

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

IN RE: NOTICE OF VIOLATION ISSUED TO BUCKEYE DISPOSAL, LLC

CASE NO. 25894

OIL CONSERVATION DIVISION'S
DOCKETING NOTICE

The New Mexico Oil Conservation Division (“OCD”), pursuant to 19.15.5.10(E)(2)(a) NMAC, gives notice that it has docketed the Notice of Violation (“NOV”), a true and correct copy of which is attached as **Exhibit A**, and states the following in support thereof:

1. On or about April 3, 2025, OCD issued an NOV to Buckeye Disposal, LLC (“Buckeye”), OGRID #222759.
2. The NOV identified the factual basis for the alleged violations, the compliance actions required to remedy the alleged violations, and the proposed sanctions.
3. The NOV stated that if Buckeye did not informally resolve the NOV within 30 days of receipt of service, then OCD would proceed to a hearing on July 10, 2025. This hearing date was extended due to the parties’ attempts to resolve the NOV informally.
4. OCD willingly extended the informal resolution period to allow Buckeye every reasonable opportunity to comply and engaged in substantial technical communication during the informal resolution period.
5. On or about December 18, 2025, Buckeye disclosed that it was not capable of completing various stages of remediation within revised deadlines required by OCD as of October 2025. On information and belief, Buckeye is not capable of completing the necessary remediation regardless of proposed deadlines.

WHEREFORE, OCD requests that the NOV be docketed for hearing on February 26, 2026.

Respectfully submitted,



Jesse K. Tremaine
Legal Director

Michael Hall
Assistant General Counsel
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Phone: (505) 231-9312
Email: JesseK.Tremaine@emnrd.nm.gov

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary-Designate

Benjamin Shelton
Deputy Secretary (Acting)

Gerasimos Razatos, Division Director (Acting)
Oil Conservation Division



BY CERTIFIED ELECTRONIC MAIL

Buckeye Disposal, L.L.C.
Terry Payton
Financial Officer
terry@bergsteinenterprises.com

and

Pieter Bergstein
Member
terry@thestandardenergy.com
P.O. Box 2724
Lubbock, Texas 79408

NOTICE OF VIOLATION

State AF #003 (30-025-20980) Incident #nKL1625134663 and #nOY1813152090

The Director of the Oil Conservation Division (“OCD”) issues this Notice of Violation (“NOV”) pursuant to 19.15.5.10 NMAC.

(1) Alleged Violators: Buckeye Disposal, LLC, OGRID 222759 (“Operator”).

(2) Citation, Nature, and Factual and Legal Basis for Alleged Violation(s):

19.15.29.8 RELEASES:

A. Prohibition. Except as provided in 19.15.27 NMAC or 19.15.28 NMAC, major releases and minor releases are prohibited.

19.15.29.11 SITE ASSESSMENT/CHARACTERIZATION:

After the responsible party has removed all free liquids and recoverable materials, the responsible party must assess soils both vertically and horizontally for potential environmental impacts from any major or minor release containing liquids.

A. Characterization requirements. The responsible party must submit information characterizing the release to the appropriate division district office within 90 days of discovery of the release or characterize the release by submitting a final closure report within 90 days of discovery of the release in accordance with Subsection E of 19.15.29.12 NMAC. The responsible party may seek an extension of time to submit

characterization information for good cause as determined by the division. The responsible party must submit the following information to the division.

