

NM1 - ____35____

**GENERAL
CORRESPONDENCE**

YEAR(S):

2012-2013



RECEIVED OCD

2013 DEC -6 P 2:50

December 2, 2013

David Martin
Office of the Secretary
New Mexico Natural Resources Department
1220 South St. Francis
Santa Fe, New Mexico 87505

Jami Bailey
Division Director
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

Re: Permit WM-1-035
OCD Rule 711

Dear Mr. Martin and Ms. Bailey,

Lea Land, LLC is a Waste Management Facility located in southeast New Mexico, permitted by NMOCD to accept waste generated by oil field activities. The physical location is 6387 Hobbs Highway, Carlsbad, NM, about half-way between Carlsbad and Hobbs, near Mile Marker 64 on US 62/US 180.

We have been operating the Oil Field Waste Disposal Facility for 12 years. The motivation to request a permit and develop this operation was a result of contacts from 4 major oil producers in 2000 inquiring if we would consider developing a secure disposal facility for their waste. They did not feel comfortable disposing waste at facilities that simply dumped the contaminated materials on the ground. After discussions with the interested companies, we contacted Martyne Kieling with the OCD who came to visit the proposed site.

When discussing the proposed construction techniques involving a liner system, comments were made that New Mexico does not require a liner for a disposal system. We took the position we would install a liner to provide secure waste disposal for the materials and would develop the unit with regard to the method specified in Code of Federal Regulations, CFR 260-261, Subtitle D, applying a High Density Polyethylene (HDPE) 60 mil liner over a bentonite colloidal clay seal system with a leachate collecting system.

These techniques were approved and the permit issued by the NMOCD in April, 2001. The disposal system was constructed to accommodate the 4 companies that had indicated their concern for a secure disposal. The initial footprint was 3 acres within the 72 acre parameter; this area accommodated the waste materials from these generators for the first 3 years.

As part of the initial construction of the disposal facility a 1 acre pond with a HDPE liner was constructed to provide containment for leach water and storm water that collects when there is rainfall at the facility. This has successfully maintained the area from contamination of run-on, run-off when storms produce those conditions.

In July 2004, the operators of another disposal facility in New Mexico came to see us indicating there was some discussion in the State that maybe all disposal systems need liner systems and that Lea Land had the only lined system in the state. These individuals advised they had jobs to do and asked if they could work with Lea Land to bring the materials to Lea Land for disposal.

The waste materials coming in for disposal at the site soon began to impact the 3 acres to the extent it was necessary to consider constructing more lined disposal area. At this stage, Edward Hansen was the contact person in the OCD. We kept him informed, providing the documentation, drawings and any other information he requested to expand the disposal cell in 3 acre stages, to 24 acres, as it exists now. At each additional stage the liner system is connected to the adjacent liner to provide contiguous liner below the entire 24 acre cell.

The 24 acres is maintained and managed as one cell, side sloped at 4:1, maintained to drain storm water to a single collection point for discharge pumping to the storm water management pond, to evaporate.

Plans now are to expand the disposal area by an additional 6 acres to allow us to continue to accept waste materials. We are engaged in doing the initial earth work, preparing the area with berms and cutting the bottom surface to the initial sub-grade for the proper drainage and collection of the storm water. We anticipate the preparation to be completed and ready for the liner system to be installed in February, 2014.

We have always endeavored to inform and maintain contact with the OCD employees such as Martyne Kieling and Edward Hansen as we planned and prepared for construction of the facility. This letter will serve as our advice to the OCD of our planning for the next expansion. We would welcome a visit to our facility and are happy to respond to any questions you may have.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert G. Hall". The signature is fluid and cursive, with the first name "Robert" being more prominent.

Robert G. Hall
Managing Member



Lea Land LLC

September 10, 2012

Mr. John Bemis, Secretary
Energy, Minerals and Natural Resource Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Lea Land, LLC – Permit #NM-1-0035
Waste Disposal Site – Final Cover

Dear Secretary Bemis:

Kin and I enjoyed meeting with you. I must say it was a real pleasure to meet with a regulatory officer with a "let's work together" objective. We both agree to protect the environment with a reasonable attitude.

When we decided in January, 2000 to apply to the Oil Conservation Division for a waste management facility for oil and gas operations, we wanted to have one of the most environmentally protected disposal sites for oil and gas operators. We believed the site must be such that if a change in the EPA exemption of oil field waste is made with a retroactive effective date, our landfill will not be affected or subjected to costly remediation.

In order to accomplish this objective, we decided to make a higher investment with a synthetic clay liner overlain by a 60-mil high density polyethylene (HDPE) liner and a leachate collection system even though there is no ground water below our site. To further protect the companies using our facility, we have strict guidelines for waste acceptance such as:

1. We require information to determine if a waste stream has any hazardous characteristics even though it may be EPA exempt oil field waste.
2. We do not accept PCBs at any concentration.
3. We do not accept waste streams containing free liquids.

Mr. John Bemis, Secretary
September 10, 2012
Page 2

4. Any used oil spills in soil from equipment or compressor stations are tested for RCRA metals and Total Petroleum Hydrocarbons (TPH) prior to disposal.

