

**NM1 - 8**

**PERMITS,  
RENEWALS, &  
MODS**



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

May 11, 2001

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 7099-3220-0000-5051-2344**

Mr. Tony Schmitz  
T-n-T Environmental, Inc.  
HCR 74 P.O. Box 115  
Lyndrith, New Mexico 87029

**RE: OCD Rule 711 Permit Approval WM-1-008**  
**T-n-T Environmental, Inc.**  
**Commercial Surface Waste Management Facility**  
**SE/4 Section 7 and SW/4 Section 8 (evaporation ponds), and the**  
**SW/4 SE/4 and SE/4 SW/4 Section 5 and the NE/4 NW/4 Section 8 (landfarm),**  
**Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico**

Dear Mr. Schmitz:

The permit application for the T-n-T Environmental, Inc. (T-n-T) commercial surface waste management facility located in the SE/4 Section 7 and SW/4 Section 8 (evaporation ponds), and the SW/4 SE/4 and SE/4 SW/4 Section 5 and the NE/4 NW/4 Section 8 (landfarm), Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico **is hereby approved** in accordance with New Mexico Oil Conservation Division (OCD) Rule 711 under the conditions contained in the enclosed attachment. **This permit modification approval is conditional upon the receipt and approval by the Director of financial assurance in the amount of \$148,690.** According to the schedule outlined in the financial assurance section of the enclosed attachment, **50% of the \$148,690 financial assurance (\$74,345) is required within thirty (30) days** of the date of this permit approval letter. The application consists of the letter requesting a change to the closure method dated July 7, 2000, permit application Form C-137 dated October 13, 1997, supplemental materials dated November 8, 1997, materials submitted in conjunction with the original permit dated January 19, 1987, and materials submitted in conjunction with subsequent permit modifications dated March 8, 1988; December 7, 1988; April 24, 1990; September 26, 1991; September 8, 1992; November 16, 1993; April 8, 1994; May 30, 1995; and June 27, 1996. This modification supercedes Permit NM-01-0008 approved July 6, 1999.

The construction, operation, monitoring and reporting shall be as specified in the enclosed attachment. All modifications and alternatives to the approved treatment, evaporation and landfill methods must receive prior OCD approval. T-n-T is required to notify the Director of any facility expansion or process modification and to file the appropriate materials with the Division.

Please be advised approval of this facility permit does not relieve T-n-T Environmental, Inc. of liability should your operation result in actual pollution of surface water, ground water, or the environment. In addition, OCD approval does not relieve T-n-T Environmental, Inc. of responsibility for compliance with other federal, state or local laws and/or regulations.

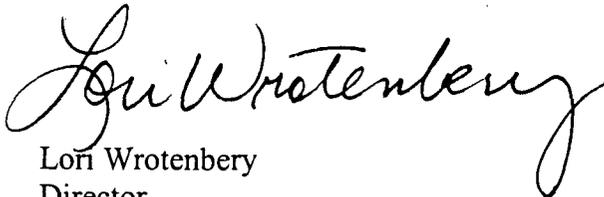
Please be advised that all tanks exceeding 16 feet in diameter and exposed pits, ponds or lagoons must be screened, netted or otherwise rendered non-hazardous to migratory birds. In addition, OCD Rule 310 prohibits oil from being stored or retained in earthen reservoirs or open receptacles.

The T-n-T Commercial Surface Waste Management Facility Permit WM-1-008 will be reviewed at least once every five (5) years from the date of this approval letter. The facility is subject to periodic inspections by the OCD.

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

If you have any questions please do not hesitate to contact Martyne J. Kieling at (505) 476-3488.

Sincerely,



Lori Wrotenbery  
Director

LW/mjk

xc with attachments:  
Aztec OCD Office

**ATTACHMENT TO OCD 711 PERMIT APPROVAL  
PERMIT NM-01-0008  
T-n-T ENVIRONMENTAL, INC.  
SURFACE WASTE MANAGEMENT FACILITY  
SE/4 Section 7 and SW/4 Section 8 (evaporation ponds),  
and the SW/4 SE/4 and SE/4 SW/4 Section 5 and the NE/4 NW/4 of Section 8 (landfarm),  
Township 25 North, Range 3 West, NMPM,  
Rio Arriba County, New Mexico  
(May 11, 2001)**

**FACILITY AND EVAPORATION POND OPERATION**

1. The facility must be fenced and have a sign at each entrance. The sign must be legible from at least fifty (50) feet and contain the following information: a) name of the facility; b) location by section, township and range; and c) emergency phone number.
2. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.
4. No produced water may be received at the facility unless the transporter has a valid Form C-133, Authorization to Move Produced Water, on file with the Division.
5. All produced water must be unloaded into tanks. The produced water must reside in the tank system long enough to allow for oil and sediment separation. Oil recovered must be stored in above-ground storage tanks. Per Division General Rule 310, oil shall not be stored or retained in earthen reservoirs or in open receptacles.
6. All existing above-ground tanks located at the facility and containing materials other than fresh water must be bermed to contain one and one-third the volume of the largest tank or all interconnected tanks, whichever is greater. All above-ground tanks must be labeled as to contents and hazards.
7. All new or replacement above-ground tanks containing materials other than fresh water must be placed on an impermeable pad and be bermed so that the area will hold one and one-third the volume of the largest tank or all interconnected tanks, whichever is greater.
8. Below-grade sumps and below-tanks must be cleaned and visually inspected annually. Results must be recorded and maintained for OCD review. If sump/tank integrity has failed the OCD must be notified within 48 hours of discovery and the sump/tank contents must be removed and the contaminated soil must be removed and land farmed at the facility landfarm or disposed of at an OCD-approved facility. Soil remediation must follow OCD surface impoundment closure guidelines. The permittee must submit a report to the OCD Santa Fe and appropriate District offices that describes the investigation and remedial actions taken.
9. All new or replacement below-grade sumps and below-grade tanks at the facility must have secondary impermeable containment with leak detection monitoring. The monitoring system must be inspected for fluids weekly. Results must be recorded and maintained for OCD review. If fluids are present they must be checked and the analyses must be furnished to the OCD Santa Fe and appropriate District offices.

10. The produced water receiving and treatment area must be inspected daily for tank, piping and berm integrity.
11. Any design changes to the produced water receiving, treatment and evaporation area must be submitted to the OCD Santa Fe office for approval.
12. The ponds must have a minimum freeboard of one and a half (1½) feet. A device must be installed in the pond to accurately measure freeboard.
13. The ponds may not contain any oil.
14. Pond inspection and maintenance must be conducted on at least a daily basis and immediately following each consequential rainstorm or windstorm. The OCD Santa Fe and appropriate District office must be notified within 48 hours if any defect is noted. Repairs must be made as soon as possible. If the defect will jeopardize the integrity of the pond additional wastes may not be placed into the pond until repairs have been completed.
15. The leak detection sump at Pond One (1) and Pond Three (3) must be inspected weekly; results must be recorded and maintained for OCD review. If fluid is present in the leak detection system the fluids in the pond and leak detection system must be analyzed for total dissolved solids (TDS). Upon discovery all fluids must be removed from the leak detection system and the system must be kept free of fluids. If the pond and leak detection fluids are similar the OCD Santa Fe and appropriate District offices must be notified within 48 hours. Within 72 hours of discovery, the permittee must submit a plan to the OCD Santa Fe and appropriate District offices for review and approval that describes what procedures will be taken to investigate and repair the leak.
16. The monitor wells surrounding Pond Two (2) must be inspected monthly; results must be recorded and maintained for OCD review. If fluid is present in the monitor wells the fluids in the pond and monitor wells must be analyzed for total dissolved solids (TDS). Upon discovery all fluids must be removed from the monitor wells and the system must be kept free of fluids. If the pond and monitor well fluids are similar the OCD Santa Fe and appropriate District offices must be notified within 48 hours. Within 72 hours of discovery, the permittee must submit a plan to the OCD Santa Fe and appropriate District offices for review and approval that describes what procedures will be taken to investigate and repair the leak.
17. Sludge thickness in the base of each pond must be measured annually within 25 feet of the inlet. Any sludge build-up in the bottom of the pond in excess of twelve (12) inches must be removed and remediated at the facility landfarm or disposed of at an OCD-approved facility.
18. To protect migratory birds, all tanks exceeding 16 feet in diameter and exposed pits, ponds or lagoons must be screened, netted, covered or otherwise rendered nonhazardous to migratory birds.
19. Liquid reduction technologies that may be used to eliminate pond waters include evaporation and enhanced evaporation..

20. The spray system for enhanced evaporation must be operated such that all spray remains within the confines of the lined portion of the pond.
21. Adequate freeboard must be maintained on all settling pits to prevent overflow.
22. Drilling mud must be unloaded into the settling pit and any free oil will be removed from the drilling mud prior to removal of the mud from the settling pit. Oil recovered must be stored in above ground closed top storage tanks.
23. Free water must be removed from the drilling mud prior to removal of the mud from the settling pit. The water must be stored in above ground closed top tanks and may be spread on the landfarm for dust control and to enhance bio-remediation.

### **H<sub>2</sub>S PREVENTION & CONTINGENCY PLAN**

1. In order to prevent development of harmful concentrations of H<sub>2</sub>S, the following procedures must be followed:
  - a. All incoming loads of produced water must be tested for hydrogen sulfide (H<sub>2</sub>S) concentrations. Any loads with measurable H<sub>2</sub>S concentrations must be treated in a closed system. The treatment reaction must be driven to completion to eliminate all measurable H<sub>2</sub>S prior to disposal into the ponds.
  - b. Daily tests must be conducted and records made and maintained of the pH levels in each pond, and if the pH falls below 8.0 remedial steps must be taken immediately to raise the pH.
  - c. Weekly tests must be conducted and records made and retained at the facility of the dissolved oxygen concentrations in each pond. The dissolved oxygen levels in the ponds must be determined according to the following procedures:
    1. The sample for each test must be taken one foot from the bottom of the pond;
    2. The location of each test must vary around the pond; and
    3. If any test shows a dissolved residual oxygen level of less than 0.5 ppm, immediate steps must be undertaken to oxygenate the pond and create a residual oxygen level to at least 0.5 ppm. Remedial measures may include adding chemicals or increased aeration.
  - d. Weekly tests must be conducted and records made and retained at the facility of the dissolved sulfide concentrations in each pond.
2. At least 1000 gallons of a H<sub>2</sub>S treatment chemical will be stored on-site and may not be retained for a period in excess of the manufacturer's stated shelf life. Expired H<sub>2</sub>S treatment chemicals may be disposed of in the ponds.