- (1) **Site map.** The responsible party must provide a scaled diagram that shows the potentially impacted area, significant surface features including roads and site infrastructure, location of borings, sample points, monitoring wells and subsurface features such as known pipelines to the extent known at the time of submittal including the source of information regarding subsurface features.
- (2) **Depth to ground water.** The responsible party must determine the depth to ground water where the release occurred. If the exact depth to ground water is unknown, the responsible party must provide a reasonable determination of probable ground water depth using data generated by numeric models, cathodic well lithology, water well data, published information or other tools as approved by the appropriate division district office. If the responsible party uses water well data, the responsible party must provide all pertinent well information.
- (3) **Wellhead protection area.** The responsible party must determine the horizontal distance from all known water sources within a half mile of the release including private and domestic water sources. Water sources are wells, springs or other sources of freshwater extraction. Private and domestic water sources are those water sources used by less than five households for domestic or stock purposes.
- (4) **Distance to nearest significant watercourse.** The responsible party must determine the horizontal distance to the nearest significant watercourse as defined in Subsection P of 19.15.17.7 NMAC within a half mile of any horizontal boundary of the release.
- (5) **Soil/waste characteristics.** The responsible party must determine the lateral and vertical extents of soil contamination, as follows.

19.15.29.12. REMEDIATION AND CLOSURE:

A. The responsible party must remediate all releases regardless of volume.

B.(1) Unless remediation is completed, and a final closure report submitted, within 90 days of discovery of the release, the responsible party must complete division-approved remediation for releases either pursuant to a remediation plan approved pursuant to 19.15.29.12 NMAC or pursuant to an abatement plan in accordance with 19.15.30 NMAC. If the director determines that the release has caused water pollution in excess of the standards and requirements of 19.15.30 NMAC, the director may notify the responsible party that an abatement plan may be required pursuant to 19.15.30 NMAC.

B.(2) Any remediation under 19.15.29 NMAC should be completed as soon as practicable. Any remediation that exceeds 90 days must follow the division-approved timeline in the remediation plan. The responsible party may request an extension of time to remediate upon a showing of good cause as determined by the division.

C.(1) The responsible party must submit a detailed description of proposed remediation measures in accordance with the findings of the site assessment/characterization plan that includes:

- (a) delineation results, including laboratory analysis;
- (b) a scaled sitemap showing release area with horizontal and vertical delineation points;
- (c) estimated volume of impacted material to be remediated;
- (d) proposed remediation technique; and

(e) proposed timeline for remediation activities

19.15.29.16 TRANSITIONAL PROVISIONS:

B. Responsible parties with ongoing corrective actions/remediation without approved timelines or plans as of August 14, 2018 must submit a characterization plan or corrective action/remediation plan with proposed timeframes within 90 days of August 14, 2018..

19.15.5.11 ENFORCEABILITY OF PERMITS AND ADMINISTRATIVE ORDERS:

A person who conducts an activity pursuant to a permit, administrative order or other written authorization or approval from the division shall comply with every term, condition and provision of the permit, administrative order, authorization or approval.

State AF #003 (30-025-20980) Incident #NKL1625134663

1. On August 16, 2016, OCD Inspectors identified a release at the State AF #003 (30-025-20980), during a field visit.
2. On September 7, 2016, OCD reviewed and conditionally approved an Initial C-141.
3. On October 7, 2016, Operator submitted an inadequate Remediation Plan not meeting the previous Conditions of Approval in violation of 19.15.5.11 NMAC.
4. On November 12, 2018 Operator failed to submit a Characterization plan or Corrective action/Remediation plan in violation of 19.15.29.16 NMAC.
5. On August 16, 2019, OCD received a report titled *Work Plan for Characterization and Remediation of State AF #003 SWD Site*.
6. On January 29, 2020, OCD rejected the report titled *Work Plan for Characterization and Remediation of State AF #003 SWD Site* for the following reasons:
 - a. "Horizontal delineation is not complete. Buckeye will need to further assess the horizontal limits of the release to 600 mg/kg.
 - b. NMOCDD recommends for Buckeye Disposal to provide additional sampling locations for preapproval.
 - c. Depth to groundwater is not adequately identified. When nearby wells are used to determine depth to groundwater, the wells should be no further than $\frac{1}{2}$ mile away from the site, and data should be no more than 25 years old, and well construction information should be provided. Buckeye Disposal (Buckeye) will need to drill a borehole on site to 51' bgs and leave it open for at least 24 hours. If there is no evidence of ground water after 24 hours, the OCD will review Buckeye's remediation plan with a copy of the driller's log (see stipulations below). If Buckeye chooses not to drill a borehole to confirm depth to groundwater, the impacted area will need to be further delineated to closure criteria for water at a depth of <50'. For further clarifications regarding the implementation of the spill rule, visit the OCD website:
<http://www.emnrd.state.nm.us/OCD/documents/OCDInternalPolicy-SpillRuleClarifications.pdf>
 - d. NMOCDD recommends soil assessment to 4 feet below ground surface or to 600 mg/kg, whichever comes first, to determine the potential vertical remedial efforts."
7. On February 2, 2024, Operator requested an extension of time. Operator requested an additional 90 days as "they are working with the State Land Office and need

