



Oil Conservation Division

19.15.17 NMAC

Pits, Closed-Loop Systems,
Below-Grade Tanks and
Sumps

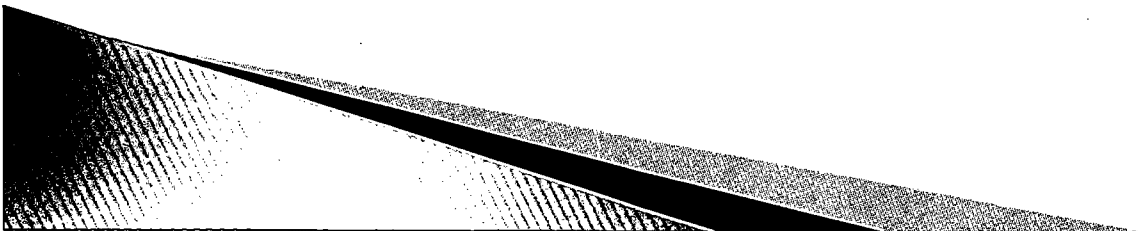
Case Nos. 14784 & 14785
OCD Exhibit 3

Definitions: (19.15.17.7 NMAC)

- ▶ 19.15.2 NMAC already defines:
 - “Below-grade tank” means a vessel, excluding sumps and pressurized pipeline drip traps, where a portion of the tank’s sidewalls is below the surrounding ground surface’s elevation. Below-grade tank does not include an above ground storage tank that is located above or at the surrounding ground surface’s elevation and is surrounded by berms.
 - “Playa lake” means a level or nearly level area that occupies the lowest part of a completely closed basin and that is covered with water at irregular intervals, forming a temporary lake.
 - “Sump” means a collection device with a capacity less than or equal to 00 gallons, which remains predominantly empty, and serves as a drain or receptacle for de minimis releases on an intermittent basis and is not used to store, treat, dispose or evaporate products or wastes. Buckets, pails, drip pans or similar vessels that are not in contact with the ground surface are not sumps.

Definitions: (19.15.17.7 NMAC)

- “Restore” means to return a site to its former condition, in the manner and the extent required by 19.15.17.13(F) NMAC.
- “Significant watercourse” means a watercourse with a defined bed and bank either named or identified by a dashed blue line on a USGS 7.5 minute quadrangle map or the next lower order tributary with a defined bed and bank of such watercourse.
- “Visible” when used with respect to oil on the surface of a pit means any sheen on the pit liquid surface area.



Permits: Temporary Pits and Multi-Well Fluid Management Pits (19.15.17.9 NMAC)

- ▷ Permitted by district offices (19.15.17.9.D.2 NMAC)
- ▷ “The operator may utilize, with approval by the appropriate division district office, standardized plans for construction, closure, and other plans which will remain approved until a subsequent plan is either required by the appropriate division district office or are submitted by the operator and approved by the appropriate division district office.”

Registration: (19.15.17.8 NMAC)

- Below-Grade Tanks: registered with district offices
- “The operator may utilize, with approval by the appropriate division district office, standardized plans for below-grade tank construction and other plan which will remain approved until a subsequent plan is either required by the appropriate division district office or is submitted by the operator and approved by the appropriate division district office.”

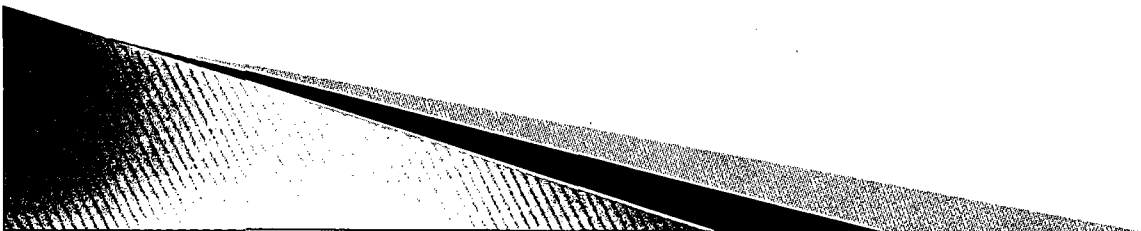
(19.15.17.9.B.3 NMAC)

Siting Requirements: (19.15.17.10

NMAC)

Temporary Pits, Multi-Well Fluid Management Pits, Permanent Pits

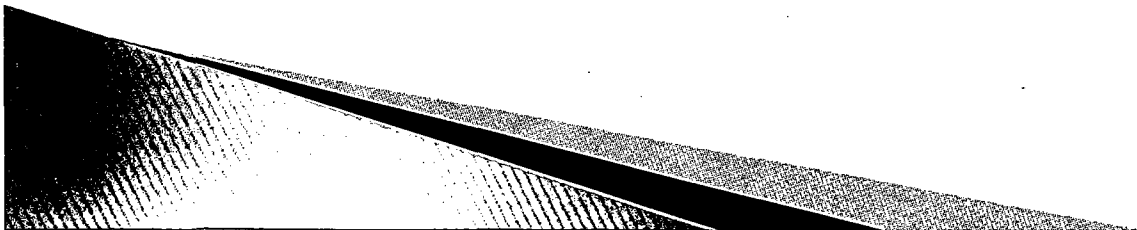
- ▶ Operator needs to demonstrate that the proposed operation and / or distance protects ground water
- ▶ The location shall be X distance from a continuously flowing watercourse or other significant watercourse or lakebed, sinkhole or playa lake (measured from the ordinary high water mark)