5. Any soils contaminated with amine or glycol-based compounds will require that a Material Safety Data Sheet (MSDS) be submitted and reviewed prior to disposal.

6. Gas plant wastes are tested for BTEX and TPH, at a minimum.

We will close the facility at a height of 57 feet. The waste site will contain mostly contaminated soils. Since there is no ground water to protect, we believe cover of 12" of vegetative soil will provide adequate protection from the elements.

We request your permission to close the site with 12" of vegetative soil.

I look forward to hearing from you at your earliest convenience.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Robert G. Hall", written over a faint circular stamp.

Robert G. Hall
Managing Member

RGH/lg



Lea Land LLC

RECEIVED OCD

2012 JUN 28 PM 1:00

June 25, 2012

Mr. Brad Jones
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Minor Permit Modification - Amendment
Lea Land, LLC Landfill
Permit NM-1-0035
Section 32, Township 20 South, Range 32 East, Lea County, New Mexico

Dear Mr. Jones:

The new drawing F07 which adds existing stage grading is enclosed. Also enclosed is Cardinal Engineering's closure estimate that you requested.

As a reminder, the banker is asking for the previous letter of credit to be returned.

If you have any questions, I can be reached at 405-236-4257. Thank you for your consideration.

Very truly yours,

Robert G. Hall
Managing Partner

**CLOSURE OF STAGES 1 - 9
CLOSURE COST ESTIMATE**

Facility Name: Lea Land

Date: June 21, 2012

Prepared by: Cardinal Engineering, Inc.

Task	Unit Quantity	Unit (CY, Acre)	Unit Cost	Total Cost
Final Cover Installation				
Laboratory analysis of waste	25	LS	\$ 800.00	\$ 20,000.00
Install 12" Vegetative Layer	39,817	CY	\$ 1.50	\$ 59,725.60
Vegetative Seeding	1,075,061	FT ²	\$ 0.010	\$ 10,750.61
Task Subtotal:				\$ 90,476.21
10% Contingency				\$ 9,047.62
TOTAL COST				\$ 99,523.83

Assumptions:

Stages 1 through 9 will be closed in accordance with 19.15.36.15 NMAC for landfarms. Waste in-place will meet the required closure performance standards and will be left in place. A 12-inch topsoil layer of available onsite soils will be installed to promote vegetative growth.



2012 MAY 24 AM 10:20

May 23, 2012

Mr. Brad Jones
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Minor Permit Modification
Lea Land, LLC Landfill
Permit NM-1-0035
Section 32, Township 20 South, Range 32 East, Lea County, New Mexico

Dear Mr. Jones:


Lea Land, LLC wishes to request the following minor permit modifications:

1. Drawings F06 and F07 are attached to show the various stages to develop the Lea Land, LLC OCD cell. As each stage is developed, the liner of the new stage is attached to the previous stage. Stages 1 through 9 have been developed to date. Seven additional stages will be built to establish the total footprint of the cell. All stages will be in constant development until the cell reaches final elevation and time for closure.
2. As each stage is developed, OCD will be contacted prior to commencement of construction so OCD can witness the installation of the liner.
3. Enclosed is a new Letter of Credit in the amount of \$100,000.00. Please return the existing Letter of Credit.

An updated Form C-137 is also attached.

If you have any questions, I can be reached at 405-236-4257. Thank you for your consideration.

Very truly yours,


Robert G. Hall
Managing Partner



FORM OCD- LC
Revised 1-1-03

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division

Irrevocable Letter of Credit

File with Oil Conservation Division, 1220 South St. Francis, Santa Fe, New Mexico 87505

LETTER OF CREDIT NO. 1543

Coppermark Bank, 3333 N.W. Expressway, Oklahoma City, OK 73112-4425, a national or state chartered banking association, as ISSUER, hereby establishes this irrevocable Letter of Credit for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (or successor agency) of the State of New Mexico (the DIVISION), pursuant to NMSA 1978 Section 70-2-14, as amended, for an aggregate amount not to exceed One Hundred Thousand Dollars and NO/100 (\$100,000.00) in United States dollars (Face Amount) effective immediately. This Letter of Credit is established for Lea Land LLC, whose address is 1300 W. Main St., Oklahoma City, OK 73106-5224 as APPLICANT.

1. The APPLICANT has or may enter into oil and gas leases, carbon dioxide gas leases, helium gas leases or brine mineral leases with the State of New Mexico and/or has commenced or may commence the drilling of a well or wells to prospect for and produce oil and gas, carbon dioxide gas, helium gas, or brine minerals on lands in the State of New Mexico, or does own or operate or may acquire, own or operate such a well or wells.

2. This Letter of Credit is irrevocable for the term hereof, and is furnished as financial assurance for the compliance by the APPLICANT with all applicable statutes of the State of New Mexico and with all rules and orders of the Oil Conservation Commission and DIVISION, including requirements to cause wells in the State of New Mexico now or hereafter owned or operated by Applicant to be properly plugged and abandoned, if dry, or when no longer productive or useful for a beneficial purpose, in accordance with the rules and orders of the Division, including but not limited to Rule 101 [19.15.3.101 NMAC] and Rule 202 [19.15.4.202 NMAC], as the same now exist or may be hereafter amended.

