NM1 - ___8____

GENERAL CORRESPONDENCE

YEAR(S):

2022

Jones, Brad A., EMNRD

From: Jones, Brad A., EMNRD
Sent: Friday, July 15, 2022 3:25 PM

To: schmitzent@yahoo.com; cmerilatt@laplataofs.biz

Cc: Barr, Leigh P EMNRD; arleen@walsheng.net; shawna@walsheng.net; west@walsheng.net

Subject: NM1-008 T-N-T Environmental Inc. - Summary of the issues discussed in the July 1, 2022 meeting

with Walsh representatives

Attachments: 2022 0715 NM1-008 T-N-T Environmental Inc outstanding issues letter signed.pdf

Mr. Schmitz,

Please see the attached letter that summarize the issues discussed in the July 1, 2022, meeting between OCD and Walsh representatives regarding the operations under surface waste management facility permit NM1-008 issued to T-N-T Environmental Inc. If you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,

Brad A. Jones

Brad A. Jones ● Environmental Scientist Specialist - Advanced Environmental Bureau
EMNRD - Oil Conservation Division
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State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval Director, Oil Conservation Division



BY ELECTRONIC MAIL ONLY

July 15, 2022

Craig and Tony Schmitz T-N-T Environmental, Inc. PO Box 2530 Farmington, NM 87499 <u>schmitzent@yahoo.com</u> <u>cmerilatt@laplataofs.biz</u>

RE: T-N-T Environmental, Inc. (OGRID 22099)

Permit NM1-008 (Evaporation Ponds and Landfarm)

Location: SE/4 of Section 7 and SW/4 of Section 8 (3 evaporation ponds) and the SW/4 SE/4 and SE/4 NW/4 of Section 5 and NE/4 NW/4 of 8 (landfarm), Township 25 North,

Range 3 West, NMPM, Rio Arriba County, New Mexico

Dear Mr. Schmitz:

The Oil Conservation Division (OCD) appreciates Walsh Engineering & Production Corp's (Walsh) effort in reaching out on the behalf of T-N-T Environmental, Inc. (T-N-T) and establishing a relationship with the agency to discuss the outstanding issues regarding the compliance and operation of the ponds and landfarm cells under surface waste management facility Permit NM1-008. OCD will attempt to summarize the issues discussed in the July 1, 2022 meeting with Walsh representatives Arlene Smith, West Hahn, and Shawna Martinez along with the items OCD requested to be submitted. OCD has also provided some additional guidance to assist Walsh since they are unfamiliar with the surface waste management facility regulations and permitting process. OCD will identify the issues based upon the priority in which OCD expects T-N-T to address.

OCD Permitting Registration:

Permit NM1-008 was issued to T-N-T under OGRID #22099. Please note, T-N-T has not initiated the facility operator registration process with OCD through OCD Permitting to setup the Operator Administrator account and password to be able to submit the requested information below. T-N-T must register their company contact information to operate a facility through the following OCD Permitting hyperlink:

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https://wwwapps.emnrd.nm.gov/OCD/OCDPermitting/Register/Create/RegisterContact.aspx?type=Facil ityOperator. When entering the required registration information, provide the following note in the Description box: "T-N-T Environmental Inc. needs this registration linked to existing OGRID number 22099." OCD registration staff will follow-up on the initial registration and send an email with instruction on how to complete the registration process and setup your Administrator account. T-N-T will have to click on the hyperlink in the email, fill out and sign the document, and email it back to the OCD registration staff contact. Once the account is setup, you will be able to sign-in to your account and submit the requested documents below.

Financial Assurance:

In accordance with the transitional provision 19.15.36.20.A NMAC, "Existing surface waste management facilities *shall comply with* the *financial assurance*, operational, monitoring, waste acceptance and *closure and post closure requirements provided in 19.15.36 NMAC*, except as otherwise specifically provided in the applicable permit or order, or in a specific waiver, exception, or agreement that the division has granted in writing to the particular surface waste management facility."

