

NM - 1

**INSPECTIONS &
DATA**



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

July 29, 1997

CERTIFIED MAIL
RETURN RECEIPT NO. P-326-936-317

Ms. L.A. Stearns
Kenneth Tank Services
P.O. Box 100
Crossroads, NM 88114

**RE: Treating Plant Inspection
Kenneth Tank Services
NW/4 of Section 35, Township 9 South, Range 35 East, NMPM
Lea County, New Mexico**

Dear Ms. Stearns :

The New Mexico Oil Conservation Division (OCD), inspected Kenneth Tank Services (KTS) treating plant located in the NW/4 of Section 35, Township 9 South, Range 35 East, NMPM, Lea County, New Mexico, on April 3, 1997.

The OCD inspection and current file review of KTS indicates some permit deficiencies. Attachment 1 lists the permit deficiencies found at KTS during the inspection and the new Rule 711 requirements that are not on file. Attachment 2 contains photographs taken during the inspection on April 3, 1997. KTS shall provide the OCD with a detailed description of how the corrections will be made and a time table of when each of the corrections will be completed. A response is required by KTS to these deficiencies by September 29, 1997.

Pursuant to Order R-10411-B the OCD General Rule 711 has been revised. The OCD is currently in the process of re-permitting all surface waste management facilities under the new Rule 711. KTS treating plant is included under the new Rule 711. A copy of Order R-10411-B along with the new bond forms are included with this report. A permit application, Form C-137 (attachment 3), shall be filed with the OCD according to the instructions in Attachment 1, Section 15.

Please be advised that the bonding requirements have changed under the new Rule 711. KTS's current surety bond (bond No. 1103301) for \$10,000 will need to be replaced. The new bonded amount will be based upon the estimated closure costs that the State of New Mexico would incur

Ms. L.A. Sterns
July 29, 1997
Page 2

if a third party contractor were to remediate the facility (see Rule 711.B.1.i). KTS must have a new bond in place for the approved estimated closure amount prior to receiving a new waste management facility permit.

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

Sincerely,



Martyne J. Kieling
Environmental Geologist

Attachments

xc: Hobbs OCD Office

ATTACHMENT 1
INSPECTION REPORT
APRIL 3, 1997
KENNETH TANK SERVICES
(NW/4 of Section 35, Township 9 South, Range 35 East, NMPM)
LEA COUNTY, NEW MEXICO

1. **Drum Storage:** All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad and curb type containment. All drums and chemical containers should be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill or ignite.

N/A There are no drums located at this facility.

2. **Process Area:** All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.

There was evidence of leaks and/or spills around most of the above grade tank piping (see pictures 1 and 2).

- 3: **Above Ground Tanks:** All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm so that leaks can be identified.

The berm surrounding the above ground tanks needs to be repaired (see pictures 1 and 2). In addition, the bermed containment area should be increased in size to contain one-third more than the total volume of all interconnected tanks (see pictures 1, 2, and 6).

4. **Open Top Tanks and Pits:** To protect migratory birds, all tanks exceeding 16 feet in diameter, and exposed pits and ponds shall be screened, netted or covered unless rendered non hazardous.

N/A There are no open top tanks, pits, or ponds located at this facility.

5. **Above Ground Saddle Tanks:** Above ground saddle tanks must have impermeable pad and

curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

N/A There are no above ground saddle tanks located at this facility.

6. **Tank Labeling:** All tanks, drums and containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill or ignite.

The tanks are not labeled as to their contents and hazards (see pictures 1 and 2).

7. **Below Grade Tanks/Sumps:** All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing and/or visual inspection of cleaned out tanks or sumps, or other OCD approved methods.

N/A There are no below grade tanks, sumps, or pits located at this facility.

8. **Underground Process/Wastewater Lines:** All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter. Companies may propose various methods for testing such as pressure testing or other OCD approved methods.

Any underground process/wastewater lines must have a mechanical integrity testing proposal.