time to coordinate field activities and obtain access and clearances (i.e., cultural compliance). Results of the characterization activities will be used to develop the remediation plan.” OCD approved the extension of time and a new due date of May 2, 2024 was issued.

8. On May 2, 2024, Operator failed to submit a complete and accurate Site Characterization and Remediation Plan in violation of *19.15.29.11 NMAC*, and *19.15.29.12 NMAC*
9. On July 1, 2024, OCD requested a status update on the submission of a Site Characterization and Remediation Plan via email as the incident was 60 days out of compliance.
10. On July 2, 2024, the Operator responded to the request for a status update. “The State Land Office approved Buckeye’s site assessment plan (SAP) last Friday (6/28/2024). As you know, the investigation activities proposed in the SAP are needed for the Site Characterization and Remediation Plan that we intend to submit to OCD. We’ve been including you on the emails to SLO regarding the SAP to keep you updated but should have formally requested another extension. I apologize. I was under the impression that meeting the additional requirements of SLO was inline with us also meeting your expectations for the two documented releases and collection of data to support remediation and reclamation. We intend to report all data collected during implementation of the SAP to OCD in the Site Characterization and Remediation Plan. SLO just approved the SAP. We still need to obtain a Right-of-Entry permit and consult with the SLO Cultural Resources Office. I’m starting these additional requirements this week and will have a better idea of when we can start investigation activities and submit the Site Characterization and Remediation Plan to OCD after I make headway on these two requirements.”
11. On September 17, 2024, OCD sent an email to the Operator reiterating that OCD still had not received a Site Characterization and Remediation plan and the incidents were out of compliance. Additionally, OCD stated “OCD will not approve any additional extension requests for nOY1813152090 and nKL1625134663. Remediation of these releases must be completed pursuant to 19.15.29 NMAC, including submission of approvable remediation plans, remediation closure reports, reclamation reports, and revegetation reports. OCD will use its enforcement discretion to determine if additional enforcement action is warranted. Cooperation from Buckeye Disposal L.L.C. will be considered when determining any enforcement actions, which may include civil penalties.”
12. On September 18, 2024, the Operator responded to the email stating “I understand and acknowledge receipt of your email. We are working on this and making strides. With the urgency and importance of our response I feel that it we need to consult with our legal counsel before sending a formal response. I am trying to get a call schedule for tomorrow morning. Please know that we understand the importance of pushing forward with this project and we will do anything we can to prevent further delays.”
13. On September 23, 2024, OCD receive an email from the Operator stating that there was a delay with the right of way paperwork, a cultural resources survey had to be completed, an that the ground at the location is very hard with will necessitate the need for a drill rig to collect the samples. The email also stated “Please consider this communication to represent our intentions and understanding of the seriousness and urgency of this matter. We not only aim to

avoid penalties, but we want to get this project completed and move forward without delay.”

