

January 28, 2024

Mr. Gerry Razatos, Director (Acting) Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department 1220 S. Saint Francis Drive Santa Fe, New Mexico 87505

Re: Stage 2 Abatement Plan (AP) for the Former Reverse Osmosis (RO) Reject Discharge Fields at the HF Sinclair Navajo Refining LLC (HFNSR)
 Quarterly Status Report #2 – October to December 2024
 Incident #nRM2022559242, GW-028

Dear Mr. Razatos:

HF Sinclair Navajo Refining LLC (HFSNR) is submitting this second quarterly status report for the Stage 2 Abatement Plan (AP) for the Former Reverse Osmosis (RO) Reject Discharge Fields (RO Fields) at the HF Sinclair Navajo Refining LLC (HFSNR) Refinery (Refinery) located in Artesia, New Mexico (**Figure 1**). The Oil Conservation Division (OCD) approved the Stage 2 AP on July 11, 2024. The former RO Fields are located within the norther portion of the active Refinery (**Figure 2**).

This quarterly status covers the period of October through December 2024.

Work Performed During October to December 2024

October 2024:

- October 1 to 2: Semiannual facility-wide groundwater monitoring was conducted, including collection of samples required by the Stage 2 AP.
- October 28: First quarterly progress report was submitted.

November 2024:

- November 5 to 20: Subsurface utilities within both RO Fields were positively located using hydro-vac procedures to expose each pipeline, confirming the diameter and depth of each pipeline. The locations of the pipelines are shown in **Figure 3** and photographic documentation is provided in **Attachment A**.
- Requirements for "setbacks" or "buffer zones" were identified for each identified pipeline. New Mexico Gas Company (NMGC) requires a minimum buffer of 10 feet (ft) to either side of their pipelines. HF Sinclair Midstream (Midstream) requires a minimum buffer of 25 ft to either side of their pipelines. Plowing will not be allowed within the buffer zones for the NMGC and Midstream pipelines. The City of Artesia sanitary sewer lines in the North RO Field are deep enough that plowing will be allowed over the line; however, a buffer zone of

HF Sinclair Navajo Refining LLC 501 East Main, Artesia, NM 88210 **575-748-3311 | HFSinclair.com**



2 ft will be implemented around the above-ground concrete manholes to prevent damage to the manholes and/or equipment. The identified buffer zones for subsurface utilities are shown in **Figure 3**. Additional buffer zones will be required around above-ground utility poles and associated anchor wiring.

October to November 2024:

• Evaluation of irrigation needs and potential sources of irrigation water continued throughout the quarter. Modifications to existing OSE water rights permits were identified that should allow use of the Mulcock well for irrigation of the two RO Fields.

Work Planned for January through March 2025

- Positive location of a City of Artesia reuse water pipeline will be performed using hydro-vac procedures. The location of the reuse line was previously identified as being located between the south berm of the North RO Field and the bank of Eagle Draw, and thus outside the field; however, subsequent communication with City of Artesia personnel raised concerns about the accuracy of the location of this pipeline. Therefore, positive location of the pipeline will be conducted in late January 2025.
- Irrigation system design and selection will continue between January and March 2025.
- Completion and submittal of modifications to OSE water rights permits.
- Preparation of both RO Fields for planting is scheduled to begin in March, depending on weather conditions. Soil preparation will include "rip and flip" to a depth of 2 ft outside the buffer zones to break up the soil and bury roots of any existing vegetation. Within the buffer zones, existing vegetation will be shredded.

If you have any questions, please feel free to contact Jace Ragland at 775-340-4698 or Mike Holder at 575-308-1115.

Sincerely.

Case Hinkins Environmental Manager HF Sinclair Navajo Refining LLC

c: OCD: M. Buchanan HFSNR: M. Holder, J. Ragland



Figures

- 1 Site Location
- 2 Location of Former RO Reject Discharge Fields
- 3 Pipeline Buffer Zones

Attachments:

