AP-110

GENERAL CORRESPONDENCE

2012 - Present

From: Chavez, Carl J, EMNRD

Sent: Wednesday, March 09, 2016 2:06 PM

To: Combs, Robert (Robert.Combs@hollyfrontier.com)

Cc: Griswold, Jim, EMNRD

Subject: Revised Facility Wide GW Monitoring Work Plan (December 2015)

Robert:

OCD has completed its review of the above subject plan and hereby **approves** the plan with "Conditions of Approval" specified below.

Conditions of Approval:

- 1) Appendix B: C-141 Final Forms are required to close out all initial C-141 Form submittals. In Appendix B it is not clear that OCD will ever receive a final form because of the release response procedure outlined therein. Verification of soil remediation is required in all C-141 Final Form submittals for efficient tracking of all reported releases or discoveries at the facility.
- 2) Due to No. 1 above, OCD hereby requires from now on a remediation plan submittal or equivalent to accompany the initial C-141 Form for OCD approval for every release or discovery that is reported to OCD on an initial C-141 Form at the facility.

Thank you.

Carl J. Chavez, CHMM Environmental Engineer Oil Conservation Division- Environmental Bureau 1220 South St. Francis Drive

Santa Fe, New Mexico 87505 Phone: (505) 476-3490 Main Phone: (505) 476-3440

Fax: (505) 476-3462

E-mail: <u>CarlJ.Chavez@state.nm.us</u>
Website: <u>www.emnrd.state.nm.us/ocd</u>

Why not prevent pollution, minimize waste, reduce operation costs, and move forward with the rest of the Nation? To see

how, go to "Publications" and "Pollution Prevention" on the OCD Website.



December 30, 2015

Via Certified U.S. Mail. No. 70151520000258081568

Carl J. Chavez, CHMM
Environmental Engineer
Oil Conservation Division- Environmental Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Carl J. Chavez@state.nm.us

RE: Lovington, NM Refinery - Discharge Permit No. GW-014 and Abatement Plan 10

Dear Mr. Chavez:

This is to notify the New Mexico Oil Conservation Division that, effective January 1, 2016, the new name of Navajo Refining Company, L.L.C. is HollyFrontier Navajo Refining LLC. This is a change in corporate name, and there will be no associated transfer of ownership or change in operational responsibilities. Also, this name change does not result from any changes in corporate structure of the parent company.

We hereby request the name on the subject permit and Abatement Plan 10 be changed to "HollyFrontier Navajo Refining LLC." If this request requires any further information or if you have any questions, please contact me at (575) 746-5487.

Sincerely,

Scott M. Denton

Environmental Manager Navajo Refining Co., L.L.C.

From: Chavez, Carl J, EMNRD

Sent: Thursday, March 20, 2014 8:02 AM

To: 'Gilbert, Bryan'

Cc: Holder, Mike (Michael.Holder@hollyfrontier.com); Robert.Combs@hollyfrontier.com;

Speer, Julie; VonGonten, Glenn, EMNRD; Kautz, Paul, EMNRD; Leking, Geoffrey R,

EMNRD; Sanchez, Daniel J., EMNRD

Subject: RE: Navajo Refining Company Lea Refinery, Lovington

Bryan:

Good morning. The New Mexico Oil Conservation Division (OCD) is in receipt of your e-mail responses to OCD comments below.

OCD will prioritize the Phase 2 Abatement Plan Proposal for review, which will include a plan to address groundwater COCs associated with potential NRC sources at the refinery.

Thank you.

Carl J. Chavez, CHMM

New Mexico Energy, Minerals & Natural Resources Department Oil Conservation Division, Environmental Bureau

1220 South St. Francis Drive, Santa Fe, New Mexico 87505

O: (505) 476-3490

E-mail: <u>CarlJ.Chavez@State.NM.US</u>
Web: http://www.emnrd.state.nm.us/ocd/

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the Nation?" To see how, please go to: "Pollution Prevention & Waste Minimization" at

http://www.emnrd.state.nm.us/ocd/environmental.htm#environmental

From: Gilbert, Bryan [mailto:BGilbert@trcsolutions.com]

Sent: Wednesday, March 19, 2014 8:24 PM

To: Chavez, Carl J, EMNRD

Cc: Holder, Mike (Michael.Holder@hollyfrontier.com); Robert.Combs@hollyfrontier.com; Speer, Julie; VonGonten, Glenn,

EMNRD

Subject: RE: Navajo Refining Company Lea Refinery, Lovington

Carl,

We appreciate you taking the time for our conference call on January 30, 2014, to discuss OCD's January 22, 2014, email regarding the Navajo Refining Company (NRC) Lea Refining Facility (refinery) in Lovington New Mexico. OCD's January 22, 2014, comments/questions (black) and NRC's responses (blue italics) are provided below.

I notice MW-25 is showing elevated nitrates (37.1 mg/L on 7/26/2012) likely from the septic system. Is the septic system pumped out annually?

NRC Response

The nitrate-nitrite concentrations at well MW-25 have decreased after reaching a maximum concentration in July 2012. The August 2013 and February 2014 nitrate-nitrite concentrations at well MW-25 (3.42 mg/L and 2.98 mg/L, respectively) were below the WQCC groundwater standard of 10 milligrams per liter (mg/L), which is consistent with historical concentrations at this well.