3. This Letter of Credit will expire on 05/21/2013 [not less than one (1) year from the effective date of the Letter of Credit]; unless sooner released by written notice to the ISSUER by the DIVISION. This Letter of Credit shall be forfeited and collected by the DIVISION if not replaced by approved financial assurance at least 30 days before the expiration date hereof.

4. Funds under this Letter of Credit are available against the DIVISION's sight draft, in the form of Exhibit A, specifying Letter of Credit No.1543, delivered to the office of the ISSUER at 3333 N.W. Expressway, P.O. Box 25676, Oklahoma City, OK 73125-0676, accompanied by a certificate in the form of Exhibit B, signed by the Director of the DIVISION or her duly authorized representative. At the Division's sole election, the DIVISION may present sight drafts for less than the Face Amount at any time and from time to time so long as this letter of credit remains in force, provided that the aggregate amount of all such drafts shall not exceed the Face Amount.

5. If the ISSUER receives the DIVISION's sight draft(s) and certificate(s) as provided in Paragraph 4, above, on or before the expiration or termination of this Letter of Credit, the ISSUER shall make such amount as the DIVISION may specify, up to an aggregate amount not to exceed the Face Amount of this Letter of Credit, available to the DIVISION no later than 5 p.m. in Santa Fe, NM on the second business day following the ISSUER's receipt of the sight draft and certificate, and in such a manner as the DIVISION may specify.

6. The ISSUER will give prompt notice to the APPLICANT and to the DIVISION of any notice received or action filed alleging the insolvency or bankruptcy of the ISSUER, or alleging any violations of regulatory requirements that could result in suspension or revocation of the ISSUER's charter or license to do business.

7. This Letter of Credit shall be governed by the laws of the State of New Mexico, and, to the extent not inconsistent with such laws, by International Chamber of Commerce Publication No. 500, entitled "Uniform Customs and Practice for Documentary Credits" (most recent revision)."

8. All communications regarding this Letter of Credit shall be addressed to the ISSUER at 3333 N.W. Expressway, PO Box 25676, Oklahoma City, OK 73125-0676, referencing Letter of Credit No. 1543.

Very truly yours,

COPPERMARK BANK
ISSUER

By: Robert P. Holmes

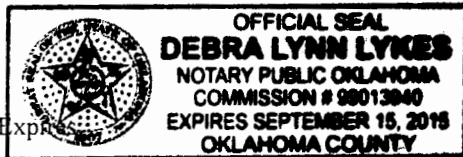
(Authorized Signature)

Title: Senior Vice President

Effective Date May 21st, 2012

State of Oklahoma
County of Oklahoma

This instrument was acknowledged before me on May 21, 2012 by Robert P. Holmes, Senior Vice President, Coppermark Bank, an Oklahoma Corporation, on behalf of the Corporation.



My Commission Expires

Debra Lynn Lykes
Notary Public

NOTICE: The attached exhibits must be initialed by the party signing this letter of credit for the Financial Institution. If this letter of credit is executed by an officer other than the President, a Vice President, or a branch manager, it must be accompanied by a certified resolution of the Board of Directors of the Financial Institution, certifying to the authority of the signing officer to execute letters of credit in at least the Face Amount.

EXHIBIT A - SIGHT DRAFT

to
Letter of Credit No. 1543

Date

PAY TO THE ORDER OF: New Mexico Oil Conservation Division

(\$100,000.00) **One Hundred Thousand and No/100 DOLLARS**

TO: Coppermark Bank
3333 N.W. Expressway
P.O. Box 25676
Oklahoma City, OK 73125-0676

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

By: _____
Director

Date: _____

Initials of Representative of
Financial Institution



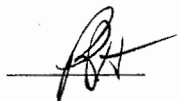
EXHIBIT B
to
Letter of Credit No. 1543

I, _____, a duly authorized representative of the New Mexico Oil Conservation Division, hereby certify that: (1) the drawing in the amount of ** One Hundred Thousand and No/100** Dollars (\$100,000.00), by sight draft accompanying this certificate, under Letter of Credit No. 1543 dated May 21, 2012, issued by you, is duly authorized in accordance with the New Mexico Oil and Gas Act (NMSA 1978, Sections 70-2-1 through 70-2-38, as amended) and applicable rules of the New Mexico Oil Conservation Division; (2) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount of the Letter of Credit; and (3) the New Mexico Oil Conservation Division has directed the forfeiture of the Letter of Credit.

New Mexico Oil Conservation Division

By: _____
Director
Date _____

Initials of Representative of
Financial Institution





Lea Land LLC

Oil Field Waste Landfill
Carlsbad, New Mexico
575-887-4048

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division

Minor Permit Modification

Permit NM-1-0035

May 23, 2012

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

State of New Mexico
Energy Minerals and Natural Resources

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

For State Use Only:

Form C-137
Revised August 1, 2011

Submit 1 Copy to Santa Fe Office

APPLICATION FOR SURFACE WASTE MANAGEMENT FACILITY

A meeting should be scheduled with the Division's Santa Fe office Environmental Bureau prior to pursuing an application for a surface waste management facility in order to determine if the proposed location is capable of satisfying the siting requirements of Subsections A and B of 19.15.36.13 NMAC for consideration of an application submittal.