A – Pipeline Location Photologs

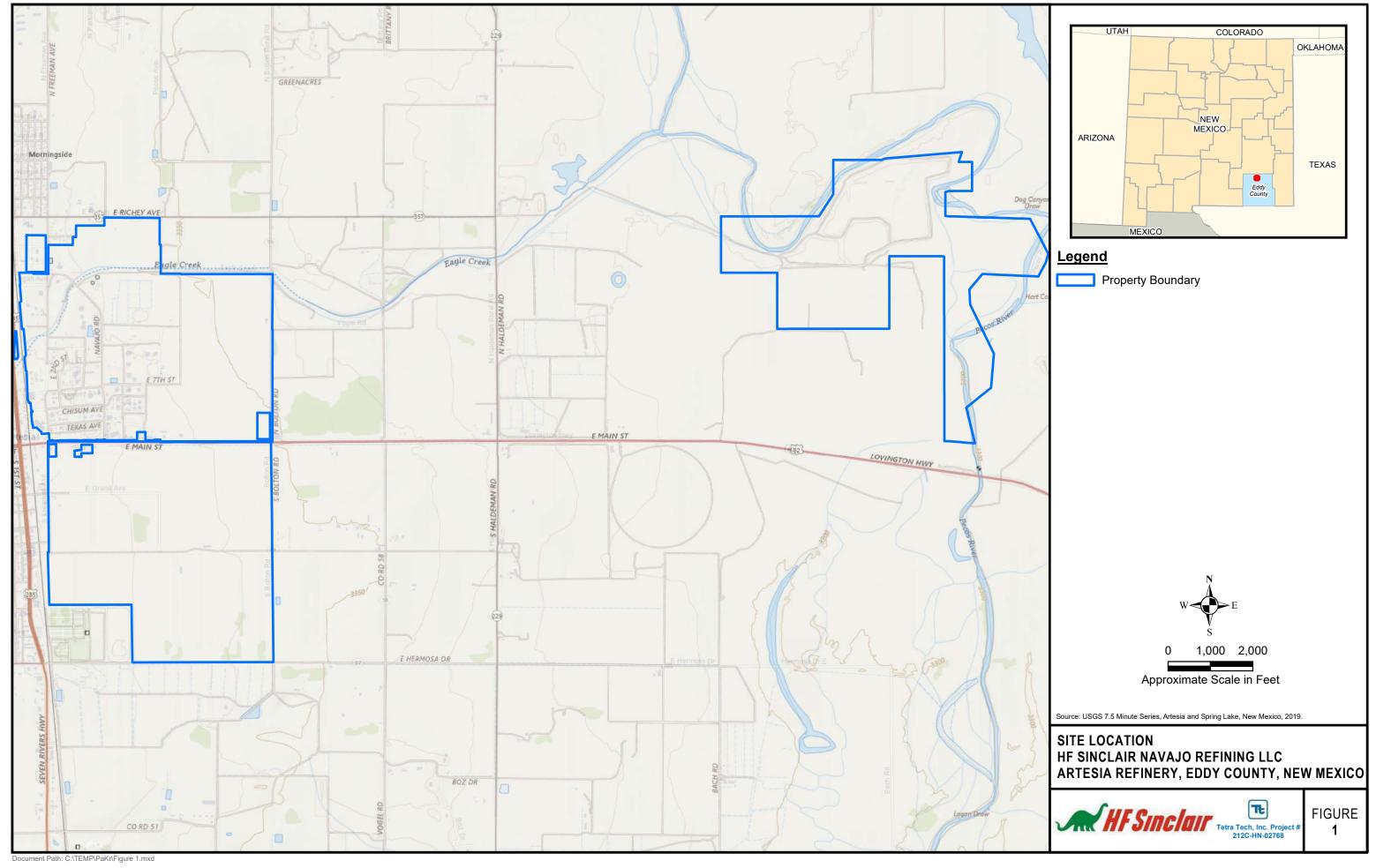