Siting Requirements: (19.15.17.10 NMAC)

Below-Grade Tanks

- Operator needs to demonstrate that the proposed distance protects ground water
- Siting requirements (such as not placed within an area overlying a subsurface mine) need to be consistent with Permanent Pits, Temporary Pits, and Multi-Well Fluid Management Pits

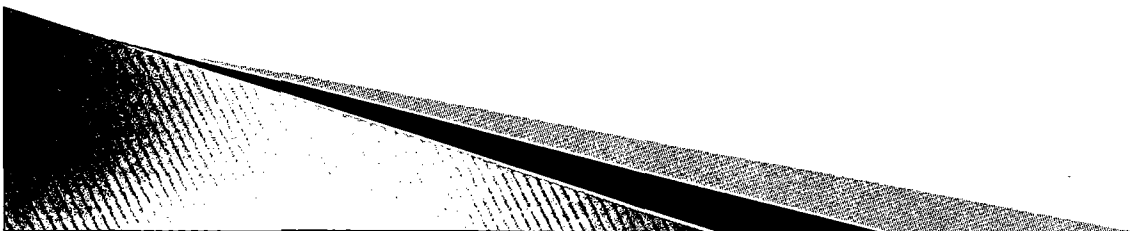


Operational Requirements:

(19.15.17.12 NMAC)

- ▷ If any pit liner's integrity is compromised above the liquid's surface then the operator shall repair the damage or replace the liner within 48 hours of discovery or seek a variance from the appropriate division district office. (19.15.17.12.A.4 NMAC)
- ▷ The operator shall remove any visible layer of oil from the surface of a temporary pit, below-grade tank, or multi-well fluid management pit.

(19.15.17.12.B.1, D.2, F.2 NMAC)



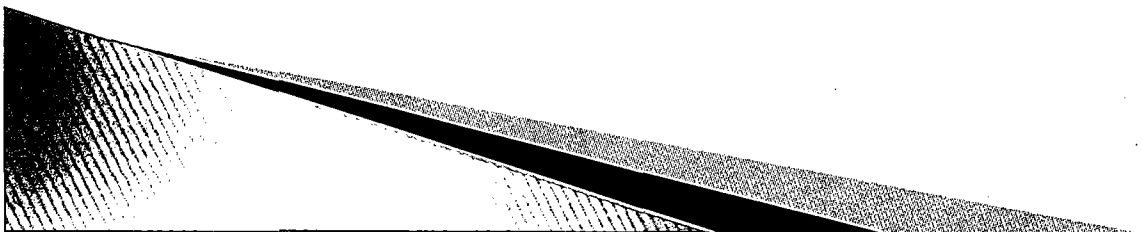
Operational Requirements: (19.15.17.12.D.6 NMAC)

Spill Reporting pursuant to 19.15.30

- ▶ ~~The operator shall demonstrate to the division whether the evidence of contamination wet or discolored soil exceeds the standards set forth in Table I of 19.15.17.13 NMAC indicates that an imminent threat to fresh water, public health, safety or the environment exists. If the wet or discolored soil exceeds any of the standards set forth in Table I of 19.15.17.13 NMAC then the operator shall proceed with the closure requirements of 19.15.17.13 NMAC prior to initiating the retrofit or replacement.~~
- ▶ If there is wet or discolored soil this is evidence of a spill and an Operator needs to proceed to 19.15.30 NMAC. "If the operator discovers wet or discolored soil the operator shall implement corrective actions pursuant to 19.15.30 NMAC."

Closure Requirements: (19.15.17.13 A and B NMAC)

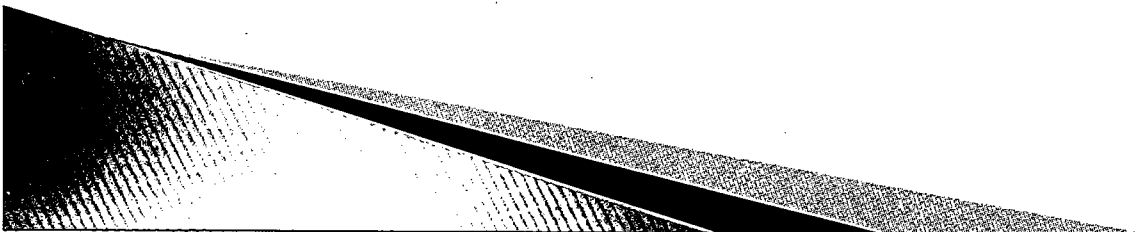
- ▷ Division's re-write:
 - Not comment on the concepts proposed
 - Division's edits are an attempt to clarify language for ease of enforcement only



Closure Identification (19.15.17.13.D

NMAC)

- The operator shall cause a licensed surveyor to survey the area of closure and certify said location on a form C-102.
- A person shall not build permanent structures over an in place disposal.
- The operator shall file a deed notice identifying the exact location of the in place disposal with the county clerk in the county where the in place disposal occurs.



Timing requirements for closure: (19.15.17.13.F

NMAC)

- ▶ An operator shall close a pit, drying pad associated with a closed-loop system or below-grade tank within the following time periods; or by an earlier date that the appropriate division district office requires because of imminent danger to fresh water, public health or the environment.