3. Tests of ambient H<sub>2</sub>S levels must be conducted twice per day. Test results must be recorded and retained. The tests must be conducted at four (4) locations around each pond at the top of the berm. The wind speed and direction must be recorded in conjunction with each test.
  - a. If an H<sub>2</sub>S reading of 1.0 ppm or greater is obtained:
    - i. a second reading must be taken on the downwind berm within one hour;
    - ii. the dissolved oxygen and dissolved sulfide levels of the pond must be tested immediately and the need for immediate treatment determined; and
    - iii. tests for H<sub>2</sub>S levels must be made at the fence line down wind from the problem pond.
  - b. If two (2) consecutive H<sub>2</sub>S readings of 1.0 ppm or greater are obtained:
    - i. the operator must notify the Aztec office of the OCD immediately;
    - ii. the operator must commence hourly monitoring on a 24-hour basis; and
    - iii. the operator must obtain daily analysis of dissolved sulfides in the pond.
  - c. If an H<sub>2</sub>S reading of 10.0 ppm or greater at the facility fence line is obtained:
    - i. the operator must immediately notify the Aztec office of the OCD and the following public safety agencies:

New Mexico State Police  
Rio Arriba County Sheriff; and  
Rio Arriba County Fire Marshall
    - ii. the operator must notify of all persons residing within one-half (1/2) mile of the fence line and assist public safety officials with evacuation as requested.

### **LANDFARM OPERATION**

1. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.
2. All contaminated soils received at the landfarm must be spread and disked within 72 hours of receipt.
3. Soils must be spread on the surface in six-inch lifts or less.

4. Soils must be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
5. Drilling muds processed at the facility settling pit must be spread on the surface in six-inch lifts or less and disked within 72 hours of receipt.
6. Exempt contaminated soils must be placed in the landfarm so that they are physically separate (*i.e.*, bermed) from non-exempt contaminated soils. There may be no mixing of exempt and non-exempt soils.
7. Successive lifts of contaminated soils or drilling mud may not be spread until a laboratory measurement of total petroleum hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained at the facility. Authorization from the OCD must be obtained prior to application of successive lifts and/or removal of the remediated soils. District approval must be obtained in order to remove reconditioned mud from the facility.
8. Moisture may be added as necessary to enhance bioremediation and to control blowing dust. Water collected from the settling of drilling mud may be used for this purpose. There may be no ponding, pooling or run-off of water allowed. Any ponding of precipitation must be removed within twenty-four (24) hours of discovery.
9. Enhanced bio-remediation through the application of microbes (bugs) and/or fertilizers may only be permitted after prior approval from the OCD. Requests for application of microbes or fertilizers must include the location of the area designated for the program, the composition of additives, and the method, amount and frequency of application.
10. The plastic-lined temporary storage soil receiving area must be inspected monthly. The protective three (3) feet of clay soil covering the plastic-lined receiving area must be maintained. Additional clean clay soil may be added as needed for maintenance.
11. The below-grade steel holding and treating trough must be used for the stabilization and absorption of liquids and sludges received by the landfarm facility. The trough must be inspected inside and outside annually and records of such inspections must be made available for OCD inspection.
12. Contaminated soils must not be placed within twenty (20) feet of any pipelines crossing the landfarm. In addition, no equipment may be operated within ten (10) feet of a pipeline. All pipelines crossing the facility must have surface markers identifying the location of the pipelines.
13. The portion of the facility containing contaminated soils must be bermed to prevent runoff and runon. A perimeter berm no less than three (3) feet above grade with the eastern and southern berm extending to four to six (4 to 6) feet above grade must be constructed and maintained such

that it is capable of containing precipitation from a one-hundred year flood for the specific region.

### TREATMENT ZONE MONITORING

1. One (1) background soil sample must be taken from the center portion of the landfarm two (2) feet below the native ground surface prior to operation. The sample must be analyzed for total petroleum hydrocarbons (TPH), major cations/anions, volatile aromatic organics (BTEX), and eight (8) RCRA heavy metals using EPA-approved methods.
2. A treatment zone not to exceed three (3) feet beneath the landfarm native ground surface must be monitored. A minimum of one random soil sample must be taken from each individual cell, with no cell being larger than five (5) acres, six (6) months after the first contaminated soils are received in the cell and then quarterly thereafter. The sample must be taken at two (2) to three (3) feet below the native ground surface.
3. The soil samples must be analyzed using EPA-approved methods for total petroleum hydrocarbons (TPH) and volatile aromatic organics (BTEX) quarterly and for major cations/anions and eight (8) RCRA heavy metals annually.
4. After obtaining the soil samples the boreholes must be filled with an impermeable material such as cement or bentonite.

### WASTE ACCEPTANCE CRITERIA

1. The facility is authorized to accept only:
  - a. Oilfield wastes that are exempt from RCRA Subtitle C regulations and that do not contain Naturally Occurring Radioactive Material (NORM) regulated pursuant to 20 NMAC 3.1 Subpart 1403. All loads of these wastes received at the facility shall be accompanied by a "Generator Certificate of Waste Status" signed by the generator.
  - b. "Non-hazardous" non-exempt oilfield wastes on a case-by-case basis after conducting a hazardous waste characterization including corrosivity, reactivity, ignitability, and toxic constituents. The samples for these analyses must be obtained from the wastes prior to removal from the generator's facility and without dilution in accordance with EPA SW-846 sampling procedures. All "non-hazardous" non-exempt wastes received at the facility must be accompanied by:
    - i. An approved OCD Form C-138 "Request For Approval To Accept Solid Waste."
    - ii. A "Generator Certificate of Waste Status" signed by the generator.

- iii. A verification of waste status issued by the appropriate agency, for wastes generated outside OCD jurisdiction. The agency verification is based on specific information on the subject waste submitted by the generator and demonstrating the non-hazardous classification of the waste.
  - c. Non-oilfield wastes that are non-hazardous if ordered by the Department of Public Safety in a public health emergency. OCD approval must be obtained prior to accepting the wastes.
2. At no time may any OCD-permitted surface waste management facility accept wastes that are determined to be RCRA Subtitle C hazardous wastes by either listing or characteristic testing.
3. The transporter of any wastes to the facility must supply a certification that wastes delivered are those wastes received from the generator and that no additional materials have been added.
4. No produced water may be received at the facility from motor vehicles unless the transporter has a valid Form C-133, "Authorization to Move Produced Water" on file with the Division.
5. No mud may be accepted at the facility without prior approval from the OCD District Supervisor to move the mud from the drilling location. All drilling muds will be received directly into the settling pit for oil and water separation. Other mud acceptance and application methods may be allowed on a case-by-case basis. The facility must obtain OCD District Supervisor approval for alternate application methods prior to acceptance of the mud. There will be no ponding, pooling or run-off of muds allowed.
6. Each incoming load of drilling mud must be accompanied by the following information: a) well operator name; b) the well name and location from which the mud was transported; c) transporter; d) description of mud program including mud composition, volume and type of chemicals added; and e) exact cell location where the material is to be remediated.

#### **REPORTING AND RECORD KEEPING**

1. Results of the daily visual inspection of the facility must be recorded and maintained for OCD review.
2. Results of the weekly testing of the leak detection sumps at Pond One (1) and Pond Three (3) must be recorded and a report must be submitted to the OCD Santa Fe office for annual review **by July 6 of each year.**
3. Results of the weekly inspections of the below-grade tank and sump secondary containment systems must be recorded and maintained for OCD review.
4. Results of the monthly testing of the monitor wells surrounding Pond Two (2) must be recorded and a report must be submitted to the OCD Santa Fe office for annual review **by July 6 of each year.**

5. Analytical results from the quarterly treatment zone monitoring must be submitted to the OCD Santa Fe office **within thirty (30) days** of receipt from the laboratory.
6. Loads of drilling mud which contain miscellaneous hydrocarbons exceeding 2/10 of 1% of the total volume of mud must be accompanied by an OCD-approved Form C-117A from the well operator. Accumulations of miscellaneous hydrocarbons must be reported monthly on Form C-112 and the sale and transportation of these hydrocarbons must be permitted only by an approved Form C-104.
7. Results of the testing at the evaporation pond for H<sub>2</sub>S, pH, dissolved sulfides, and dissolved oxygen must be recorded and maintained for OCD review.
8. Results of annual inspection on below-grade sumps and below-grade tanks, and annual measurements of sludge thickness in the pond must be recorded and maintained for OCD review.
9. The applicant must notify the **OCD Aztec District office within 24 hours** of any fire, break, leak, spill, blowout or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.
10. All records of testing and monitoring must be retained for a period of five (5) years.
11. The OCD must be notified prior to the installation of any pipelines or wells or other structures within the boundaries of the facility.
12. Comprehensive records of all material disposed of at the facility must be maintained at the facility. The records for each load will include: 1) generator; 2) origin; 3) date received; 4) quantity; 5) certification of non-exempt status and analysis for hazardous constituents and or additional documentation to certify non hazardous status; 6) NORM status declaration; 7) transporter; 8) exact cell location; and 9) any addition of microbes, moisture, fertilizers, *etc.*

#### FINANCIAL ASSURANCE

1. Financial assurance in the amount of **\$148,690** in the form of a surety or cash bond or a letter of credit, which is approved by the Division, is required from T-n-T Environmental, Inc. for the commercial surface waste management facility.

**By August 6, 1999** T-n-T Environmental, Inc. must submit 25% of the financial assurance in the amount of **\$37,172**.

**By August 6, 2000** T-n-T Environmental, Inc. must submit 50% of the financial assurance in the amount of **\$74,345**.

**By August 6, 2001** T-n-T Environmental, Inc. must submit 75% of the financial assurance in the amount of **\$111,517**.

**By August 6, 2002** T-n-T Environmental, Inc. must submit 100% of the financial assurance in the amount of **\$148,690**.

2. The facility is subject to periodic inspections by the OCD. The conditions of this permit and the facility will be reviewed by the OCD no later than five (5) years from the date of this approval. In addition the closure cost estimate will be reviewed according to prices and remedial work estimates at the time of review. The financial assurance may be adjusted to incorporate any closure cost changes.

### CLOSURE

1. The OCD Santa Fe and Aztec offices must be notified when operation of the facility is discontinued for a period in excess of six (6) months or when the facility is to be dismantled. Upon cessation of operations for six (6) consecutive months, the operator must complete cleanup of constructed facilities and restoration of the facility site within the following six (6) months, unless an extension of time is granted by the Director.
2. A closure plan to include the following closure procedures must be submitted to the OCD for approval:
  - a. When the facility is to be closed no new material will be accepted.
  - b. All evaporation ponds will be allowed to evaporate. Any water not evaporated will be hauled to an OCD-approved facility. The ponds will be surveyed for NORM.
  - c. The soils beneath the evaporation pond, liquids receiving and treatment area and landfarm will be characterized as to total petroleum hydrocarbons (TPH) volatile aromatic organics (BTEX) content to determine potential migration of contamination.
  - d. All above and below grade tanks will be emptied and any waste will be hauled to an OCD-approved facility. The empty tanks will be removed.
  - e. Contaminated soils or existing landfarm soils will be remediated until they meet the OCD standards in effect at the time of closure or removed to an OCD-approved facility.
  - f. The area will be contoured, seeded with native grasses and allowed to return to its natural state. If the landowner desires to keep existing structures, berms, or fences for future alternative uses the structures, berms, or fences may be left in place.
  - g. Closure will be pursuant to all OCD requirements in effect at the time of closure, and any other applicable local, state and/or federal regulations.

