UIC - I - ___8___

WDW-1
PERMITS, RENEWALS, & MODS

2008 - Present

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division

DECEMBER 10, 2015

CERTIFIED MAIL
RETURN RECEIPT NO: 3771 5909

Scott M. Denton
Environmental Manager
The HollyFrontier Companies
P.O. Box 159
Artesia, NM 88211-0159

RE: **Modification of Underground Injection Control (UIC) Class I (non-hazardous) Disposal Well Discharge Permits (WDW-1: UICI-008-1; WDW-2: UICI-008-2; and WDW-3: UICI-008-3) to Require Annual Fall-Off Testing per EPA Regulation §40 CFR146.13(d)(1)**

Dear Mr. Denton:

The New Mexico Oil Conservation Division (OCD) in cooperation with the U.S. Environmental Protection Agency (EPA) Region 6 Office on Tuesday, October 6, 2015, determined that OCD shall increase the frequency of Fall-Off Testing (FOT) for all Underground Injection Control (UIC) Class I (non-hazardous) Injection Well Operators to at least annually per § 40CFR 146.13(d) (1) (see federal regulation below).

§ 146.13 Operating, monitoring and reporting requirements.
(d) *Ambient monitoring.* (1) *Based on a site-specific assessment of the potential for fluid movement from the well or injection zone and on the potential value of monitoring wells to detect such movement, the Director shall require the owner or operator to develop a monitoring program. At a minimum, the Director shall require monitoring of the pressure buildup in the injection zone annually, including at a minimum, a shut-down of the well for a time sufficient to conduct a valid observation of the pressure fall-off curve.*

Therefore, effective immediately, OCD revises Section 3.E. Fall-Off Test of the discharge permit issued to Navajo Refining Company, LLC on February 19, 2014, to require annual FOTs. FOTs shall be completed before September 30th of each year from now on. Well operators shall schedule FOTs with OCD at least 30 days prior to testing to allow OCD to witness key aspects of the FOT, i.e., bottom hole pressure gauge installation, and just prior to injection well pump shut-off and initiation of FOT monitoring.

If you have any questions, please contact Carl Chavez of my staff at (505) 476-3490, mail at the address below, or email at CarlJ.Chavez@state.nm.us. Thank you.

Sincerely,

Jim Griswold
Environmental Bureau Chief

JG/cjc

cc: OCD Artesia District Office

Lisa Pham, EPA Region 6

Chavez, Carl J, EMNRD

From:	Chavez, Carl J, EMNRD
Sent:	Wednesday, July 15, 2015 7:59 AM
To:	Denton, Scott (Scott.Denton@HollyFrontier.com)
Cc:	Brancard, Bill, EMNRD; Griswold, Jim, EMNRD
Subject:	Navajo Refining, L.L.C. WDW-1 (UICI-008-1), WDW-2 (UICI-008-2) and WDW-3 (UICI-008-3) Selenium Reduction Technology System and Sour Water Treatment System Improvements

Mr. Denton:

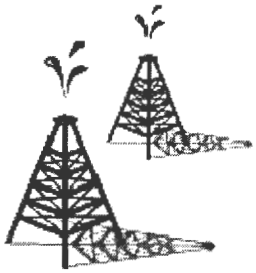
The New Mexico Oil Conservation Division (OCD) has received and reviewed Navajo Refining Company, LLC's modification request dated July 8, 2015 to improve the existing Selenium Reduction Technology System (SeRT™) by removing selenium from upstream stripped sour water (SSW) with the installation of an anthracite carbon pre-filter, parallel treatment train, and water recycle/recovery system.

OCD hereby **approves** the request and accepts the information as an addendum to OCD's prior approval of the original SeRT installed system.

Please contact me at (505) 476-3490 or E-mail: carlj.chavez@state.nm.us 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
O: (505) 476-3490
E-mail: CarlJ.Chavez@State.NM.US
Web: http://www.emnrd.state.nm.us/ocd/
"Why Not Prevent Pollution; Minimize Waste; Reduce the Cost of Operations; & Move Forward With the Rest of the Nation?" To see how, please go to: "Pollution Prevention & Waste Minimization" at
http://www.emnrd.state.nm.us/ocd/environmental.htm#environmental



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OCD
2015 10 P 3:13

July 8, 2015

Mr. David Catanach
Mr. Carl Chavez
Oil Conservation Division
New Mexico Energy, Minerals & Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Certified Mail/Return Receipt
7015 0640 0006 9944 5611

RE: Notification Letter for SeRT® Process Improvements by
Navajo Refining Company, L.L.C.
Discharge Permit GW-028
Discharge Permit WDW-1, API No. 30-015-27592
Discharge Permit WDW-2, API No. 30-015-20894
Discharge Permit WDW-3, API No. 30-015-26575

Dear Sirs:

As described in the May 1, 2015 quarterly report submitted to OCD pursuant to the New Mexico Oil Conservation Division Order No. WQA-OCD-CO-2013-001, the Navajo Refining Company, L.L.C. (Navajo) is making improvements to the existing 100 gpm SeRT® unit in order to better ensure selenium removal from upstream stripped sour water (SSW) at its Artesia refinery. The SeRT® process involves adsorption of SSW onto granular activated carbon-based sorbent which removes selenium in the form of selenocyanate (SeCN) from the effluent. Evaluation and feasibility testing showed that incorporation of the SeRT® process is a viable and efficient long-term option for reducing selenium concentrations in wastewater.

As presented in greater detail below and in Appendix A to this letter, Navajo is moving forward with certain improvements to the existing SeRT® unit that add to the overall efficiency of selenium removal, the operational flexibility of the process, and the robustness of SSW treatment. Conditions 1.G. of Discharge Permits WDW-1, WDW-2, and WDW-3, and Condition 1.G of Discharge Permit GW-028, require that Navajo notify the OCD Director and the Division's Environmental Bureau of a process modification that would result in any significant modification in the discharge of water contaminants. Although the only effect of the SeRT® unit improvements is to ensure that selenium concentrations remain low, Navajo is notifying OCD of these upgrades.

In February of 2014, Navajo commenced a trial of the 100 gpm SeRT® unit and began comparison research with a ferric chloride alternative. SeRT®, as noted in the monthly interim progress report submitted in March of 2014, was found to be the best option for addressing selenium concentrations in wastewater. The data output for selenium concentrations has been

monitored continuously since stable operation. As of June 1, 2015, average total selenium removal efficiency was measured at 93.4%.

