

District I - (505) 393-0101
P. O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-13
Originated 8/8/95

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to appropriate
District Office

APPLICATION FOR WASTE MANAGEMENT FACILITY

(Refer to the OCD Guidelines for assistance in completing the application)

Commercial

Centralized

1. Type: Evaporation Injection Other
 Solids/Landfarm Treating Plant

2. Operator: Gandy Marley Inc.

Address: P. O. Box 1658 Roswell, New Mexico 88202

Contact Person: Larry Gandy Phone: (505) 398-4960

3. Location: Parts of Sections 4, 5, 8, and 9 Township 11S Range 31E
Submit large scale topographic map showing exact location

4. Is this a modification of an existing facility? Yes No

5. Attach the name and address of the landowner of the facility site and landowners of record within one mile of the site.

6. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.

7. Attach designs prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds, leak-detection systems, aerations systems, enhanced evaporation (spray) systems, waste treating systems, security systems, and landfarm facilities.

8. Attach a contingency plan for reporting and clean-up for spills or releases.

9. Attach a routine inspection and maintenance plan to ensure permit compliance.

10. Attach a closure plan.

11. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact groundwater. Depth to and quality of ground water must be included.

12. Attach proof that the notice requirements of OCD Rule 711 have been met.

13. Attach a contingency plan in the event of a release of H₂S.

14. Attach such other information as necessary to demonstrate compliance with any other OCD rules, regulations and orders.

15. CERTIFICATION

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Larry Gandy

Title: vice-pres.

Signature: Larry Gandy

Date: 4-4-96

EXHIBIT

GMI-10



COMMERCIAL LAND FARMS

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**Modification for Surface Waste Disposal Facility
Gandy Marley, Inc.**

I. Type of Operation

The facility operates as a soil remediation, recycling and landfarm facility.

II. Operator

Gandy Marley, Inc.
Attn: Larry Gandy
1109 East Broadway
PO Box 827
Tatum, New Mexico 88267
505/398-4960

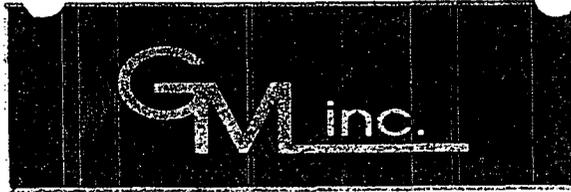
III. Location of Landfarm

The facility is located in Southeastern New Mexico, southeast of Roswell, New Mexico. The facility is situated on privately-owned land in Chaves County, New Mexico, in parts of Section 4, 5, 8, and 9 of T11S, R31E.

This location is approximately 39 miles eastsoutheast of Roswell and approximately 33 miles northwest of Tatum. As illustrated in Figure 1, US Highway 380, which runs east and west, is located approximately 2 1/2 miles to the north. State Highway 172, which runs north and south, is approximately four miles to the east and above the Caprock from the proposed site. State Highway 172 does not provide access to the facility.

IV. Expansion Request

This permit application relates to proposed construction for a solidification facility to enable it to accept tank bottoms, pit sludge and exempt and nonexempt oilfield hydrocarbon contaminated wastes.



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**Modification of Surface Waste Disposal Facility
Gandy Marley, Inc.**

V. Land and Ownership

As illustrated in Figure 2, the proposed facility site is situated on privately-owned land. There are no other landowners of record within one mile of the proposed facility location and there are no private residences within one mile of the proposed site.

VI. Facility Description

The purpose of the proposed solidification facility will be to solidify oil field liquid wastes (not produced water) to be placed into the landfarm for remediation and recycling.

The site will be set inside the existing land farm. The receiving tank, skimmer tank and solidification unit will be underlined with a 20 mil HDPE liner with a berm that will hold 1 1/3 times the capacity of all tanks.

This area is depicted in Figure 3 and will meet the 100 foot buffer requirements set forth in OCD Rule 711.



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Modification of Surface Waste Disposal Facility Gandy Marley, Inc.

VII. Facility Designs

This area is illustrated in Figure 3A in accordance with Division guidelines. All containments and piping are placed above grade and are underlined with a 20 mil HDPE liner.

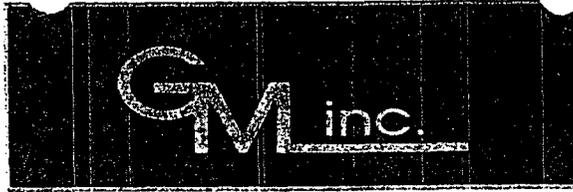
VIII. Spill/Leak Prevention and Reporting (Contingency Plans)

The proposed solidification facility will be placed inside the land farm perimeter berms which will serve to prevent storm water run on and run off. All liquids and sludges will be received into a receiving tank that is placed inside a liquid containment area. Equipment and machinery which could be used in the event of any spill or leak will be at the facility at all times. Should a leak or spill occur, notification to the OCD would be made immediately in accordance with OCD Rule 116 and WQCC Section 120.

IX. Inspection, Maintenance and Reporting

The facility will be inspected on a regular basis and immediately following significant precipitation and/or wind. Inspections will include examination of berms, fences and the remediation area. Perimeter and interior berms will be maintained to prevent erosion. General maintenance will be routinely performed. Any necessary repairs will be made immediately.

Inspection and repair records will be maintained and will include time and date of inspection and types of repairs performed. These records will be maintained on site.



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Modification of Surface Waste Disposal Facility Gandy Marley, Inc.

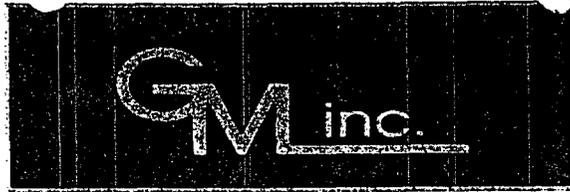
X. Closure Plan

Upon closure, and following notification to OCD that operations have ceased, existing liquids, sludges and solids will be cleaned from tanks, solidified and placed within the landfarm. Tanks and piping will then be dismantled and hauled off for salvage. The 20 mil liner will be picked up and disposed of at the appropriate land fill. All berms and containments will be leveled off, disced and turned back to the land farm. Any additional closure requirements or conditions of the OCD will be met.