T-n-T Environmental, Inc.  
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**CERTIFICATION**

T-n-T Environmental, Inc., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. T-n-T Environmental, Inc. further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect ground water, surface water, human health and the environment.

Accepted:

T-n-T ENVIRONMENTAL, INC.

Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

RECEIVED

JUN 18 2001

EVAPORATION POND

**ATTACHMENT TO OCD 711 PERMIT APPROVAL  
PERMIT NM-01-0008  
T-n-T ENVIRONMENTAL, INC.  
SURFACE WASTE MANAGEMENT FACILITY  
SE/4 Section 7 and SW/4 Section 8 (evaporation ponds),  
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  - c. Weekly tests must be conducted and records made and retained at the facility of the dissolved oxygen concentrations in each pond. The dissolved oxygen levels in the ponds must be determined according to the following procedures:
    1. The sample for each test must be taken one foot from the bottom of the pond;
    2. The location of each test must vary around the pond; and
    3. If any test shows a dissolved residual oxygen level of less than 0.5 ppm, immediate steps must be undertaken to oxygenate the pond and create a residual oxygen level to at least 0.5 ppm. Remedial measures may include adding chemicals or increased aeration.
  - d. Weekly tests must be conducted and records made and retained at the facility of the dissolved sulfide concentrations in each pond.
2. At least 1000 gallons of a H<sub>2</sub>S treatment chemical will be stored on-site and may not be retained for a period in excess of the manufacturer's stated shelf life. Expired H<sub>2</sub>S treatment chemicals may be disposed of in the ponds.

3. Tests of ambient H<sub>2</sub>S levels must be conducted twice per day. Test results must be recorded and retained. The tests must be conducted at four (4) locations around each pond at the top of the berm. The wind speed and direction must be recorded in conjunction with each test.
  - a. If an H<sub>2</sub>S reading of 1.0 ppm or greater is obtained:
    - i. a second reading must be taken on the downwind berm within one hour;
    - ii. the dissolved oxygen and dissolved sulfide levels of the pond must be tested immediately and the need for immediate treatment determined; and
    - iii. tests for H<sub>2</sub>S levels must be made at the fence line down wind from the problem pond.
  - b. If two (2) consecutive H<sub>2</sub>S readings of 1.0 ppm or greater are obtained:
    - i. the operator must notify the Aztec office of the OCD immediately;
    - ii. the operator must commence hourly monitoring on a 24-hour basis; and
    - iii. the operator must obtain daily analysis of dissolved sulfides in the pond.
  - c. If an H<sub>2</sub>S reading of 10.0 ppm or greater at the facility fence line is obtained:
    - i. the operator must immediately notify the Aztec office of the OCD and the following public safety agencies:

New Mexico State Police  
Rio Arriba County Sheriff; and  
Rio Arriba County Fire Marshall
    - ii. the operator must notify of all persons residing within one-half (1/2) mile of the fence line and assist public safety officials with evacuation as requested.

### **LANDFARM OPERATION**

1. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.
2. All contaminated soils received at the landfarm must be spread and disked within 72 hours of receipt.
3. Soils must be spread on the surface in six-inch lifts or less.

4. Soils must be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
5. Drilling muds processed at the facility settling pit must be spread on the surface in six-inch lifts or less and disked within 72 hours of receipt.
6. Exempt contaminated soils must be placed in the landfarm so that they are physically separate (*i.e.*, bermed) from non-exempt contaminated soils. There may be no mixing of exempt and non-exempt soils.
7. Successive lifts of contaminated soils or drilling mud may not be spread until a laboratory measurement of total petroleum hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained at the facility. Authorization from the OCD must be obtained prior to application of successive lifts and/or removal of the remediated soils. District approval must be obtained in order to remove reconditioned mud from the facility.
8. Moisture may be added as necessary to enhance bioremediation and to control blowing dust. Water collected from the settling of drilling mud may be used for this purpose. There may be no ponding, pooling or run-off of water allowed. Any ponding of precipitation must be removed within twenty-four (24) hours of discovery.
9. Enhanced bio-remediation through the application of microbes (bugs) and/or fertilizers may only be permitted after prior approval from the OCD. Requests for application of microbes or fertilizers must include the location of the area designated for the program, the composition of additives, and the method, amount and frequency of application.
10. The plastic-lined temporary storage soil receiving area must be inspected monthly. The protective three (3) feet of clay soil covering the plastic-lined receiving area must be maintained. Additional clean clay soil may be added as needed for maintenance.
11. The below-grade steel holding and treating trough must be used for the stabilization and absorption of liquids and sludges received by the landfarm facility. The trough must be inspected inside and outside annually and records of such inspections must be made available for OCD inspection.
12. Contaminated soils must not be placed within twenty (20) feet of any pipelines crossing the landfarm. In addition, no equipment may be operated within ten (10) feet of a pipeline. All pipelines crossing the facility must have surface markers identifying the location of the pipelines.
13. The portion of the facility containing contaminated soils must be bermed to prevent runoff and runoff. A perimeter berm no less than three (3) feet above grade with the eastern and southern berm extending to four to six (4 to 6) feet above grade must be constructed and maintained such

that it is capable of containing precipitation from a one-hundred year flood for the specific region.

### TREATMENT ZONE MONITORING

1. One (1) background soil sample must be taken from the center portion of the landfarm two (2) feet below the native ground surface prior to operation. The sample must be analyzed for total petroleum hydrocarbons (TPH), major cations/anions, volatile aromatic organics (BTEX), and eight (8) RCRA heavy metals using EPA-approved methods.
2. A treatment zone not to exceed three (3) feet beneath the landfarm native ground surface must be monitored. A minimum of one random soil sample must be taken from each individual cell, with no cell being larger than five (5) acres, six (6) months after the first contaminated soils are received in the cell and then quarterly thereafter. The sample must be taken at two (2) to three (3) feet below the native ground surface.
3. The soil samples must be analyzed using EPA-approved methods for total petroleum hydrocarbons (TPH) and volatile aromatic organics (BTEX) quarterly and for major cations/anions and eight (8) RCRA heavy metals annually.
4. After obtaining the soil samples the boreholes must be filled with an impermeable material such as cement or bentonite.

### WASTE ACCEPTANCE CRITERIA

1. The facility is authorized to accept only:
  - a. Oilfield wastes that are exempt from RCRA Subtitle C regulations and that do not contain Naturally Occurring Radioactive Material (NORM) regulated pursuant to 20 NMAC 3.1 Subpart 1403. All loads of these wastes received at the facility shall be accompanied by a "Generator Certificate of Waste Status" signed by the generator.
  - b. "Non-hazardous" non-exempt oilfield wastes on a case-by-case basis after conducting a hazardous waste characterization including corrosivity, reactivity, ignitability, and toxic constituents. The samples for these analyses must be obtained from the wastes prior to removal from the generator's facility and without dilution in accordance with EPA SW-846 sampling procedures. All "non-hazardous" non-exempt wastes received at the facility must be accompanied by:
    - i. An approved OCD Form C-138 "Request For Approval To Accept Solid Waste."
    - ii. A "Generator Certificate of Waste Status" signed by the generator.

- iii. A verification of waste status issued by the appropriate agency, for wastes generated outside OCD jurisdiction. The agency verification is based on specific information on the subject waste submitted by the generator and demonstrating the non-hazardous classification of the waste.
  - c. Non-oilfield wastes that are non-hazardous if ordered by the Department of Public Safety in a public health emergency. OCD approval must be obtained prior to accepting the wastes.
2. At no time may any OCD-permitted surface waste management facility accept wastes that are determined to be RCRA Subtitle C hazardous wastes by either listing or characteristic testing.
3. The transporter of any wastes to the facility must supply a certification that wastes delivered are those wastes received from the generator and that no additional materials have been added.
4. No produced water may be received at the facility from motor vehicles unless the transporter has a valid Form C-133, "Authorization to Move Produced Water" on file with the Division.
5. No mud may be accepted at the facility without prior approval from the OCD District Supervisor to move the mud from the drilling location. All drilling muds will be received directly into the settling pit for oil and water separation. Other mud acceptance and application methods may be allowed on a case-by-case basis. The facility must obtain OCD District Supervisor approval for alternate application methods prior to acceptance of the mud. There will be no ponding, pooling or run-off of muds allowed.
6. Each incoming load of drilling mud must be accompanied by the following information: a) well operator name; b) the well name and location from which the mud was transported; c) transporter; d) description of mud program including mud composition, volume and type of chemicals added; and e) exact cell location where the material is to be remediated.

#### **REPORTING AND RECORD KEEPING**

1. Results of the daily visual inspection of the facility must be recorded and maintained for OCD review.
2. Results of the weekly testing of the leak detection sumps at Pond One (1) and Pond Three (3) must be recorded and a report must be submitted to the OCD Santa Fe office for annual review **by July 6 of each year.**
3. Results of the weekly inspections of the below-grade tank and sump secondary containment systems must be recorded and maintained for OCD review.
4. Results of the monthly testing of the monitor wells surrounding Pond Two (2) must be recorded and a report must be submitted to the OCD Santa Fe office for annual review **by July 6 of each year.**

5. Analytical results from the quarterly treatment zone monitoring must be submitted to the OCD Santa Fe office **within thirty (30) days** of receipt from the laboratory.
6. Loads of drilling mud which contain miscellaneous hydrocarbons exceeding 2/10 of 1% of the total volume of mud must be accompanied by an OCD-approved Form C-117A from the well operator. Accumulations of miscellaneous hydrocarbons must be reported monthly on Form C-112 and the sale and transportation of these hydrocarbons must be permitted only by an approved Form C-104.
7. Results of the testing at the evaporation pond for H<sub>2</sub>S, pH, dissolved sulfides, and dissolved oxygen must be recorded and maintained for OCD review.
8. Results of annual inspection on below-grade sumps and below-grade tanks, and annual measurements of sludge thickness in the pond must be recorded and maintained for OCD review.
9. The applicant must notify the **OCD Aztec District office within 24 hours** of any fire, break, leak, spill, blowout or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.
10. All records of testing and monitoring must be retained for a period of five (5) years.
11. The OCD must be notified prior to the installation of any pipelines or wells or other structures within the boundaries of the facility.
12. Comprehensive records of all material disposed of at the facility must be maintained at the facility. The records for each load will include: 1) generator; 2) origin; 3) date received; 4) quantity; 5) certification of non-exempt status and analysis for hazardous constituents and or additional documentation to certify non hazardous status; 6) NORM status declaration; 7) transporter; 8) exact cell location; and 9) any addition of microbes, moisture, fertilizers, *etc.*

#### FINANCIAL ASSURANCE

1. Financial assurance in the amount of **\$148,690** in the form of a surety or cash bond or a letter of credit, which is approved by the Division, is required from T-n-T Environmental, Inc. for the commercial surface waste management facility.