9. **Housekeeping:** All systems designed for spill collection/prevention should be inspected frequently to ensure proper operation and to prevent overtopping or system failure.

Adequate berms are needed to ensure that any spills or overflows stay within the facility (see pictures 1, 2, and 3). The soil around the base of the tanks beneath tank piping indicate leaking pipes (see pictures 1 and 2). Leaking pipes should have secondary impermeable containment.

10. **Spill Reporting:** All spills/releases shall be reported pursuant to OCD Rule 116.

At the time of inspection there were no spills evident at this facility.

11. **Trash and Potentially Hazardous Materials:** All trash and potentially hazardous materials should be properly disposed of.
The contaminated soil piles/tank bottoms along the south side of the facility should be

remediated on sight and/or removed to a disposal facility (see picture 4 and 5).

12. **Berming** : An adequate berm will be constructed and maintained to prevent runoff and runoff for that portion of the facility containing contaminated soils.

If contaminated soils/tank bottoms are to be remediated on site a berm should be constructed to prevent runoff and runoff for that portion of the facility (see pictures 4 and 5).

13. **Security**: The facility shall be secured when no attendant is present, to prevent any unauthorized dumping. Securing the facility may include locks on tank valves, a perimeter fence and locked gate or other similar security measures.

Facility does not have a perimeter fence, locking gate or locked valves.

14. **Signs**: The facility shall have a sign in a conspicuous place at the facility. The sign shall be maintained in legible condition and shall be legible from at least fifty (50) feet and contain the following information : a) name of facility, b) location by quarter-quarter section, township and range, and c) emergency phone number.

The facility is lacking a sign at the entrance.

15. **Application Requirements for Permit Under the New Rule 711**: An application, Form C-137, for a permit renewal shall be filed in DUPLICATE with the Santa Fe Office of the Division and ONE COPY with the Hobbs OCD district office. The application shall comply with Division guidelines and shall include:

- (a) The names and addresses of the applicant and all principal officers of the business if different from the applicant;

Please submit with C-137 application.

- (b) A plat and topographic map showing the location of the facility in relation to governmental surveys (1/4 1/4 section , township, and range), highways or roads giving access to the facility site, watercourses, water sources, and dwellings within one (1) mile of the site;

Please submit with C-137 application.

- (c) The names and addresses of the surface owners of the real property on which the management facility is sited and surface owners of the real property of record within one mile of the site;

Please submit with C-137 application.

- (d) A description of the facility with a diagram indicating location of fences and cattle guards, and detailed construction/installation diagrams of any pits, liner, dikes, piping, sprayers, and tanks on the facility;

Please submit with C-137 application.

- (e) A plan for management of approved wastes;

Please submit with C-137 application.

- (f) A contingency plan for reporting a cleanup of spills or releases;

Please submit with C-137 application.

- (g) A routine inspection and maintenance plan to ensure permit compliance;

Please submit with C-137 application.

- (h) A Hydrogen Sulfide (H₂S) Prevention and Contingency Plan to protect public health;

Please submit with C-137 application.

- (i) A closure Plan including a cost estimate sufficient to close the facility to protect public health and the environment; said estimate to be based upon the use of equipment normally available to a third party contractor;

Please submit with C-137 application.

- (j) Geological/hydrological evidence, including depth to and quality of groundwater beneath the site, demonstrating that disposal of oil field wastes will not adversely impact fresh water;

Please submit with C-137 application.

- (l) Certification by an authorized representative of the applicant that information submitted in the application is true, accurate and complete to the best of the applicant's knowledge.

Please submit with C-137 application.



