

NM1-61

**Minor Permit
Modification**

2/7/18

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley
Director, Oil Conservation Division



February 7, 2018

Bryce Karger
CK Disposal, LLC
5909 86th Street
Lubbock, Texas 79424

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

Mr. Karger,

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

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

Respectfully,

Heather Riley
Director

HR/jg



4222 85th Street
Lubbock, Texas 79423
806.473.2200

February 5, 2018

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

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

Dear Mr. Griswold:

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

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

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

Sincerely,

PARKHILL, SMITH & COOPER, INC.

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

NNY/ev
Enclosures

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

State of New Mexico
Energy Minerals and Natural Resources

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

For State Use Only:

Form C-137A
June 30, 2016

Submit 1 Copy to Santa Fe Office

APPLICATION FOR MINOR MODIFICATION TO SURFACE WASTE MANAGEMENT FACILITY

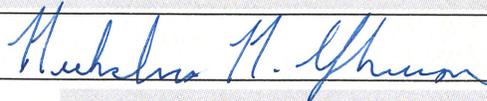
1. Operator: C.K. Disposal LLC.
Address: 5909 86th Street, Lubbock, Texas 79424
Contact Person: Bryce Karger Phone: 480-437-0044
2. Location: /4 /4 Section 5 Township 336 Range 38E
3. Provide permit number NM1-61
4. Attach a description of the proposed minor modification(s) to the surface waste management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

11. CERTIFICATION

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

Name: Nicholas N. Ybarra

Title: Associate

Signature: 