**By August 6, 1999** T-n-T Environmental, Inc. must submit 25% of the financial assurance in the amount of **\$37,172**.

**By August 6, 2000** T-n-T Environmental, Inc. must submit 50% of the financial assurance in the amount of **\$74,345**.

**By August 6, 2001** T-n-T Environmental, Inc. must submit 75% of the financial assurance in the amount of **\$111,517**.

**By August 6, 2002** T-n-T Environmental, Inc. must submit 100% of the financial assurance in the amount of **\$148,690**.

2. The facility is subject to periodic inspections by the OCD. The conditions of this permit and the facility will be reviewed by the OCD no later than five (5) years from the date of this approval. In addition the closure cost estimate will be reviewed according to prices and remedial work estimates at the time of review. The financial assurance may be adjusted to incorporate any closure cost changes.

### CLOSURE

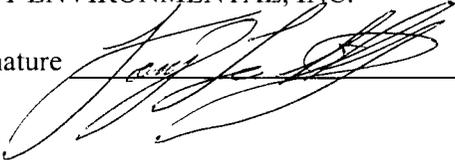
1. The OCD Santa Fe and Aztec offices must be notified when operation of the facility is discontinued for a period in excess of six (6) months or when the facility is to be dismantled. Upon cessation of operations for six (6) consecutive months, the operator must complete cleanup of constructed facilities and restoration of the facility site within the following six (6) months, unless an extension of time is granted by the Director.
2. A closure plan to include the following closure procedures must be submitted to the OCD for approval:
  - a. When the facility is to be closed no new material will be accepted.
  - b. All evaporation ponds will be allowed to evaporate. Any water not evaporated will be hauled to an OCD-approved facility. The ponds will be surveyed for NORM.
  - c. The soils beneath the evaporation pond, liquids receiving and treatment area and landfarm will be characterized as to total petroleum hydrocarbons (TPH) volatile aromatic organics (BTEX) content to determine potential migration of contamination.
  - d. All above and below grade tanks will be emptied and any waste will be hauled to an OCD-approved facility. The empty tanks will be removed.
  - e. Contaminated soils or existing landfarm soils will be remediated until they meet the OCD standards in effect at the time of closure or removed to an OCD-approved facility.
  - f. The area will be contoured, seeded with native grasses and allowed to return to its natural state. If the landowner desires to keep existing structures, berms, or fences for future alternative uses the structures, berms, or fences may be left in place.
  - g. Closure will be pursuant to all OCD requirements in effect at the time of closure, and any other applicable local, state and/or federal regulations.

**CERTIFICATION**

T-n-T Environmental, Inc., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. T-n-T Environmental, Inc. further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect ground water, surface water, human health and the environment.

Accepted:

T-n-T ENVIRONMENTAL, INC.

Signature  Title PR-3 Date 6/12/01



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

May 18, 2001

**Lori Wrotenberg**  
Director  
Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-559-573-284**

Mr. Tony Schmitz  
T-n-T Environmental, Inc.  
HCR 74 P.O. Box 115  
Lyndrith, New Mexico 87029

**RE: Transfer of T-n-T Construction, Inc. to T-n-T Environmental, Inc.  
Commercial Surface Waste Management Facility Permit NM-01-0008  
SE/4 Section 7 and SW/4 Section 8 (evaporation ponds) and  
SW/4 SE/4 and SE/4 SW/4 Section 5 and NE/4 NW/4 Section 8 (landfarm),  
Township 25 North, Range 3 West , NMPM, Rio Arriba County, New Mexico**

Dear Mr. Schmitz:

The New Mexico Oil Conservation Division (OCD) has received a request from T-n-T Environmental, Inc. dated March 8, 2000 to transfer the permit for T-n-T Construction, Inc. surface waste management facility at the above referenced location to T-n-T Environmental, Inc. The OCD has received replacement financial assurance from T-n-T Environmental, Inc. in the amount of \$60,000. The request is **hereby approved** in accordance with OCD Rule 711.

All modifications and alternatives to the approved disposal methods must receive prior OCD approval. T-n-T Environmental, Inc. is required to notify the Director of any facility expansion or process modification and to file the appropriate materials with the Division.

Please be advised approval of this transfer does not relieve T-n-T Environmental, Inc. of liability should their operation result in pollution of surface waters, ground water or the environment. In addition, OCD approval does not relieve T-n-T Environmental, Inc. of responsibility for compliance with other federal, state or local laws and/or regulations.

If there are any questions, please contact Martyne Kieling at (505) 476-3488.

Sincerely,

  
Lori Wrotenberg  
Director

LW/mjk  
xc: Aztec OCD Office



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

July 6, 1999

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-326-936-525**

Mr. Tony Schmitz  
T-n-T Construction, Inc.  
HCR 74 P.O. Box 115  
Lyndrith, New Mexico 87029

**RE: OCD Rule 711 Permit Approval NM-01-0008**  
**T-n-T Construction, Inc.**  
**Commercial Surface Waste Management Facility**  
**SE/4 Section 7 and SW/4 Section 8 (evaporation ponds), and the**  
**SW/4 SE/4 and SE/4 SW/4 Section 5 and the NE/4 NW/4 Section 8 (landfarm),**  
**Township 25 North, Range 3 West , NMPM, Rio Arriba County, New Mexico**

Dear Mr Schmitz:

The permit application for the T-n-T Construction, Inc. (T-n-T) commercial surface waste management facility located in the SE/4 Section 7 and SW/4 Section 8 (evaporation ponds), and the SW/4 SE/4 and SE/4 SW/4 Section 5 and the NE/4 NW/4 Section 8 (landfarm), Township 25 North, Range 3 West , NMPM, Rio Arriba County, New Mexico **is hereby approved** in accordance with New Mexico Oil Conservation Division (OCD) Rule 711 under the conditions contained in the enclosed attachment. **This permit approval is conditional upon the receipt and approval by the Director of financial assurance in the amount of \$250,000.** According to the schedule outlined in the financial assurance section of the enclosed attachment, 25% of the \$250,000 financial assurance (\$62,500) is required within thirty (30) days of the date of this permit approval letter. The application consists of the permit application Form C-137 dated October 13, 1997, supplemental materials dated November 8, 1997, materials submitted in conjunction with the original permit dated January 19, 1987, and materials submitted in conjunction with subsequent permit modifications dated March 8, 1988; December 7, 1988; April 24, 1990; September 26, 1991; September 8, 1992; November 16, 1993; April 8, 1994; May 30, 1995; and June 27, 1996.

The construction, operation, monitoring and reporting shall be as specified in the enclosed

Mr. Tony Schmitz  
July 6, 1999  
Page 2

attachment. All modifications and alternatives to the approved treatment, evaporation and landfill methods must receive prior OCD approval. T-n-T is required to notify the Director of any facility expansion or process modification and to file the appropriate materials with the Division.

Please be advised approval of this facility permit does not relieve T-n-T Construction, Inc. of liability should your operation result in actual pollution of surface water, ground water, or the environment. In addition, OCD approval does not relieve T-n-T Construction, Inc. of responsibility for compliance with other federal, state or local laws and/or regulations.

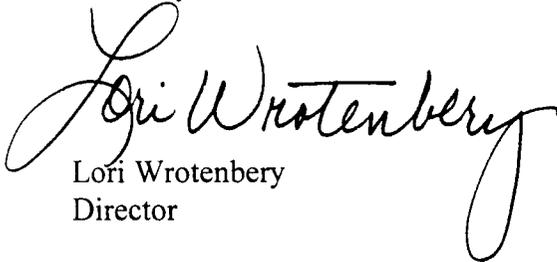
Please be advised that all tanks exceeding 16 feet in diameter and exposed pits, ponds or lagoons must be screened, netted or otherwise rendered non-hazardous to migratory birds. In addition, OCD Rule 310 prohibits oil from being stored or retained in earthen reservoirs or open receptacles.

The T-n-T Commercial Surface Waste Management Facility Permit NM-01-0008 will be reviewed at least once every five (5) years from the date of this approval letter. The facility is subject to periodic inspections by the OCD.

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

If you have any questions please do not hesitate to contact Martyne J. Kieling at (505) 827-7153.

Sincerely,



Lori Wrotenbery  
Director

LW/mjk

xc with attachments:  
Aztec OCD Office

**ATTACHMENT TO OCD 711 PERMIT APPROVAL  
PERMIT NM-01-0008  
T-n-T CONSTRUCTION, INC.  
SURFACE WASTE MANAGEMENT FACILITY  
SE/4 Section 7 and SW/4 Section 8 (evaporation ponds),  
and the SW/4 SE/4 and SE/4 SW/4 Section 5 and the NE/4 NW/4 of Section 8 (landfarm),  
Township 25 North, Range 3 West, NMPM,  
Rio Arriba County, New Mexico  
(July 6, 1999)**

**FACILITY AND EVAPORATION POND OPERATION**

1. The facility must be fenced and have a sign at each entrance. The sign must be legible from at least fifty (50) feet and contain the following information: a) name of the facility; b) location by section, township and range; and c) emergency phone number.
2. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.
3. No produced water may be received at the facility unless the transporter has a valid Form C-133, Authorization to Move Produced Water, on file with the Division.
4. All produced water must be unloaded into tanks. The produced water must reside in the tank system long enough to allow for oil and sediment separation. Oil recovered must be stored in above-ground storage tanks. Per Division General Rule 310, oil shall not be stored or retained in earthen reservoirs or in open receptacles.
5. All existing above-ground tanks located at the facility and containing materials other than fresh water must be bermed to contain one and one-third the volume of the largest tank or all interconnected tanks, whichever is greater. All above-ground tanks must be labeled as to contents and hazards.
6. All new or replacement above-ground tanks containing materials other than fresh water must be placed on an impervious pad and be bermed so that the area will hold one and one-third the volume of the largest tank or all interconnected tanks, whichever is greater.
7. Below-grade sumps and below-tanks must be cleaned and visually inspected annually. Results must be recorded and maintained for OCD review. If sump/tank integrity has failed the OCD must be notified within 48 hours of discovery and the sump/tank contents must be removed and the contaminated soil must be removed and land farmed at the facility landfarm or disposed of at an OCD-approved facility. Soil remediation must follow OCD surface impoundment closure guidelines. The permittee must submit a report to the OCD Santa Fe and appropriate District offices that describes the investigation and remedial actions taken.