1. Application: ☐ New ☒ Modification ☐ Renewal
2. Type: ☐ Evaporation ☐ Injection ☐ Treating Plant ☒ Landfill ☐ Landfarm ☐ Other
3. Facility Status: ☒ Commercial ☐ Centralized
4. Operator: Lea Land, LLC
Address: 1300 W. Main Street, Oklahoma City, OK 73106
Contact Person: Robert G. Hall Phone: 405-236-4257
5. Location: -- /4 == /4 Section 32 Township 20 South Range 32 East
6. Is this an existing facility? ☒ Yes ☐ No If yes, provide permit number NM-1 0035
7. Attach the names and addresses of the applicant and principal officers and owners of 25 percent or more of the applicant. Specify the office held by each officer and identify the individual(s) primary responsible for overseeing management of the facility.
8. Attach a plat and topographic map showing the surface waste management facility's location in relation to governmental surveys (quarter-quarter section, township and range); highways or roads giving access to the surface waste management facility site; watercourses; fresh water sources, including wells and springs; and inhabited buildings within one mile of the site's perimeter.
9. Attach the names and addresses of the surface owners of the real property on which the surface waste management facility is sited and surface owners of the real property within one mile of the site's perimeter.
10. Attach a description of the surface waste management facility with a diagram indicating the location of fences and cattle guards, and detailed construction/installation diagrams of pits, liners, dikes, piping, sprayers, tanks, roads, fences, gates, berms, pipelines crossing the surface waste management facility, buildings and chemical storage areas.
11. Attach engineering designs, certified by a registered professional engineer, including technical data on the design elements of each applicable treatment, remediation and disposal method and detailed designs of surface impoundments.
12. Attach a plan for management of approved oil field wastes that complies with the applicable requirements contained in 19.15.36.13, 19.15.36.14, 19.15.36.15 and 19.15.36.17 NMAC.
13. Attach an inspection and maintenance plan that complies with the requirements contained in Subsection L of 19.15.36.13 NMAC.
14. Attach a hydrogen sulfide prevention and contingency plan that complies with those provisions of 19.15.3.118 NMAC that apply to surface waste management facilities.

15. Attach a closure and post closure plan, including a responsible third party contractor's cost estimate, sufficient to close the surface waste management facility in a manner that will protect fresh water, public health, safety and the environment (the closure and post closure plan shall comply with the requirements contained in Subsection D of 19.15.36.18 NMAC).

16. Attach a contingency plan that complies with the requirements of Subsection N of 19.15.36.13 NMAC and with NMSA 1978, Sections 12-12-1 through 12-12-30, as amended (the Emergency Management Act).

17. Attach a plan to control run-on water onto the site and run-off water from the site that complies with the requirements of Subsection M of 19.15.36.13 NMAC.

18. In the case of an application to permit a new or expanded landfill, attach a leachate management plan that describes the anticipated amount of leachate that will be generated and the leachate's handling, storage, treatment and disposal, including final post closure options.

19. In the case of an application to permit a new or expanded landfill, attach a gas safety management plan that complies with the requirements of Subsection O of 19.15.36.13 NMAC.

20. Attach a best management practice plan to ensure protection of fresh water, public health, safety and the environment.

21. Attach a demonstration of compliance with the siting requirements of Subsections A and B of 19.15.36.13 NMAC.

22. Attach geological/hydrological data including:

- (a) a map showing names and location of streams, springs or other watercourses, and water wells within one mile of the site;
- (b) laboratory analyses, performed by an independent commercial laboratory, for major cations and anions; benzene, toluene, ethyl benzene and xylenes (BTEX); RCRA metals; and total dissolved solids (TDS) of ground water samples of the shallowest fresh water aquifer beneath the proposed site;
- (c) depth to, formation name, type and thickness of the shallowest fresh water aquifer;
- (d) soil types beneath the proposed surface waste management facility, including a lithologic description of soil and rock members from ground surface down to the top of the shallowest fresh water aquifer;
- (e) geologic cross-sections;
- (f) potentiometric maps for the shallowest fresh water aquifer; and
- (g) porosity, permeability, conductivity, compaction ratios and swelling characteristics for the sediments on which the contaminated soils will be placed.

23. In the case of an existing surface waste management facility applying for a minor modification, describe the proposed change and identify information that has changed from the last C-137 filing.

24. The division may require additional information to demonstrate that the surface waste management facility's operation will not adversely impact fresh water, public health, safety or the environment and that the surface waste management facility will comply with division rules and orders.

25. CERTIFICATION

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

Name: Robert G. Hall

Title: Manager

Signature: 

Date: 5-23-12

E-mail Address: rgb@sbcglobal.net

MINOR PERMIT MODIFICATION
LEA LAND, LLC
SUPPLEMENT TO FORM C-137

Attachment 7

Robert G. Hall is the Managing Partner of Lea Land, LLC.

