A.

**ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH**

I hereby acknowledge receipt of Check No. 1000341375 dated 02/03/2017

or cash received on 02/14/2017 in the amount of \$ 300.⁰⁰

from Holly Frontier Navajo Refining

for WDW-1, WDW-2, WDW-3 Application Fee \$100⁰⁰ each

Submitted by: Carl Chavez Date: 02/14/2017

Submitted to ASD by: Lorraine DeVargas Date: 02/14/2017

Received in ASD by: _____ Date: _____

Filing Fee New Facility: _____ Renewal: _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 117

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

AFFIDAVIT OF PUBLICATION

OF NEW MEXICO

Bernalillo SS

NOTICE OF PUBLICATION

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES
DEPARTMENT
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC), the following discharge permit renewal application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("OCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3441:

(UICI-8-1; UICI-8-2; and UICI-8-3) HollyFrontier Navajo Refining, LLC is located at 501 E. Main Street, Artesia, New Mexico 88210. Mr. Randy Dade at (575) 746-5261 gives public notice on its application to renew three OCD Underground Injection Control (UIC) discharge permits to inject treated oil field exempt and non-exempt non-hazardous wastewater effluent from the Artesia Refinery's on-site wastewater treatment plant. Wastewater from the refinery is generated from the treatment of water streams from the processing of crude oil, including the removal of water entrained in crude oil, the washing of crude oil to remove salts and sediment, water used for heating and cooling during refining, boiler blowdown, Reverse Osmosis reject water, and stormwater collected from process areas of the refinery. Effluent is routed via subsurface pipeline into three Class 1 injection wells located approximately 13 miles E-SE of the refinery, and are listed below:

Mewbourne Well No. 1 (WDW-1), API No. 30-015-27592 (UICI-8-1)
UL: O, Section 31 Township 17 South, Range 28 East, NMPM, Eddy County, 660 FSL 2310 FEL, Lat. 32.78517, Long. -104.21376

WDW-1 is located approximately 11 miles SE of the intersection of I-285 and Hwy 82 or approximately 1 mile SW of the intersection of Hwy 82 and CR 206. Underground injection at WDW-1 occurs within the interval from 7,924 to 8,476 feet (below ground surface- bgs). The injection rate will not exceed 500 gallons per minute- gpm and the maximum allowable surface injection pressure is 1,565 pounds per square inch gauge- psig.

Chukka Well No. 2 (WDW-2), API No. 30-015-20894 (UICI-8-2)
UL: E, Section 12 Township 18 South, Range 27 East, NMPM, Eddy County, 1980 FNL 680 FWL, Lat. 32.76366, Long. -104.23848

WDW- 2 is located approximately 10 miles SE of the intersection of US-285 and Hwy 82 or approximately 3 miles South of the intersection of Hwy 82 and CR 204 (Hilltop Road). Underground injection at WDW-2 occurs within the interval from 7,570 to 8,399 feet bgs. The injection rate will not exceed 500 gpm and the maximum allowable surface injection pressure is 1,510 psig.

Gaines Well No. 3 (WDW-3), API No. 30-015-28575 (UICI-8-3)
UL: N, Section 1 Township 18 South, Range 27 East, NMPM, Eddy County 790 FSL 2250 FWL, Lat. 32.77121, Long. -104.23328

WDW-3 is located approximately 14 miles E-SE of the intersection of I-285 and Hwy 82 (Navajo Refinery) or approximately 2.75 miles S of Hwy 82 and CR 225. Underground injection at WDW-3 occurs within the injection interval from 7,660 to 8,620 feet bgs. The injection rate into WDW-3 will not exceed 500 gpm and the maximum allowable surface injection pressure of 1,530 psig.

Underground injection for each of the wells occurs within the Lower Wolfcamp, Cisco and Canyon Formations. The injected refinery wastewater quality is approximately 3,400 ppm Total Dissolved Solids- TDS. Formation fluids within the permitted injection intervals exceed 10,000 ppm TDS and is not protectable. Groundwater is first encountered around the wells at a depth of approximately 50 - 100 feet below land surface. The shallow groundwater quality ranges from about 1,500 to 2,200 ppm TDS.