14. On September 23, 2024, OCD requested to be kept informed, if all SLO requirements had been completed and if the delineation plan could be implemented, if additional soil sampling had been performed, and what dates the driller would be available to install the soil borings.
15. On September 24, 2024, the Operator responded via email stating “It is my understanding that all of the SLO requirements have been completed as the cultural survey was done last week. Once we get a copy of the survey, John or I will provide it to you and SLO. At this point the only thing we are waiting on to implement the SLO approved delineation plan is the driller schedule. As far as I am aware no additional sampling has been done since May of 2023. Once we have confirmed dates from the driller we will share them with you and SLO.”
16. On October 7, 2024, OCD sent an email requesting the if the drill rig had been scheduled and asked for the date to be provided.
17. On November 19, 2024, OCD sent an email to the Operator requesting a detailed time frame for the remediation and reclamation of incident numbers [nOY1813152090](#) and [nKL1625134663](#).
18. On December 5, 2024, The Operator copied OCD in an email to the State Land Office (SLO) stating “I am sorry, it looks like we might have missed this email from Britany in the Thanksgiving craziness. We are having bi-weekly meetings with John regarding this project. From our last meeting, it is my understanding that we are just waiting on a date from the driller. We discussed the option of using a backhoe to accelerate the sampling, but decided that we will need to wait for the driller as we ran into some very hard layers that the backhoe couldn’t break through when we collected the prior samples that were presented to you all last year. I will follow up with John today to verify that this is still the status. I believe the holidays have caused some delays in scheduling. I will send a follow up to this email after speaking with John.”
19. On December 5, 2024, OCD responded to the email received which stated “As requested on November 19, 2024, please send a detail timeframe for the remediation and reclamation of incident numbers [nOY1813152090](#) and [nKL1625134663](#). Include any correspondence from all drilling contractors that have been contacted, including correspondence on when rigs are available. Additionally, please include a timeline of events that have occurred since the date of discovery of each incident. These incidents had due dates of May 2, 2024, which was 217 days ago. Per previous emails, the EM survey was completed on October 8th and the results were being processed. Has that been completed? If so, please send a copy of the EM survey with the requested timeframe and timeline.”
20. On December 6, 2024, OCD received a response from the Operator stating “We are analyzing the EM survey data now and expect to be done in a week or two. I understand that it’s taking longer than expected to address remediation and reclamation of incidents nOY1813152090 and nKL1625134663; however, our investigation area covers a much larger region than where the two spills occurred (i.e., within the former AST containment) and we are also trying to satisfy SLO requests. We’ll let you know once analysis of the EM survey data is complete and have scheduled drilling. After the investigation work is complete, we’ll be in a better position to provide a schedule for remediation and reclamation.”

21. On January 7, 2025, The Operator copied OCD in a response to SLO stating “Attached is a figure summarizing the EM survey results at the Buckeye State AF #003 site. We used linear regression to provide a preliminary estimate of areas exceeding 600-mg/kg chloride and to delineate potential excavation areas. The linear regression uses soil chloride data from the December 2023 soil sampling. Please note: there are a few areas with elevated TPH that are not addressed on the attached figure and that actual excavation areas will likely be more square and rectangle. The EM survey was conducted in October 2023. We contracted Atkins Engineering to complete the survey. They also captured an aerial photograph of the site with a drone. The aerial is shown in the attached figure. The EM survey was completed using both an EM31 and EM38, and by varying coil spacing and orientation so that we could image different depths. These data are in the GIS we used to prepare the attached figure. We’re going to place the raw data on separate maps and send them to you in a separate email (hopefully later today or tomorrow). We’ve obtained a quote from Atkins Engineering to complete the borehole investigation. I’ve considered modifying the borehole investigation work some based on the EM survey results but need to discuss it more with Buckeye. We’ll obtain SLO approval before moving forward with any changes.”
22. On January 8, 2025, OCD responded to the email stating “Thank you for the information. As Buckeye Disposal, L.L.C. (222759) has not met previous conditions stipulated by the OCD, Buckeye Disposal and these incidents are now under a compliance review.”
23. As of March 14, 2025, the Operator has yet to submit a C-141 for closure in violation of 19.15.29.12 NMAC.