XI. Site Characteristics-Fresh Water Protection Demonstration

There are no stream drainages or water wells within one mile of the facility boundary. Approximately 1/2 mile east of the site there is a spring at the base of Mescalero Rim. This spring is located topographically higher (200 feet) than the facility and is a result of seepage from an overlying aquifer (Ogallala Fm.) The spring water is collected by the rancher and distributed through an underground pipeline to stock tanks on the ranch property. There are three such stock tanks within one mile of the outside perimeter of the proposed facility.

While there are no water wells within one mile of the outside perimeter of the site, subsurface drilling has encountered groundwater saturation within Upper Triassic sediments. The depth to this groundwater is 150 feet. A sample of the ground water was obtained from three drill holes, the location which are illustrated in Figure 4. The samples were analyzed at Assaigai Analytical Laboratories in Albuquerque, New Mexico. A copy of the analytical results is presented in Attachment A. This groundwater flows eastward and is controlled by stratigraphic and structural features within the Triassic sediments.



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Modification of Surface Waste Disposal Facility Gandy Marley, Inc.

This information was obtained from geologic data from a sub-surface drilling program conducted in the region in July 1994.

The surface geology consists entirely of Quaternary age alluvial deposits. This alluvium is made up of fine yellow-brown sand and clays and contains abundant granitic and chert cobbles. This material was derived from the Tertiary age Ogallala Fm. which is located topographically higher and east of the site. Thickness of the alluvial materials varies from 5-25 feet.

Immediately underlying the alluvial deposits are Upper Triassic sediments. These sediments were deposited in a fluvial environment and consist of fine to very-fine grained sandstones, interbedded with siltstones and mudstones.

The Upper Triassic sediments underlying the proposed site dip approximately one degree to the east. The thickness of these sediments varies from 150 to 25 feet. Groundwater saturation was encountered in sandstone lenses below depths of 150 feet.

The aquifer material consists of thin (10-30 feet), lenticular fine to very-fine grained sandstones. Due to the fluvial nature of these sands, individual sandstone lenses are discontinuous and difficult to correlate.

The site consists of two soil types including Alama Loam and Faskin-Roswell Complex. These soils are typically well-drained with slopes of 0 to 15 percent. Vegetation consists primarily of Tobosa, Buffalo Grass, Vine-Mesquite, Mesquite, Cactus, Sand Dropseed, Little Bluestem, Sand Bluestem, Sandur, Three-Awn, Shinnery Oak, Yucca and Sand Sagebrush. No rare or endangered plant species are located near the proposed site or in the surrounding area.



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**Modification of Surface Waste Disposal Facility
Gandy Marley, Inc.**

The facility lies outside any 100-year floodplain boundary. The proposed site is in an area found on Federal Insurance Rate Map (FIRM) #3501250850. This map has not been printed because the National Flood Insurance Program has established that this is in an area of minimal flood hazards.

The perimeter berms will be designed to alleviate stormwater run-on and run-off during a 100-year stormwater event. Should such a storm event occur, the OCD will be notified immediately of any flooding or washout.

XII. Proof of Notice

There are no other owners of surface lands or occupants within one mile of the facility boundary. Notification requirements set forth in OCD Rule 117, therefore, do not apply. A legal notice of this pending application was published in the September 29, 1994 issue of the Roswell Daily Record. A copy of the notice, along with an Affidavit of Publication, is included as Attachment B.

XIII. H2S Contingency Plan

Hydrogen Sulfide can be expected at the receiving tank and solidification unit. Appropriate signs will be placed and H2S training will be provided to all personnel and all provisions set forth in OCD Rule 118 will be met.

XIV. Additional Information

All regulatory requirements and OCD rules applicable to this facility will be fully complied with.