Pursuant to 19.15.36.11.G NMAC, OCD has completed its review of T-N-T's financial assurance for adequacy and is providing notice to T-N-T that it has determined the \$148,690.00 in financial assurance established with OCD is not adequate to cover the reasonable and probable cost of the commercial surface waste management facility's closure and post closure operations for the T-N-T surface waste management facility operations under Permit NM1-008. Based upon the administrative record, financial assurance for the surface waste management facility has not been reassessed or considered since May 2001. OCD's acceptance of the \$148,690.00 in financial assurance predates the effective date (February 14, 2007) of 19.15.36 NMAC (Part 36) and the development of the specific operational and closure/postclosure requirements for landfarms and ponds. OCD is requesting T-N-T to submit a closure and postclosure plan including an updated third party contractor's cost estimate to complete the closure and post-closure of the surface waste management facility landfarm area, 3 evaporation ponds, associated infrastructure for the landfarm area and ponds, and all surface waste management facility operations that have been placed in operation under Permit NM1-008. OCD understands additional cells have been constructed without receiving permit approval from the OCD, these unpermitted areas will also need to be included in the closure and post-closure plan and in the third party contractor's cost estimate. Please submit a closure and post-closure plan based upon the transitional provisions of 19.15.36.20 NMAC, OCD's June 17, 2005 modification approval, the required landfarm treatment zone sampling conditions and evaporation pond testing and monitoring conditions specified in existing Permit NM1-008, the appropriate operational and monitoring requirements of 19.15.36 NMAC, the closure conditions of Permit NM1-008, and the appropriate closure and post-closure requirements specified in 19.15.36.18 NMAC, including a responsible third party contractor's cost estimate, sufficient to implement the plan and close the surface waste management facility in a manner that will protect fresh water, public health and the environment, for OCD's review and consideration of approval. Submit the closure and post closure plan, including the responsible third-party contractor's cost estimate as a stand-alone separate submittal through OCD Permitting as a "Non-Fee SWMF Submittal," unless T-N-T is also requesting a modification to an existing permit condition and/or requesting an exception/waiver to a Part 36 requirement.

In accordance with 19.15.36.11.G NMAC, "Upon determination, after notice to the operator and an opportunity for a hearing, that the financial assurance is not adequate to cover the reasonable and

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probable cost of a commercial facility's closure and post closure operations, the division may require the operator to furnish additional financial assurance sufficient to cover such reasonable and probable cost."

Unresolved Landfarm Area Issues:

There were several issues discussed in the June 1, 2022 meeting regarding the landfarm area and operations. Some of the outstanding and unresolved issues include the landfarm facility acreage for all landfarm cells in which contaminated soils have been placed, establishing the facility background to properly perform vadose zone monitoring and pursue closure, and confirmation that high chloride soils were removed from the treatment soils and vadose sampling events performed as approved by OCD. Walsh representatives also inquired, on the behalf of T-N-T, where new incoming contaminated soils can be accepted within the landfarm area.

On June 15, 2015, OCD mailed T-N-T a letter clarifying the acreage in which OCD approved for the landfarm remediation site based upon the information provided in the original June 1, 1992 permit application and supplemental material dated August 4, 1992. Based upon the information provided to OCD in the 1992 permit application and supplemental information, OCD permitted a 20.5-acre surface waste management facility landfarm. Exhibit A, a professional survey, of the application illustrates 7.04 acres surveyed for landfarming operations in Area 1 and 11.13 acres surveyed for landfarming operations in Area 2, illustrating a total of 18.17 acres proposed for landfarming. OCD was unable to locate any demonstrations, drawings, surveys, and/or written requests in the 1992 permit application for OCD to consider a 120 acre landfarm remediation site. In the June 15, 2015 letter, OCD requested T-N-T to provide OCD copies of any T-N-T's permit modification requests and OCD's associated approvals to expand the landfarm facility footprint since the initial permitting of 1992. OCD did not receive any documentation regarding any requests to expand the landfarm facility footprint from T-N-T. OCD is requesting T-N-T to submit a professional survey of the landfarm area/footprint in its entirety, including the permitted areas under Permit NM1-008, unpermitted areas, and all associated infrastructure. The survey should be included as part of the requested closure and post closure plan submittal to support the financial assurance estimate requested above. OCD wishes to clarify that T-N-T is approved under Permit NM1-008 to only accept new incoming petroleum hydrocarbon-contaminated soils and drill cuttings within the 18.17 acres identified in Area 1 and 2 proposed for landfarming, as illustrated on Exhibit A of the original June 1, 1992 permit application and supplemental material dated August 4, 1992. T-N-T must continue to comply with the permit conditions of NM1-008, the June 17, 2005 modification approval, and the transitional provision of 19.15.36.20.A NMAC regarding the operations within Area 1 and 2. T-N-T must continue the bi-weekly disking of soils and perform vadose zone and treatment zone monitoring of the landfarm cells that exist outside of the permitted boundary of Area 1 and 2.