The septic system, which is located adjacent to the refinery office and well MW-25, includes a leach field and is thus not pumped out except for unusual circumstances or maintenance. The septic tank has only been pumped out once since it was installed in July 2009 – in January 2014 due to a clog in the system piping. The septic system was installed in accordance with 20.7.3 NMAC under the July 9, 2009, NMED permit HO-09-0073. The July 2012 nitrate-nitrite concentration at well MW-25 may be related to the septic system, however there have been no known releases associated with the septic system. It should be noted that nitrate-nitrite concentrations at the water supply wells WW-North, WW-South, and WW-East, located northeast and southwest of well MW-25, have never been detected above WQCC groundwater standards. Regardless, nitrate-nitrite concentrations will continue to be monitored closely at well MW-25.

The presence of Naphthalene (Toxic Pollutant under 20.6.2.7(ww) NMAC and BTEX at MW-11. Do you know the source? Tanks 1201A and 1201B?

NRC Response

As discussed in the December 30, 2013, Refinery Investigation Report and during the January 30, 2014, conference call, Tanks 1201A and 1201B are not the likely source of BTEX and naphthalene previously detected at well MW-11 based on analytical results from newly installed MW-30 and historical results from surrounding monitor wells. Unidentified historical releases within the refinery process area are the likely source of the BTEX and naphthalene concentrations in monitor well MW-11 that exceeded WQCC Standards in February 2012 and July 2012. BTEX and naphthalene concentrations at monitor well MW-11 have decreased after reaching maximum concentrations in February 2012. BTEX and naphthalene were not detected at well MW-11 in February 2013 or August 2013.

The February 2013 and August 2013 groundwater monitoring results were summarized in the December 2013 Refinery Investigation Report and will be documented in the forthcoming 2013 Annual Facility-Wide Groundwater Monitoring Report to be submitted to OCD in early 2014. Regardless, BTEX and naphthalene concentrations will continue to be monitored closely at this well.

The cones of depression needs to be factored into potential sources. WW-East appears to be seated within a cone of depression with flow toward the SW in the opposite direction of the natural hydrogeologic gradient.

NRC Response

The radial groundwater flow to the central portion of the refinery was factored into the source determination evaluation as discussed in the December 2013 Refinery Investigation Report.

Is there a practical method of addressing the MW-11 water quality issues based on the refinery treatment system? Could Navajo utilize a SWD Well to address the BTEX, Naphthalene, Chloride and Fluoride problem at the facility? Chromium at MW-14 & 29?

NRC Response

Current and historical groundwater chemical of concern (COC) concentrations and the results of the source determination evaluation summarized in the December 2013 Refinery Investigation Report will be considered during preparation of the forthcoming Phase 2 Abatement Plan Proposal, which will include a plan to address groundwater COCs associated with potential NRC sources at the refinery.

Please let us know if you have any questions or comments regarding this response.

Thank you,

Bryan Gilbert, PG Project Manager



505 East Huntland Drive, Suite 250, Austin, Texas 78752 T: 512.684.3104 | F: 512.329.8750 | C: 925.699.6184

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From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]

Sent: Wednesday, January 22, 2014 4:51 PM

To: Gilbert, Bryan

Cc: Holder, Mike (Michael. Holder@hollyfrontier.com); Robert. Combs@hollyfrontier.com; Speer, Julie; VonGonten, Glenn,

EMNRD

Subject: RE: Lea Refinery, Lovington - Cooling Tower Release Soil Investigation (AP-110)

Bryan:

Yes, that is correct. I'm looking over the 2012 Annual Facility-Wide GW Monitoring Report.

Nice work on the report. I see you are looking at sources from water quality results.

I notice MW-25 is showing elevated nitrates (37.1 mg/L on 7/26/2012) likely from the septic system. Is the septic system pumped out annually?

The presence of Naphthalene (Toxic Pollutant under 20.6.2.7(ww) NMAC and BTEX at MW-11. Do you know the source? Tanks 1201A and 1201B?

The cones of depression needs to be factored into potential sources. WW-East appears to be seated within a cone of depression with flow toward the SW in the opposite direction of the natural hydrogeologic gradient.

Is there a practical method of addressing the MW-11 water quality issues based on the refinery treatment system? Could Navajo utilize a SWD Well to address the BTEX, Naphthalene, Chloride and Fluoride problem at the facility? Chromium at MW-14 & 29?

Thank you.

