UIC - I - 008-0

WDW-3

FINANCIAL ASSURANCE

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD

Sent: Thursday, June 28, 2012 10:42 AM

To: Holder, Mike (Mike.Holder@hollyfrontier.com); Lackey, Johnny

(Johnny.Lackey@hollyfrontier.com)

Cc: VonGonten, Glenn, EMNRD; Brooks, David K., EMNRD

Subject: UICI-8 (WDW-3) UIC Class I (NH) Disposal Well "Financial Self-Test" Description Request

Mike and Johnny:

Good morning.

The New Mexico Oil Conservation Division (OCD) appreciates the opportunity to review the RCRA Liability Coverage, Closure and Post-Closure Care Costs mandate under the Environmental Protection Agency with operator desired potential applicability to the current Water Quality Control Commission (WQCC) Well Bond (Financial Assurance) held by the OCD; however, the OCD has determined that it requires the existing bond to satisfy its WQCC Financial Assurance requirement(s).

Please contact Mr. David Brooks at (505) 476-3450 if you have questions. Thank you.

Carl J. Chavez, CHMM

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