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24. On May 11, 2018, OCD received an Initial C-141 which was subsequently approved with conditions.
25. On August 16, 2019, OCD received a report titled *Work Plan for Characterization and Remediation of State AF #003 SWD Site*.
26. On January 29, 2020, OCD rejected the report titled *Work Plan for Characterization and Remediation of State AF #003 SWD Site* for the following reasons:
 - a. “Horizontal delineation is not complete. Buckeye will need to further assess the horizontal limits of the release to 600 mg/kg.
 - b. NMOCD recommends for Buckeye Disposal to provide additional sampling locations for preapproval.
 - c. Depth to groundwater is not adequately identified. When nearby wells are used to determine depth to groundwater, the wells should be no further than ½ mile away from the site, and data should be no more than 25 years old, and well construction information should be provided. Buckeye Disposal (Buckeye) will need to drill a borehole on site to 51’ bgs and leave it open for at least 24 hours. If there is no evidence of ground water after 24 hours, the OCD will review Buckeye’s remediation plan with a copy of the driller’s log (see stipulations below). If Buckeye chooses not to drill a borehole to confirm depth to groundwater, the impacted area will need to be further delineated to closure criteria for water at a depth of <50’. For further clarifications regarding the implementation of the spill

rule, visit the OCD website:
<http://www.emrrd.state.nm.us/OCD/documents/OCDInternalPolicy-SpillRuleClarifications.pdf>

- d. NMOCd recommends soil assessment to 4 feet below ground surface or to 600 mg/kg, whichever comes first, to determine the potential vertical remedial efforts.”
- 27. On September 13, 2023, Operator submitted a Remediation Plan.
- 28. On September 19, 2023, OCD rejected the Remediation Plan for the following reasons:
 - a. “Analytical results for the samples collected will not be accepted for the following reasons: Total petroleum hydrocarbons were not analyzed using an acceptable method. Acceptable methods for each analyte are listed in 19.15.29 NMAC on Table I. Other methods may be used as long as they are approved prior to analysis. All laboratory reports indicate that the samples were not received at the proper temperature and were not received by the laboratories on ice.
 - b. All samples will need to be analyzed for all the constituents listed on Table I.
 - c. Per 19.15.29.12 C.(4) NMAC If a release occurs within the following areas, the responsible party must treat the release as if it occurred less than 50 feet to ground water in Table I of 19.15.29.12 NMAC: (c) within (ii) 1000 feet of any fresh water well or spring. The release is within 1000 feet of a fresh water well and regardless of depth to groundwater, the release must be delineated, both horizontally and vertically, and remediated to the most stringent closure standards in Table I.
 - d. There is a playa lake located southeast of SB-08. Horizontal and vertical delineation of the site will need to include sample points that will assess if the playa lake has been impacted by the release.
 - e. 1RP-5056 closed. Refer to incident #NOY1813152090 in all future communication.
 - f. Submit a complete report through the OCD Permitting website by 12/19/2023.
 - g. Two releases are referred to in the report. Reports can be used for multiple incident numbers but the report will need to be submitted through the OCD Permitting website under each individual incident number.”
- 29. On December 5, 2023, Operator requested an extension of time due to “samples being analyzed by the lab and the operator is waiting on the results.” OCD approved the extension of time and a new due date of February 2, 2024 was issued.
- 30. On February 2, 2024, Operator requested an extension of time. Operator requested an additional 90 days as “they are working with the State Land Office and need time to coordinate field activities and obtain access and clearances (i.e., cultural compliance). Results of the characterization activities will be used to develop the remediation plan.” OCD approved the extension of time and a new due date of May 2, 2024 was issued.
- 31. On May 2, 2024, Operator failed to submit a complete and accurate Site Characterization and Remediation Plan as stated in previous term and conditions in violation of 19.15.5.11 NMAC, 19.15.29.11 NMAC, and 19.15.29.12 NMAC.