The improvements are shown in Appendix A and include:

1. Addition of a parallel treatment train. The existing unit was purchased by Navajo as an as-built unit from another refinery to be installed and operated as quickly as possible to meet selenium reduction needs. The new train will be designed to Navajo's specific conditions of flow and concentrations and will, therefore, improve selenium adsorption bed utilization and increase the run time between media changes. The new train will be operated either in place of the existing train or in series to the old train in an effort to improve selenium removal.
2. Addition of an anthracite carbon prefilter at the front end of the unit. Organics have been shown to compete for adsorption on the SeRT® media. Pretreatment with anthracite carbon will improve removal of these organic molecules from the SSW feed stream and increase the life of the SeRT® unit's activated carbon beds.
3. Inclusion of a water recycle/recovery system for maintenance and startup operations. The water exiting the treatment process during these operations can be highly concentrated in selenium. With installation of a recycle/recovery system, the water will be recycled back to the influent of the treatment process.

The existing SeRT® equipment will not itself be materially changed; nor will the improvements cause an increase (or decrease) in flow to the SeRT® unit.

Navajo appreciates the continued cooperation of the NM OCD. Should you have questions, please do not hesitate to contact me at (575) 746-5487 or scott.denton@hollyfrontier.com. Thank you for your assistance in this matter.

Sincerely,

Scott M. Denton
Environmental Manager
Navajo Refining Company, L.L.C

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Appendix A
Process Schematic

Navajo Refining Company, L.L.C.
501 East Main • Artesia, NM 88210
(575) 748-3311 • http://www.hollyfrontier.com

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Figure 1: Existing Stripped Sour Water Treatment

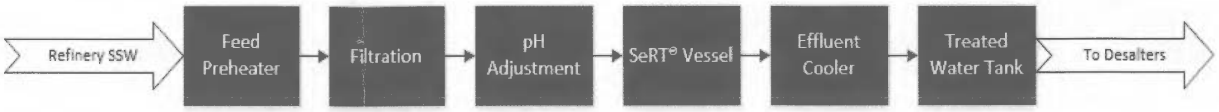
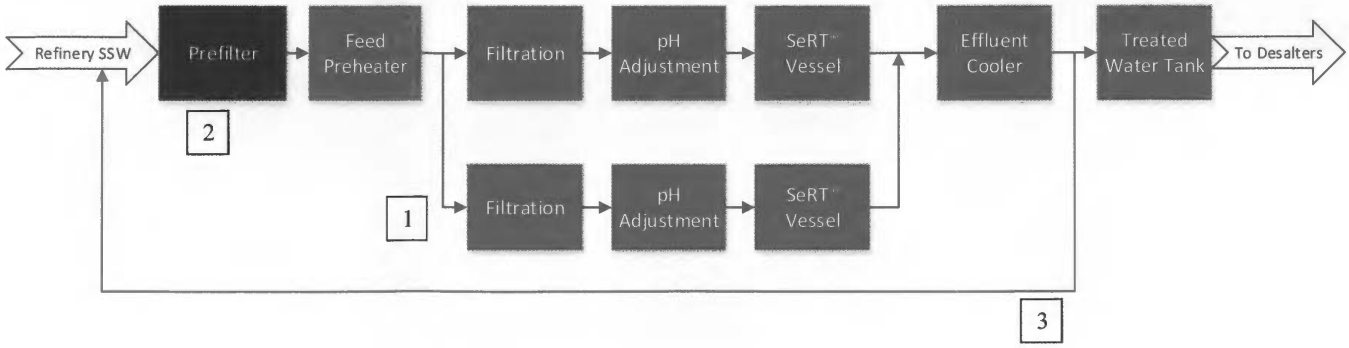


Figure 2: Modified Stripped Sour Water Treatment.

1. The parallel SeRT® train is shown in red.
2. The added anthracite prefilter is shown in purple.
3. The added recycle stream is shown in orange.



Navajo Refining Company, L.L.C.
501 East Main • Artesia, NM 88210
(575) 748-3311 • http://www.hollyfrontier.com

Chavez, Carl J, EMNRD

From: Holder, Mike <Michael.Holder@hollyfrontier.com>
Sent: Tuesday, June 24, 2014 11:50 AM
To: Chavez, Carl J, EMNRD
Cc: Holder, Mike; Crawford, Dan; Dawson, Scott, EMNRD; Griswold, Jim, EMNRD
Subject: Re: Minor Permit Modification for ICP & SeRT Installation (Refinery: GW-028 & WDWs: UICI-008)
Attachments: image001.png

Thanks Carl!

> On Jun 24, 2014, at 10:47 AM, "Chavez, Carl J, EMNRD" <CarlJ.Chavez@state.nm.us> wrote:
>
> Mr. Holder:
>
> The New Mexico Oil Conservation Division (OCD) has completed its review of the Navajo Refining Company, LLC "Modification Request" for the installation of the Iron Co-precipitation (ICP) Unit and Selenium Reduction Technology (SeRT™) Unit with various associated operational locations before injection of waste fluids occurs into disposal wells east of the refinery.
>
> OCD hereby approves the modification request that serves to reduce the Selenium concentration of injected fluids to below the regulatory limit before injection into the Underground Injection Control (UIC) Class I (non-hazardous) Disposal Wells associated with the Artesia Refinery. The operator shall submit revisions of any drawings, etc., as needed, if any changes occur, within 30-days of completion of a change(s).
>
> 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
> O: (505) 476-3490
> E-mail: CarlJ.Chavez@State.NM.US<mailto:CarlJ.Chavez@State.NM.US>
> Web: http://www.emnrd.state.nm.us/ocd/ "Why Not Prevent Pollution;
> Minimize Waste; Reduce the Cost of Operations; & Move Forward With the
> Rest of the Nation?" To see how, please go to: "Pollution Prevention &
> Waste Minimization" at
> http://www.emnrd.state.nm.us/ocd/environmental.htm#environmental
>
> [MC900151187[1]]
>
> From: Holder, Mike [mailto:Michael.Holder@hollyfrontier.com]
> Sent: Monday, June 02, 2014 2:39 PM
> To: Chavez, Carl J, EMNRD
> Cc: Holder, Mike; Crawford, Dan; Dawson, Scott, EMNRD; Griswold, Jim,
> EMNRD
> Subject: Minor Permit Modification for ICP & SeRT

>
> Carl – at our March 1, 2014 meeting you indicated a minor permit modification was needed for the installation of the SeRT & ICP units at the Artesia Refinery. We've attached the modification for your review – please don't hesitate to contact us w/any questions or comments you may have. Thanks for your assistance!
>
> Mike Holder
> CONFIDENTIALITY NOTICE: This e-mail, and any attachments, may contain information that is privileged and confidential. If you received this message in error, please advise the sender immediately by reply e-mail and do not retain any paper or electronic copies of this message or any attachments. Unless expressly stated, nothing contained in this message should be construed as a digital or electronic signature or a commitment to a binding agreement.
> <image001.png>
> <OCD_Permit_Mod_Letter 6-2-2014.pdf>
CONFIDENTIALITY NOTICE: This e-mail, and any attachments, may contain information that is privileged and confidential.If you received this message in error, please advise the sender immediately by reply e-mail and do not retain any paper or electronic copies of this message or any attachments.Unless expressly stated, nothing contained in this message should be construed as a digital or electronic signature or a commitment to a binding agreement.