8. All new or replacement below-grade sumps and below-grade tanks at the facility must have secondary impermeable containment with leak detection monitoring. The monitoring system must be inspected for fluids weekly. Results must be recorded and maintained for OCD review. If fluids are present they must be checked and the analyses must be furnished to the OCD Santa Fe and appropriate District offices.
9. The produced water receiving and treatment area must be inspected daily for tank, piping and berm integrity.
10. Any design changes to the produced water receiving, treatment and evaporation area must be submitted to the OCD Santa Fe office for approval.
11. The ponds must have a minimum freeboard of one and a half (1½) feet. A device must be installed in the pond to accurately measure freeboard.
12. The ponds may not contain any oil.
13. Pond inspection and maintenance must be conducted on at least a daily basis and immediately following each consequential rainstorm or windstorm. The OCD Santa Fe and appropriate District office must be notified within 48 hours if any defect is noted. Repairs must be made as soon as possible. If the defect will jeopardize the integrity of the pond additional wastes may not be placed into the pond until repairs have been completed.
14. The leak detection sump at Pond One (1) and Pond Three (3) must be inspected weekly; results must be recorded and maintained for OCD review. If fluid is present in the leak detection system the fluids in the pond and leak detection system must be analyzed for total dissolved solids (TDS). Upon discovery all fluids must be removed from the leak detection system and the system must be kept free of fluids. If the pond and leak detection fluids are similar the OCD Santa Fe and appropriate District offices must be notified within 48 hours. Within 72 hours of discovery, the permittee must submit a plan to the OCD Santa Fe and appropriate District offices for review and approval that describes what procedures will be taken to investigate and repair the leak.
15. The monitor wells surrounding Pond Two (2) must be inspected monthly; results must be recorded and maintained for OCD review. If fluid is present in the monitor wells the fluids in the pond and monitor wells must be analyzed for total dissolved solids (TDS). Upon discovery all fluids must be removed from the monitor wells and the system must be kept free of fluids. If the pond and monitor well fluids are similar the OCD Santa Fe and appropriate District offices must be notified within 48 hours. Within 72 hours of discovery, the permittee must submit a plan to the OCD Santa Fe and appropriate District offices for review and approval that describes what procedures will be taken to investigate and repair the leak.
16. Sludge thickness in the base of each pond must be measured annually within 25 feet of the inlet. Any sludge build-up in the bottom of the pond in excess of twelve (12) inches must be removed and remediated at the facility landfarm or disposed of at an OCD-approved facility.
17. To protect migratory birds, all tanks exceeding 16 feet in diameter and exposed pits, ponds or

lagoons must be screened, netted, covered or otherwise rendered nonhazardous to migratory birds.

18. Liquid reduction technologies that may be used to eliminate pond waters include evaporation and enhanced evaporation..
19. The spray system for enhanced evaporation must be operated such that all spray remains within the confines of the lined portion of the pond.
20. Adequate freeboard must be maintained on all settling pits to prevent overflow.
21. Drilling mud must be unloaded into the settling pit and any free oil will be removed from the drilling mud prior to removal of the mud from the settling pit. Oil recovered must be stored in above ground closed top storage tanks.
22. Free water must be removed from the drilling mud prior to removal of the mud from the settling pit. The water must be stored in above ground closed top tanks and may be spread on the landfarm for dust control and to enhance bio-remediation.

#### **H<sub>2</sub>S PREVENTION & CONTINGENCY PLAN**

1. In order to prevent development of harmful concentrations of H<sub>2</sub>S, the following procedures must be followed:
  - a. All incoming loads of produced water must be tested for hydrogen sulfide (H<sub>2</sub>S) concentrations. Any loads with measurable H<sub>2</sub>S concentrations must be treated in a closed system. The treatment reaction must be driven to completion to eliminate all measurable H<sub>2</sub>S prior to disposal into the ponds.
  - b. Daily tests must be conducted and records made and maintained of the pH levels in each pond, and if the pH falls below 8.0 remedial steps must be taken immediately to raise the pH.
  - c. Weekly tests must be conducted and records made and retained at the facility of the dissolved oxygen concentrations in each pond. The dissolved oxygen levels in the ponds must be determined according to the following procedures:
    - i. The sample for each test must be taken one foot from the bottom of the pond;
    - ii. The location of each test must vary around the pond; and
    - iii. If any test shows a dissolved residual oxygen level of less than 0.5 ppm, immediate steps must be undertaken to oxygenate the pond and create a residual oxygen level to at least 0.5 ppm. Remedial measures may include adding chemicals or increased aeration.

- d. Weekly tests must be conducted and records made and retained at the facility of the dissolved sulfide concentrations in each pond.
  - e. At least 1000 gallons of a H<sub>2</sub>S treatment chemical will be stored on-site and may not be retained for a period in excess of the manufacturer's stated shelf life. Expired H<sub>2</sub>S treatment chemicals may be disposed of in the ponds.
2. Tests of ambient H<sub>2</sub>S levels must be conducted twice per day. Test results must be recorded and retained. The tests must be conducted at four (4) locations around each pond at the top of the berm. The wind speed and direction must be recorded in conjunction with each test.
- a. If an H<sub>2</sub>S reading of 1.0 ppm or greater is obtained:
    - i. a second reading must be taken on the downwind berm within one hour;
    - ii. the dissolved oxygen and dissolved sulfide levels of the pond must be tested immediately and the need for immediate treatment determined; and
    - iii. tests for H<sub>2</sub>S levels must be made at the fence line down wind from the problem pond.
  - b. If two (2) consecutive H<sub>2</sub>S readings of 1.0 ppm or greater are obtained:
    - i. the operator must notify the Aztec office of the OCD immediately;
    - ii. the operator must commence hourly monitoring on a 24-hour basis; and
    - iii. the operator must obtain daily analysis of dissolved sulfides in the pond.
  - c. If an H<sub>2</sub>S reading of 10.0 ppm or greater at the facility fence line is obtained:
    - i. the operator must immediately notify the Aztec office of the OCD and the following public safety agencies:  
  
New Mexico State Police  
Rio Arriba County Sheriff; and  
Rio Arriba County Fire Marshall
    - ii. the operator must notify of all persons residing within one-half (½) mile of the fence line and assist public safety officials with evacuation as requested.

#### **LANDFARM OPERATION**

- 1. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.

2. All contaminated soils received at the landfarm must be spread and disked within 72 hours of receipt.
3. Soils must be spread on the surface in six-inch lifts or less.
4. Soils must be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants
5. Drilling muds processed at the facility settling pit must be spread on the surface in six-inch lifts or less and disked within 72 hours of receipt.
6. Exempt contaminated soils must be placed in the landfarm so that they are physically separate (*i.e.*, bermed) from non-exempt contaminated soils. There may be no mixing of exempt and non-exempt soils.
7. Successive lifts of contaminated soils or drilling mud may not be spread until a laboratory measurement of total petroleum hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained at the facility. Authorization from the OCD must be obtained prior to application of successive lifts and/or removal of the remediated soils. District approval must be obtained in order to remove reconditioned mud from the facility.
8. Moisture may be added as necessary to enhance bioremediation and to control blowing dust. Water collected from the settling of drilling mud may be used for this purpose. There may be no ponding, pooling or run-off of water allowed. Any ponding of precipitation must be removed within twenty-four (24) hours of discovery.
9. Enhanced bio-remediation through the application of microbes (bugs) and/or fertilizers may only be permitted after prior approval from the OCD. Requests for application of microbes or fertilizers must include the location of the area designated for the program, the composition of additives, and the method, amount and frequency of application.
10. The plastic-lined temporary storage soil receiving area must be inspected monthly. The protective three (3) feet of clay soil covering the plastic-lined receiving area must be maintained. Additional clean clay soil may be added as needed for maintenance.
11. The below-grade steel holding and treating trough must be used for the stabilization and absorption of liquids and sludges received by the landfarm facility. The trough must be inspected inside and outside annually and records of such inspections must be made available for OCD inspection.
12. Contaminated soils must not be placed within twenty (20) feet of any pipelines crossing the landfarm. In addition, no equipment may be operated within ten (10) feet of a pipeline. All pipelines crossing the facility must have surface markers identifying the location of the pipelines.

13. The portion of the facility containing contaminated soils must be bermed to prevent runoff and runoff. A perimeter berm no less than three (3) feet above grade with the eastern and southern berm extending to four to six (4 to 6) feet above grade must be constructed and maintained such that it is capable of containing precipitation from a one-hundred year flood for the specific region.

#### **TREATMENT ZONE MONITORING**

1. One (1) background soil sample must be taken from the center portion of the landfarm two (2) feet below the native ground surface prior to operation. The sample must be analyzed for total petroleum hydrocarbons (TPH), major cations/anions, volatile aromatic organics (BTEX), and eight (8) RCRA heavy metals using EPA-approved methods.
2. A treatment zone not to exceed three (3) feet beneath the landfarm native ground surface must be monitored. A minimum of one random soil sample must be taken from each individual cell, with no cell being larger than five (5) acres, six (6) months after the first contaminated soils are received in the cell and then quarterly thereafter. The sample must be taken at two (2) to three (3) feet below the native ground surface.
3. The soil samples must be analyzed using EPA-approved methods for total petroleum hydrocarbons (TPH) and volatile aromatic organics (BTEX) quarterly and for major cations/anions and eight (8) RCRA heavy metals annually.
4. After obtaining the soil samples the boreholes must be filled with an impermeable material such as cement or bentonite.

#### **WASTE ACCEPTANCE CRITERIA**

1. The facility is authorized to accept only:
  - a. Oilfield wastes that are exempt from RCRA Subtitle C regulations and that do not contain Naturally Occurring Radioactive Material (NORM) regulated pursuant to 20 NMAC 3.1 Subpart 1403. All loads of these wastes received at the facility shall be accompanied by a "Generator Certificate of Waste Status" signed by the generator.
  - b. "Non-hazardous" non-exempt oilfield wastes on a case-by-case basis after conducting a hazardous waste characterization including corrosivity, reactivity, ignitability, and toxic constituents. The samples for these analyses must be obtained from the wastes prior to removal from the generator's facility and without dilution in accordance with EPA SW-846 sampling procedures. All "non-hazardous" non-exempt wastes received at the facility must be accompanied by:
    - i. An approved OCD Form C-138 "Request For Approval To Accept Solid Waste."
    - ii. A "Generator Certificate of Waste Status" signed by the generator.

- iii. A verification of waste status issued by the appropriate agency, for wastes generated outside OCD jurisdiction. The agency verification is based on specific information on the subject waste submitted by the generator and demonstrating the non-hazardous classification of the waste.
  - c. Non-oilfield wastes that are non-hazardous if ordered by the Department of Public Safety in a public health emergency. OCD approval must be obtained prior to accepting the wastes.
2. At no time may any OCD-permitted surface waste management facility accept wastes that are determined to be RCRA Subtitle C hazardous wastes by either listing or characteristic testing.
3. The transporter of any wastes to the facility must supply a certification that wastes delivered are those wastes received from the generator and that no additional materials have been added.
4. No produced water may be received at the facility from motor vehicles unless the transporter has a valid Form C-133, "Authorization to Move Produced Water" on file with the Division.
5. No mud may be accepted at the facility without prior approval from the OCD District Supervisor to move the mud from the drilling location. All drilling muds will be received directly into the settling pit for oil and water separation. Other mud acceptance and application methods may be allowed on a case-by-case basis. The facility must obtain OCD District Supervisor approval for alternate application methods prior to acceptance of the mud. There will be no ponding, pooling or run-off of muds allowed.
6. Each incoming load of drilling mud must be accompanied by the following information: a) well operator name; b) the well name and location from which the mud was transported; c) transporter; d) description of mud program including mud composition, volume and type of chemicals added; and e) exact cell location where the material is to be remediated.