Attachment 8

Refer to Figure F06.

Attachment 9

Lea Land, LLC and the Bureau of Land Management are the only surface owners of the real property for the landfill facility and within 1 mile of the site's perimeter.

Attachment 10

Refer to Attachment 6 of the original permit and Figures F06 and F07.

Attachment 11

Refer to Figure F07.

Attachment 12

Management of approved oil field wastes is as described in Attachment 9 of Lea Land's original permit application (January 2000) and in the current permit dated April 27, 2001. Waste acceptance procedures and waste manifesting are also described in Attachment 9 of the original permit.

Attachment 13

Refer to Attachment 9 of the original permit.

Attachment 14

Not applicable – no liquids accepted.

Attachment 15

Due to increased cell construction which will occur with time, we are increasing our closure Letter of Credit from \$66,447 to \$100,000.

Attachment 16

Refer to Attachment 8 of the original permit.

Attachment 17

Refer to Appendix A (Stormwater Discharge Pollution Prevention Plan) of the original permit and Figure F07.

Attachment 18

Not applicable – no change in leachate management procedures.

Attachment 19

Not applicable – no liquids accepted.

Attachment 20

Refer to Attachment 9 of the original permit.

Attachment 21

Lea Land complies with the siting requirements of 19.15.36.13 NMAC A & B (refer to Figure1). Lea Land is:

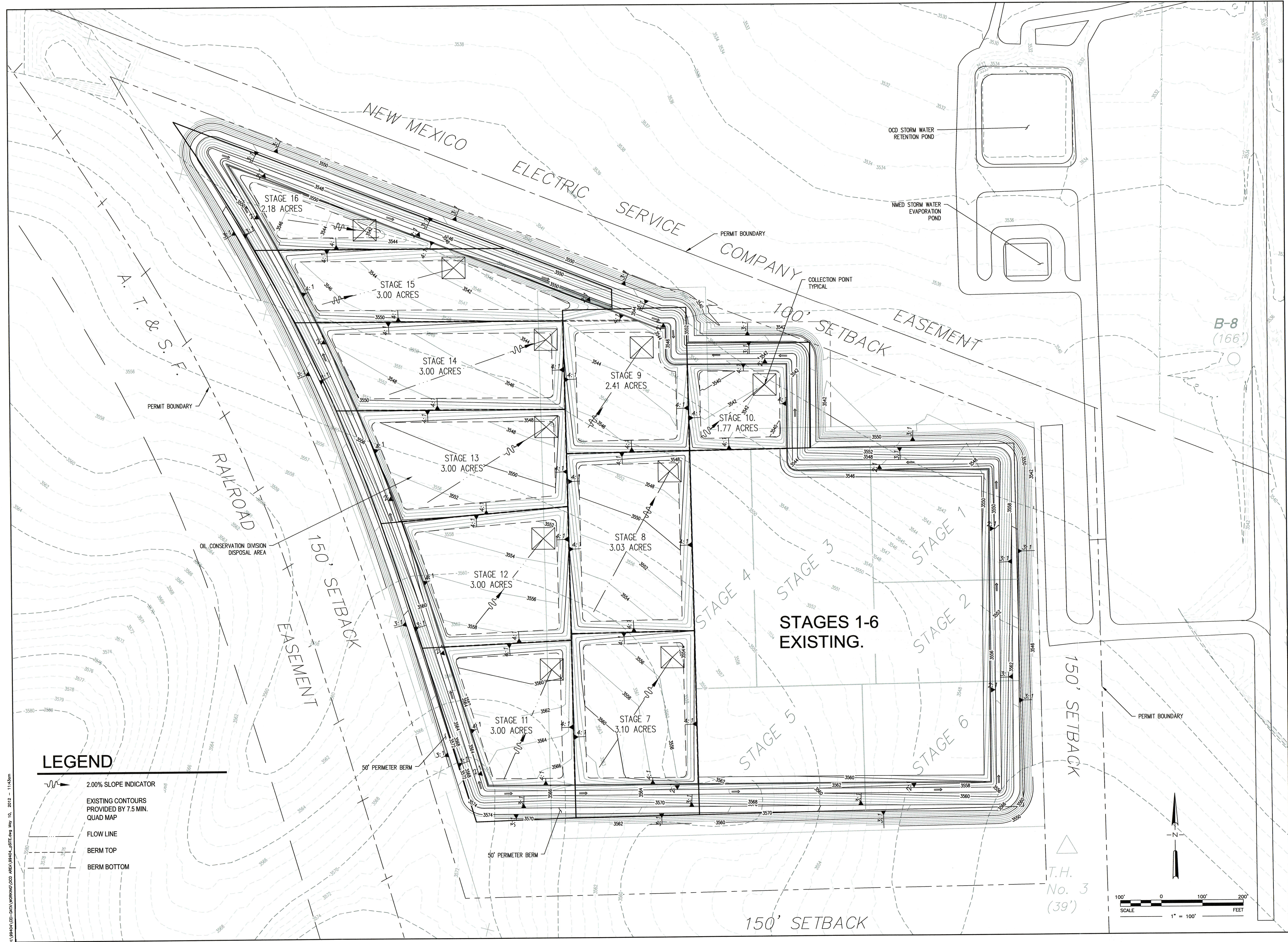
- not located where ground water is less than 100 feet below the top of the oil waste;
- not located within 200 feet of a watercourse, lakebed, sinkhole or playa lake;
- not located within or within 500 feet of a wetland;
- not located overlying a subsurface mine;
- not located within 500 feet of any commercial or residential property; and,
- the permitted area does not exceed 500 acres

Attachment 22

Refer to Attachment 11 of the original permit.