Carl J. Chavez, CHMM

New Mexico Energy, Minerals & Natural Resources Department

Oil Conservation Division, Environmental Bureau

1220 South St. Francis Drive, Santa Fe, New Mexico 87505

Office: (505) 476-3490

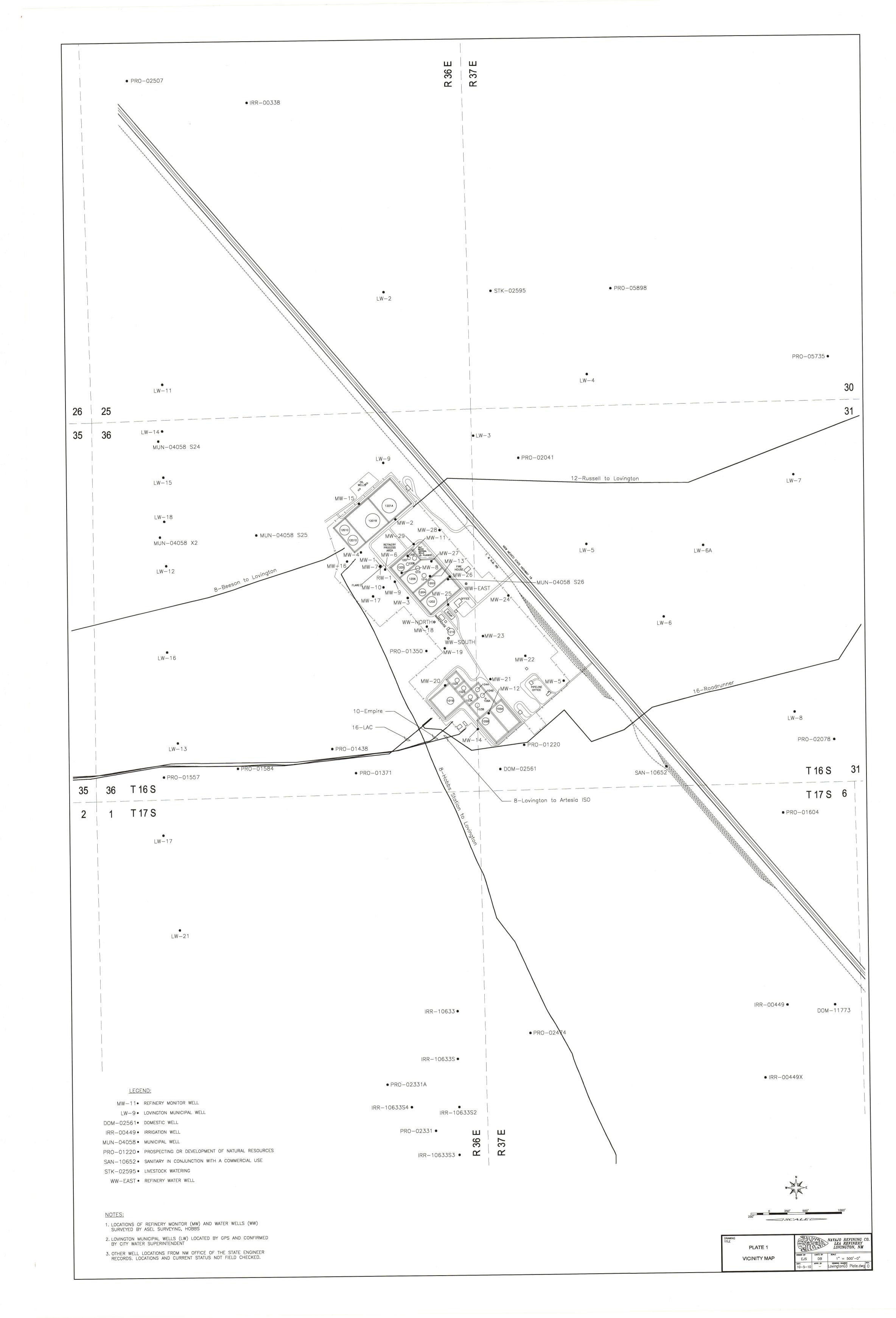
E-mail: CarlJ.Chavez@State.NM.US

Website: http://www.emnrd.state.nm.us/ocd/

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Nation?" To see how, please go to: "Pollution Prevention & Waste Minimization" at

http://www.emnrd.state.nm.us/ocd/environmental.htm#environmental



From: Chavez, Carl J, EMNRD

Sent: Tuesday, October 15, 2013 11:51 AM

To: 'Holder, Mike'

Cc: Dawson, Scott, EMNRD; Sanchez, Daniel J., EMNRD; VonGonten, Glenn, EMNRD

Subject: RE: Bond for Groundwater Monitoring at Lovington

Mike:

The New Mexico Oil Conservation Division retains the bond as "Financial Assurance" under the WQCC Regulations, 20.6.2 NMAC.

Please contact me if you have questions. Thank you.

Carl J. Chavez, CHMM

New Mexico Energy, Minerals & Natural Resources Department

Oil Conservation Division, Environmental Bureau

1220 South St. Francis Drive, Santa Fe, New Mexico 87505

Office: (505) 476-3490

E-mail: CarlJ.Chavez@State.NM.US

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From: Holder, Mike [mailto:Michael.Holder@hollyfrontier.com]

Sent: Monday, October 14, 2013 3:12 PM

To: Chavez, Carl J, EMNRD

Cc: Holder, Mike

Subject: Bond for Groundwater Monitoring at Lovington

Carl – we recently received an invoice for a bond (see the file 20131011-MARSH attached). After doing some digging I think it is associated w/groundwater monitoring for the old Discharge Permit for Lovington (GW-14) that was rescinded. I've attached some correspondence I found in a file along with the old permit/letter rescinding the permit. My question is whether we still need to maintain the bond since the permit has been rescinded & we now operate under an abatement plan – I can't find anywhere in the regs requiring such a bond. We did check w/the company providing the bond (see below) and they said it would need to be closed by OCD by returning the original bond &/or a release letter. Please advise as to what the next step in the process would be and any thoughts you have. Thanks for your help!

Mike

-----Original Message-----From: Morrison, Terri L

Sent: Monday, October 14, 2013 2:05 PM

To: 'Rogers, Kyle'

Cc: Allaire, Melissa (Melissa.Allaire@LibertyMutual.com)

Subject: RE: Important Account Information - Invoice

Kyle,

This Bond No. 6676729 must be released by the obligee in order to close the file. Please contact Energy, Minerals and Natural Resources Department, Oil Conservation Division, 1220 S. Saint Francis, Santa Fe, New Mexico 87505 and let them know the bond is no longer required. They will need to return the original bond and/or send a release letter, releasing Liberty from "all past, present and future liability". Once the surety receive the release they will return any earned premiums. Should you have any questions, please contact me.

Thanks!