Chavez, Carl J, EMNRD

From: Holder, Mike <Michael.Holder@hollyfrontier.com>
Sent: Monday, June 02, 2014 2:39 PM
To: Chavez, Carl J, EMNRD
Cc: Holder, Mike; Crawford, Dan; Dawson, Scott, EMNRD; Griswold, Jim, EMNRD
Subject: Minor Permit Modification for ICP & SeRT
Attachments: OCD_Permit_Mod_Letter.pdf

Carl – at our March 1, 2014 meeting you indicated a minor permit modification was needed for the installation of the SeRT & ICP units at the Artesia Refinery. We've attached the modification for your review – please don't hesitate to contact us w/any questions or comments you may have. Thanks for your assistance!

Mike Holder

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June 2, 2014

Mr. Scott Dawson
Mr. Carl Chavez
Oil Conservation Division
New Mexico Energy, Minerals & Natural Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

Certified Mail/Return Receipt
7007 3020 0000 3028 8093

RE: Minor Modification for Navajo Refining Company, L.L.C.
Discharge Permit GW-028
Discharge Permit WDW-1, API No. 30-015-27592
Discharge Permit WBW-2, API No. 30-015-20894
Discharge Permit WDW-3, API No. 30-015-26575

Dear Sirs:

As discussed with you and other agency personnel during a meeting in your Sante Fe offices on March 1, 2014, Navajo Refining Company, L.L.C. (Navajo) recently added the following two systems to reduce the amount of selenium in the wastewater discharge and plans to continue operating them as part of the near-term selenium control strategy.

- Iron co-precipitation (ICP) process
- 100 gpm SeRT® (*Phillips 66* Selenium Removal Technology) process

Pursuant to Condition 1.G of Discharge Permits WDW-1, WDW-2, and WDW-3, and Discharge Permit GW-028, Navajo is required to notify the OCD Director and the Division's Environmental Bureau of any facility expansion, production increase, or process modification that would result in any significant modification in the discharge of water contaminants. It is Navajo's understanding from the March 1st meeting that this notification is considered a minor modification to the existing permit and can be handled administratively.

In April 2014, Navajo obtained an Amendment to Amend and Supplement the Agreed Compliance Order WQA-OCD-CO-2013-001(ACO) from the OCD. Paragraph 13 of Exhibit A, as amended, required Navajo to commence full-scale operation of the ICP system and the trial SeRT® unit by February 1, 2014, and to provide confirmation of selenium reduction with the 100 gpm SeRT® unit by March 31, 2014. These deadlines were met as previously documented in a monthly interim progress report.

Navajo has been moving forward expeditiously with evaluation, feasibility testing, and installation of both the ICP and SeRT® technologies as part of Navajo's remedy for selenium reduction. Figure 1 (*Appendix A*) is a schematic of these two processes at the refinery. SeRT® is being implemented for upstream stripped sour water (SSW) selenium treatment while the ICP is for end of pipe treatment at the refinery wastewater treatment plant (WWTP).

ICP Process

Technology Overview

The ICP process is a chemical precipitation process where an iron based coagulant is added to the water for selenium removal by transforming the dissolved selenium to a solid or insoluble floc. For selenium removal, typically a ferric coagulant (e.g., ferric chloride ($FeCl_3$)]) is used with a polymer to precipitate selenium with other suspended solids. ICP is the most commonly used process for selenium removal in oil refineries. ICP is effective for selenium removal when it is present in the selenite form, like downstream of the biological wastewater treatment process.

Process Overview

At Navajo, the ICP process is being implemented to reduce the amount of selenium within the refinery wastewater by chemically converting selenium to a solid particle in the wastewater, which is then removed by the existing DAF unit and filters prior to injection within the well field. Navajo selected ICP because of the feasibility of implementing this proven process at full scale in a shorter timeframe than other options.

Ferric chloride is added inline downstream of the two aeration tanks and upstream of the flocculator through existing injection points. The dosage for ferric chloride is generally maintained at about 50 mg/L. Coagulant and polymer addition through the existing feed systems, currently in place for solids removal at the DAF, will continue to operate without any significant changes. The flocculator provides sufficient mixing for floc formation which captures the selenium into the solids. The solids are subsequently removed by flotation in the DAF unit. The DAF unit float, which includes the iron solids containing the selenium, are sent to the existing DAF sludge tanks for further handling and disposal. Throughout the ICP trial, DAF solids were sent for TCLP selenium analysis, and lab reports show that the solids are not hazardous.