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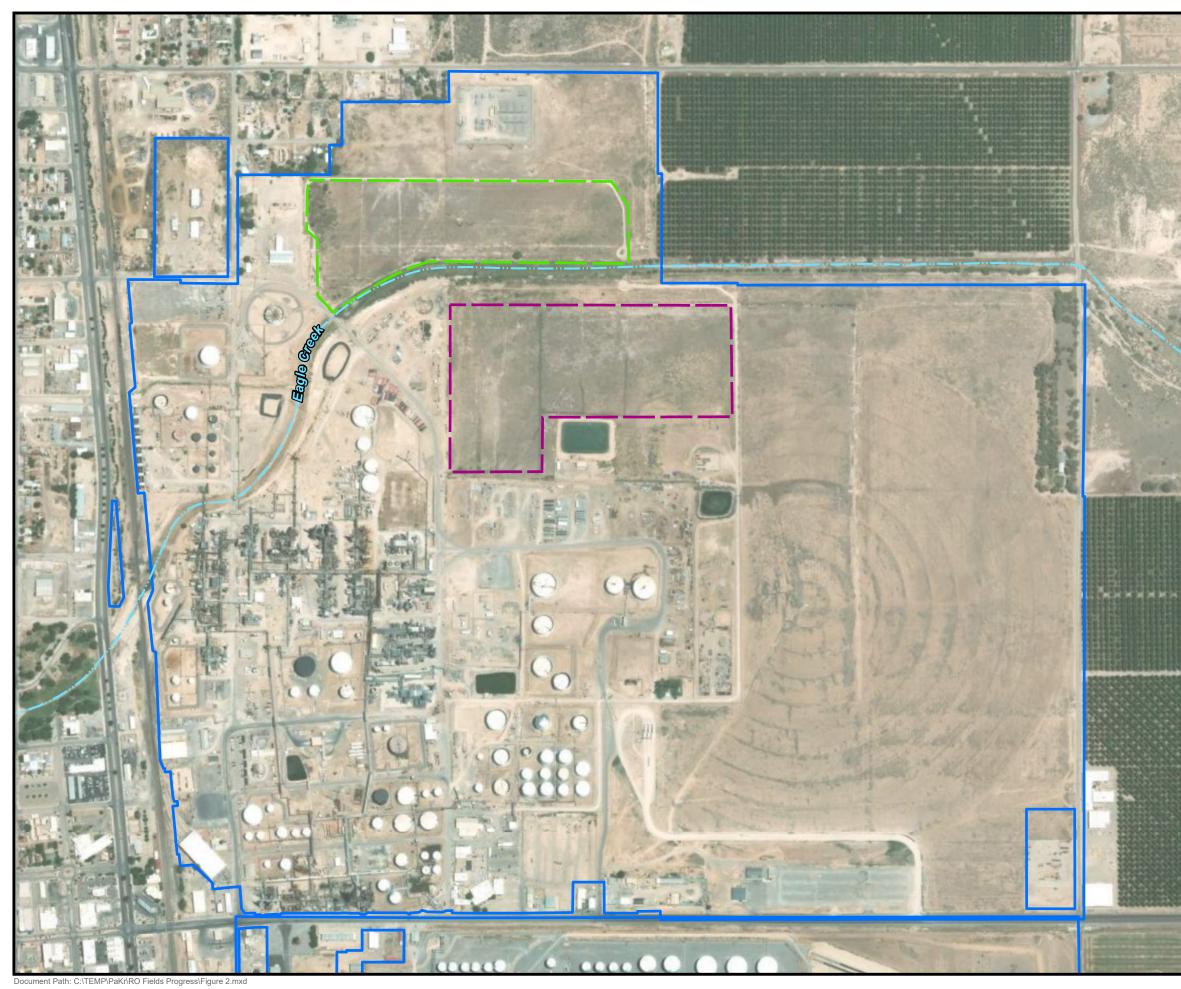