Terri L. Morrison, Assistant Vice President Marsh USA, Inc | Surety 1000 Main Street, Suite 3000, Houston, TX 77002, USA 713 276 8776 | Fax 713 276 8538 | terri.l.morrison@marsh.com www.marsh.com | Marsh USA, Inc.

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From:

Chavez, Carl J, EMNRD

Sent:

Tuesday, November 13, 2012 4:27 PM

To: Cc: 'Combs, Robert' 'Holder, Mike'

Subject:

RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated

Areas

Robert:

Approved. The new due date is COB December 7, 2012.

Thank you.

Carl J. Chavez, CHMM

New Mexico Energy, Minerals & Natural Resources Department

Oil Conservation Division, Environmental Bureau

1220 South St. Francis Drive, Santa Fe, New Mexico 87505

Office: (505) 476-3490

E-mail: CarlJ.Chavez@State.NM.US

Website: http://www.emnrd.state.nm.us/ocd/

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From: Chavez, Carl J, EMNRD

Sent: Friday, November 09, 2012 12:41 PM

To: 'Combs, Robert' **Cc:** Holder, Mike

Subject: RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Robert:

Hi.

The OCD is in receipt of your request. I have copied Glenn von Gonten and will need to communicate with him next Tuesday about the request. The OCD should respond soon afterward.

Thank you.

Carl J. Chavez, CHMM

New Mexico Energy, Minerals & Natural Resources Department

Oil Conservation Division, Environmental Bureau

1220 South St. Francis Drive, Santa Fe, New Mexico 87505

Office: (505) 476-3490

E-mail: CarlJ.Chavez@State.NM.US

Website: http://www.emnrd.state.nm.us/ocd/

From:

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Sent:

Friday, November 09, 2012 12:41 PM

To: Cc: 'Combs, Robert' Holder, Mike

Subject:

RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated

Areas

Robert:

Hi.

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Thank you.

Carl J. Chavez, CHMM

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http://www.emnrd.state.nm.us/ocd/environmental.htm#environmental

From: Combs, Robert [mailto:Robert.Combs@hollyfrontier.com]

Sent: Friday, November 09, 2012 12:23 PM

To: Chavez, Carl J, EMNRD

Cc: Holder, Mike

Subject: FW: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Carl,

I wanted to give you an update on the status of the Lovington corrective actions workplan that we discussed in the previous emails (see below). In the correspondence it was mentioned that we would target November 15th for submittal of the workplan. I wanted to inform you that have a completed workplan, with the exception of few minor details and may not be able to have completed by this date. In the workplan, we intend to pursue sampling of the adjacent freshwater wells as a background study, but would like to sign an agreement with the City of Lovington that acknowledges and approves these activities. This sampling data, of course, will need to be validated by confirmation that sampling would be performed on the appropriate interval. I have been working informally to obtain the information available, but a formal agreement has not yet been possible.

At this time, NRC would like to request an extension to our proposed November 15th submittal date. We do not anticipate that the matter will not be approved, or that it will be finalized later than November 31, 2012. We do, however, have a contingency to this sampling plan if it is not approved, we request some additional-days to finalize all details prior to submittal. Therefore, we request that the submittal date be moved to December 7, 2012.

Thanks,

Robert

Robert Combs

Environmental Specialist The HollyFrontier Companies P.O. Box 159 Artesia, NM 88211-0159

office: 575-746-5382 cell: 575-308-2718 fax: 575-746-5451

Robert.Combs@hollyfrontier.com

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From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]

Sent: Wednesday, August 01, 2012 2:31 PM

To: Combs, Robert

Cc: VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD; Holder, Mike

Subject: RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Robert:

Good afternoon.

The New Mexico Oil Conservation Division (OCD) is in receipt of your response to the OCD's July 11, 2012 Communiqué.

The OCD accepts the proposed date(s) and semi-annual monitoring should help to determine whether the ground water contamination is becoming worse over time.

Please notify the OCD within 72 hours of ground water sampling events to allow the OCD to be present during field environmental sampling activities.

Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Department
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Drive, Santa Fe, New Mexico 87505

Office: (505) 476-3490

E-mail: CarlJ.Chavez@State.NM.US

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From: Combs, Robert [mailto:Robert.Combs@hollyfrontier.com]

Sent: Thursday, July 26, 2012 3:46 PM

To: Chavez, Carl J, EMNRD

Cc: VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD; Holder, Mike

Subject: RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Carl,

In your email, you stated that "the quality of the water based on the use and exposure pathways is of paramount concern to the OCD." Navajo shares that concern and is committed to taking necessary actions to protect its employees. Navajo notes that the City of Lovington has determined that the East Well is a potable water supply; please see the attachment "Lovington Potable Water Letter". As previously discussed, this water is not used for human consumption at the refinery. Potential human health risks from other exposure pathways will be evaluated in the investigative report and a risk evaluation will be pursued, if necessary, based on the investigation results.

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In the email you also asked for Navajo's submittal of a work plan for its investigation at the site. Navajo is in the process of requesting bids for the work at the Lovington refinery to execute our annual groundwater reporting and the preparation of the work plan mentioned in our previous correspondence. We are requesting that proposals be returned to NRC by August 31, 2012, and once a vendor is chosen, we will request the work plan be produced by November 1, 2012. The request for quote outlines many of the items that NRC would like to investigate and will include the email files of NRC/NMOCD correspondence as reference. After internal review and revision, we expect that it will be submitted by November 15, 2012 (it may vary based on actual procurement, review, and submittal schedules).