32. On July 1, 2024, OCD requested a status update on the submission of a Site Characterization and Remediation Plan via email as the incident was 60 days out of compliance.
33. On July 2, 2024, the Operator responded to the request for a status update. "The State Land Office approved Buckeye's site assessment plan (SAP) last Friday (6/28/2024). As you know, the investigation activities proposed in the SAP are needed for the Site Characterization and Remediation Plan that we intend to submit to OCD. We've been including you on the emails to SLO regarding the SAP to keep you updated but should have formally requested another extension. I apologize. I was under the impression that meeting the additional requirements of SLO was inline with us also meeting your expectations for the two documented releases and collection of data to support remediation and reclamation. We intend to report all data collected during implementation of the SAP to OCD in the Site Characterization and Remediation Plan. SLO just approved the SAP. We still need to obtain a Right-of-Entry permit and consult with the SLO Cultural Resources Office. I'm starting these additional requirements this week and will have a better idea of when we can start investigation activities and submit the Site Characterization and Remediation Plan to OCD after I make headway on these two requirements."
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rectangle. The EM survey was conducted in October 2023. We contracted Atkins Engineering to complete the survey. They also captured an aerial photograph of the site with a drone. The aerial is shown in the attached figure. The EM survey was completed using both an EM31 and EM38, and by varying coil spacing and orientation so that we could image different depths. These data are in the GIS we used to prepare the attached figure. We're going to place the raw data on separate maps and send them to you in a separate email (hopefully later today or tomorrow). We've obtained a quote from Atkins Engineering to complete the borehole investigation. I've considered modifying the borehole investigation work some based on the EM survey results but need to discuss it more with Buckeye. We'll obtain SLO approval before moving forward with any changes."

45. On January 8, 2025, OCD responded to the email stating "Thank you for the information. As Buckeye Disposal, L.L.C. (222759) has not met previous conditions stipulated by the OCD, Buckeye Disposal and these incidents are now under a compliance review."
46. On March 4, 2025, Operator submitted a Remediation Plan.
47. On March 12, 2025, OCD rejected the Remediation Plan for the following reasons:
 - a. "As per the last rejection, per 19.15.29.12 C.(4) NMAC If a release occurs within the following areas, the responsible party must treat the release as if it occurred less than 50 feet to ground water in Table I of 19.15.29.12 NMAC: (c) within (ii) 1000 feet of any fresh water well or spring. The release is within 1000 feet of a fresh water well and regardless of depth to groundwater, the release must be delineated, both horizontally and vertically, and remediated to the most stringent closure standards in Table I.
 - b. The question "Any lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark)" was answered "Between ½ and 1 (mi.)." There is a playa lake located southeast of the former tank battery with in approximately 300 feet.
 - c. OCD does not approve the remediation proposal: "Buckeye will attempt to excavate soil to a depth of 4 feet unless one of the following conditions is met: (1) field screening and confirmation soil sampling data indicate that soil meets the aforementioned standards or (2) consolidated caliche or bedrock is encountered and cannot be penetrated."
 - d. OCD does not approve the remediation proposal to "excavate impacted soil from a depth of up to 4 feet and replace it with clean fill." The remediation must meet the most stringent closure criteria and the excavations must be advanced past 4 feet below ground surface.
 - e. The question regarding the distance to "A wetland" was answered "Between ½ and 1 (mi.)." There is a mapped wetland located southeast of the former tank battery with in approximately 300 feet.
 - f. Per 19.15.29.7 C. NMAC, "Responsible party" means the operator, as defined in 19.15.2 NMAC. Notwithstanding the foregoing, the division, in its sole discretion, may also consider a person causing the release, or controlling the location of the release as the responsible party. OCD will hold the operator of the site responsible for all releases that occurred at the site, including any pipeline releases that may have affected the site.
 - g. Vertical delineation is incomplete.