On July 2, 2015, OCD mailed T-N-T a letter explaining the transitional provisions of 19.15.36.20.A NMAC and how they apply to T-N-T's existing permit conditions; specifically, OCD stated that T-N-T must compare each result from vadose sampling to the higher of the PQL or the background soil concentrations to determine whether a release has occurred. Furthermore, in the July 2, 2015 letter, OCD informed T-N-T, "To remain compliant to Part 36 and the existing permit, background needs to be established and the vadose zone assessment comparison demonstrated to OCD." OCD also requested the submittal of a background sampling plan which was not provided.

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Part 36 came into effect on February 14, 2007 and contains the following:

- 19.15.36.20.C NMAC, "Major modification of an existing surface waste management facility and a new landfarm cells constructed at an existing surface waste management facility shall comply with the requirements provided in 19.15.36 NMAC."
- 19.15.36.15.B NMAC, "Background testing. Prior to beginning operation of a new landfarm or to opening a new cell at an existing landfarm at which the operator has not already established background, the operator shall take, at a minimum, 12 composite background soil samples, with each consisting of 16 discrete samples from areas that previous operations have not impacted at least six inches below the original ground surface, to establish background soil concentrations for the entire surface waste management facility. The operator shall analyze the background soil samples for TPH, as determined by EPA method 418.1 or other EPA method approved by the division; BTEX, as determined by EPA SW-846 method 8021B or 8260B; chlorides; and other constituents listed in Subsections A and B of 20.6.2.3103 NMAC, using approved EPA methods."

OCD is unsure what background values are being used for the vadose zone results comparison to determine if a release has occurred, since most of the background values are only recognized as ND and a background demonstration has not been submitted to OCD for review and consideration of approval. OCD is unable to accept any background results where total petroleum hydrocarbon (TPH) was assessed at a reporting/detection limit of 100 mg/kg. T-N-T needs to ensure the reporting/detection limits proposed to determine background and PQLs are low enough for each constituent that OCD does not consider it a request to pollute and contaminate the vadose zone to the new proposed background/PQL limit. All proposed background sample laboratory results must be accompanied with its associated QA/QC documentation and the chain of custody. Any data sets that include detections of TPH constituents and/or BTEX constituents will not be accepted as it does not represent natural unimpacted background required for the demonstration. The facility background sampling plan should also propose and recognize the statistical methods and considerations that will be applied to the background data sets. Please submit a facility background sampling plan based upon the requirements of 19.15.36.15.B NMAC, as a stand-alone separate submittal through OCD Permitting as a "Non-Fee SWMF Submittal," for OCD's consideration of approval to either update the existing background data and establish facility background values and PQLs or to start over and collect new samples to establish facility background values and PQLs to complete the vadose zone assessments.

On October 1, 2013 OCD issued an approval letter for a plan to identify, isolate, and remove high chloride (greater than 1000 mg/kg) soils within the treatment zone of Cells 4, 6, 7, and 11 at an OCD permitted landfarm. Condition 1 of the approval states, "Any soils in the treatment zone identified to have a chloride concentration exceeding 1000 mg/kg shall be contained, excavated, and removed as described in Protocols 6 and 6A of the plan." Condition 2 states "If any soils in the treatment zone identified having a chloride concentration exceeding 1000 mg/kg are discovered placed above the vadose zone, T-N-T shall sample the vadose zone to determine if a release has occurred." OCD has not received any documentation from T-N-T demonstrating that the high chloride treatment zone soils have been removed and/or if any vadose zone sampling was performed from the areas in which the high chloride treatment zone soils were removed to determine if a release has occurred. Please provide the required information to demonstrate compliance to OCD's October 1, 2013 approval letter.