Thanks, Robert

Robert Combs

Environmental Specialist The HollyFrontier Companies P.O. Box 159 Artesia, NM 88211-0159

office: 575-746-5382 cell: 575-308-2718 fax: 575-746-5451

Robert.Combs@hollyfrontier.com

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From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]

Sent: Wednesday, July 11, 2012 4:18 PM

To: Combs, Robert

Cc: VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD; Holder, Mike; Lackey, Johnny

Subject: RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Robert, et al.:

The New Mexico Oil Conservation Division (OCD) has reviewed your response e-mail below.

Based on the OCD's review of the Annual Report and NRC's response(s) below, it appears that the quality of the water based on the use and exposure pathways is of paramount concern to the OCD. For example, is there a dermal or inhalation exposure risk based on parameters of concern? Is there a water quality sample point where monitoring can be implemented to ensure the water is acceptable for the uses mentioned below? The OCD is aware of dilution,

volatilization, etc. that occurs before the collection point, and would not expect certain volatile parameters to be exceeded (inorganic parameters unknown), but it appears that a monitoring program at a collection point upgradient from the human water uses mentioned below should be addressed in your investigation work plan. In addition, the OCD would hope that continued water quality data from monitoring locations remain below detected levels over time; however, NRC should use this opportunity to include a contingency plan (proposed corrective action(s)) in the event water quality become worse. The investigation work plan should include a recommendations section for any proposed contingency plan with corrective action(s) outlined.

Please provide a submittal date for: "Navajo will investigate these areas to determine the source(s) and options for corrective action. Navajo will prepare a workplan for the investigation, which will be submitted to OCD." Please submit the proposed date on or before 2 weeks of receipt of this message. Please contact me if you have questions.

Thank you.

Carl J. Chavez, CHMM

New Mexico Energy, Minerals & Natural Resources Department

Oil Conservation Division, Environmental Bureau

1220 South St. Francis Drive, Santa Fe, New Mexico 87505

Office: (505) 476-3490

E-mail: CarlJ.Chavez@State.NM.US

Website: http://www.emnrd.state.nm.us/ocd/

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From: Combs, Robert [mailto:Robert.Combs@hollyfrontier.com]

Sent: Monday, July 02, 2012 5:00 PM

To: Chavez, Carl J, EMNRD

Cc: VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD; Holder, Mike; Lackey, Johnny

Subject: RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Carl.

Please see responses below.

Thanks, Robert

Robert Combs

Environmental Specialist The HollyFrontier Companies P.O. Box 159 Artesia, NM 88211-0159

office: 575-746-5382 cell: 575-308-2718 fax: 575-746-5451

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From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]

Sent: Tuesday, June 05, 2012 12:09 PM

To: Combs, Robert

Cc: VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD

Subject: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Robert:

The OCD has completed its review of the "2011 Annual Discharge Permit Report".

First, from the attached "Report of Investigation, Tank 1215 Release" (January 10, 2012) and "Report of Interior Investigation, Tank 1215" (March 13, 2012): The consultant does not recommend remediation, but recommends clean fill be used to fill excavated areas to prevent ponding and/or recharge at locations where contamination was detected in soils (predominantly within 5 feet of surface with a water table at about 105 feet from surface. The OCD agrees with this recommendation and it should be completed before the rainy season begins; however, continued monitoring should determine the final corrective action.

NRC Response: Navajo will backfill any locations within the T-1215 tank dike area where rainwater may pond. This work is underway and is scheduled for completion by August 1, 2012. Navajo will continue to monitor the downgradient well, MW-13, on a semi-annual basis and will report those results to OCD in the Annual Report.

Second, the OCD observes that WQCC Water Quality Standards are being exceeded for some VOCs, TDS, F, Fe, Cr (Total), Mn and Cl. These constituents appear to be derived from different point source locations at the facility, and not just from the Tank 1215 release. The operator appears to be relying on the existing water supply wells that piezometric surface maps appear to depict a cone of depression that is preventing contamination at the facility from migrating offsite. Please explain the use(s) and final disposition of water from water supply wells, i.e., discharge location? Please provide any corrective action(s) that the refinery may be considering to address the WQCC water quality exceedances.

NRC Response: Following the addition of perimeter and interior monitor wells (MW-15 to MW-29) in June 2010, the cone of depression resulting from pumping of the refinery water supply wells has been well documented. Prior to their installation, there were not enough hydrogeologic control points to definitively provide an outline of the drawdown resulting from groundwater withdrawal at the refinery. The resultant cone of depression and groundwater contours show that under current pumping conditions, groundwater flow from areas of concern is to the pumped wells and movement is not to locations outside refinery. We are providing four groundwater contour maps previously submitted in earlier reports, see attachments.

Groundwater pumped from the three water supply wells is blended in Tank 1210 (T-1210; 26,000 bbl capacity) where it is available for use by refinery process units (primary use), restrooms, emergency showers and fire suppression. The water is not used for drinking; bottled water is available for employee use. Refinery process waste water discharges are pumped to the City of Lovington's POTW via pipeline. Three minor discharges (hand washing, toilets) are to NM Environment Department permitted septic tanks and leach fields located at the refinery "comfort station" (across from and southwest of MW-29), between the office and shop southwest of MW-25 and near the asphalt loading rack and Pipeline office (upgradient of MW-21 and MW-23).

Navajo will investigate these areas to determine the source(s) and options for corrective action. Navajo will prepare a workplan for the investigation, which will be submitted to OCD.