FIGURES

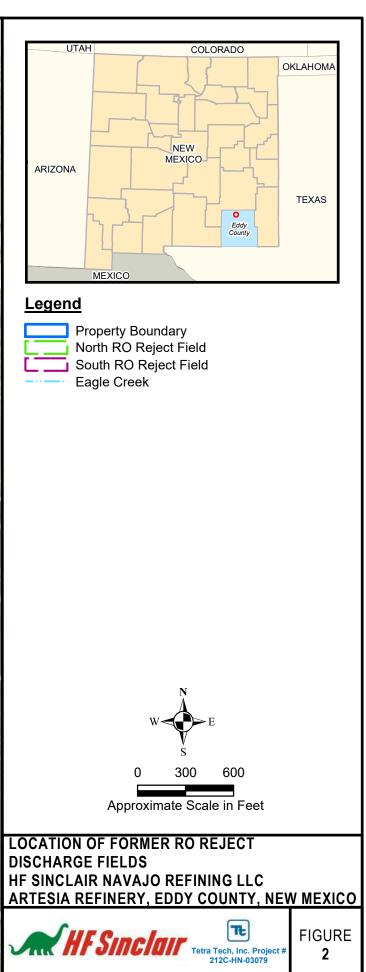
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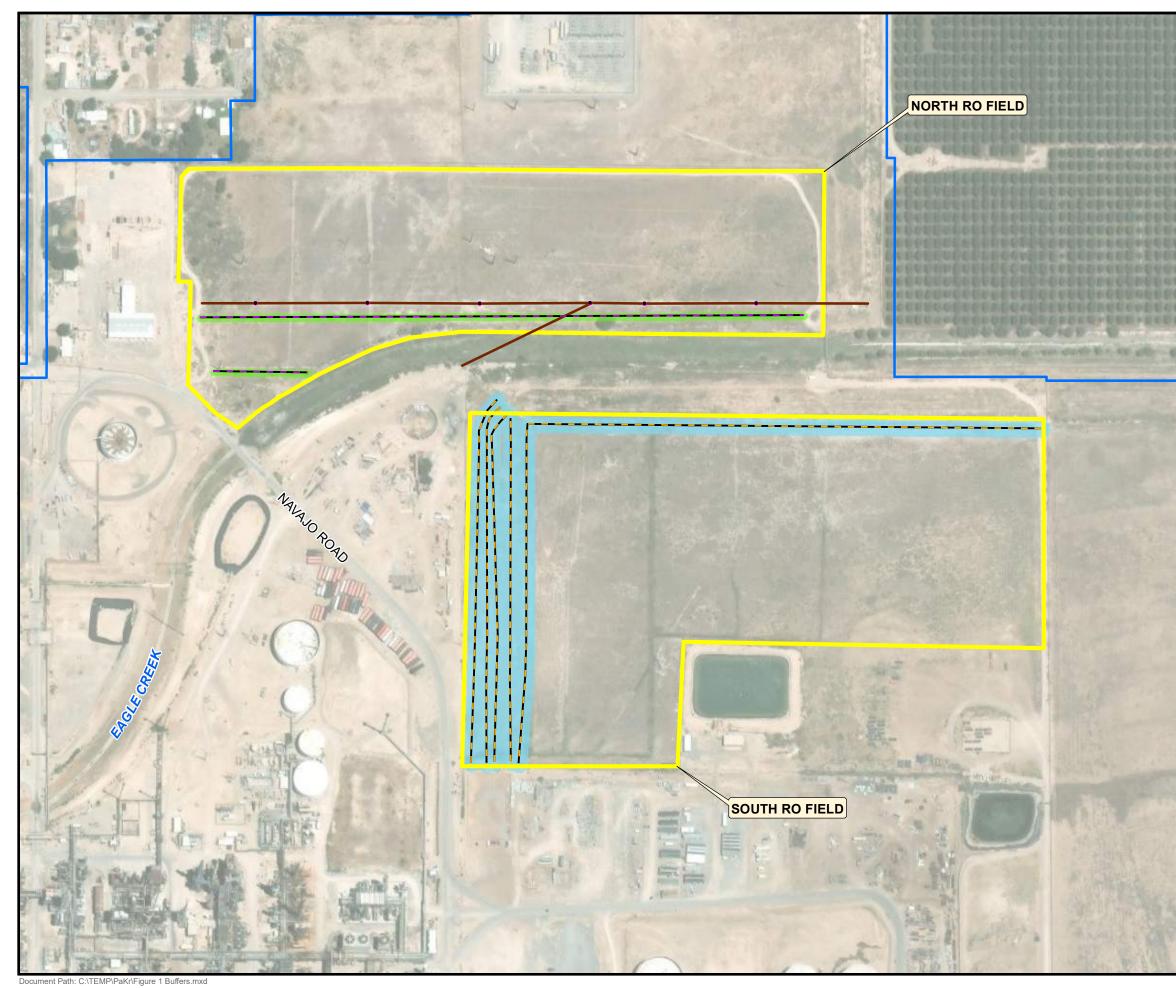
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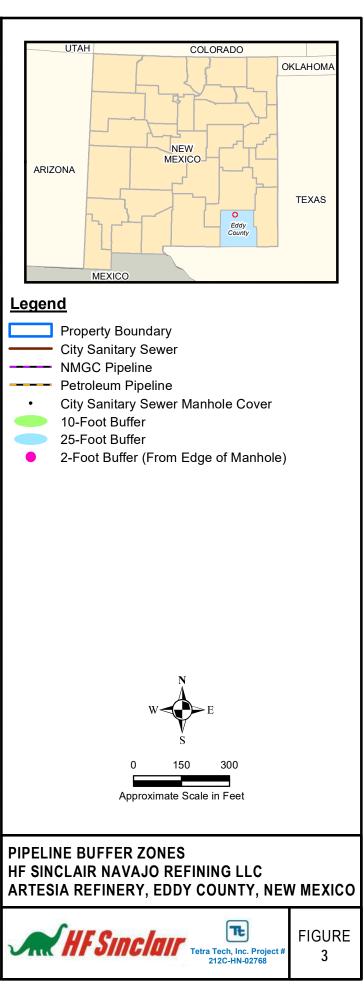
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ATTACHMENT A – PIPELINE LOCATION PHOTOLOGS