Attachment 23

Proposed changes to the Lea Land, LLC permit are as described above. Additional cells were constructed as described in Attachment 7 of the original permit and in the supplemental information dated February 6, 2001. Updated design and placement plans are found in Figures F06 and F07 of this submittal.



No.	Description	Date
1	ADD STAGE 9	03/19/12
2	ADD STAGE 10-16	05/01/12

KEY PLAN

SIGNATURE/SEAL

PROJECT
LEA LAND, LLC OIL CONSERVATION DIVISION DISPOSAL AREA

LOCATION
LEA COUNTY
NEW MEXICO

PREPARED FOR
LEA LAND, LLC

DRAWING TITLE
PROPOSED SITE FLOOR GRADING PLAN

Project No. 99404
Drawn By HDB
Checked By SM
Date 05/07/2012
Scale AS SHOWN
Drawing No. PERMIT

F07

CARDINAL ENGINEERING
1015 N. Broadway Ave., Suite 300
Oklahoma City, OK 73102
Phone 405.842.1066
Fax 405.843.4687
http://www.cardinalengineers.com
CA# 2054, expiration date 06.30.2012

3226 Bart Conner Drive
Norman, OK 73072
Phone 405.579.0655
Fax 405.366.8540
http://www.cardinalengineers.com
CA# 2054, expiration date 06.30.2012



Lea Land LLC

RECEIVED OCD

2012 MAR 26 A 11: 59

March 22, 2012

Mr. Brad Jones
Hydrologist
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: **Submittal of Design and Placement Plans**
Lea Land, LLC Landfill
Permit NM-1-0035
Section 32, Township 20 South, Range 32 East, Lea County, New Mexico

Dear Mr. Jones,

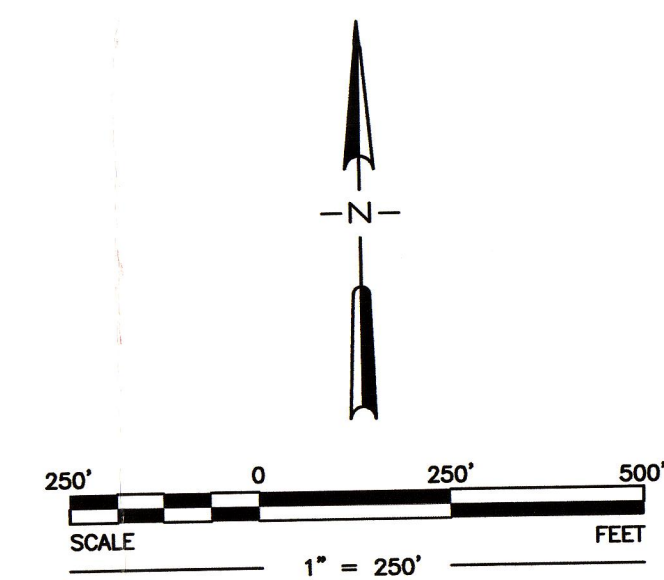
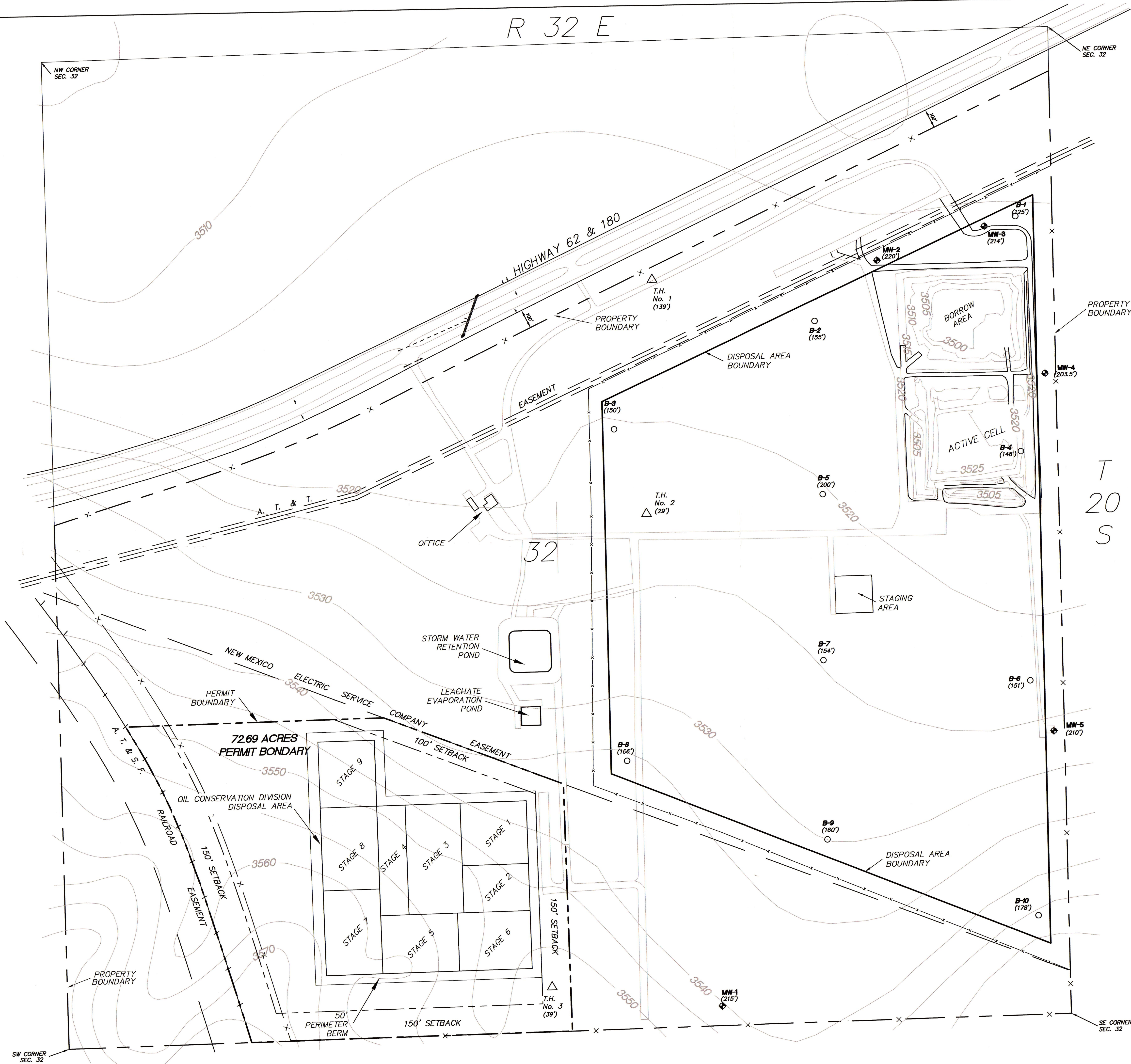
Lea Land, LLC is providing design and placement plans for the construction of Stage 9 (Cell 9). The Grading Plan, Figure 6, is on file with the OCD.