The OCD requests your response within 30 days or by COB on July 2, 2012

Thank you.

xc: OCD Online "General Correspondence" Thumbnail

Carl J. Chavez, CHMM

New Mexico Energy, Minerals & Natural Resources Department

Oil Conservation Division, Environmental Bureau

1220 South St. Francis Drive, Santa Fe, New Mexico 87505

Office: (505) 476-3490

E-mail: CarlJ.Chavez@State.NM.US

Website: http://www.emnrd.state.nm.us/ocd/

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From:

Chavez, Carl J, EMNRD

Sent:

Wednesday, August 01, 2012 2:31 PM

To:

'Combs, Robert'

Cc:

VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD; Holder, Mike

Subject:

RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated

Areas

Robert:

Good afternoon.

The New Mexico Oil Conservation Division (OCD) is in receipt of your response to the OCD's July 11, 2012 Communiqué.

The OCD accepts the proposed date(s) and semi-annual monitoring should help to determine whether the ground water contamination is becoming worse over time.

Please notify the OCD within 72 hours of ground water sampling events to allow the OCD to be present during field environmental sampling activities.

Thank you.

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From: Combs, Robert [mailto:Robert.Combs@hollyfrontier.com]

Sent: Thursday, July 26, 2012 3:46 PM

To: Chavez, Carl J, EMNRD

Cc: VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD; Holder, Mike

Subject: RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Carl,

In your email, you stated that "the quality of the water based on the use and exposure pathways is of paramount concern to the OCD." Navajo shares that concern and is committed to taking necessary actions to protect its employees. Navajo notes that the City of Lovington has determined that the East Well is a potable water supply; please see the attachment "Lovington Potable Water Letter". As previously discussed, this water is not used for human consumption at the refinery. Potential human health risks from other exposure pathways will be evaluated in the investigative report and a risk evaluation will be pursued, if necessary, based on the investigation results.

In the email you also asked for Navajo's submittal of a work plan for its investigation at the site. Navajo is in the process of requesting bids for the work at the Lovington refinery to execute our annual groundwater reporting and the preparation of the work plan mentioned in our previous correspondence. We are requesting that proposals be returned to NRC by August 31, 2012, and once a vendor is chosen, we will request the work plan be produced by November 1, 2012. The request for quote outlines many of the items that NRC would like to investigate and will include the email files of NRC/NMOCD correspondence as reference. After internal review and revision, we expect that it will be submitted by November 15, 2012 (it may vary based on actual procurement, review, and submittal schedules).

Thanks, Robert

Robert Combs

Environmental Specialist The HollyFrontier Companies P.O. Box 159 Artesia, NM 88211-0159 office: 575-746-5382

cell: 575-308-2718 fax: 575-746-5451

Robert.Combs@hollyfrontier.com

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From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]

Sent: Wednesday, July 11, 2012 4:18 PM

To: Combs, Robert

Cc: VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD; Holder, Mike; Lackey, Johnny

Subject: RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Robert, et al.:

The New Mexico Oil Conservation Division (OCD) has reviewed your response e-mail below.

Based on the OCD's review of the Annual Report and NRC's response(s) below, it appears that the quality of the water based on the use and exposure pathways is of paramount concern to the OCD. For example, is there a dermal or inhalation exposure risk based on parameters of concern? Is there a water quality sample point where monitoring can be implemented to ensure the water is acceptable for the uses mentioned below? The OCD is aware of dilution, volatilization, etc. that occurs before the collection point, and would not expect certain volatile parameters to be exceeded (inorganic parameters unknown), but it appears that a monitoring program at a collection point upgradient from the human water uses mentioned below should be addressed in your investigation work plan. In addition, the OCD would hope that continued water quality data from monitoring locations remain below detected levels over time; however, NRC should use this opportunity to include a contingency plan (proposed corrective action(s)) in the event water quality become worse. The investigation work plan should include a recommendations section for any proposed contingency plan with corrective action(s) outlined.

Please provide a submittal date for: "Navajo will investigate these areas to determine the source(s) and options for corrective action. Navajo will prepare a workplan for the investigation, which will be submitted to OCD." Please submit the proposed date on or before 2 weeks of receipt of this message. Please contact me if you have questions.

Thank you.

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From: Combs, Robert [mailto:Robert.Combs@hollyfrontier.com]

Sent: Monday, July 02, 2012 5:00 PM

To: Chavez, Carl J, EMNRD

Cc: VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD; Holder, Mike; Lackey, Johnny

Subject: RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Carl.

Please see responses below.

Thanks, Robert

Robert Combs

Environmental Specialist The HollyFrontier Companies P.O. Box 159 Artesia, NM 88211-0159

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From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]

Sent: Tuesday, June 05, 2012 12:09 PM

To: Combs, Robert

Cc: VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD

Subject: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated Areas

Robert:

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NRC Response: Navajo will backfill any locations within the T-1215 tank dike area where rainwater may pond. This work is underway and is scheduled for completion by August 1, 2012. Navajo will continue to monitor the downgradient well, MW-13, on a semi-annual basis and will report those results to OCD in the Annual Report.

Second, the OCD observes that WQCC Water Quality Standards are being exceeded for some VOCs, TDS, F, Fe, Cr (Total), Mn and Cl. These constituents appear to be derived from different point source locations at the facility, and not just from the Tank 1215 release. The operator appears to be relying on the existing water supply wells that piezometric surface maps appear to depict a cone of depression that is preventing contamination at the facility from migrating offsite. Please explain the use(s) and final disposition of water from water supply wells, i.e., discharge location? Please provide any corrective action(s) that the refinery may be considering to address the WQCC water quality exceedances.