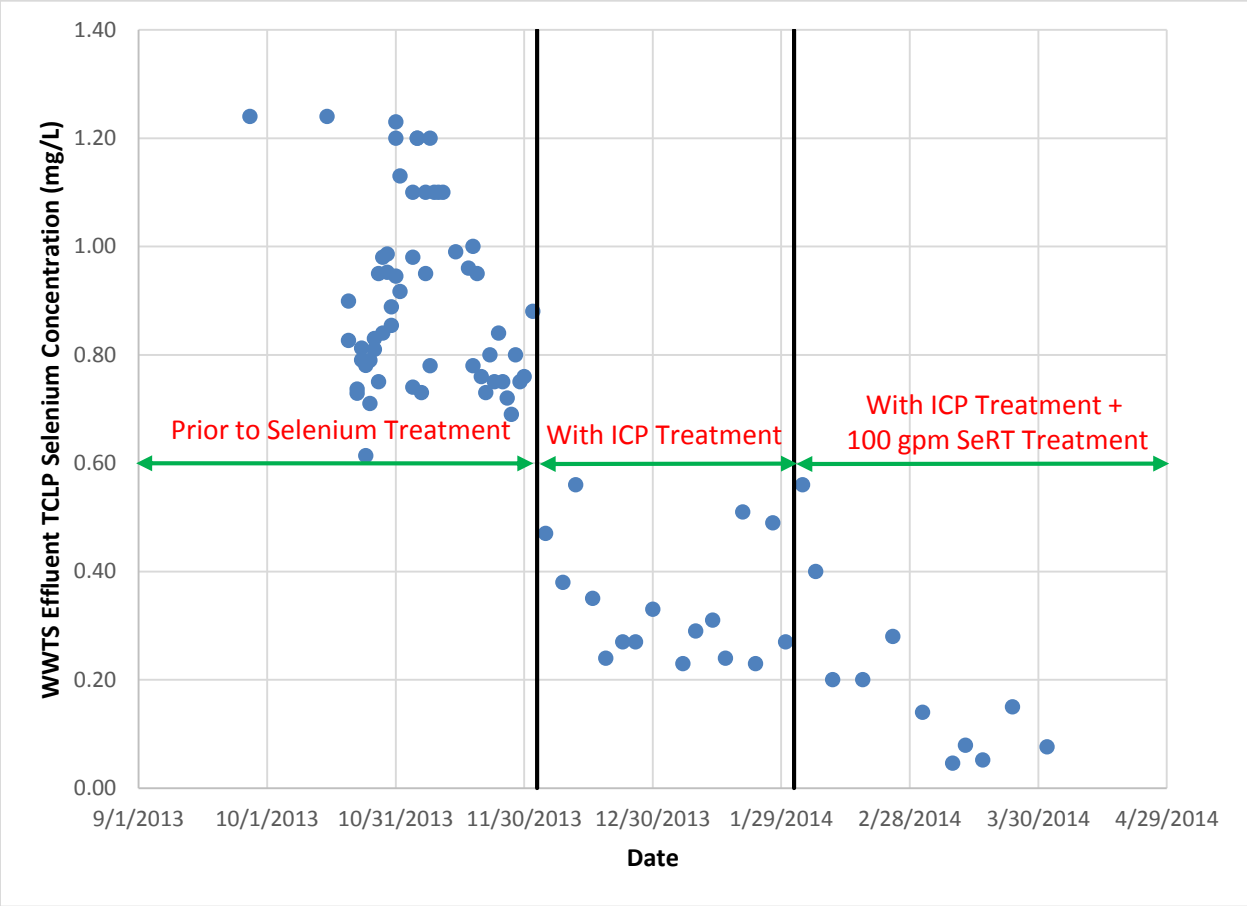
Material Safety Data Sheets (MSDSs) for the coagulant, polymer and ferric chloride were previously provided to OCD via email dated 12/03/13 (*Injection Well Historical Data for Effluent Analyses*). There will be no significant changes to the quality of the effluent sent to the deep wells for injection, except the selenium concentration will be reduced.

Performance Summary

The full-scale trial for the ICP process was commenced in November 2013. Since then, the ICP has been converted into continuous full-scale operation through further testing and optimization of the process and iron dosage rates. A summary of the results of sampling collected pursuant to Paragraph 1 of Exhibit A to the ACO, as amended, are presented in Figure 2. The data in Figure 2 represents three distinct operating periods. Period 1 represents no treatment of selenium. Period 2 represents the effect of ICP treatment of selenium. Period 3 represents the combined impact of SSW SeRT® pretreatment and ICP treatment of biological system effluent.

It can be seen from the November and December 2013 data that the selenium concentrations dropped significantly from a range of 0.7-1.2 mg/L prior to the ICP trial to 0.2-0.4 mg/L when the ICP process was optimized for selenium removal. The ICP trial results are summarized in Table 2 in *Appendix B* and show an average total selenium removal efficiency of 73%.

Figure 2: Selenium Measurements Collected Pursuant to Paragraph 1 of Exhibit A to the ACO (mg/L)



SeRT® Process

Technology Overview

The SeRT® process is a patented, adsorption process for removing selenium present in the selenocyanate (SeCN) form from aqueous streams. The process involves contacting the SSW effluent with a tailored granular activated carbon (GAC) based sorbent to remove SeCN by adsorption. Pretreatment is generally required to remove particulates and organic contaminants that can affect SeCN removal because of competitive adsorption.

Process Overview

Navajo is currently testing the SeRT® process on refinery SSW using a trial unit. A set of feed pumps are provided to feed SSW to the SeRT® process. The SSW requires heating in a shell and tube heat exchanger to the optimal temperature for the SeRT® process. The heated SSW is then sent through filtration to remove particulates and organic contaminants as pretreatment for the SeRT® process.

The next step in the process is pH adjustment to optimal Selenium adsorption conditions. The pH adjusted SSW then passes through additional filtration to remove solid material that can be formed during pH adjustment. The filter effluent is then sent through the SeRT® vessel for selenium

removal followed by adjustment to neutral pH. The treated SSW is then cooled to around 110 °F using a fin fan cooler to be suitable for use at the application points downstream in the refinery.

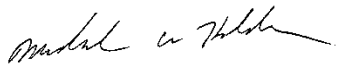
Performance Summary

The full-scale operation of the 100 gpm SeRT® unit was commenced in February 2014. A summary of the results of sampling collected pursuant to Paragraph 1 of Exhibit A to the ACO, as amended, are presented in Figure 2. It can be seen that since the SeRT® unit came online in February, effluent selenium concentrations dropped further to generally < 0.2 mg/L when the process was optimized. The trial results for the 100 gpm SeRT® unit are summarized in Table 3 in *Appendix B* and show an average total selenium removal efficiency of 92%.

Since the installation and operation of the ICP and 100 gpm SeRT® processes, TCLP selenium concentrations in the effluent wastewater are significantly below 1 mg/L. Review of the data shows that either process could operate without the other and would be capable of achieving the treatment requirement. Based on the performance data collected so far, these two technologies are effective in meeting Navajo's near-term goal of reducing selenium concentrations in the discharge to less than 1.0 mg/L TCLP prior to the injection wells.

Navajo appreciates the continued cooperation of the NM OCD. Should you have questions, please do not hesitate to contact me at (575) 308-1115 or mike.holder@hollyfrontier.com. Thank you for your assistance in this matter.