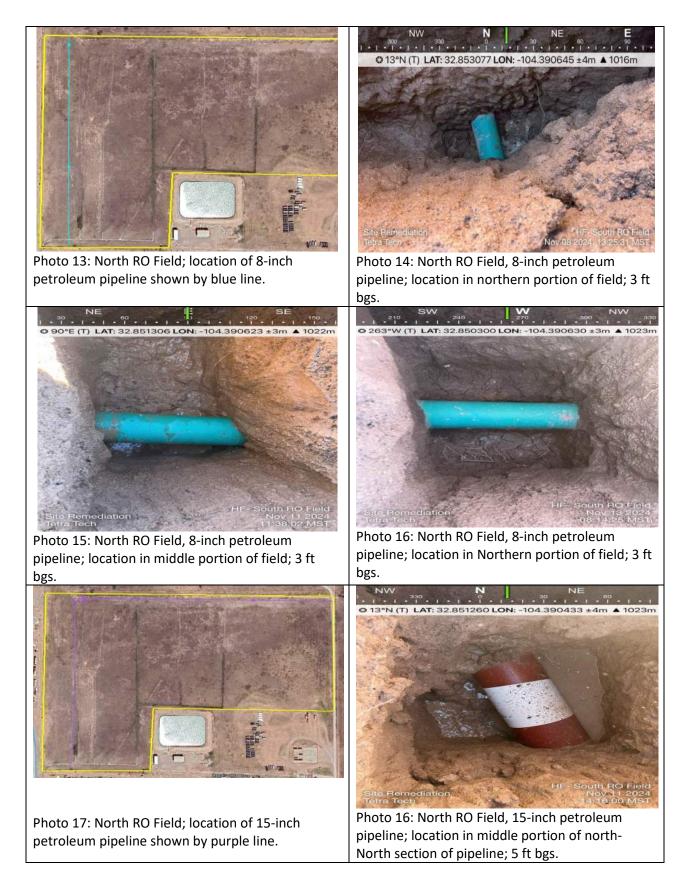
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Date Taken	Job No.	Photographs Taken By:	Page No.	Client:	Site Name:	
November 2024	212C-HN-02959	Jorge Fernandez Velo	1 of 4	HFSNR	North RO Field	TETRA TECH



	Date Taken	Job No.	Photographs Taken By:	Page No.	Client:	Site Name:		
	November 2024	212C-HN-02959	Jorge Fernandez Velo	2 of 4	HFSNR	North RO Field	TETRA TECH	
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	Date Taken	Job No.	Photographs Taken By:	Page No.	Client:	Site Name:		
	November 2024	212C-HN-02959	Jorge Fernandez Velo	3 of 4	HFSNR	North RO Field	TETRA TECH	
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Date Taken	Job No.	Photographs Taken By:	Page No.	Client:	Site Name:	
November 2024	212C-HN-02959	Jorge Fernandez Velo	4 of 4	HFSNR	North RO Field	TETRA TECH