THE REPRODUCTION OF

THE

FOLLOWING

DOCUMENT (S)

CANNOT BE IMPROVED

DUE TO

THE CONDITION OF

THE ORIGINAL

KENNETH TANK SERVICE TREATING PLANT INSPECTION (PHOTOS BY OCD)



PHOTO NO. 1 DATE: 04/3/97

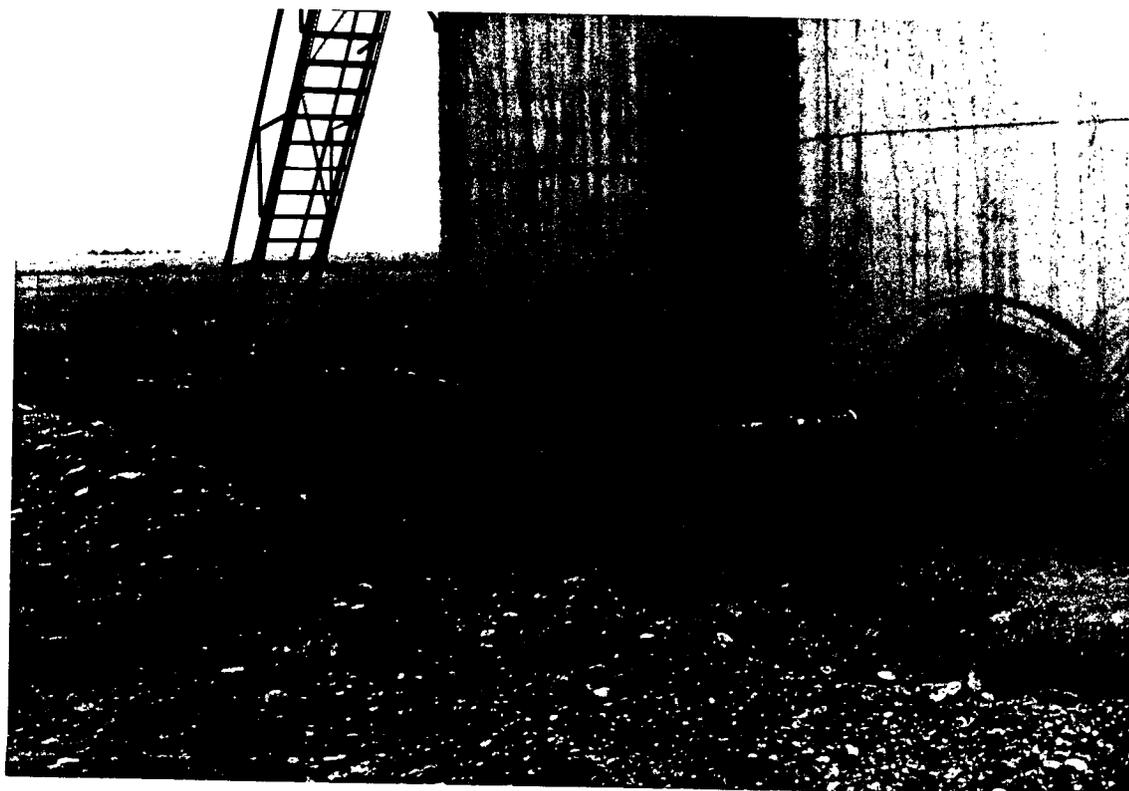


PHOTO NO. 2 DATE: 04/3/97

KENNETH TANK SERVICE TREATING PLANT INSPECTION (PHOTOS BY OCD)