If you have any questions, I can be reached at 405-519-1187.

Very truly yours,

Saralyn Hall

\\N:\BAC\GIS-DATA\WORKING\000 AREA\100726_FIGURE 5-REVISION-1.dwg Mar 19, 2012 - 3:25pm



LEGEND

- B-1 (125')
○ BORING LOCATIONS
(DEPTH OF BORING)
- T.H.
No. 1 (139')
△ PREVIOUSLY DRILLED TEST HOLE
(DEPTH OF TEST HOLE)
- MW-1
⊕ MONITORING WELL
- BARBED WIRE FENCING
- - - PERMIT BOUNDARY

REVISIONS		
No.	Description	Date
1	ADD STAGE 9	03/19/12

KEY PLAN

SIGNATURE/SEAL

PROJECT

LEA LAND, LLC
OIL CONSERVATION
DIVISION
DISPOSAL AREA

LOCATION
LEA COUNTY
NEW MEXICO
PREPARED FOR
LEA LAND, LLC

DRAWING TITLE

SITE PLAN AND
TOPOGRAPHIC MAP

Project No. 99404
Drawn By JRA
Checked By SM
Date 03.19.2012
Scale 1" = 250'
Drawing No.

FIGURE 5


CARDINAL
ENGINEERING
1015 N. Broadway Ave., Suite 300
Oklahoma City, OK 73102
Phone 405.842.1066
Fax 405.843.4687

3226 Bart Corner Drive
Norman, OK 73072
Phone 405.579.0655
Fax 405.366.8540
<http://www.cardinalengineers.com>
CA# 2054, expiration date 06.30.2010



Lea Land LLC

RECEIVED OCD

2013 DEC -6 P 2: 54

December 2, 2013

David Martin
Office of the Secretary
New Mexico Natural Resources Department
1220 South St. Francis
Santa Fe, New Mexico 87505

Jami Bailey
Division Director
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

Re: Permit ^{NM}WM-1-035
OCD Rule 711

Dear Mr. Martin and Ms. Bailey,

Lea Land, LLC is a Waste Management Facility located in southeast New Mexico, permitted by NMOCD to accept waste generated by oil field activities. The physical location is 6387 Hobbs Highway, Carlsbad, NM, about half-way between Carlsbad and Hobbs, near Mile Marker 64 on US 62/US 180.

We have been operating the Oil Field Waste Disposal Facility for 12 years. The motivation to request a permit and develop this operation was a result of contacts from 4 major oil producers in 2000 inquiring if we would consider developing a secure disposal facility for their waste. They did not feel comfortable disposing waste at facilities that simply dumped the contaminated materials on the ground. After discussions with the interested companies, we contacted Martyne Kielling with the OCD who came to visit the proposed site.