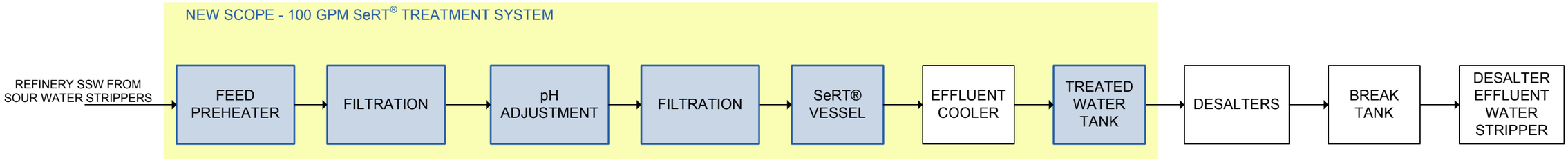
Sincerely,



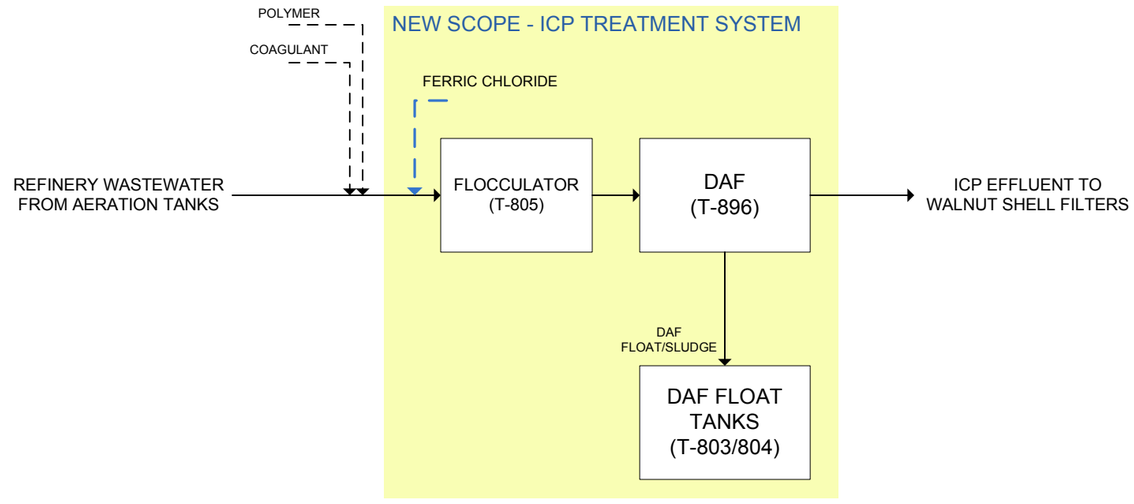
Mike Holder
Corporate Environmental Specialist
HollyFrontier

Appendix A
Process Schematic

STRIPPED SOUR WATER (SSW) SYSTEM



REFINERY WASTEWATER TREATMENT PLANT (WWTP)



CH2MHILL

05/13/2014	Rev 2	FIGURE: 1

NAVAJO REFINERY – Artesia, NM
Selenium Treatment – SeRT® + ICP
BLOCK FLOW DIAGRAM

Appendix B

Summary Tables – Analytical Data

Table 1: Selenium Measurements Collected Pursuant to Paragraph 1 of Exhibit A to the ACO (mg/L)

DATE	Sampling Location	Laboratory	Method	TCLP Selenium (mg/L)	
				Split Samples	Average[2]
10/24/2013[1]	T-801 Effluent	ALS Environmental	SW1311/ 6020	0.82	0.78
		Hall Environmental	EPA 6010B	0.74	
10/28/2013[1]	T-801 Effluent	Hall Environmental	EPA 6010B	0.98	0.98
11/04/2013[1]	Injection Well Effluent Sampling Point	Hall Environmental	EPA 6010B	1.10	1.10
11/11/2013[1]	Injection Well Effluent Sampling Point	Hall Environmental	EPA 6010B	0.088	0.088
11/18/2013	Injection Well Effluent Sampling Point	Hall Environmental	EPA 6010B	0.78	0.78
11/25/2013	T-801 Effluent to Wells	Hall Environmental	EPA 6010B	0.75	0.75
12/02/2013	T-836 Effluent to Wells	Hall Environmental	EPA 6010B	0.88	0.88
12/09/2013	T-801 Effluent to Wells	Hall Environmental	EPA 6010B	0.38	0.38
12/16/2013	T-801 Effluent to Wells	Hall Environmental	EPA 6010B	0.35	0.35
12/23/2013	T-836 Effluent to Wells	Hall Environmental	EPA 6010B	0.27	0.27
12/30/2013	T-836 Effluent to Wells	Hall Environmental	EPA 6010B	0.33	0.33
01/06/2014	T-836 Effluent to Wells	Hall Environmental	EPA 6010B	0.23	0.23
01/13/2014	T-801 Effluent to Wells	Hall Environmental	EPA 6010B	0.31	0.31
01/20/2014	T-836 Effluent to Wells	Hall Environmental	EPA 6010B	0.51	0.51
01/27/2014	T-801 Effluent to Wells	Hall Environmental	EPA 6010B	0.49	0.49
02/03/2014	T-836 Effluent to Wells	Hall Environmental	EPA 6010B	0.56	0.56
02/10/2014	T-836 Effluent to Wells	Hall Environmental	EPA 6010B	0.20	0.20
02/17/2014	T-801 Effluent to Wells	Hall Environmental	EPA 6010B	0.20	0.20
02/24/2014	T-801 Effluent to Wells	Hall Environmental	EPA 6010B	0.28	0.28
03/03/2014	T-801 Effluent to Wells	Hall Environmental	EPA 6010B	0.14	0.14
03/10/2014	T-836 Effluent to Wells	Hall Environmental	EPA 6010B	0.05	0.05
03/13/2014	T-836 Effluent to Wells	Hall Environmental	EPA 6010B	0.08	0.08
03/17/2014	T-801 Effluent to Wells	Hall Environmental	EPA 6010B	0.05	0.05
03/24/2014	T-801 Effluent to Wells	Hall Environmental	EPA6010B	0.15	0.15
04/01/2014	T-801 Effluent to Wells	Hall Environmental	EPA6010B	0.08	0.08

[1]Samples collected per the requirements of the Agreed Compliance Order No. WQA-OCD-CO-2013-001 signed on October 24, 2013.

[2]For split samples.

Table 2: Selenium Measurements Collected During the Iron Co-Precipitation Trial (mg/L)

		T-805 Eff.		DAF Eff.		Walnut Filter Eff.		Tank 809 Eff.		Removal Efficiency
DATE	Laboratory	Total Se	TCLP Se	Total Se	TCLP Se	Total Se	TCLP Se	Total Se	TCLP Se	on Total Se
12/27/2013	Hall Environmental	1.1	0.30	0.38	0.30	0.37	0.31	0.38	0.34	66%
12/30/2013	Hall Environmental	1.6	0.37	0.63	0.35	0.43	0.34	-	-	73%
01/06/2014	Hall Environmental	1.2	0.17	0.34	0.18	0.27	0.20	-	-	78%
01/09/2014	Hall Environmental	1.8	0.14	0.42	0.21	0.43	0.25	-	-	76%
01/13/2014	Hall Environmental	2.1	0.34	0.41	0.33	0.37	0.35	-	-	82%
01/16/2014	Hall Environmental	1.6	0.18	0.25	0.22	0.20	0.20	-	-	88%
01/20/2014	Hall Environmental	1.0	0.55	0.75	0.57	0.54	0.55	-	-	46%
01/23/2014	Hall Environmental	1.4	0.18	0.24	0.19	0.21	0.20	-	-	85%
01/27/2014	Hall Environmental	1.2	0.43	0.55	0.58	0.51	0.51	-	-	58%
01/30/2014	Hall Environmental	1.0	0.26	0.30	0.27	0.23	0.29	-	-	77%
									Average	73%