Date: 2-5-2018

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

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

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

OCD PERMIT NM1-61

NEW LANDFILL SITE
 & PROCESSING FACILITY

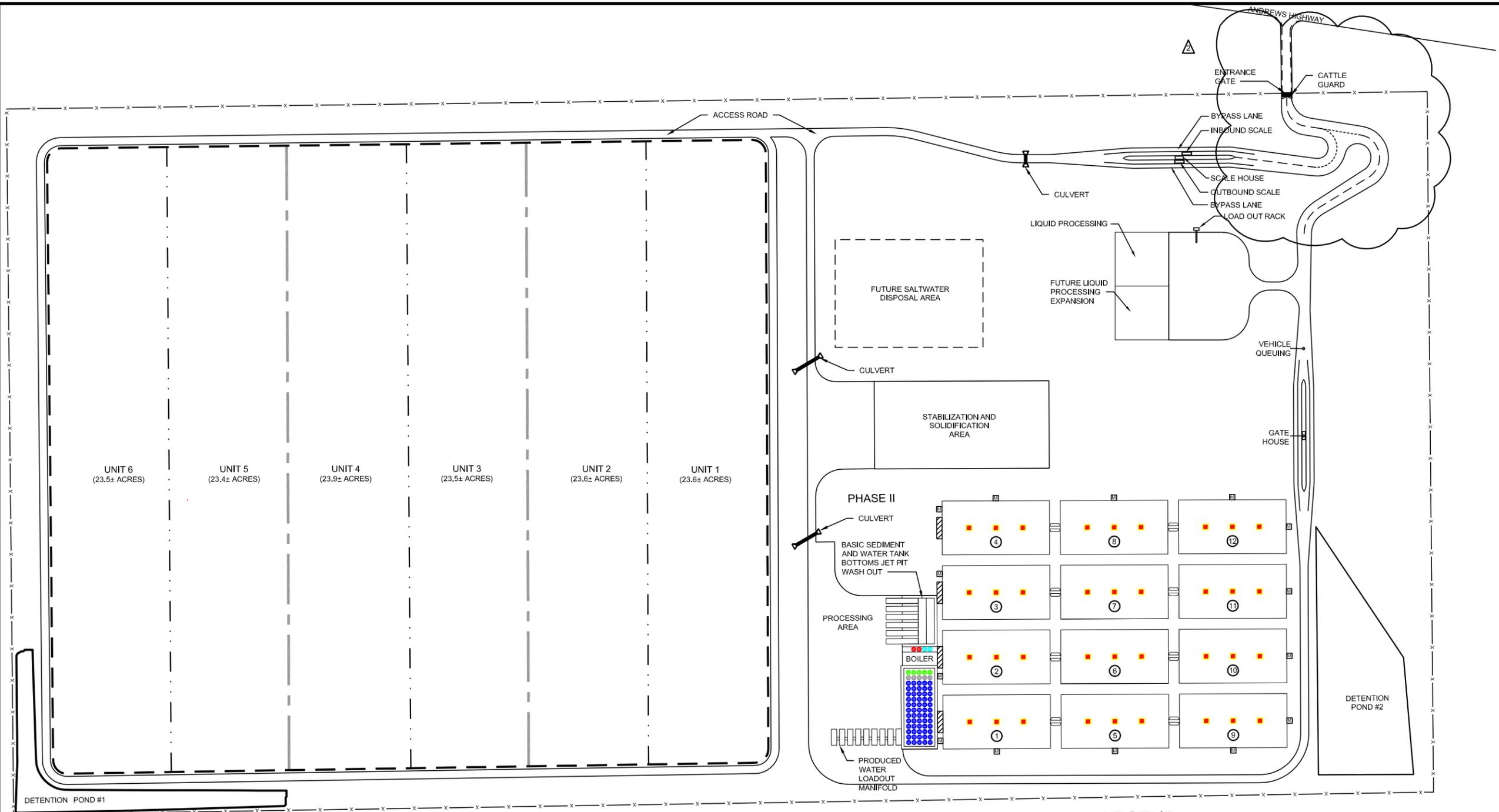
LEA COUNTY, NEW MEXICO

KEY PLAN

02/05/18	SITE PLAN UPDATE
1 09/23/15	ISSUE FOR REVIEW
NO DATE	DESCRIPTION
ISSUING OFFICE: EL PASO PROJECT NO: 0580.15	

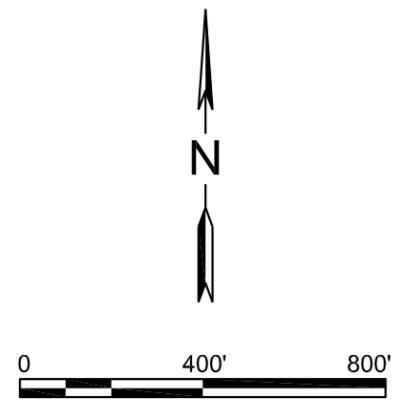
**SITE DEVELOPMENT
 PLAN**

FIG.A.2



LEGEND

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



Nicholas N. Ybarra
 02/05/18

THIS UPDATED SITE DEVELOPMENT PLAN, FOR THE ENTRANCE ROAD ONLY, WILL REPLACE THE ENTRANCE ROAD SHOWN ON THE FOLLOWING FIGURES WITHIN THE PERMIT:
 FIG.A.2, FIG.A.9, FIG.A.10, FIG.A.13, FIG.A.16, FIG.A.17, G-004, G-005, C-101, C-102, C-103, C-507, FIG.G.10, FIG.H.4, FIG.H.5, FIG.H.6, FIG.J.6, FIG.J.7

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

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

ATTORNEYS AT LAW
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ALBUQUERQUE, NEW MEXICO 87102

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February 16, 2018

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Via Email

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

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

Dear Mr. Griswold:

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

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

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

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

Jim Griswold
February 16, 2018
Page 2

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

CK Disposal must submit to the OCD "a more comprehensive H2S monitoring system that includes monitoring at each of the facility's property boundaries ... prior to commencement of operations."

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

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

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

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

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

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

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

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

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

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

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

Jim Griswold
February 16, 2018
Page 3

Very truly yours,

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

By 

Scott D. Gordon

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