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<u>Unresolved Ponds Issue:</u>

During the June 1, 2022 meeting, OCD informed Walsh that in 2017 OCD was notified by C. Carl Merilatt (a court appointed receiver to T-N-T), that liquids were detected in the leak detection sumps of Evaporation Ponds 1 and 3 and liquids were discovered in a monitoring well abutting Evaporation Pond 2. On February 17, 2017, Carl informed OCD by email that "Pond #2- After discovery of water in one monitor well on 2-15-17 took water sample from monitor well and sample from pond # 2 to get analyzed for total dissolved solids. Envirotech called with preliminary results. Pond #2- sample 11,260 milligrams/liter. Pond #2 monitor well- 13,135 milligrams/liter." OCD never received the requested plans required of Conditions 15 and 16, under the heading Facility and Evaporation Pond Operations of existing Permit NM1-008. OCD was last updated on August 1, 2017. The email from Carl clarified that "On Wednesday July 26th, ORE Systems repaired the primary liner on pond #1." Also, "ORE Systems also repaired the primary liner with Extrusion Plastic Welding Method on pond #3." No update was provided for Pond 2. Please provide confirmation that Evaporation Pond 2 has been repaired prior to being placed back into operation and an update of the status for all evaporation ponds permitted under NM1-008. If there are any unpermitted evaporation ponds, include the status of those ponds as well.

Monitoring Results

During the July 1, 2022 meeting with Walsh, OCD informed the Walsh representatives that OCD has not received any landfarm vadose zone and/or treatment zone monitoring reports or evaporation pond leak detection and/or monitoring well monitoring reports since 2016. Walsh informed OCD that the monitoring of the vadose zone and treatment zone has been performed. On June 17, 2005, OCD approved a modification to the vadose zone sampling and reporting frequency. Please submit the vadose zone and/or treatment zone monitoring reports and the evaporation pond leak detection and/or monitoring well monitoring reports for sampling events that occurred after July 2016 to demonstrate compliance to OCD's June 17, 2005 permit modification approval and with Conditions 2 and 4 of the Reporting and Record Keeping requirements of existing Permit NM1-008. Submit the vadose zone and/or treatment zone monitoring reports and the evaporation pond leak detection and/or monitoring well monitoring reports after July 2016 as a stand-alone separate submittal(s) through OCD Permitting as a "Non-Fee SWMF Submittal."

The last monitoring report submitted to OCD, dated September 12, 2016, demonstrated some reporting concerns. OCD requires all non-detects laboratory results to be documented based upon the reporting limit/detection limit in which the non-detect was determined; therefore, non-detects should not be reported as ND. A comparison to a background of ND to a result of ND is not a comparison to a specified background limit value to determine if a release has occurred, especially when T-N-T has not submitted a facility background plan to OCD for review and consideration of approval. Most laboratories report non-detects by use of the less than symbol "< "and the reporting limit/detection limit in which the non-detect was determined. Moving forward, T-N-T needs to ensure monitoring assessments do not contain non-detects as ND.

Landfarm Vadose Zone (VZ) Monitoring:

On June 30, 2011 OCD mailed a letter to each permitted landfarm operator informing them how the transitional provisions of 19.15.36.20 NMAC should be applied to existing permit conditions. This letter is in the administrative record in OCD Imaging and is available through the following hyperlink: https://ocdimage.emnrd.nm.gov/Imaging/FileStore/santafeadmin/ao/209681/peem0112355697 17 ao https://ocdimage.emnrd.nm.gov/Imaging/FileStore/santafeadmin/ao/209681/peem0112355697 17 ao <a href="https://ocdimage.emnrd.nm.gov/Imaging/FileStore/santafeadmin/ao/209681/peem0112355697 17 ao https://ocdimage.emnrd.nm.gov/Imaging/FileStore/santafeadmin/ao/209681/peem0112355697 17 ao <a href="https://ocdimage.emnrd.nm.gov/Imaging/FileStore/santafeadmin/ao/209681/Peem0112355697 17 an <a

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19.15.36.20 NMAC was amended on June 30, 2016 and the approach discussed in the June 2011 letter should be applied to the additional considerations identified in 19.15.36.20.A NMAC.

Based upon the existing permit conditions of Permit NM1-008, the June 17, 2005 modification approval, and the transitional provision of 19.15.36.20.A NMAC, T-N-T is required to perform the following vadose zone sampling:

A minimum of one random vadose zone soil sample will be taken from each individual cell. Samples will be taken between two (2) to three (3) feet below the native ground surface (as required by permit).