The OCD has determined that the applications are administratively complete and has prepared draft permit renewals. OCD will accept comments and statements of interest regarding these applications and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permits may be viewed at the above address between 8:00 a.m. and 4:00 p. m., Monday through Friday, or may also be viewed at the OCD website: <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permits may contact the OCD at the address given above. Prior to ruling on any proposed discharge permit renewal or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that OCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit renewal based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed renewal based on information in the application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Dept. Del Energía, Minerals y Recursos)

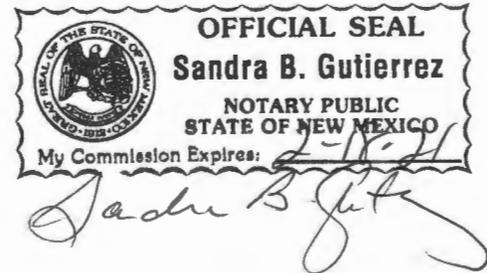
Conzales, the undersigned, on oath states that she is an authorized Representative of the Journal, and that this newspaper is duly qualified to publish legal notices within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that there has been made of assessed as court cost; that the notice, copy of which hereto published in said paper in the regular daily edition, for 1 time(s) on the following

Subscribed before me, a Notary Public, in and of Bernalillo and State of New Mexico this
September _____ of 2017

\$258.47

Term at the end of month.

NUMBER 1009556



US-285 and Hwy 82 or approximately 3 miles South of the intersection of Hwy 82 and CR 204 (Hilltop Road). Underground injection at WDW-2 occurs within the interval from 7,570 to 8,399 feet bgs. The injection rate will not exceed 500 gpm and the maximum allowable surface injection pressure is 1,510 psig.

Gaines Well No. 3 (WDW-3), API No. 30-015-26575 (UICI-8-3)
UL: N, Section 1 Township 18 South, Range 27 East, NMPM, Eddy County 790 FSL 2250 FWL, Lat. 32.77121, Long. -104.23328

WDW-3 is located approximately 14 miles E-SE of the intersection of I-285 and Hwy 82 (Navajo Refinery) or approximately 2.75 miles S of Hwy 82 and CR 225. Underground injection at WDW-3 occurs within the injection interval from 7,660 to 8,620 feet bgs. The injection rate into WDW-3 will not exceed 500 gpm and the maximum allowable surface injection pressure of 1,530 psig.

Underground injection for each of the wells occurs within the Lower Wolfcamp, Cisco and Canyon Formations. The injected refinery wastewater quality is approximately 3,400 ppm Total Dissolved Solids- TDS. Formation fluids within the permitted injection intervals exceed 10,000 ppm TDS and is not protectable. Groundwater is first encountered around the wells at a depth of approximately 50 - 100 feet below land surface. The shallow groundwater quality ranges from about 1,500 to 2,200 ppm TDS.

The OCD has determined that the applications are administratively complete and has prepared draft permit renewals. OCD will accept comments and statements of interest regarding these applications and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permits may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the OCD website: <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the application and draft permits may contact the OCD at the address given above. Prior to ruling on any proposed discharge permit renewal or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that OCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit renewal based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed renewal based on information in the application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energía, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Laura Tulk, 575-748-1283).

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 10th day of September 2017.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

David R. Catanach, Director
Journal: September 10, 2017



2017 OCT 10 P 2:45

RECEIVED OCD

Chavez, Carl J, EMNRD

From: Estes, Bob, DCA
Sent: Wednesday, September 27, 2017 3:15 PM
To: Chavez, Carl J, EMNRD
Subject: Holley Frontier permit renewels WDW-1, WDW-2, WDW-3, and new permit WDW-4

OFFICIAL RESPONSE OF THE NEW MEXICO STATE HISTORIC PRESERVATION OFFICER (SHPO)

Dear Mr. Chavez,

On behalf of the SHPO I have completed a review of the documentation for the aforementioned Holley Frontier permits applications.

Our records show that the locations of the wells have been surveyed cultural and there are no cultural resources listed on the National Register or State Register within or near the proposed permit area and no known cemeteries or burial grounds.