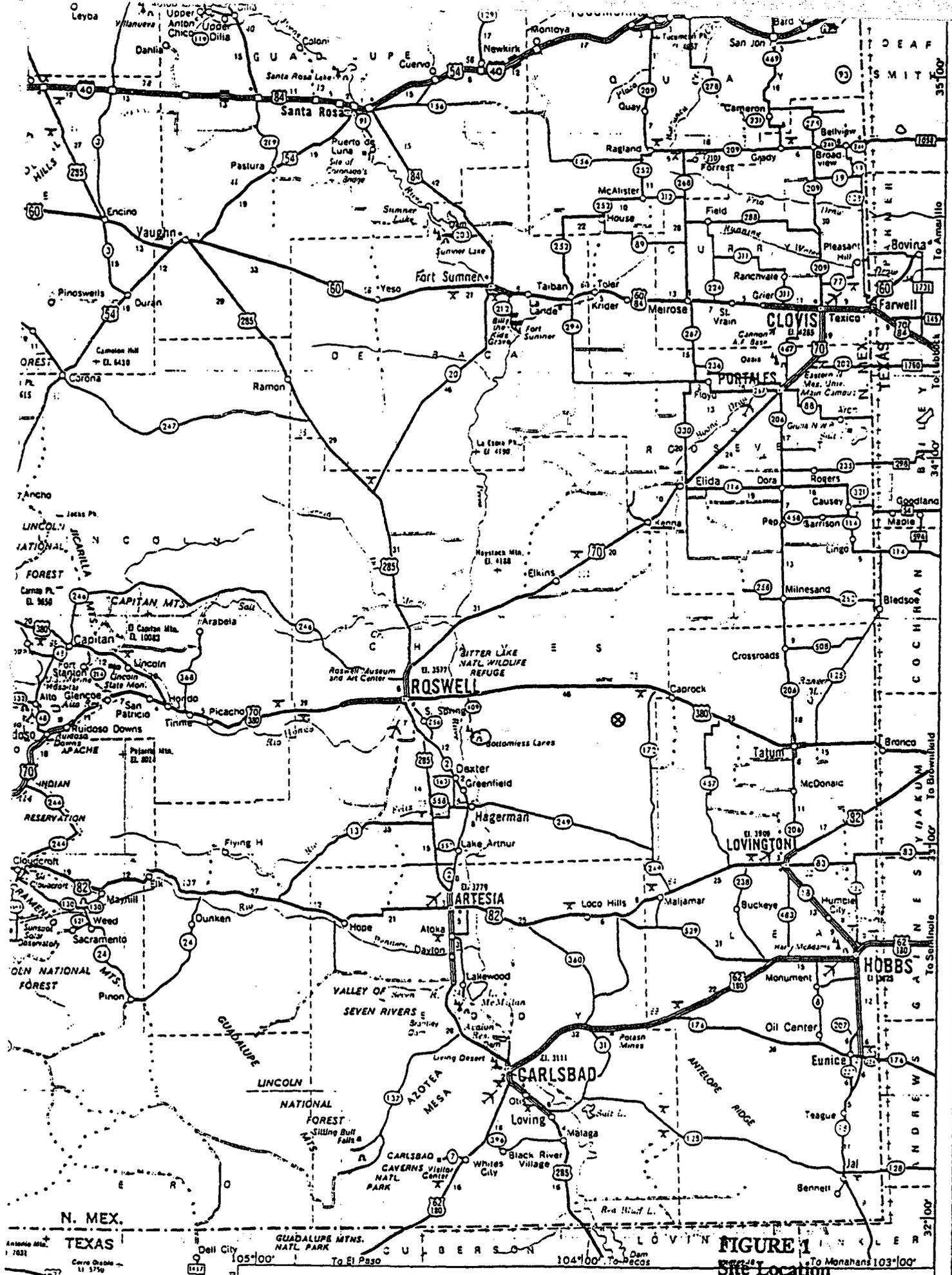


FIGURE 1
Site Location

MILEAGE LOG: Distances shown are computed over Controlled Access Roads whenever feasible. For distances between points opposite the number assigned to the other. For example—Carlsbad to Santa Fe 120 miles (Santa Fe to Carlsbad 120 miles).