- 1st VZ sampling event (April 30th of each year): TPH as determined by EPA method 418.1 or by EPA method 8015 extended (sum of GRO, DRO, and MRO); BTEX as determined by EPA SW-846 method 8021B or 8260B, and chlorides as determined by EPA method 300.0. The sampling report for this event shall be submitted to the OCD Santa Fe office no later than May 31st of each year.
- 2nd VZ sampling event (July 31st of each year): TPH as determined by EPA method 418.1 or by EPA method 8015 extended (sum of GRO, DRO, and MRO); and BTEX as determined by EPA SW-846 method 8021B or 8260B. The sampling report for this event shall be submitted to the OCD Santa Fe office no later than August 31st of each year.
- 3rd VZ sampling event (October 31st of each year): TPH as determined by EPA method 418.1 or by EPA method 8015 extended (sum of GRO, DRO, and MRO); BTEX as determined by EPA SW-846 method 8021B or 8260B, major cations/anions (which includes chlorides) and eight (8) RCRA heavy metals. The sampling report for this event shall be submitted to the OCD Santa Fe office no later than November 30th of each year.
- Five year VZ monitoring is required of 19.15.36.15.E(3) NMAC. The operator shall collect and
 analyze a minimum of four randomly selected, independent samples from the vadose zone,
 using the methods specified below (as determined by EPA SW-846 methods 6010B or 6020) for
 the constituents listed in Subsections A and B of 20.6.2.3103 NMAC at least every five years and
 shall compare each result to the higher of the PQL or the background soil concentrations to
 determine whether a release has occurred.
- Release response compliance is required of 19.15.36.15.E(5) NMAC. If vadose zone sampling results show that the concentrations of TPH, BTEX or chlorides exceed the higher of the PQL or the background soil concentrations, then the operator shall notify the division's environmental bureau of the exceedance and shall immediately collect and analyze a minimum of four randomly selected, independent samples for TPH, BTEX, chlorides and the constituents listed in Subsections A and B of 20.6.2.3103 NMAC. The operator shall submit the results of the resampling event and a response action plan for the division's approval within 45 days of the initial notification. The response action plan shall address changes in the landfarm's operation to prevent further contamination and, if necessary, a plan for remediating existing contamination.

19.15.36.15.E(5) NMAC requires the operator to obtain the 4 samples from around the sample location of each detected vadose zone release and demonstrated exceedance to investigate and determine if

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additional constituents are associated with the detected release locations of TPH, BTEX and/or chloride from the routine vadose zone monitoring. In the future, immediately provide notice to OCD of the detected releases of TPH, BTEX, and chlorides from the routine vadose zone monitoring and complete the additional sampling and analysis required of 19.15.36.15.E(5) NMAC. The results from the additional sampling should be compared to OCD approved facility background concentrations and PQLs. If compliance with the additional sampling required of 19.15.36.15.E(5) NMAC coincides with a routine vadose zone sampling event, please perform each sampling event separately. The next routine vadose zone sampling event should not be performed in the same vicinity in which releases were detected from the previous routine sampling event and the additional investigation of 19.15.36.15.E(5) NMAC is required.

OCD also recommends reviewing the OCD April 21, 2021 policy on *How to address a release to the vadose zone at a Part 36 landfarm pursuant to Part 29* at the following hyperlink from the OCD website: https://www.emnrd.nm.gov/ocd/wp-content/uploads/sites/6/2021-0421-How-to-address-a-release-to-the-vadose-zone-at-a-Part-36-landfarm-pursuant-to-Part-29.pdf. This document is to advise parties on how to address the following scenario: When a landfarm operator completes the release response sampling required of 19.15.36.15.E(5) NMAC and submits a response action plan proposing to remediate the "unauthorized" releases discovered in the vadose zone pursuant to 19.15.29 NMAC and OCD approves the response action plan.

<u>Landfarm Treatment Zone (petroleum hydrocarbon contaminated soils being remediated) Monitoring:</u>
Based upon the existing permit conditions of Permit NM1-008 and the transitional provision of 19.15.36.20.A NMAC, T-N-T is required to perform the following treatment zone (TZ) sampling:

Conduct semi-annual treatment zone monitoring as required by 19.15.36.15.D NMAC. The operator shall collect and analyze at least one composite soil sample, consisting of four discrete samples, from the treatment zone at least semi-annually using the methods specified below for TPH and chlorides.

- 1st Semi-Annual TZ sampling event: TPH as determined by EPA method 418.1 or by EPA method 8015 extended (sum of GRO, DRO, and MRO); and chlorides as determined by EPA method 300.0.
- 2nd Semi-Annual TZ sampling event: TPH as determined by EPA method 418.1 or by EPA method 8015 extended (sum of GRO, DRO, and MRO); and chlorides as determined by EPA method 300.0.