#### **REPORTING AND RECORD KEEPING**

1. Results of the daily visual inspection of the facility must be recorded and maintained for OCD review.
2. Results of the weekly testing of the leak detection sumps at Pond One (1) and Pond Three (3) must be recorded and a report must be submitted to the OCD Santa Fe office for annual review **by July 6 of each year.**
3. Results of the weekly inspections of the below-grade tank and sump secondary containment systems must be recorded and maintained for OCD review.
4. Results of the monthly testing of the monitor wells surrounding Pond Two (2) must be recorded and a report must be submitted to the OCD Santa Fe office for annual review **by July 6 of each year.**

5. Analytical results from the quarterly treatment zone monitoring must be submitted to the OCD Santa Fe office **within thirty (30) days** of receipt from the laboratory.
6. Loads of drilling mud which contain miscellaneous hydrocarbons exceeding 2/10 of 1% of the total volume of mud must be accompanied by an OCD-approved Form C-117A from the well operator. Accumulations of miscellaneous hydrocarbons must be reported monthly on Form C-112 and the sale and transportation of these hydrocarbons must be permitted only by an approved Form C-104.
7. Results of the testing at the evaporation pond for H<sub>2</sub>S, pH, dissolved sulfides, and dissolved oxygen must be recorded and maintained for OCD review.
8. Results of annual inspection on below-grade sumps and below-grade tanks, and annual measurements of sludge thickness in the pond must be recorded and maintained for OCD review.
9. The applicant must notify the **OCD Aztec District office within 24 hours** of any fire, break, leak, spill, blowout or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.
10. All records of testing and monitoring must be retained for a period of five (5) years.
11. The OCD must be notified prior to the installation of any pipelines or wells or other structures within the boundaries of the facility.
12. Comprehensive records of all material disposed of at the facility must be maintained at the facility. The records for each load will include: 1) generator; 2) origin; 3) date received; 4) quantity; 5) certification of non-exempt status and analysis for hazardous constituents and or additional documentation to certify non hazardous status; 6) NORM status declaration; 7) transporter; 8) exact cell location; and 9) any addition of microbes, moisture, fertilizers, *etc.*

#### FINANCIAL ASSURANCE

1. Financial assurance in the amount of **\$250,000** in the form of a surety or cash bond or a letter of credit, which is approved by the Division, is required from T-n-T Construction, Inc. for the commercial surface waste management facility.

**By August 6, 1999** T-n-T Construction, Inc. must submit 25% of the financial assurance in the amount of **\$62,500**.

**By August 6, 2000** T-n-T Construction, Inc. must submit 50% of the financial assurance in the amount of **\$125,000**.

**By August 6, 2001** T-n-T Construction, Inc. must submit 75% of the financial assurance in the amount of **\$187,500**.

**By August 6, 2002** T-n-T Construction, Inc. must submit 100% of the financial assurance in the amount of **\$250,000**.

2. The facility is subject to periodic inspections by the OCD. The conditions of this permit and the facility will be reviewed by the OCD no later than five (5) years from the date of this approval. In addition the closure cost estimate will be reviewed according to prices and remedial work estimates at the time of review. The financial assurance may be adjusted to incorporate any closure cost changes.

### CLOSURE

1. The OCD Santa Fe and Aztec offices must be notified when operation of the facility is discontinued for a period in excess of six (6) months or when the facility is to be dismantled. Upon cessation of operations for six (6) consecutive months, the operator must complete cleanup of constructed facilities and restoration of the facility site within the following six (6) months, unless an extension of time is granted by the Director.
2. A closure plan to include the following closure procedures must be submitted to the OCD for approval:
  - a. When the facility is to be closed no new material will be accepted.
  - b. All evaporation ponds will be allowed to evaporate. Any water not evaporated will be hauled to an OCD-approved facility. The ponds will be surveyed for NORM.
  - c. The soils beneath the evaporation pond, liquids receiving and treatment area and landfarm will be characterized as to total petroleum hydrocarbons (TPH) volatile aromatic organics (BTEX) content to determine potential migration of contamination.
  - d. All above and below grade tanks will be emptied and any waste will be hauled to an OCD-approved facility. The empty tanks will be removed.
  - e. Contaminated soils or existing landfarm soils will be remediated until they meet the OCD standards in effect at the time of closure or removed to an OCD-approved facility.
  - f. The area will be contoured, seeded with native grasses and allowed to return to its natural state. If the landowner desires to keep existing structures, berms, or fences for future alternative uses the structures, berms, or fences may be left in place.
  - g. Closure will be pursuant to all OCD requirements in effect at the time of closure, and any other applicable local, state and/or federal regulations.

T-n-T Construction, Inc.  
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**CERTIFICATION**

T-n-T Construction, Inc., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. T-n-T Construction, Inc. further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect ground water, surface water, human health and the environment.

Accepted:

T-n-T CONSTRUCTION, INC.

Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

**ATTACHMENT TO OCD 711 PERMIT APPROVAL  
PERMIT NM-01-0008  
T-n-T CONSTRUCTION, INC.  
SURFACE WASTE MANAGEMENT FACILITY  
SE/4 Section 7 and SW/4 Section 8 (evaporation ponds),  
and the SW/4 SE/4 and SE/4 SW/4 Section 5 and the NE/4 NW/4 of Section 8 (landfarm),  
Township 25 North, Range 3 West, NMPM,  
Rio Arriba County, New Mexico  
(July 6, 1999)**

**FACILITY AND EVAPORATION POND OPERATION**

1. The facility must be fenced and have a sign at each entrance. The sign must be legible from at least fifty (50) feet and contain the following information: a) name of the facility; b) location by section, township and range; and c) emergency phone number.
2. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.
3. No produced water may be received at the facility unless the transporter has a valid Form C-133, Authorization to Move Produced Water, on file with the Division.
4. All produced water must be unloaded into tanks. The produced water must reside in the tank system long enough to allow for oil and sediment separation. Oil recovered must be stored in above-ground storage tanks. Per Division General Rule 310, oil shall not be stored or retained in earthen reservoirs or in open receptacles.
5. All existing above-ground tanks located at the facility and containing materials other than fresh water must be bermed to contain one and one-third the volume of the largest tank or all interconnected tanks, whichever is greater. All above-ground tanks must be labeled as to contents and hazards.
6. All new or replacement above-ground tanks containing materials other than fresh water must be placed on an impermeable pad and be bermed so that the area will hold one and one-third the volume of the largest tank or all interconnected tanks, whichever is greater.
7. Below-grade sumps and below-tanks must be cleaned and visually inspected annually. Results must be recorded and maintained for OCD review. If sump/tank integrity has failed the OCD must be notified within 48 hours of discovery and the sump/tank contents must be removed and the contaminated soil must be removed and land farmed at the facility landfarm or disposed of at an OCD-approved facility. Soil remediation must follow OCD surface impoundment closure guidelines. The permittee must submit a report to the OCD Santa Fe and appropriate District offices that describes the investigation and remedial actions taken.

8. All new or replacement below-grade sumps and below-grade tanks at the facility must have secondary impermeable containment with leak detection monitoring. The monitoring system must be inspected for fluids weekly. Results must be recorded and maintained for OCD review. If fluids are present they must be checked and the analyses must be furnished to the OCD Santa Fe and appropriate District offices.
9. The produced water receiving and treatment area must be inspected daily for tank, piping and berm integrity.
10. Any design changes to the produced water receiving, treatment and evaporation area must be submitted to the OCD Santa Fe office for approval.
11. The ponds must have a minimum freeboard of one and a half (1½) feet. A device must be installed in the pond to accurately measure freeboard.
12. The ponds may not contain any oil.
13. Pond inspection and maintenance must be conducted on at least a daily basis and immediately following each consequential rainstorm or windstorm. The OCD Santa Fe and appropriate District office must be notified within 48 hours if any defect is noted. Repairs must be made as soon as possible. If the defect will jeopardize the integrity of the pond additional wastes may not be placed into the pond until repairs have been completed.
14. The leak detection sump at Pond One (1) and Pond Three (3) must be inspected weekly; results must be recorded and maintained for OCD review. If fluid is present in the leak detection system the fluids in the pond and leak detection system must be analyzed for total dissolved solids (TDS). Upon discovery all fluids must be removed from the leak detection system and the system must be kept free of fluids. If the pond and leak detection fluids are similar the OCD Santa Fe and appropriate District offices must be notified within 48 hours. Within 72 hours of discovery, the permittee must submit a plan to the OCD Santa Fe and appropriate District offices for review and approval that describes what procedures will be taken to investigate and repair the leak.
15. The monitor wells surrounding Pond Two (2) must be inspected monthly; results must be recorded and maintained for OCD review. If fluid is present in the monitor wells the fluids in the pond and monitor wells must be analyzed for total dissolved solids (TDS). Upon discovery all fluids must be removed from the monitor wells and the system must be kept free of fluids. If the pond and monitor well fluids are similar the OCD Santa Fe and appropriate District offices must be notified within 48 hours. Within 72 hours of discovery, the permittee must submit a plan to the OCD Santa Fe and appropriate District offices for review and approval that describes what procedures will be taken to investigate and repair the leak.
16. Sludge thickness in the base of each pond must be measured annually within 25 feet of the inlet. Any sludge build-up in the bottom of the pond in excess of twelve (12) inches must be removed and remediated at the facility landfarm or disposed of at an OCD-approved facility.
17. To protect migratory birds, all tanks exceeding 16 feet in diameter and exposed pits, ponds or

- lagoons must be screened, netted, covered or otherwise rendered nonhazardous to migratory birds.
18. Liquid reduction technologies that may be used to eliminate pond waters include evaporation and enhanced evaporation..
  19. The spray system for enhanced evaporation must be operated such that all spray remains within the confines of the lined portion of the pond.
  20. Adequate freeboard must be maintained on all settling pits to prevent overflow.
  21. Drilling mud must be unloaded into the settling pit and any free oil will be removed from the drilling mud prior to removal of the mud from the settling pit. Oil recovered must be stored in above ground closed top storage tanks.
  22. Free water must be removed from the drilling mud prior to removal of the mud from the settling pit. The water must be stored in above ground closed top tanks and may be spread on the landfarm for dust control and to enhance bio-remediation.