- h. All samples collected in December 1, 2023 have the qualifier "HDSP-1" for the BTEX and TPH samples. This qualifier indicates "Sample container had headspace. Results may be biased low." OCD will not accept these results.
- i. Be advised that this submittal is not applicable to NKL1625134663. This report was not submitted for NKL1625134663. NKL1625134663 is out of compliance.
- j. The question "Categorize the risk of this well / site being in a karst geology" was answered "None" but it is categorized as low karst potential.
- k. The question "Did the release impact areas not on an exploration, development, production, or storage site" was answered "No" but based off of the data provided in the report this release did impact areas not on an exploration, development, production, or storage site.
- l. The question "Was this release entirely contained within a lined containment area" was answered "Yes". Data included in the report indicates that this release was not entirely contained within a lined containment area.
- m. Submit a complete and accurate report through the OCD Permitting website by 4/11/2025."

(3) *Compliance*: No later than thirty (30) business days after issuance of this NOV, Operator shall:

- n. Submit a complete and accurate Site Characterization and Remediation Plan pursuant to 19.15.29 NMAC.
- o. Submit a complete and accurate Remediation Closure Report and Reclamation Report no later than ninety (90) days after the OCD approves the Site Characterization and Remediation Plan.

No later than fifteen (15) business days after issuance of this NOV, Operator shall:

- p. Send an update to OCD staff on the following open incidents:
 - i. nAB1927632580
 - ii. nAB1426550986
 - iii. nPRS0522956951
 - iv. nSAD0430954509
 - v. nBZH2501038804

The updates for the abovementioned incidents must include a summary to all remedial activities performed to date, a timeline for each incidents that outlines how and when the incidents will be brought into compliance, and any additional information regarding why these incidents are out of compliance.

(4) *Sanction(s)*: OCD may impose one or more of the following sanctions:

- civil penalty
- modification, suspension, cancellation, or termination of a permit or authorization
- shutting in a well or wells
- plugging and abandonment of a well
- remediation and restoration of a well location and associated facilities, including the removal of surface and subsurface equipment and other materials
- remediation and restoration of a location affected by a spill or release
- forfeiture of financial assurance
- any other remedy authorized by law

For the alleged violations described above and consistent with applicable law, OCD proposes the following sanctions (one or more of which may ultimately be selected):

- Civil Penalty:

OCD proposes a cumulative total of \$1,604,500 for ten (10) separate violations related to the State AF #003 (30-025-20980) Incident #NKL1625134663 and Incident #NOY1813152090 as detailed in the civil penalty calculations, attached and incorporated as Exhibit A. The civil penalties were calculated as of 01/09/2025. OCD may recalculate the civil penalties for ongoing violations occurring on or after the date of issuance of this NOV and will take into consideration Operator's good faith effort to comply with the applicable requirements.

The civil penalty calculations are attached. OCD may recalculate the civil penalties for ongoing violations occurring on or after the date of issuance of this NOV and will take into consideration Operator's good faith effort to comply with the applicable requirements.

(5) Informal Review and Resolution: A process is available for the informal review and resolution of the alleged violations in the NOV. To initiate the informal review process, contact the OCD employee identified at the end of this letter. If OCD and the alleged violator agree to resolve the alleged violations in the NOV, the agreement will be incorporated into a stipulated final order signed by both parties and stating that the alleged violator admits OCD's jurisdiction to file the NOV, consents to the specified relief, including the civil penalty, if any, and waives the right of review by the Oil Conservation Commission.

(6) Hearing: If this Notice of Violation is not resolved within thirty (30) days of receipt of service, OCD will hold a hearing on July 10, 2025. Please see 19.15.5.10 NMAC for more information regarding the hearing. However, please note that the hearing does not prohibit OCD from negotiating with the alleged violator at any time to settle the NOV.

For more information regarding this NOV, contact Jesse Tremaine, OCD Legal Director, at (505) 231-9312 or JesseK.Tremaine@emnrd.nm.gov.

Regards,



Gerasimos Razatos
Director (Acting)

4/3/2025

Date

cc: EMNRD-OGC