When discussing the proposed construction techniques involving a liner system, comments were made that New Mexico does not require a liner for a disposal system. We took the position we would install a liner to provide secure waste disposal for the materials and would develop the unit with regard to the method specified in Code of Federal Regulations, CFR 260-261, Subtitle D, applying a High Density Polyethylene (HDPE) 60 mil liner over a bentonite colloidal clay seal system with a leachate collecting system.

Corporate Office Located at 1300 W. Main Street, Oklahoma City, OK 73106

Phone: 405-236-4257; Fax: 405-236-4261

Landfill Located at Mile Marker 64, US Highway 62/180 East, Carlsbad, NM 88220

Phone: 575-887-4048; Fax: 575-887-7640

These techniques were approved and the permit issued by the NMOCD in April, 2001. The disposal system was constructed to accommodate the 4 companies that had indicated their concern for a secure disposal. The initial footprint was 3 acres within the 72 acre parameter; this area accommodated the waste materials from these generators for the first 3 years.

As part of the initial construction of the disposal facility a 1 acre pond with a HDPE liner was constructed to provide containment for leach water and storm water that collects when there is rainfall at the facility. This has successfully maintained the area from contamination of run-on, run-off when storms produce those conditions.

In July 2004, the operators of another disposal facility in New Mexico came to see us indicating there was some discussion in the State that maybe all disposal systems need liner systems and that Lea Land had the only lined system in the state. These individuals advised they had jobs to do and asked if they could work with Lea Land to bring the materials to Lea Land for disposal.

The waste materials coming in for disposal at the site soon began to impact the 3 acres to the extent it was necessary to consider constructing more lined disposal area. At this stage, Edward Hansen was the contact person in the OCD. We kept him informed, providing the documentation, drawings and any other information he requested to expand the disposal cell in 3 acre stages, to 24 acres, as it exists now. At each additional stage the liner system is connected to the adjacent liner to provide contiguous liner below the entire 24 acre cell.

The 24 acres is maintained and managed as one cell, side sloped at 4:1, maintained to drain storm water to a single collection point for discharge pumping to the storm water management pond, to evaporate.

Plans now are to expand the disposal area by an additional 6 acres to allow us to continue to accept waste materials. We are engaged in doing the initial earth work, preparing the area with berms and cutting the bottom surface to the initial sub-grade for the proper drainage and collection of the storm water. We anticipate the preparation to be completed and ready for the liner system to be installed in February, 2014.

We have always endeavored to inform and maintain contact with the OCD employees such as Martyne Kieling and Edward Hansen as we planned and prepared for construction of the facility. This letter will serve as our advice to the OCD of our planning for the next expansion. We would welcome a visit to our facility and are happy to respond to any questions you may have.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert G. Hall".

Robert G. Hall
Managing Member



Lea Land LLC

September 10, 2012

Mr. John Bemis, Secretary
Energy, Minerals and Natural Resource Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Lea Land, LLC – Permit #NM-1-0035
Waste Disposal Site – Final Cover

Dear Secretary Bemis:

Kin and I enjoyed meeting with you. I must say it was a real pleasure to meet with a regulatory officer with a “let’s work together” objective. We both agree to protect the environment with a reasonable attitude.

When we decided in January, 2000 to apply to the Oil Conservation Division for a waste management facility for oil and gas operations, we wanted to have one of the most environmentally protected disposal sites for oil and gas operators. We believed the site must be such that if a change in the EPA exemption of oil field waste is made with a retroactive effective date, our landfill will not be affected or subjected to costly remediation.

In order to accomplish this objective, we decided to make a higher investment with a synthetic clay liner overlain by a 60-mil high density polyethylene (HDPE) liner and a leachate collection system even though there is no ground water below our site. To further protect the companies using our facility, we have strict guidelines for waste acceptance such as:

1. We require information to determine if a waste stream has any hazardous characteristics even though it may be EPA exempt oil field waste.
2. We do not accept PCBs at any concentration.
3. We do not accept waste streams containing free liquids.

Mr. John Bemis, Secretary
September 10, 2012
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4. Any used oil spills in soil from equipment or compressor stations are tested for RCRA metals and Total Petroleum Hydrocarbons (TPH) prior to disposal.

5. Any soils contaminated with amine or glycol-based compounds will require that a Material Safety Data Sheet (MSDS) be submitted and reviewed prior to disposal.

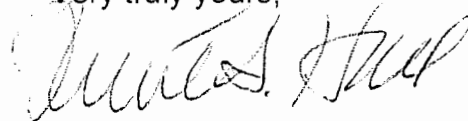
6. Gas plant wastes are tested for BTEX and TPH, at a minimum.

We will close the facility at a height of 57 feet. The waste site will contain mostly contaminated soils. Since there is no ground water to protect, we believe cover of 12" of vegetative soil will provide adequate protection from the elements.

We request your permission to close the site with 12" of vegetative soil.

I look forward to hearing from you at your earliest convenience.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert G. Hall", written over a faint circular stamp.

Robert G. Hall
Managing Member

RGH/lg