#### **H<sub>2</sub>S PREVENTION & CONTINGENCY PLAN**

1. In order to prevent development of harmful concentrations of H<sub>2</sub>S, the following procedures must be followed:
  - a. All incoming loads of produced water must be tested for hydrogen sulfide (H<sub>2</sub>S) concentrations. Any loads with measurable H<sub>2</sub>S concentrations must be treated in a closed system. The treatment reaction must be driven to completion to eliminate all measurable H<sub>2</sub>S prior to disposal into the ponds.
  - b. Daily tests must be conducted and records made and maintained of the pH levels in each pond, and if the pH falls below 8.0 remedial steps must be taken immediately to raise the pH.
  - c. Weekly tests must be conducted and records made and retained at the facility of the dissolved oxygen concentrations in each pond. The dissolved oxygen levels in the ponds must be determined according to the following procedures:
    - i. The sample for each test must be taken one foot from the bottom of the pond;
    - ii. The location of each test must vary around the pond; and
    - iii. If any test shows a dissolved residual oxygen level of less than 0.5 ppm, immediate steps must be undertaken to oxygenate the pond and create a residual oxygen level to at least 0.5 ppm. Remedial measures may include adding chemicals or increased aeration.

- d. Weekly tests must be conducted and records made and retained at the facility of the dissolved sulfide concentrations in each pond.
  - e. At least 1000 gallons of a H<sub>2</sub>S treatment chemical will be stored on-site and may not be retained for a period in excess of the manufacturer's stated shelf life. Expired H<sub>2</sub>S treatment chemicals may be disposed of in the ponds.
2. Tests of ambient H<sub>2</sub>S levels must be conducted twice per day. Test results must be recorded and retained. The tests must be conducted at four (4) locations around each pond at the top of the berm. The wind speed and direction must be recorded in conjunction with each test.
- a. If an H<sub>2</sub>S reading of 1.0 ppm or greater is obtained:
    - i. a second reading must be taken on the downwind berm within one hour;
    - ii. the dissolved oxygen and dissolved sulfide levels of the pond must be tested immediately and the need for immediate treatment determined; and
    - iii. tests for H<sub>2</sub>S levels must be made at the fence line down wind from the problem pond.
  - b. If two (2) consecutive H<sub>2</sub>S readings of 1.0 ppm or greater are obtained:
    - i. the operator must notify the Aztec office of the OCD immediately;
    - ii. the operator must commence hourly monitoring on a 24-hour basis; and
    - iii. the operator must obtain daily analysis of dissolved sulfides in the pond.
  - c. If an H<sub>2</sub>S reading of 10.0 ppm or greater at the facility fence line is obtained:
    - i. the operator must immediately notify the Aztec office of the OCD and the following public safety agencies:  
  
New Mexico State Police  
Rio Arriba County Sheriff; and  
Rio Arriba County Fire Marshall
    - ii. the operator must notify of all persons residing within one-half (½) mile of the fence line and assist public safety officials with evacuation as requested.

#### **LANDFARM OPERATION**

1. Disposal may occur only when an attendant is on duty. The facility must be secured when no attendant is present.

2. All contaminated soils received at the landfarm must be spread and disked within 72 hours of receipt.
3. Soils must be spread on the surface in six-inch lifts or less.
4. Soils must be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants
5. Drilling muds processed at the facility settling pit must be spread on the surface in six-inch lifts or less and disked within 72 hours of receipt.
6. Exempt contaminated soils must be placed in the landfarm so that they are physically separate (*i.e.*, bermed) from non-exempt contaminated soils. There may be no mixing of exempt and non-exempt soils.
7. Successive lifts of contaminated soils or drilling mud may not be spread until a laboratory measurement of total petroleum hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained at the facility. Authorization from the OCD must be obtained prior to application of successive lifts and/or removal of the remediated soils. District approval must be obtained in order to remove reconditioned mud from the facility.
8. Moisture may be added as necessary to enhance bioremediation and to control blowing dust. Water collected from the settling of drilling mud may be used for this purpose. There may be no ponding, pooling or run-off of water allowed. Any ponding of precipitation must be removed within twenty-four (24) hours of discovery.
9. Enhanced bio-remediation through the application of microbes (bugs) and/or fertilizers may only be permitted after prior approval from the OCD. Requests for application of microbes or fertilizers must include the location of the area designated for the program, the composition of additives, and the method, amount and frequency of application.
10. The plastic-lined temporary storage soil receiving area must be inspected monthly. The protective three (3) feet of clay soil covering the plastic-lined receiving area must be maintained. Additional clean clay soil may be added as needed for maintenance.
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T-n-T Construction, Inc.  
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**CERTIFICATION**

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Accepted:

T-n-T CONSTRUCTION, INC.

Signature  Title PRES. Date 7/23/99



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

May 30, 1995

CERTIFIED MAIL  
RETURN RECEIPT NO.P-176-012-136

Mr. Tony Schmitz  
TNT Construction, Inc.  
HCR 74, Box 115  
Lyndrith, New Mexico 87029

**RE: Facility Expansion  
TNT Disposal Facility  
Rio Arriba County, New Mexico**

Dear Mr. Schmitz:

The New Mexico Oil Conservation Division (OCD) has received TNT Construction, Inc.'s (TNT) request dated March 13, 1995 for a permit modification to expand the existing facility by the addition of an evaporation pond. The request for permit modification of the TNT facility located in the NE/4 SE/4, Section 7, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, is hereby approved in accordance with the Oil Conservation Division (OCD) Rule 711.

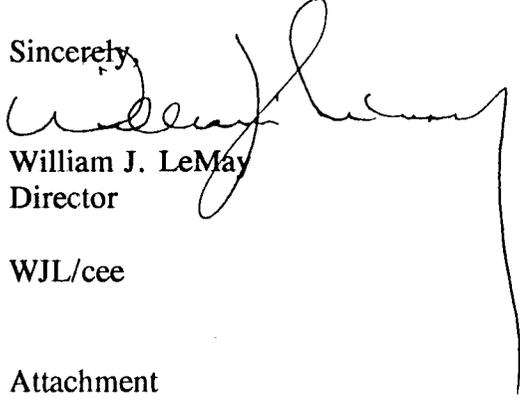
Please be advised approval of this facility expansion does not relieve TNT of liability should their operation result in pollution of surface water, ground water or the environment. In addition, the OCD approval does not relieve TNT of responsibility for compliance with any other laws and/or regulations.

Commercial surface disposal facilities are approved for a period of five (5) years. The original permit was not given an expiration date. The TNT facility permit, including the above modification approval, will expire May 30, 2000 and you should submit an application for renewal in ample time before that date. The OCD shall have the authority to administratively change this permit to protect fresh water, human health and the environment.

Mr. Schmitz  
May 31, 1995  
Page 2

If you have any questions, please do not hesitate to call Chris Eustice at (505) 827-7153.

Sincerely,



William J. LeMay  
Director

WJL/cee

Attachment

xc: OCD Aztec Office



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



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

November 16, 1993

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. P-667-241-148**

Mr. Tony L. Schmitz  
T-n-T Construction, Inc.  
HCR 74 Box 115  
Lindrith, New Mexico 87029

**RE: T-n-T 711 PERMIT MODIFICATION  
SETTLING PIT INSTALLATION  
RIO ARRIBA COUNTY, NEW MEXICO**

Dear Mr. Schmitz:

The New Mexico Oil Conservation Division (OCD) has received your request dated October 25, 1993, for modification of the T-n-T Construction, Inc. Rule 711 permit. The modification is to install a metal pit for settling of water, iron sulfide and dirt. The fluid will then be disposed of at T-n-T's evaporation ponds and the solids at T-n-T's landfarm. The request is also for permission to accept drilling muds which would be placed in the metal pit for settling and then disposed of at T-n-T's disposal facility.

Based on the information provided in your request, the OCD hereby approves the permit modification to construct and utilize a metal pit for settling purposes under the following conditions:

1. The metal pit will be designed so that spills and overflows are contained and do not reach the ground surface.
2. The operator shall file forms C-117-A, and C-120-A with the OCD Aztec District Office as required by OCD Rules 1117 and 1120.

Mr. Tony Schmitz  
November 16, 1993  
Page 2

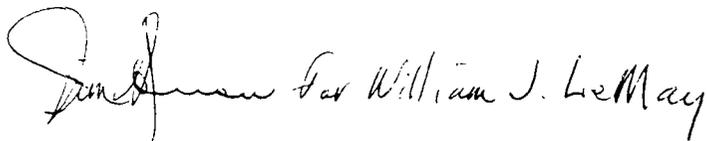
3. No free liquids or soils with free liquids will be moved from the metal pit to the landfarm.
4. Materials to be accepted for processing in accordance with this approval are only oilfield wastes which are exempt from RCRA Subtitle C regulations or "nonhazardous" non-exempt oilfield wastes on a case-by-case basis after conducting an analysis for hazardous characteristics and receiving OCD approval.
5. Comprehensive records of all materials received will be maintained at the facility. The records for each load will include: 1) the origin, 2) transporter, 3) test results if necessary (ie. non-exempt oilfield waste), 4) volume of wastes disposed of at the landfarm and evaporation ponds.

Please be advised that this approval does not relieve you of liability should your operation result in actual pollution of surface waters, ground waters, or the environment actionable under other laws and/or regulations. In addition, the OCD approval does not relieve you of liability for compliance with any other laws and/or regulations.

Please be advised that in accordance with OCD Rule 310, oil shall not be stored or retained in earthen reservoirs, or in open receptacles.

If you have any questions please do not hesitate to contact Kathy Brown at (505) 827-5884.

Sincerely,



William J. Lemay  
Director

WJL/kmb

xc: Denny Foust, OCD Aztec Office

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

September 8, 1992

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

CERTIFIED MAIL  
RETURN RECEIPT NO. P-670-683-664

Mr. Tony L. Schmitz  
TNT Construction, Inc.  
Star Route  
Lindrith, New Mexico 87029

RE: **TNT Construction, Inc. Landfarm Application**  
**OCD Rule 711 Permit Approval**

Dear Mr. Schmitz:

The **permit application for the TNT Construction, Inc. Landfarm** located in the SW/4 SE/4 and SE/4 SW/4 of Section 5 and the NE/4 NW/4 of Section 8, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, **is hereby approved** in accordance with the Oil Conservation Division (OCD) Rule 711 under the conditions contained in the enclosed attachment. The application consists of the original application dated June 1, 1992, and the materials dated August 4, 1992, submitted as supplements to the application.

The operation, monitoring and reporting shall be as specified in the enclosed attachment. All modifications and alternatives to the approved landfarming methods must receive prior OCD approval. You are required to notify the Director of any facility expansion or process modification and to file the appropriate materials with the Division.

Please be advised approval of this facility does not relieve you of liability should your operation result in actual pollution of surface or ground waters or the environment actionable under other laws and/or regulations.