Table 3: Selenium Measurements Collected During the 100 gpm Trial SeRT® Unit

		SeRT Flow	SeRT Influent		SeRT Effluent		Removal Efficiency
		-	Total Se	TCLP Se	Total Se	TCLP Se	On Total Se
DATE	Laboratory	(gpm)	(ppm)	(ppm)	(ppm)	(ppm)	-
02/10/2014	Hall Environmental	75	5.20	-	0.31	-	94%
02/12/2014	Hall Environmental	85	6.50	-	0.60	-	91%
02/13/2014	Hall Environmental	85	6.00	6.50	0.81	0.83	87%
02/17/2014	Hall Environmental	100	6.60	8.30	1.20	1.70	82%
02/19/2014	Hall Environmental	85	7.20	7.50	1.20	1.30	83%
02/20/2014	Hall Environmental	98	7.00	7.50	1.40	1.70	80%
02/24/2014	Hall Environmental	102	7.00	6.90	1.50	1.70	79%
02/26/2014	Hall Environmental	102	6.60	5.70	1.50	1.40	77%
02/27/2014	Hall Environmental	104	5.80	6.20	0.46	0.50	92%
03/03/2014	Hall Environmental	104	5.60	5.60	0.49	0.57	91%
03/05/2014	Hall Environmental	106	5.70	5.40	0.56	0.61	90%
03/06/2014	Hall Environmental	115	5.40	5.40	0.44	0.52	92%
03/10/2014	Hall Environmental	115	5.30	5.70	0.19	0.23	96%
03/12/2014	Hall Environmental	113	5.20	5.10	0.21	0.23	96%
03/13/2014	Hall Environmental	115	5.00	5.30	0.14	0.16	97%
03/17/2014	Hall Environmental	120	4.40	4.80	0.14	0.19	97%
03/19/2014	Hall Environmental	110	3.90	4.30	0.17	0.20	96%
03/20/2014	Hall Environmental	84	4.40	4.80	0.11	0.11	98%
03/24/2014	Hall Environmental	100	4.70	5.40	0.22	0.28	95%
03/27/2014	Hall Environmental	94	3.90	-	0.12	-	97%
03/31/2014	Hall Environmental	112	4.40	-	0.15	-	97%
04/03/2014	Hall Environmental	125	3.60	-	0.12	-	97%
04/07/2014	Hall Environmental	110	4.70	-	0.13	-	97%
04/10/2014	Hall Environmental	130	4.10	-	0.14	-	97%
04/14/2014	Hall Environmental	108	3.90	-	0.16	-	96%
04/17/2014	Hall Environmental	125	4.00	-	0.14	-	97%
04/21/2014	Hall Environmental	105	3.00	-	0.13	-	96%
04/24/2014	Hall Environmental	-	3.50	-	0.25	-	93%
						Average	92%

Chavez, Carl J, EMNRD

From: Holder, Mike <Michael.Holder@hollyfrontier.com>
Sent: Monday, June 23, 2014 7:07 AM
To: Chavez, Carl J, EMNRD
Cc: Crawford, Dan; Dawson, Scott, EMNRD; Griswold, Jim, EMNRD; Sanchez, Daniel J., EMNRD; Dade, Randy, EMNRD; Brancard, Bill, EMNRD; Holder, Mike
Subject: RE: Artesia Refinery (GW-028) Minor Permit Modification Request for Installation of ICP & SeRT
Attachments: WWTP-sampling location.pdf; Plot Plan.pdf; sert-plot plan.pdf; WW PFD (ICP redline).pdf; LAU - 80-V-02-D-02 (redline).pdf; ATT00001.txt

Carl,

Attached are figures showing the OCD approved sampling location (per your separate email of 6/10/14) and the new treatment units & their respective locations relative to the refinery & associated process units. Please let us know if any questions or if you need additional information. Thanks for your help!

Mike

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]
Sent: Tuesday, June 10, 2014 8:48 AM
To: Holder, Mike
Cc: Crawford, Dan; Dawson, Scott, EMNRD; Griswold, Jim, EMNRD; Sanchez, Daniel J., EMNRD; Dade, Randy, EMNRD; Brancard, Bill, EMNRD
Subject: Artesia Refinery (GW-028) Minor Permit Modification Request for Installation of ICP & SeRT

Mike, et al.:

Good morning. The New Mexico Oil Conservation Division (OCD) has reviewed the above subject "Modification Request" dated June 2, 2014.

OCD requests a diagram(s) of the new treatment units and their respective installation locations, i.e., map(s) relative to the refinery and associated process areas within the refinery.

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
O: (505) 476-3490
E-mail: CarlJ.Chavez@State.NM.US
Web: http://www.emnrd.state.nm.us/ocd/
"Why Not Prevent Pollution; Minimize Waste; Reduce the Cost of Operations; & Move Forward With the Rest of the Nation?" To see how, please go to: "Pollution Prevention & Waste Minimization" at http://www.emnrd.state.nm.us/ocd/environmental.htm#environmental

From: Holder, Mike [mailto:Michael.Holder@hollyfrontier.com]
Sent: Monday, June 02, 2014 2:39 PM
To: Chavez, Carl J, EMNRD
Cc: Holder, Mike; Crawford, Dan; Dawson, Scott, EMNRD; Griswold, Jim, EMNRD
Subject: Minor Permit Modification for ICP & SeRT

Carl – at our March 1, 2014 meeting you indicated a minor permit modification was needed for the installation of the SeRT & ICP units at the Artesia Refinery. We've attached the modification for your review – please don't hesitate to contact us w/any questions or comments you may have. Thanks for your assistance!