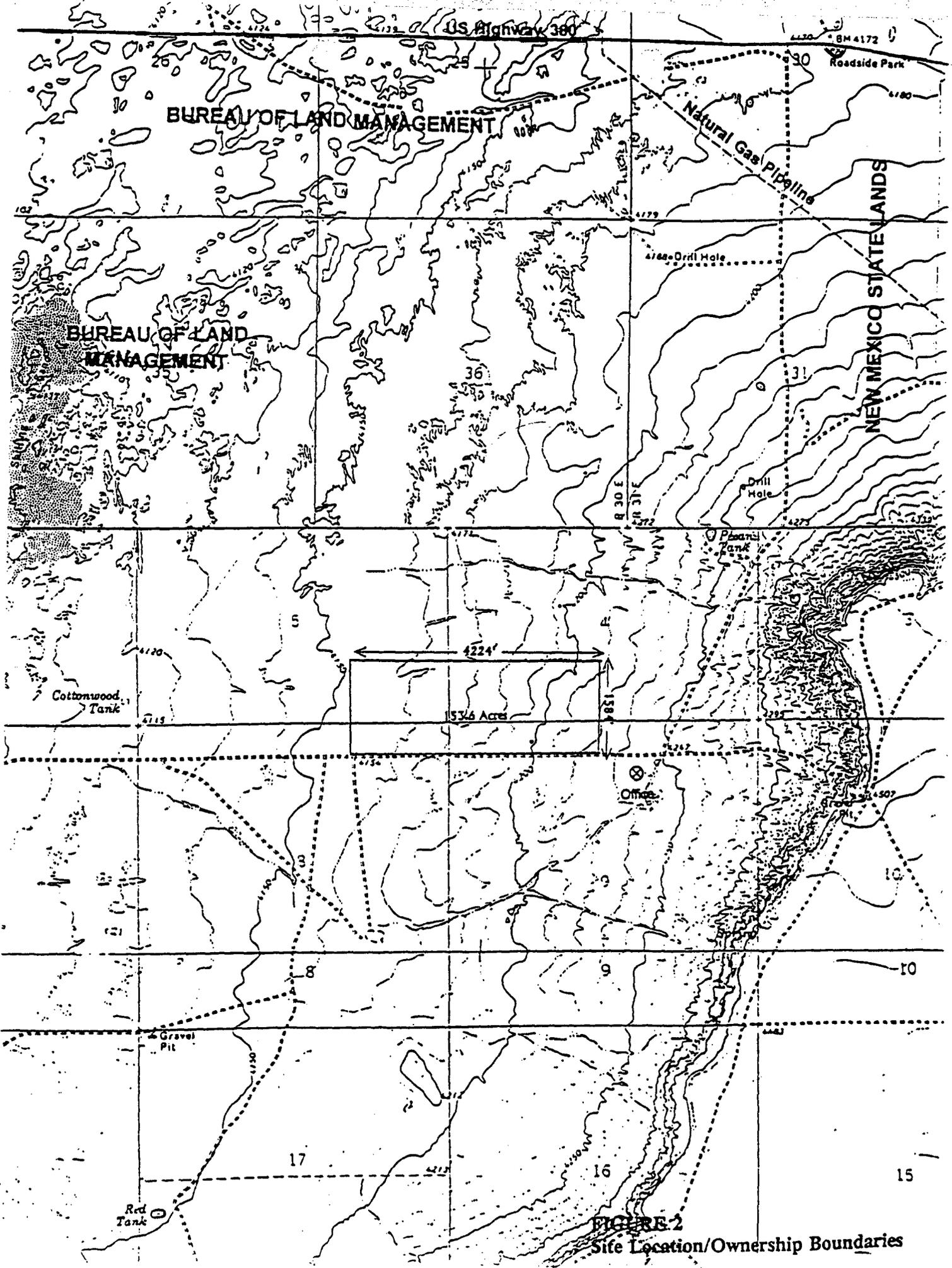
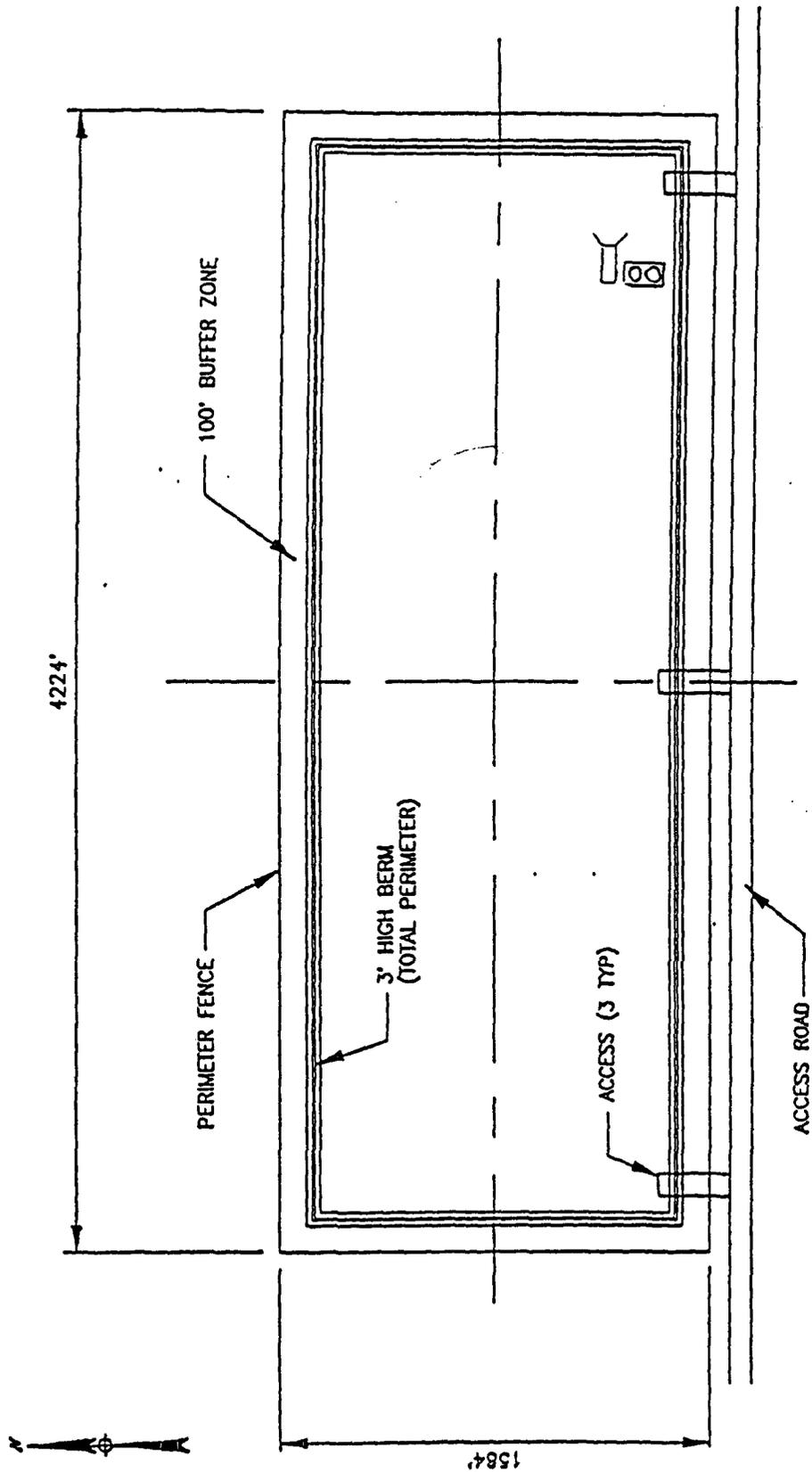