NRC Response: Following the addition of perimeter and interior monitor wells (MW-15 to MW-29) in June 2010, the cone of depression resulting from pumping of the refinery water supply wells has been well documented. Prior to their installation, there were not enough hydrogeologic control points to definitively provide an outline of the drawdown resulting from groundwater withdrawal at the refinery. The resultant cone of depression and groundwater contours show that under current pumping conditions, groundwater flow from areas of concern is to the pumped wells and movement is not to locations outside refinery. We are providing four groundwater contour maps previously submitted in earlier reports, see attachments.

Groundwater pumped from the three water supply wells is blended in Tank 1210 (T-1210; 26,000 bbl capacity) where it is available for use by refinery process units (primary use), restrooms, emergency showers and fire suppression. The water is not used for drinking; bottled water is available for employee use. Refinery process waste water discharges are pumped to the City of Lovington's POTW via pipeline. Three minor discharges (hand washing, toilets) are to NM Environment Department permitted septic tanks and leach fields located at the refinery "comfort station" (across from and southwest of MW-29), between the office and shop southwest of MW-25 and near the asphalt loading rack and Pipeline office (upgradient of MW-21 and MW-23).

Navajo will investigate these areas to determine the source(s) and options for corrective action. Navajo will prepare a workplan for the investigation, which will be submitted to OCD.

The OCD requests your response within 30 days or by COB on July 2, 2012

Thank you.

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Michael Leighton
City Hall
214 S. Love St.
Lovington, NM 88260



July 19, 2011

Johnny Lackey Environmental Manager Navajo Refining Co. P.O. Box 159 Artesia, NM 88211-0159

Dear Mr. Lackey:

Pursuant to our recent discussion, this correspondence serves to confirm that the fresh water from the well you are utilizing in the City well field contains potable water.

Sincerely,

Michael Leighton City Manager

C. Wyatt Duncan, by email Miguel De La Cruz, by email Johnny Lackey, by email

From:

Chavez, Carl J, EMNRD

Sent:

Wednesday, July 11, 2012 4:18 PM

To:

'Combs, Robert'

Cc: Subject: VonGonten, Glenn, EMNRD; Gonzales, Elidio L, EMNRD; Holder, Mike; Lackey, Johnny RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated

Areas

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Please see responses below.

Thanks, Robert

Robert Combs

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Subject: RE: Navajo Lovington Refinery (AP-110) Ground Water Monitoring & Unfilled Excavated

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Attachments: Figure 4 Lovington GW contour map Aug 2010.pdf; Figure 5 Groundwater contour Feb

2011.pdf; Figure 6 Groundwater contour July 2011.pdf; Figure 7 Groundwater contour

Jan-Feb 2012.pdf

Carl, Please see responses below. Thanks,

Robert Combs

Robert

Environmental Specialist The HollyFrontier Companies P.O. Box 159 Artesia, NM 88211-0159