Land status for the injection well locations belong primarily to the Bureau of Land Management, Carlsbad Field Office, whereas one location WDW-1 is on split estate. The BLM may require additional surveys and or avoidance of any eligible archaeological sites and an archaeological monitor to ensure that eligible sites are not affected.

However, based on the existing information the SHPO has no concerns that the permits will affect properties eligible for listing in the National Register of Historic Places.

If you have any questions or comments, please feel free to call me directly at 5505-827-4225 or email me.

Sincerely,

Bob Estes Ph.D.
HPD Staff Archaeologist

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Wednesday, September 6, 2017 11:13 AM
To: Sandoval, Alexandra J., DGF; Wunder, Matthew, DGF; Shije, Suzette, IAD; 'ddapr@nmda.nmsu.edu'; 'adunn@slo.state.nm.us'; 'James_Amos@blm.gov'; 'psisneros@nmag.gov'; 'r@rthicksconsult.com'; 'sric.chris@earthlink.net'; 'nmparks@state.nm.us'; Blaine, Tom, OSE; 'marieg@nmoga.org'; Fetner, William, NMENV; 'lazarus@glorietageo.com'; 'perry@glorietageo.com'; Majure, Allison, NMENV; 'cjoyner@fs.fed.us'; Kieling, John, NMENV; 'bsg@garbhall.com'; Hunter, Michelle, NMENV; 'claudette.horn@pnm.com'; 'ekendrick@montand.com'; 'pam@ipanm.org'; Brown, Maxey G, EMNRD; Bayliss, Randolph, EMNRD; Bratcher, Mike, EMNRD; Perrin, Charlie, EMNRD; Jones, William V, EMNRD; Kelly, Jonathan, EMNRD; Powell, Brandon, EMNRD; Jones, William V, EMNRD; Wojahn, Beth, EMNRD; Sanchez, Daniel J., EMNRD; Griswold, Jim, EMNRD; Goetze, Phillip, EMNRD; Podany, Raymond, EMNRD
Cc: Denton, Scott (Scott.Denton@HollyFrontier.com); Combs, Robert (Robert.Combs@hollyfrontier.com); 'Dade, Lewis (Randy)'; Tulk, Laura, EMNRD; DeVargas, Lorraine, EMNRD
Subject: Discharge Permit Renewal (UICI-8) HollyFrontier Navajo Refining, LLC Class I (Non-hazardous) WDW 1 (API# 30-015-27592), WDW-2 (API# 30-015-20894), WDW-3 (API# 30-015-26575) & WDW-4 (API# to be determined) in Eddy County

Ladies and Gentlemen:

Please find below the New Mexico Oil Conservation Division (OCD) Public Notice (30-day public comment period begins Sunday, September 10, 2017) in accordance with New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC) and Discharge Permits for the above subject Underground Injection Control (UIC) Class I (Non-hazardous) Disposal Wells.

Discharge Permit Renewals WDW-1 (UICI-8-1), WDW-2 (UICI-8-2), and WDW-3 (UICI-8-3) HollyFrontier Navajo Refining LLC Waste Disposal Wells (4/11/17):

The Underground Injection Control (UIC) Class I (Non-hazardous) Disposal Wells (WDW-1 API#: 30-015-27592; WDW-2 API#: 30-015-20894; and WDW-3 API#: 30-015-26575) are located in Eddy County. WDW-1 is located approximately 11 miles east-southeast of Artesia on Hwy-82 from Hwy-285 and about 1 mile south of Hilltop Road. WDW-2 is located approximately 10.5 miles east-southeast of Artesia on Hwy-82 from Hwy-285 and about 3.3 miles south of Hilltop Road. WDW-3 is located approximately 10.5 miles S-SE of the intersection of I-285 and Hwy 82 or approximately 2.75 miles S of Hwy 82 and CR-225.