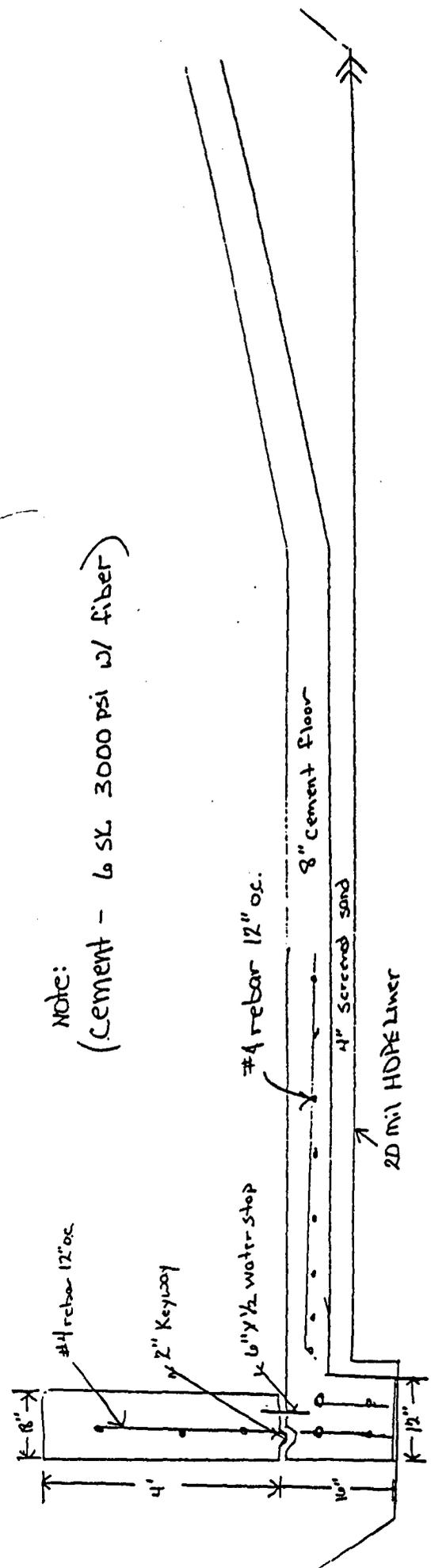
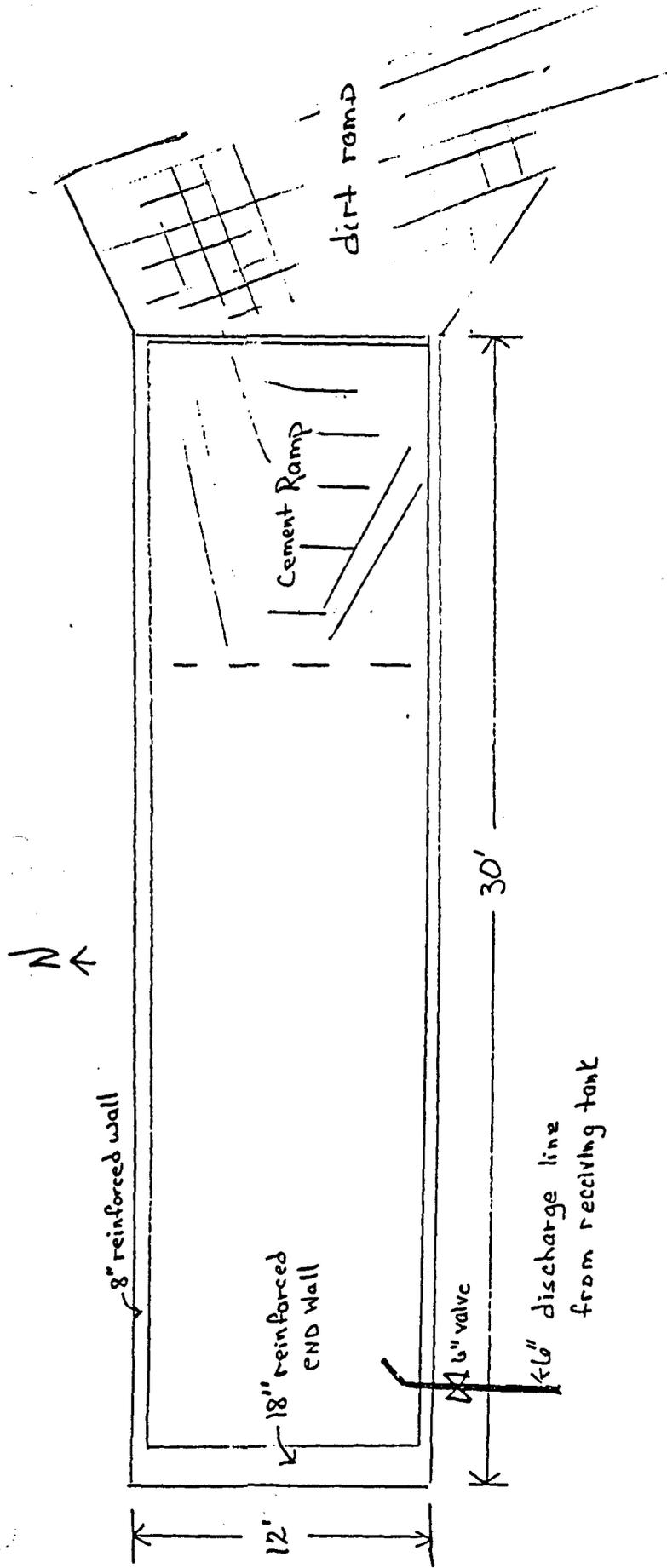