Additional lift requirements. Successive lifts of contaminated soils or drilling mud may not be spread until the following are demonstrated to OCD in the previous lift. Authorization from the OCD must be obtained prior to application of successive lifts and/or removal of the remediated soils. The operator shall collect and analyze at least one composite soil sample, consisting of four discrete samples, from the treatment zone using the methods specified below.

- TPH as determined by EPA method 418.1 or by EPA method 8015 extended (sum of GRO, DRO, and MRO) is less than 100 parts per million (ppm).
- BTEX as determined by EPA SW-846 method 8021B or 8260B is less than 50 ppm.

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- Benzene is less than 10 ppm.
- Chlorides as determined by EPA method 300.0 do not exceed 500 mg/kg if the landfarm is
 located where ground water is less than 100 feet but at least 50 feet below the lowest elevation
 at which the operator will place oil field waste or 1000 mg/kg if the landfarm is located where
 ground water is 100 feet or more below the lowest elevation at which the operator will place oil
 field waste.
- Soils must be spread on the surface in six-inch lifts or less.
- The maximum thickness of treated soils in a landfarm cell shall not exceed two feet or approximately 3000 cubic yards per acre. When that thickness is reached, the operator shall not place additional oil field waste in the landfarm cell until it has demonstrated by monitoring the treatment zone at least semi-annually that the contaminated soil has been treated to the standards specified in Subsection F of 19.15.36.15 NMAC or the contaminated soils have been removed to a division approved surface waste management facility.
- RCRA 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 nonexempt soils.

T-N-T must comply with the closure conditions of the existing Permit NM1-008 and demonstrate compliance to 19.15.36.18 NMAC by providing notice and submitting a closure/post-closure plan and schedule to OCD for review and approval *prior to implementing any closure and/or post-closure activities*.

Evaporation Ponds Monitoring and Inspections:

Based upon the existing permit conditions of Permit NM1-008 and the transitional provision of 19.15.36.20.A NMAC, T-N-T is required to perform the following inspections and reporting related to the ponds:

- The leak detection sump at Pond One (1) and Pond Three (3) must be inspected weekly. 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.
- The monitor wells surrounding Pond Two (2) must be inspected monthly. 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.
- Below-grade sumps and below-tanks must be cleaned and visually inspected annually. Results must be recorded and maintained for OCD review.

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- The produced water receiving and treatment area must be inspected daily for tank, piping, and berm integrity. Results of the daily visual inspection of the facility must be recorded and maintained for OCD review.
- Pond inspection and maintenance must be conducted on at least a daily basis and immediately
 following each consequential rainstorm or windstorm. Results of the daily visual inspection of
 the facility must be recorded and maintained for OCD review.
- 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.
- 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.
- All incoming loads of produced water must be tested for hydrogen sulfide (H₂S) concentrations.
 Any loads with measurable H₂S concentrations must be treated in a closed system. The
 treatment reaction must be driven to completion to eliminate all measurable H₂S prior to
 disposal into the ponds.
- 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.
- Weekly tests must be conducted, and records made and retained at the facility of the dissolved oxygen concentrations in each pond.
- Tests of ambient H₂S 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.
- Results of the testing at the evaporation pond for H2S, pH, dissolved sulfides, and dissolved oxygen must be recorded and maintained for OCD review.

TNT must provide OCD with a status update on the above evaporation ponds' inspection and monitoring requirements. Submit the status update, along with all required reports, as a stand-alone separate submittal through OCD Permitting as a "Non-Fee SWMF Submittal."

If there are any questions, please do not hesitate to contact me at (505) 469-7486 or brad.a.jones@state.nm.us.

Respectfully,

Brad A. Jones

Environmental Specialist

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CC: Arlene Smith, Walsh Engineering & Production Corp, <u>arleen@walsheng.net</u>
Shawna Martinez, Walsh Engineering & Production Corp, <u>shawna@walsheng.net</u>
West Hahn, Walsh Engineering & Production Corp, <u>west@walsheng.net</u>

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 125946

CONDITIONS

Operator:	OGRID:
T-N-T ENVIRONMENTAL INC	22099
Hor 74	Action Number:
Lindrith, NM 87029	125946
	Action Type:
	[C-137] Non-Fee SWMF Submittal (SWMF NON-FEE SUBMITTAL)

CONDITIONS

Created By		Condition Date
bjones	None	7/15/2022