[Not Administratively Complete \(2/24/2017\)](#)

[Administrative Completeness \(4/11/2017\)](#)

[Description \(4/11/2017\)](#)

[Application \(2/8/2017\)](#)

[Application Supplement \(2/8/2017\)](#)

[Application Addendum \(3/22/2017\)](#)

[WDW-1 Discharge Permit \(9/6/2017\)](#)

[WDW-2 Discharge Permit \(9/6/2017\)](#)

[WDW-3 Discharge Permit \(9/6/2017\)](#)

[Public Notice \(9/10/2017\)](#)

Discharge Permit New WDW-4 (UICI-8-4) HollyFrontier Navajo Refining LLC Waste Disposal Well (7/26/17):

The Underground Injection Control (UIC) Class I (Non-hazardous) Disposal Well (WDW-4) is located in at UL: N, Section 23, Township 17 South, Range 27 East (Lat./Long.: 32.81581/104.25003), NMPM, Eddy County. WDW-4 is located approximately 8.5 miles S-SE of the intersection of Hwy 285 and Hwy 82 on the North side of Hwy 82.

[Not Administratively Complete \(5/9/2017\)](#)

[Administrative Completeness \(7/26/2017\)](#)

[Description \(7/26/2017\)](#)

[Application \(4/6/2017\)](#)

[Discharge Permit \(9/6/2017\)](#)

[Public Notice \(9/10/2017\)](#)

The OCD Website for public notices is at <http://www.emnrd.state.nm.us/OCD/env-draftpublicetc.html> (see “Draft Permits and Public Notices” section).

Please contact me if you have questions. Thank you.

Mr. Carl J. Chavez, CHMM (#13099)
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St Francis Drive
Santa Fe, New Mexico 87505
Ph. (505) 476-3490
E-mail: CarlJ.Chavez@state.nm.us

“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Tuesday, April 11, 2017 1:20 PM
To: 'Dade, Lewis (Randy)'
Cc: Griswold, Jim, EMNRD; Oberding, Tomas, EMNRD
Subject: HollyFrontier Navajo Refining, LLC (UICI-8-1; UICI-8-2; and UICI-8-3) WDWs 1, 2 & 3 UIC Class I (NH) Disposal Well Discharge Permit Renewal Applications OCD Administratively Complete Designation
Attachments: OCDAC4-11-17.pdf

Mr. Dade:

The New Mexico Oil Conservation Division (OCD) has completed its review of the above subject application for discharge permit renewals for WDW-1, WDW-2 and WDW-3.

Please find attached OCD's administratively complete letter designation. OCD placed a hardcopy in the U.S. Mail this afternoon.

Please contact me if you have questions. Thank you.

Mr. Carl J. Chavez, CHMM (#13099)
New Mexico Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St Francis Drive
Santa Fe, New Mexico 87505
Ph. (505) 476-3490
E-mail: CarlJ.Chavez@state.nm.us

“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)

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



APRIL 11, 2017

CERTIFIED MAIL
RETURN RECEIPT NO: 7913 8121

Mr. Randy Dade
Environmental Specialist
HollyFrontier Navajo Refining LLC
501 East Main
Artesia, New Mexico 88210

Mr. Dade,

Re: HollyFrontier Navajo Refining LLC, Discharge Permit Application Renewals for UIC Class I (Non-hazardous) Disposal Wells (February 2017), Eddy County, New Mexico:

Mewbourne Well No. 1, API No. 30-015-27592 (UICI-8-1)
UL: O, Section 31 Township 17 South, Range 28 East, 660 FSL 2310 FEL
Lat. 32.78517, Long. -104.21376

Chukka Well No. 2, API No. 30-015-20894 (UICI-8-2)
UL: E, Section 12 Township 18 South, Range 27 East, 1980 FNL 660 FWL
Lat. 32.76366, Long. -104.23848

Gaines Well No. 3, API No. 30-015-26575 (UICI-8-3)
UL: N, Section 1 Township 18 South, Range 27 East, 790 FSL 2250 FWL
Lat. 32.77121, Long. -104.23328

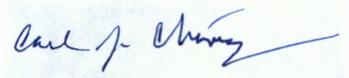
The New Mexico Oil Conservation Division (OCD) has received HollyFrontier (HF) Navajo Refining LLC's 3 discharge permit renewal applications for the disposal wells listed above with an initial total filing fee of \$300. Oilfield exempt and non-exempt non-hazardous fluids generated from the Artesia Refinery are routed via pipeline and injected into the disposal wells located approximately 12 – 13 miles E-SE of the refinery. The wells inject fluids into the Wolfcamp, Cisco, and Canyon Formations. The initial submittal was received on February 19, 2017, which was followed by an addendum (addendum) dated March 22, 2017. The addendum provided responses to OCD requested information to deem the application **administratively complete**.