Mike Holder

X-822
WWT BLOWER COOLER

BARE/EXT SURFACE: _____ / _____ SQ.FT.
TUBE: NO: _____ OD: _____ GAUGE: _____
MAT'L: _____ CHAN. MAT'L: _____
PITCH: _____ LENGTH: _____
DESIGN: _____psig @ _____°F
OPER: _____psig @ _____°F
FANS: NO: 3 HP: 1.5 RPM: 1140 SF: _____

C-807/M-810
WWT TANK AIR BLOWER

MFR: ATLAS COPCO MODEL/SIZE: _____
MAT'L: CASE: [redacted] _____
OPER. FLOW: _____ scfm @ _____°F
MOTOR DATA: _____ HP _____ RPM _____ SF

C-808/M-808
WWT TANK AIR BLOWER

MFR: ATLAS COPCO MODEL/SIZE: _____
MAT'L: CASE: [redacted] _____
OPER. FLOW: _____ scfm @ _____°F
MOTOR DATA: _____ HP _____ RPM _____ SF

T-801
WWT EQUALIZATION TANK

SIZE: 110'ø x 32' H
VOLUME: 2,310,000 gallons
DESIGN: _____psig @ _____°F
OPER: _____psig @ _____°F
MATERIAL: _____
CODE: _____
NAT'L BD: _____

T-836
WWT EQUALIZATION TANK

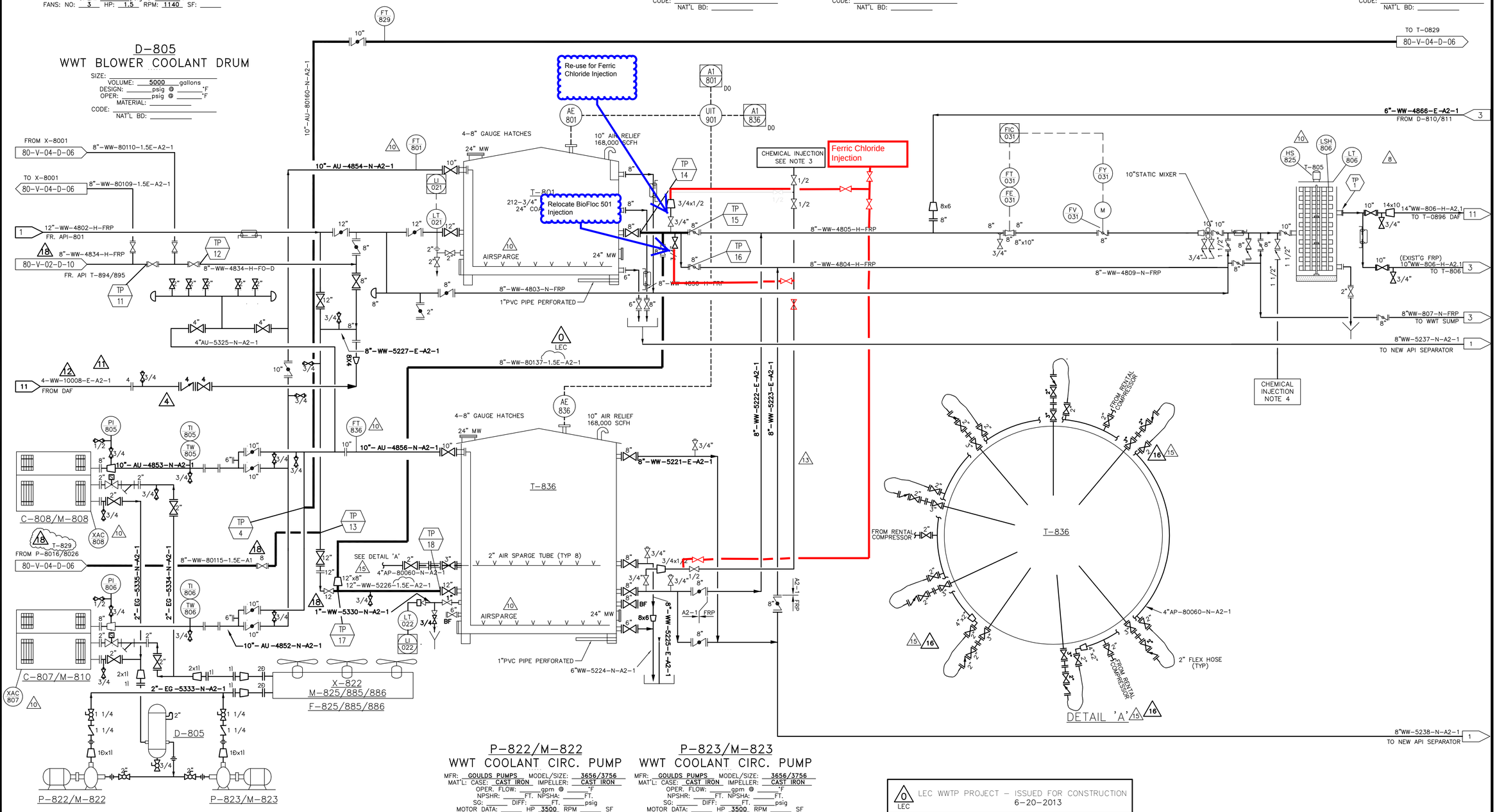
SIZE: 82 1/2'ø x 32' H
VOLUME: _____ gallons
DESIGN: _____psig @ _____°F
OPER: _____psig @ _____°F
MATERIAL: _____
CODE: _____
NAT'L BD: _____

T-805
FLOCCULATOR

SIZE: 12FtX9Ft
VOLUME: 7000 gallons
DESIGN: _____psig @ _____°F
OPER: _____psig @ _____°F
MATERIAL: _____
CODE: _____
NAT'L BD: _____

D-805
WWT BLOWER COOLANT DRUM

SIZE: _____
VOLUME: 5000 gallons
DESIGN: _____psig @ _____°F
OPER: _____psig @ _____°F
MATERIAL: _____
CODE: _____
NAT'L BD: _____



P-822/M-822
WWT COOLANT CIRC. PUMP

MFR: GOULDS PUMPS MODEL/SIZE: 3656/3756
MAT'L: CASE: CAST IRON IMPELLER: CAST IRON
OPER. FLOW: _____gpm @ _____°F
NPSHR: _____FT. NPSHA: _____FT.
SG: _____ DIFF: _____FT. _____psig
MOTOR DATA: _____ HP 3500 RPM _____ SF
SEALS: _____ DEAD HEAD: _____FT.

P-823/M-823
WWT COOLANT CIRC. PUMP

MFR: GOULDS PUMPS MODEL/SIZE: 3656/3756
MAT'L: CASE: CAST IRON IMPELLER: CAST IRON
OPER. FLOW: _____gpm @ _____°F
NPSHR: _____FT. NPSHA: _____FT.
SG: _____ DIFF: _____FT. _____psig
MOTOR DATA: _____ HP 3500 RPM _____ SF
SEALS: _____ DEAD HEAD: _____FT.