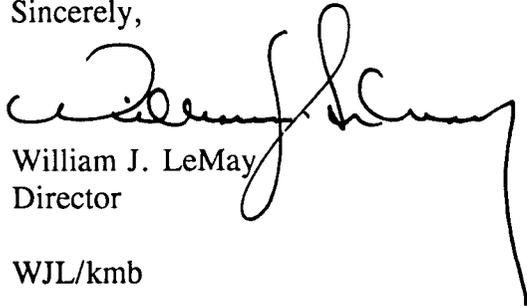
Please be advised that all tanks exceeding 16 feet in diameter and exposed pits, ponds or lagoons must be screened, netted or otherwise rendered nonhazardous to migratory birds.

Mr. Tony Schmitz  
September 8, 1992  
Page 2

This permit approval is for a period of five (5) years. This approval will expire on September 8, 1997 and you should submit an application for renewal in ample time before that date. The Division shall have the authority to administratively change this permit to protect fresh water, human health and the environment.

If you have any questions, please do not hesitate to contact Kathy Brown at (505) 827-5884.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', written over the typed name and title.

William J. LeMay  
Director

WJL/kmb

Attachment

xc: Denny Foust, OCD Aztec Office

**ATTACHMENT TO OCD 711 PERMIT APPROVAL  
TNT CONSTRUCTION, INC.  
COMMERCIAL LANDFARM  
(September 8, 1992)**

LANDFARM OPERATION

1. All contaminated soils received at the facility will be spread and disked within 72 hours of receipt.
2. Soils will be spread on the surface in six inch lifts or less.
3. Soils will be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
4. Successive lifts of contaminated soils will not be spread until a laboratory measurement of Total Petroleum Hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), and the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and the benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations will be maintained at the facility. Authorization from the OCD will be obtained prior to application of successive lifts.
5. Only solids which are exempt from the RCRA Subtitle C regulations or non-hazardous by characteristic testing will be accepted at the facility. Solids from operations not currently exempt under RCRA Subtitle C or mixed exempt/non-exempt solids will be tested for appropriate hazardous constituents. Test results must be submitted to the OCD along with a request to receive the non-exempt solids, and a written OCD approval (case specific) must be obtained prior to disposal. Any non-oilfield wastes which are RCRA Subtitle C exempt or are non-hazardous by characteristic testing will only be accepted on a case-by-case basis and with prior OCD approval.
6. Moisture will be added as necessary to control blowing dust and to enhance bioremediation. There will be no ponding, pooling or run-off of water allowed. Any ponding of precipitation will be removed within seventy-two (72) hours of discovery.
7. Enhanced bio-remediation through the application of microbes (bugs) will only be permitted after prior approval from the OCD. Request for application of microbes must include the location of the area designated for the bio-remediation program, composition of additives, and the method, amount and frequency of application.
8. No free liquids or soils with free liquids will be accepted at the facility.
9. Comprehensive records of all material disposed of at the facility will be maintained at the facility. The records for each load will include: 1) the origin, 2) analysis for hazardous constituents if required, 3) transporter, and 4) exact cell location and method of remediation.

## TREATMENT ZONE MONITORING

1. One (1) background soil sample will be taken from the center portion of the landfarm two (2) feet below the native ground surface. The sample will be analyzed for total petroleum hydrocarbons (TPH), general chemistry, and heavy metals using approved EPA methods.
2. A treatment zone not to exceed two (2) feet beneath the land farm will be monitored. A minimum of one random soil sample will be taken from each individual cell, with no cell being larger than five (5) acres, six (6) months after the first contaminated soils are received in the cell and then quarterly thereafter. The sample will be taken at two to three (2-3) feet below the native ground surface.
3. The soil samples will be analyzed for TPH, volatile aromatic organics (BTEX) quarterly and general chemistry and heavy metals annually using approved EPA methods.
4. After obtaining the soil samples the boreholes will be filled with an impermeable material such as bentonite cement.

## REPORTING

1. Analytical results from the treatment zone monitoring will be submitted to the OCD Santa Fe Office within thirty (30) days of receipt from the laboratory.
2. The OCD will be notified of any break, spill, blow out, or fire or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.

## BOND

Pursuant to OCD Rule 711 a surety or cash bond in the amount of \$25,000, in a form approved by the Division, is required prior to commencing construction of the commercial surface disposal facility.

## CLOSURE

When the facility is to be closed no new material will be accepted. Existing soils will be remediated until they meet the OCD standards in effect at the time of closure. The area will then be reseeded with natural grasses and allowed to return to its natural state. Closure will be pursuant to all OCD requirements in effect at the time of closure.



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

September 26, 1991

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

**CERTIFIED MAIL**  
**RETURN RECEIPT NO P-327-278-256**

Mr. Tony L. Schmitz  
TNT Construction Inc.  
HCR 74, Box 115  
Lindrith, New Mexico 87029

Re: Application For Lining

Dear Mr. Schmitz:

The Oil Conservation Division (OCD) has received your application, dated September 18, 1991, to install double synthetic lining with leak detection in the originally permitted evaporation pond.

Based on the information provided in your application, the installation of synthetic lining is approved. Please notify this office at least 24 hours prior to the installation of the leak detection system to allow an OCD representative an opportunity to witness the installation.

Please be advised this approval does not relieve you of liability should your operation result in actual pollution of surface or ground waters or the environment actionable under other laws and/or regulations.

If you have any questions, please call me at (505) 827-5884.

Sincerely,

A handwritten signature in cursive script that reads "Roger C. Anderson".

Roger C. Anderson  
Environmental Engineer

xc: OCD Aztec Office



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

December 7, 1988

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Tony Schmitz  
T-N-T CONSTRUCTION, INC.  
Star Route  
Lindrith, New Mexico 87029

Dear Mr. Schmitz:

The application for enlargement of your commercial clay-lined surface evaporation facility for the disposal of produced water, to be located in the SE/4, Section 7, Township 25 North, Range 3 West, Rio Arriba County, New Mexico is hereby approved with the following conditions:

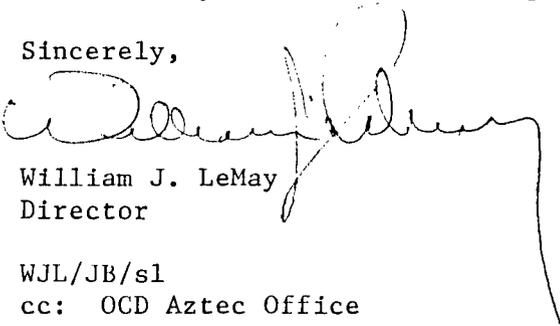
1. All copies of State Engineer correspondence should be filed with this office.
2. A registered professional engineer will submit as-built plans for the new pit as soon as possible after construction.
3. Any facility expansion or modification, or any changes in the types of wastes disposed at the site must be approved by the Director of the Oil Conservation Division.

The facility expansion application consists of the original application dated September 16, 1987 and additional submittals dated May 2, September 15, and November 4, 1988.

Please be advised that the approval of this application does not relieve you of liability should your operation result in actual pollution of surface or ground water which may be actionable under New Mexico laws or regulations.

On behalf of the staff at the Oil Conservation Division I wish to thank you for the cooperation shown during the application review.

Sincerely,

  
William J. LeMay  
Director

WJL/JB/sl  
cc: OCD Aztec Office



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

March 8, 1988

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Tony Schmitz  
T-N-T Construction, Inc.  
Star Route  
Lindrith, NM 87029

RE: Application for Spray Evaporation Systems

Dear Mr. Schmitz:

The Oil Conservation Division (OCD) has reviewed your February 26, 1988 application for installation of a spray evaporation system at your permitted commercial disposal facility located in Section 8, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. The design specifications are acceptable and your application is hereby approved with the following conditions:

- 1) Spray nozzels will be directed in the general direction of the pit center. Spraying beyond the bermed area will not be allowed.
- 2) The spray system will not be operated when wind velocities are high enough to carry wind drifted liquids and/or salts beyond the bermed area of the pit.
- 3) Berms of the pit will be maintained so that any erosion from the spray will be kept at a minimum and berm integrity will not be decreased.

If there are any questions concerning this approval, please feel free to contact Roger Anderson at 827-5885.

Sincerely,

WILLIAM J. LEMAY  
Director  
WJL/RCA/ag

SIGNED 3/8/88



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

January 19, 1987

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Tony Schmitz  
T-N-T Construction, Inc.  
Star Route  
Lindrith, N.M. 87029

RE: Commercial Evaporation Pit (unlined)  
T-N-T Construction Co.  
Section 8, Township 25 North, Range 3 West  
Rio Arriba County, New Mexico

Dear Mr. Schmitz:

We have reviewed the plans and specifications in your application for the above-referenced evaporation pit. The design specifications submitted are acceptable and your application is hereby approved with the following conditions:

1. The monitor wells shall be checked monthly for the presence of fluid. If fluid is observed, the OCD will be notified, a sample taken and analyzed and the results, along with any corrective actions proposed, will be supplied to the OCD.
2. Only clear fluids will be accepted at the facility (no drilling muds, drill cuttings, etc.)
3. No solvents or halogenated hydrocarbons will be disposed of at the facility.
4. No fluids with a pH of less than 2 nor greater than 12 will be disposed of at the facility.
5. Pursuant to OCC Order 7940-A, the following information on fluids received must be available for OCD inspection and the records retained for a period of two years.
  - a) Date of waste receipt
  - b) Source and location of waste
  - c) Hauling company
  - d) Type of waste

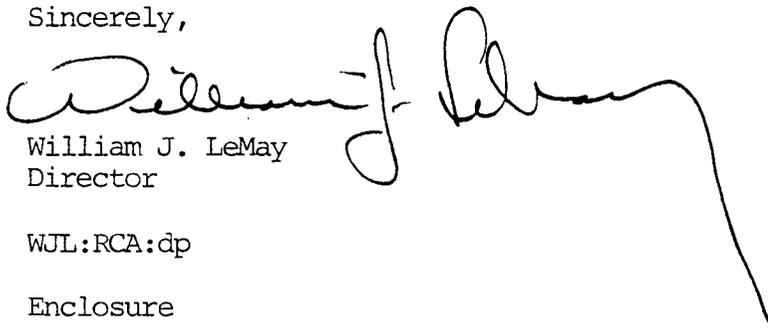
e) Volume of waste

6. Pursuant to OCD Rule 1120, submit monthly, Form C-120-A in duplicate, to the Santa Fe office with one copy to the Aztec district office. A copy of the form is attached.
7. Any spills, leaks or breaks will be reported to the OCD office in Aztec immediately.

The approved application consists of the application dated July 14, 1986, and materials dated November 25, 1986, submitted as supplements to the application. The application was submitted pursuant to OCC Order R-7940-A and approved pursuant to that order. Any modification of the facility or disposal of wastes not identified in the application or specifically approved must be submitted to the OCD for review. Please be advised that the approval of this disposal facility does not relieve you of liability should your operation result in actual pollution of surface or ground waters which may be actionable under other laws and/or regulations.

On behalf of the staff of the Oil Conservation Division, I wish to thank you and your consultant for your cooperation during this application review.

Sincerely,



William J. LeMay  
Director

WJL:RCA:dp

Enclosure

cc: OCD, Aztec