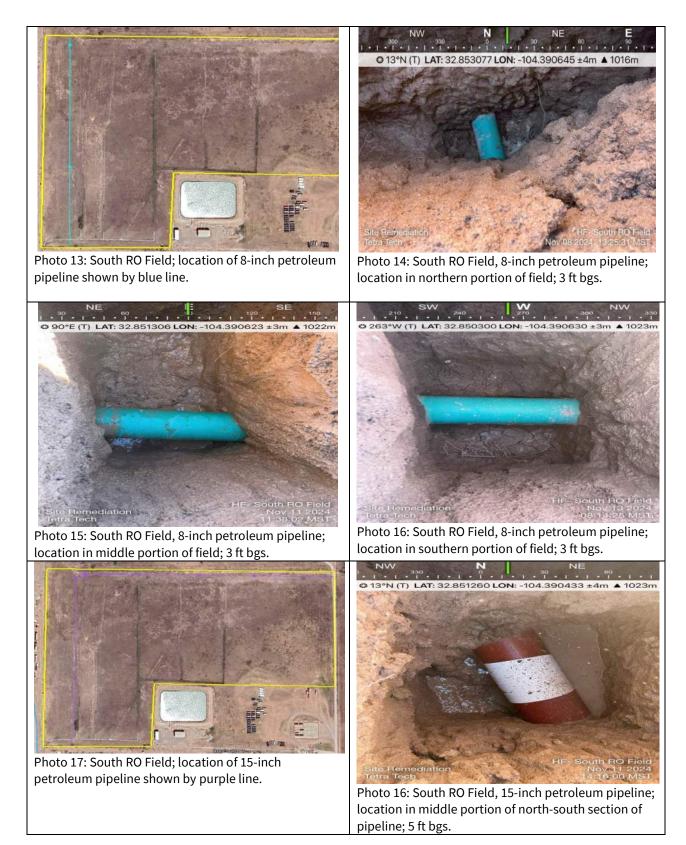


Date Taken	Job No.	Photographs Taken By:	Page No.	Client:	Site Name:	
November 2024	212C-HN-02959	Jorge Fernandez Velo	1 of 4	HFSNR	South RO Field	TETRA TECH

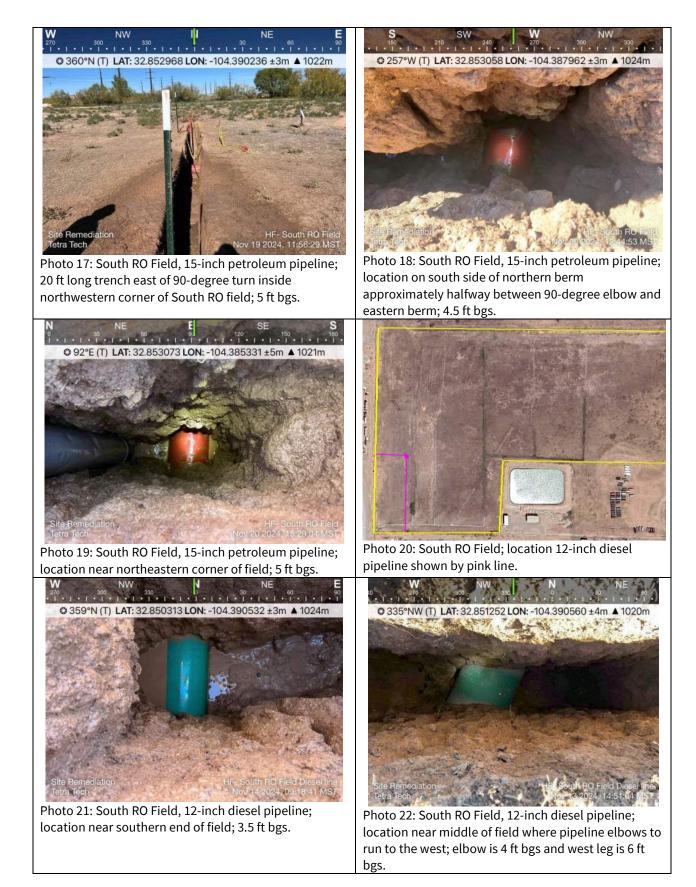
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Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 425883

CONDITIONS

Operator:
HF Sinclair Navajo Refining LLC
ATTN: GENERAL COUNSEL
Dallas, TX 75201

OGRID:
Action Number:
425883
Action Type:
[UF-GWA] Ground Water Abatement (GROUND WATER ABATEMENT)

CONDITION	IS	
Created By	Condition	Condition Date
jburdine	Review of the 2nd Quarterly Status Report for the ST2 AP at the Former RO Discharge Fields at the HF SInclair Navajo Refining LLC, October to December 2024.: content satisfactory 1. Proceed with plans to conduct semi-annual groundwater monitoring, facility-wide 2. Continue evaluation of irrigation water needs and related update of the OSE water rights permit to allow Mulcock well use. 3. Proceed with preparation of RO fields. 4. Submit the next quarterly update as scheduled in April 2025.	6/11/2025