As such, the Water Quality Control Commission (WQCC) regulations notice requirements of 20.6.2.3108 NMAC must be satisfied and demonstrated to the OCD. OCD will also provide public notice pursuant to WQCC requirements and determine if there is sufficient public interest.

Please contact me at (505) 476-3490 or carlj.chavez@state.nm.us if you have questions. Thank you for your cooperation throughout the discharge permit review process.

April 11, 2017
Page 2

Sincerely,

A handwritten signature in blue ink, appearing to read "Carl J. Chávez", is written over a light blue rectangular background.

Carl J. Chávez
Environmental Engineer

xc: Jim Griswold, OCD- Environmental Bureau Chief
OCD Artesia District Office



HOLLYFRONTIER.

February 9, 2017

2017 FEB 14 10:00 AM

Submitted electronically via email to jim.griswold@state.nm.us and carlj.chavez@state.nm.us

Oil Conservation Division
New Mexico Energy, Minerals & Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Certified Mail / Return Receipt
7014 3490 0000 6269 6441

RE: Discharge Permit Renewal Application for WDW-1, WDW-2, WDW-3, Class 1 Non-Hazardous Injection Well & Application Filing Fee Hollyfrontier Navajo Refinery Co. LLC

Dear Sirs:

HollyFrontier Navajo Refining LLC has submitted the required discharge permit renewal application for WDW-1; 30-015-27592, WDW-2; 30-015-20894, WDW-3; 30-015-26575.

Enclosed is a check for \$ 300.00 application fee. This is \$ 100.00 per each well.

If you have any questions regarding this renewal application, please contact Randy Dade at (575) 746-5281 or Scott Denton at (575) 746-5487, or by email at Scott.Denton@HollyFrontier.com

Sincerely,



Scott M. Denton
Environmental Manager

Enclosures: Attachment 1: Check # 100034137

Env. Files: Injection Wells, Permit Applications, WDW-1, WDW-2, WDW-3, Subm', 2017-02-08 Discharge Renewal Application Fee

cc. HFC: D. McWatters, R. O'Brien, M. Holder

HollyFrontier Navajo Refining LLC
501 East Main • Artesia, NM 88210
(575) 748-3311 • <http://www.hollyfrontier.com>

HollyFrontier Navajo Refining LLC
2828 N. Harwood St., Suite 1300
Dallas TX 75201-1507

WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIV
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4225

Check Date 02/03/2017
Check Amount \$ 300.00
Vendor No 5111809
Payment Document 2000012018
Company Code 1020

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
02/01/2017	020117	FILLING FEE FOR CLASS I INJECTION	300.00	0.00	300.00

Payment document	Check number	Date	Currency	Payment amount
2000012018	1000341375	02/03/2017	USD	*****300.00*

↓ PLEASE FOLD ON PERFORATION AND DETACH HERE ↓

VERIFY THE AUTHENTICITY OF THIS MULTI-TONE SECURITY DOCUMENT.

■ CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

HollyFrontier Navajo Refining LLC
2828 N. Harwood St., Suite 1300
Dallas TX 75201-1507

64-1278/611 1000341375
02/03/2017

PAY EXACTLY

*****300.00*USD

VOID AFTER 180 DAYS

PAY *** THREE HUNDRED and 00 /100 USD***

TO THE
ORDER OF WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIV
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4225



AUTHORIZED SIGNATURE

Bank of America N.A.

**ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH**

I hereby acknowledge receipt of Check No. 1000341375 dated 02/03/2017

or cash received on 02/14/2017 in the amount of \$ 300.⁰⁰

from Holly Frontier Navajo Refining

for WDW-1, WDW-2, WDW-3 Application Fee \$100⁰⁰ each

Submitted by: Carl Chavez Date: 02/14/2017

Submitted to ASD by: Lorraine DeVargas Date: 02/14/2017

Received in ASD by: _____ Date: _____

Filing Fee New Facility: _____ Renewal: _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 117

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