FIGURE 2
Site Location/Ownership Boundaries



127 AC. W/IN PERIMETER BERM / 31.96 AC. W/IN EACH QUADRANT
 SCALE: NONE
 4-2-96

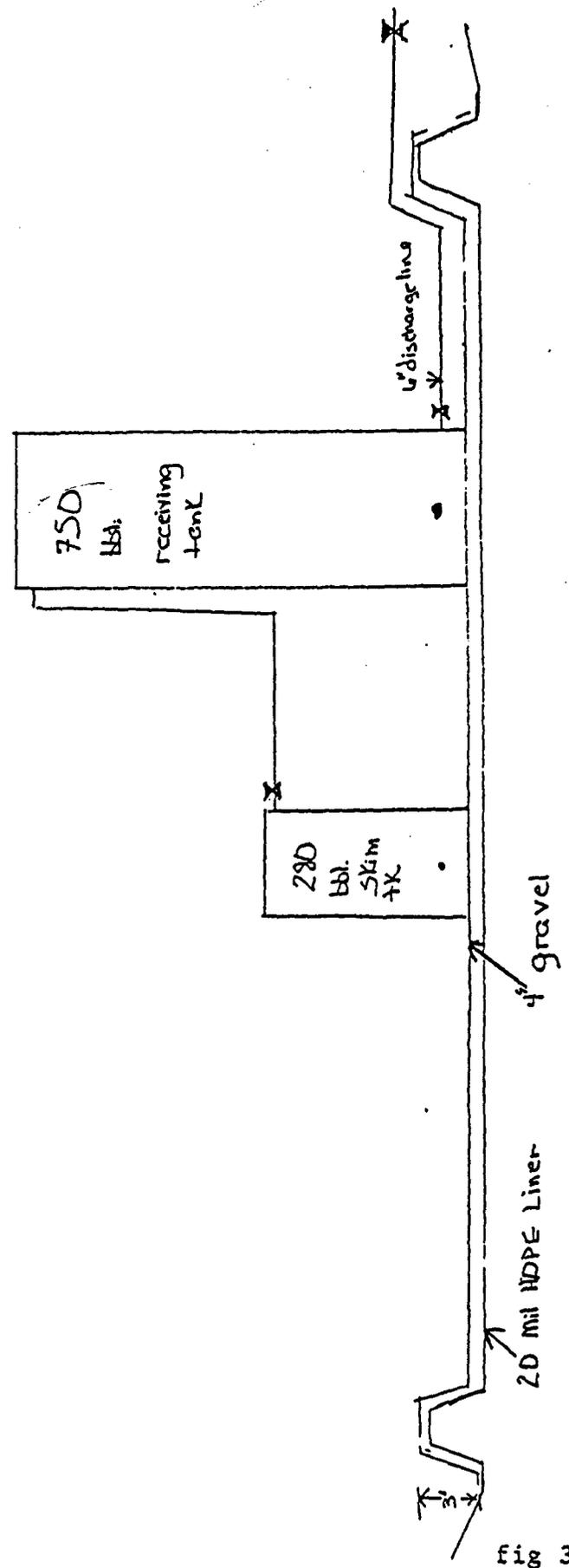
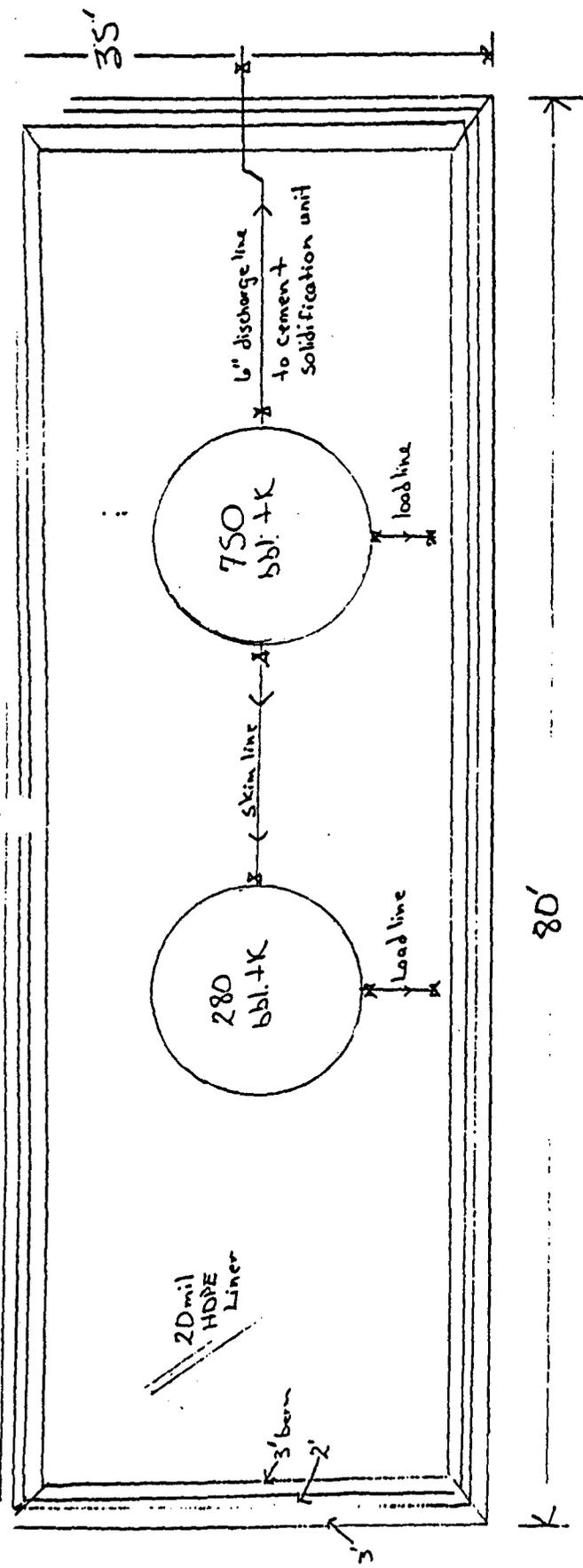
FIGURE 3
 Site Diagram



Note:
(Cement - 6 SL 3000 PSI w/ fiber)