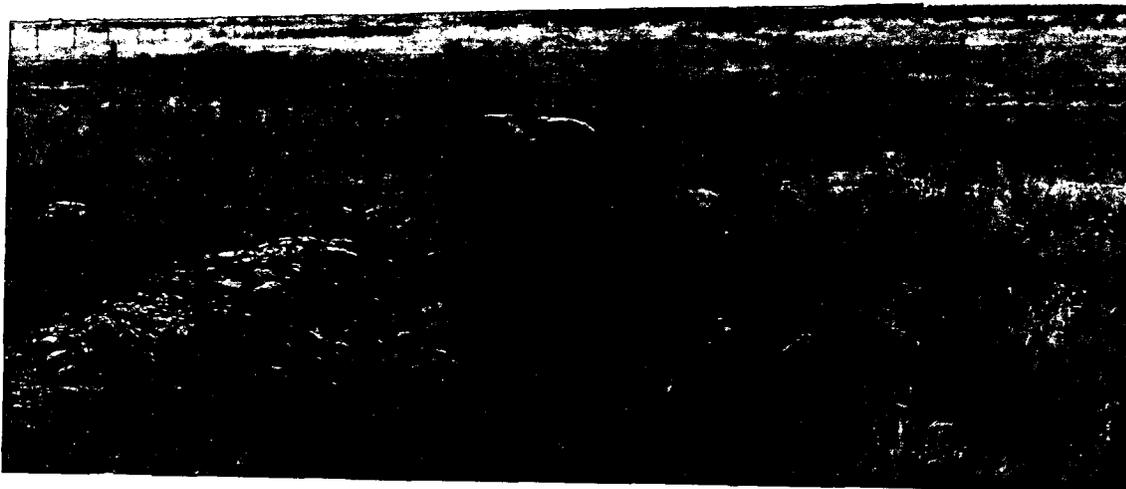


PHOTO NO. 3 DATE: 04/3/97

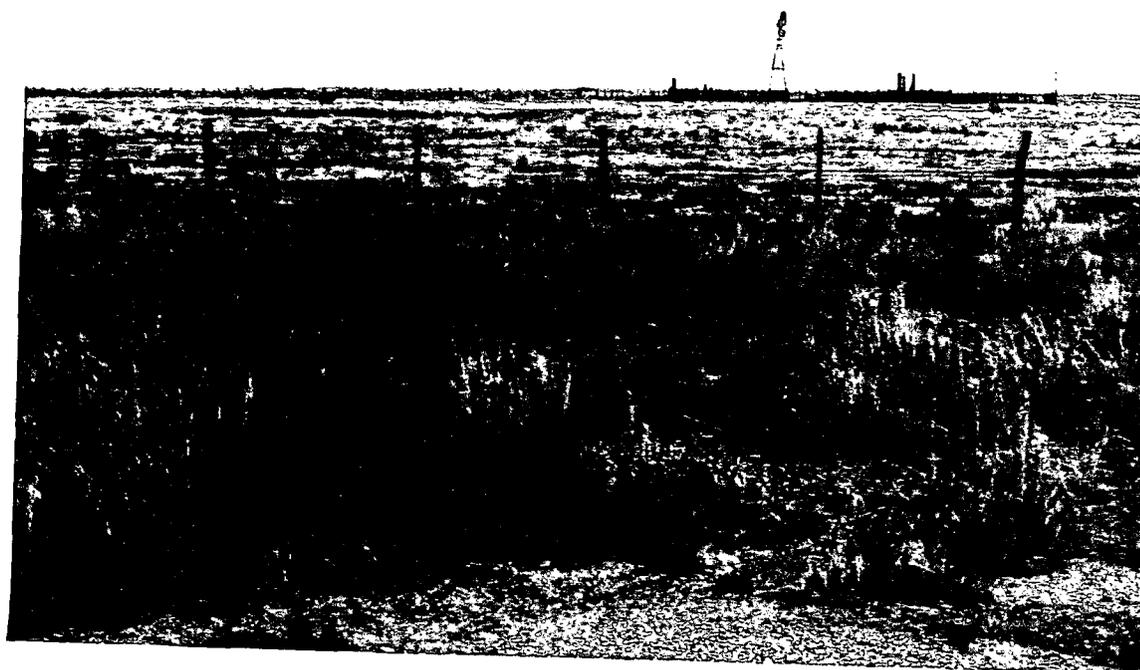


PHOTO NO. 4 DATE: 04/3/97

KENNETH TANK SERVICE TREATING PLANT INSPECTION (PHOTOS BY OCD)



PHOTO NO. 5 DATE: 04/3/97



PHOTO NO. 6 DATE: 04/3/97



King Solving Treating Plant

4-3-97



King Solving Treating Plant

4-3-97



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