office: 575-746-5382 cell: 575-308-2718 fax: 575-746-5451

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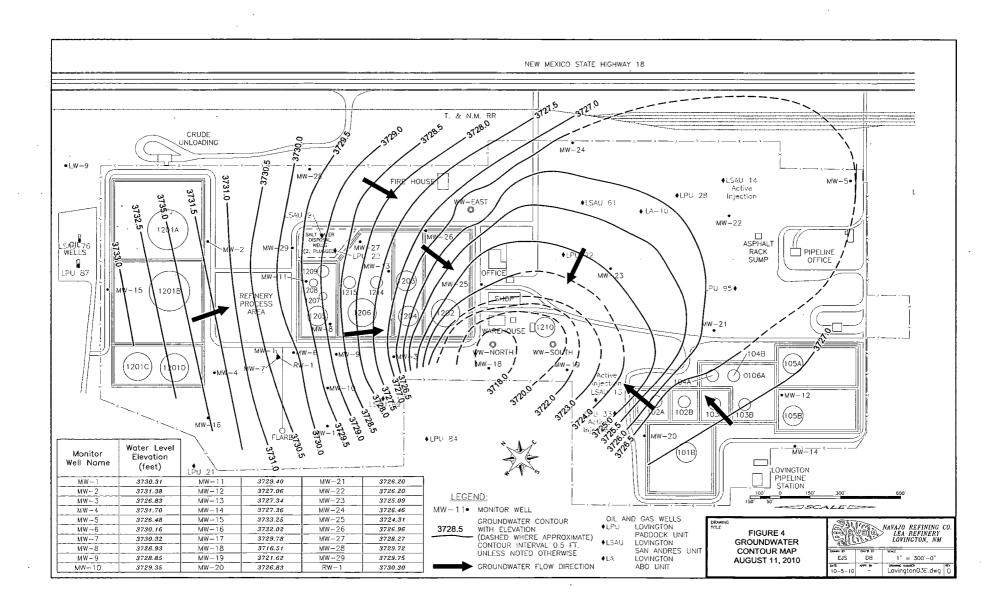
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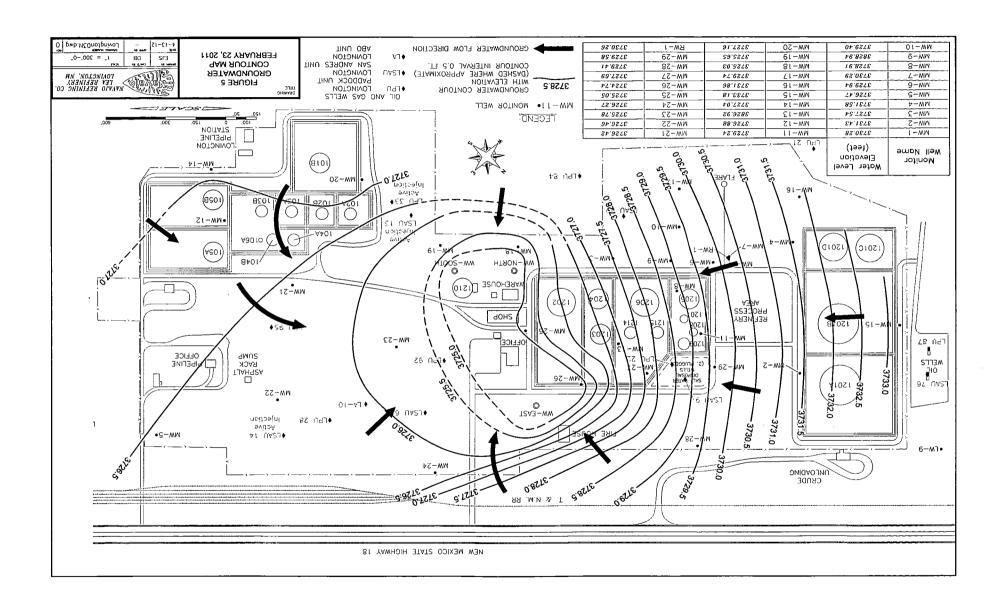
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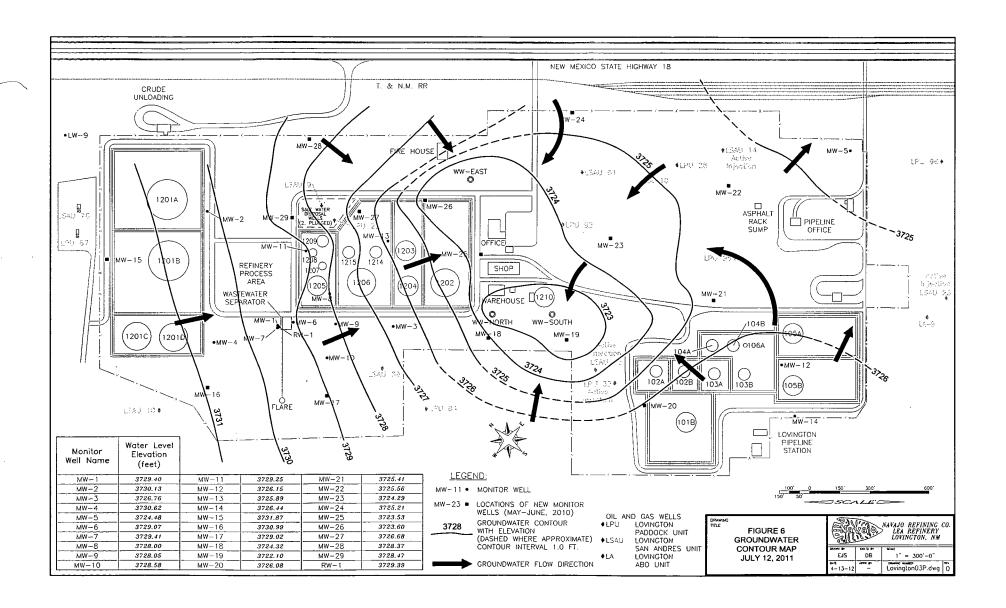
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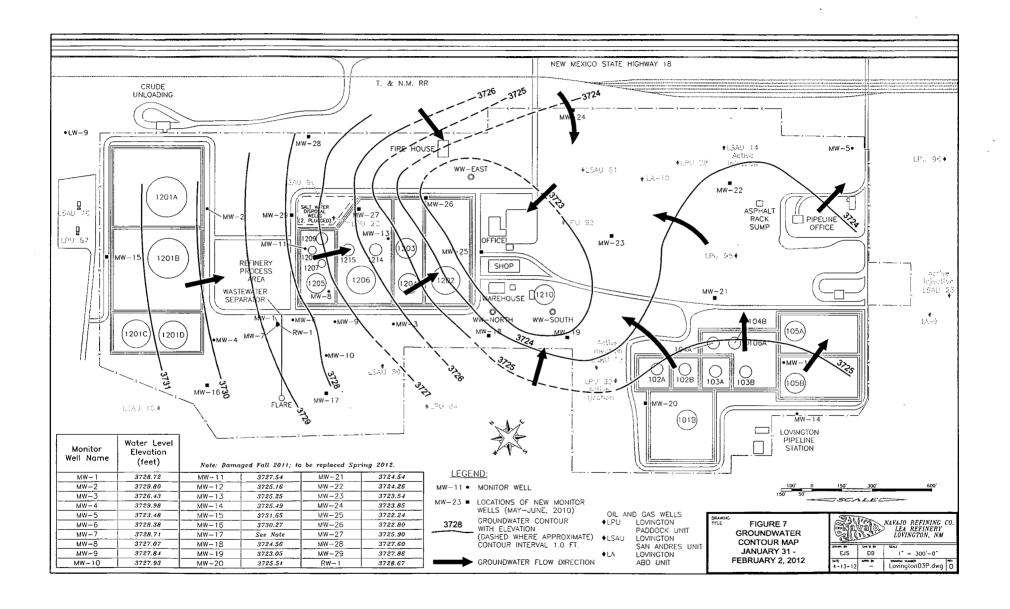
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