scale: none

fig. 3a



scale: none

Fig 3b

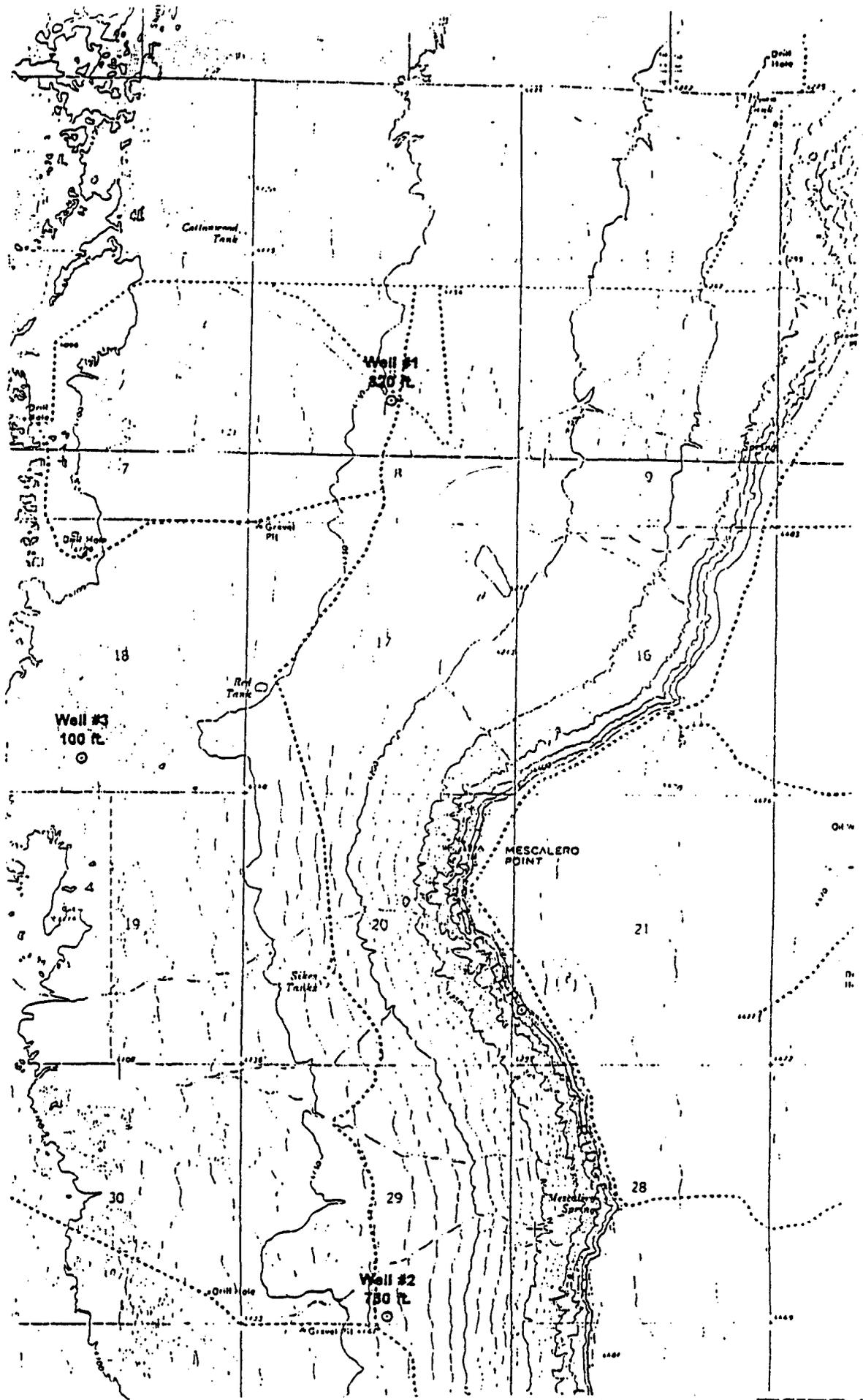
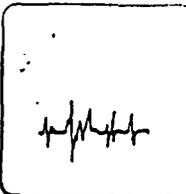


FIGURE 4
Well Locations.



ASSAIG-AL
ANALYTICAL
LABORATORIES

7300 Jefferson, N.E. • Albuquerque, New Mexico 87109 • (505) 345-8964 • FAX (505) 345-7259
3332 Wedgwood, E-5 • El Paso, Texas 79925 1910 N. Big Springs • Midland, Texas 79705

STOLLER CORPORATION
1717 LOUISIANA BLVD.
ABQ., NM 87110

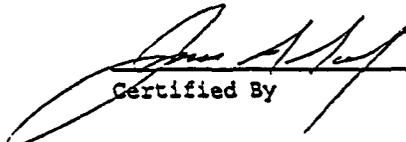
Attn: JIM BONNER
Invoice Number:

Order #: 94-08-072
Date: 08/19/94 16:28
Work ID: GANDY
Date Received: 08/05/94
Date Completed: 08/19/94
Client Code: STO01

SAMPLE IDENTIFICATION

<u>Sample Number</u>	<u>Sample Description</u>	<u>Sample Number</u>	<u>Sample Description</u>
01	WELL #1	03	WELL #3
02	WELL #2		

ND = None Detected D_F = Dilution Factor NT = Not Tested
B = Analyte was present in the blank
E = Estimated Value or Result exceeds calibration range
MULTIPLY THE LIMIT(= AAL'S DETECTION LIMIT) BY DILUTION FACTOR


Certified By



Received: 08/05/94

Results By Test

TEST CODE	Sample <u>01</u>	Sample <u>02</u>	Sample <u>03</u>
default units	(entered units)	(entered units)	(entered units)
WFAAX	N/A	N/A	N/A
N/A			

Received: 08/05/94

REPORT

Work Order # 94-08-072

Results by Sample

SAMPLE ID WELL #1 FRACTION 01A TEST CODE TDS NAME TDS/EPA 160.1
 Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_ANAL
Total Dissolved Solids	<u>11900</u>	<u>1.0</u>	<u>1.0</u>	<u>08/09/94</u>

Notes and Definitions for this Report:

EXTRACTED _____
 ANALYST JCB
 UNITS _____ mg/L
 BATCH_ID WTDS-140
 COMMENTS _____ N/A

Received: 08/05/94

Results by Sample

SAMPLE ID WELL #1 FRACTION 01B TEST CODE WFAAMG NAME MAGNESIUM (PAA)/EPA 242.1
 Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_EXT	DATE_ANAL
Magnesium, Mg	<u>51.4</u>	<u>1.0</u>	<u>10</u>	<u>08/09/94</u>	<u>08/19/94</u>

Notes and Definitions for this Report:

ANALYST KH

UNITS mg/L

BATCH_ID WFAA-181

COMMENTS RESULTS REFLECT TOTAL METALS ANALYSIS

Page 5
Received: 08/05/94

REPORT
Results by Sample

Work Order # 94-08-072

SAMPLE ID WELL #1 FRACTION 01B TEST CODE WFAANA NAME SODIUM (FAA)/BPA 273.1
Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_EXT	DATE_ANAL
Sodium, Na	<u>4.600</u>	<u>1.0</u>	<u>500</u>	<u>08/09/94</u>	<u>08/19/94</u>

Notes and Definitions for this Report:

ANALYST KH

UNITS mg/L

BATCH_ID WFAA-181

COMMENTS RESULTS REFLECT TOTAL METALS ANALYSIS

Page 6
Received: 08/05/94

REPORT
Results by Sample

Work Order # 94-08-072

E ID WELL #2 FRACTION 02A TEST CODE TDS NAME TDS/EPA 160.1
Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_ANAL
Total Dissolved Solids	<u>18800</u>	<u>1.0</u>	<u>1.0</u>	<u>08/09/94</u>

Notes and Definitions for this Report:

EXTRACTED _____
ANALYST JCB
UNITS _____ mg/L
BATCH_ID WTDS-140
COMMENTS _____ N/A

Received: 08/05/94

Results by Sample

SAMPLE ID WELL #2 FRACTION 02A TEST CODE WALK NAME ALKALINITY/EPA 310.1
 Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_ANAL
Alkalinity	<u>83.0</u>	<u>2.0</u>	<u>1.0</u>	<u>08/09/94</u>

Notes and Definitions for this Report:

EXTRACTED _____
 ANALYST DES
 UNITS mg/L
 BATCH_ID WALK-66
 COMMENTS _____ N/A

Page 8
Received: 08/05/94

REPORT
Results by Sample

Work Order # 94-08-072

SAMPLE ID WELL #2 FRACTION 02B TEST CODE WFAAMG NAME MAGNESIUM (FAA)/EPA 242.1
Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_EXT	DATE_ANAL
Magnesium, Mg	<u>97.8</u>	<u>1.0</u>	<u>15</u>	<u>08/09/94</u>	<u>08/19/94</u>

Notes and Definitions for this Report:

ANALYST KH
UNITS mg/L
BATCH_ID WFAA-181
COMMENTS RESULTS REFLECT TOTAL METALS ANALYSIS

Received: 08/05/94

Results by Sample

WPLE ID WELL #2 FRACTION Q2B TEST CODE WFAANA NAME SODIUM (FAA)/EPA 273.1
 Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_EXT	DATE_ANAL
Sodium, Na	<u>7.030</u>	<u>1.0</u>	<u>1,000</u>	<u>08/09/94</u>	<u>08/19/94</u>

Notes and Definitions for this Report:

ANALYST KH

UNITS mg/L

BATCH_ID WFAA-181

COMMENTS RESULTS REFLECT TOTAL METALS ANALYSIS

Received: 08/05/94

REPORT

Work Order # 94-08-072

Results by Sample

SAMPLE ID WELL #3 FRACTION 03A TEST CODE TDS NAME TDS/EPA 160.1
 Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_ANAL
Total Dissolved Solids	<u>4920</u>	<u>1.0</u>	<u>1.0</u>	<u>08/09/94</u>

Notes and Definitions for this Report:

EXTRACTED _____
 ANALYST JCB
 UNITS mg/L
 BATCH_ID WTDS-140
 COMMENTS _____ N/A

Page 11
Received. 08/05/94

REPORT
Results by Sample

Work Order # 94-08-072

LE ID WELL #3 FRACTION 03A TEST CODE WALK NAME ALKALINITY/EPA 310.1
Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_ANAL
Alkalinity	<u>396</u>	<u>2.0</u>	<u>1.0</u>	<u>08/09/94</u>

Notes and Definitions for this Report:

EXTRACTED _____
ANALYST DES
UNITS mg/L
BATCH_ID WALK-66
COMMENTS _____ N/A

Received. 08/05/94

REPORT

Work Order # 94-08-072

Results by Sample

SAMPLE ID WELL #3 FRACTION 03B TEST CODE WPAAMG NAME MAGNESIUM (FAA)/EPA 242.1
 Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_EXT	DATE_ANAL
Magnesium, Mg	<u>103</u>	<u>1.0</u>	<u>20</u>	<u>08/09/94</u>	<u>08/19/94</u>

Notes and Definitions for this Report:

ANALYST KH
 UNITS mg/L
 BATCH_ID WFAA-181
 COMMENTS RESULTS REFLECT TOTAL METALS ANALYSIS

Received: 08/05/94

Results by Sample

SAMPLE ID WELL #3 FRACTION 03B TEST CODE WFAANA NAME SODIUM (PAA)/EPA 273.1
 Date & Time Collected 07/20/94 Category WATER

PARAMETER	RESULT	LIMIT	D_F	DATE_EXT	DATE_ANAL
Sodium, Na	<u>1.640</u>	<u>1.0</u>	<u>200</u>	<u>08/09/94</u>	<u>08/19/94</u>

Notes and Definitions for this Report:

ANALYST KH
 UNITS mg/L
 BATCH_ID WFAA-181
 COMMENTS RESULTS REFLECT TOTAL METALS ANALYSIS

ATTACHMENT B
Proof of Public Notice

AFFIDAVIT OF PUBLICATION

County of Chaves
State of New Mexico

I, Jean M. Pettit,
Bus. Manager,

Of the Roswell Daily Record, a daily newspaper published at Roswell, New Mexico, do solemnly swear that the clipping hereto attached was published once a week in the regular and entire issue of said paper and not in a supplement thereof for a period

of: one time weeks

beginning with issue dated
September 29th, 1994

and ending with the issue dated
September 29th, 1994

Jean M. Pettit
Manager

sworn and subscribed to before me

this 29th day of
September, 1994

Marylon L. Shipper
Notary Public

My Commission expires

July 25, 1998
SEAL)

Publish September 29, 1994

LEGAL NOTICE

Pursuant to Rule 711 of the Oil Conservation Commission, State of New Mexico, notice is hereby given that Gandy Marley, Inc. will be filing an application for surface waste storage and remediation facility. The proposed facility will encompass approximately 154 acres of deeded land located in Sections 4, 5, 8, and 9, Township 11 South, Range 31 East. The facility site will be situated in Chaves County, approximately 39 miles eastsoutheast of Roswell, New Mexico and 33 miles northwest of Tatum, New Mexico. The purpose of the proposed facility is provide a safe place for remediation of contaminated soils from oil and gas operations. No produced water or tank bottoms will be allowed.

Any questions about the Application can be directed to Trey Greenwood, of the S.M. Stoller Corporation, at (505) 885-0172. Any comments or objections must be made to Roger Anderson, State of New Mexico, Oil Conservation Division, PO Box 2088, Santa Fe, NM 89501, within 30 days.