0 LEC — LEC WWTP PROJECT – ISSUED FOR CONSTRUCTION 6-20-2013

NAVAJO TITLE BLOCK NOT REVISED

NOTES

1. FRP = FIBER GLASS EPOXY PIPE SCH 40
2. UNLESS OTHERWISE NOTED, BULL PLUGS ARE REQUIRED FOR ALL 3/4 AND 1/2 DRAIN, VENT AND BLEEDER VALVES PER NRC POLICY AND ARE NOT SHOWN.
3. CHEMICAL INJECTED IS A COAGULANT. INJECTION PIPING AND CHEMICAL MAINTAINED BY AQUA MICROBICS. (13)
4. CHEMICAL INJECTION IS A FLOCULANT. INJECTION PIPING MAINTAINED BY AQUA MICROBICS.

REFERENCE DRAWINGS

55-Z-31-D-33 AREA 33 PLOT PLAN

NO.	REVISIONS	BY	CHK.	DATE	APPR.	APPR.
16	AS-BUILT PER M2011342-001	SLW		5/11		
15	REVISED PER MOC M2011342-001	SLW	JDE	04/29/11		
14	"AS-BUILT" PER MOC 2010323-001	JNB		09/24/10		
13	MOC M2010219-001 AS-BUILT PER JDE	DGJ	JDE	5/10		
12	MOC M2009292-001 AS-BUILT PER JDE	DGJ	JDE	5/10		
11	REVISED PER M2009292-001	YSF		01/10		
10	REVISED PER FIELD WALKDOWN	JNB		5/12/08		
9	ISSUED FOR CONSTRUCTION RFC# 24118	SLW	GKD	2/10/05	GKD	
8	ISSUED FOR REVIEW & COMMENT RFC# 24118	SLW	GKD	2/2/05	GKD	

NO.	REVISIONS	BY	CHK.	DATE	APPR.	APPR.
7	REVISED PER GKD MARK-UP	SLW		10/11/06		
6	REVISED PER JLH MARK-UP	RDJ		5/22/02		
5	REVISED PER WATER INJECTION PROJECT	BHR		9/30/99		
4	REVISED PER RFC#	BHR		7/15/98		
3	REVISED PER MARK-UP	RDJ		5/12/98		
2	ADDED TIE-POINTS, LINE NUMBERS	RDJ		4/17/98		
1	PROPOSED ISSUED FOR EPA REVIEW	BHR	JLM	01/15/98		
18	GENERAL REVISION	SB		7/25/12		
17	GENERAL REVISION	SB		6/12		

DRAWING TITLE

MECHANICAL FLOW SHEET

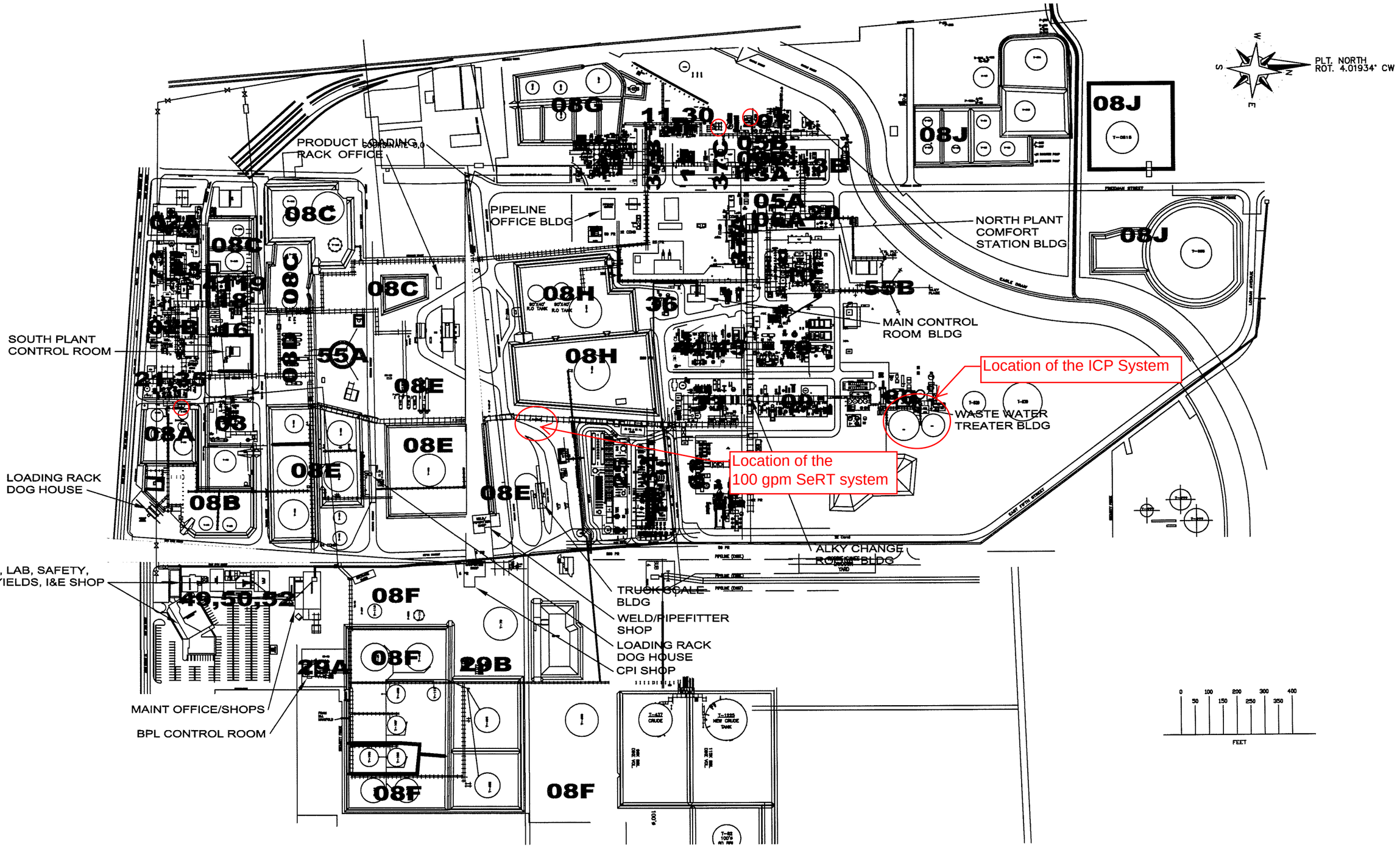
WASTEWATER TREATMENT

UNIT 80

NAVAJO REFINING CO.
ENGINEERING DEPARTMENT
P.O. DRAWER 159
ARTESIA, NEW MEXICO

DRAWN BY	CHK'D BY	SCALE	
JNB		NONE	
DATE	APPR BY	DRAWING NUMBER	REV.
5/12/08		80-V-02-D-02	18

6/20/2013 11:50:49 AM Pam.Langley



NOTES

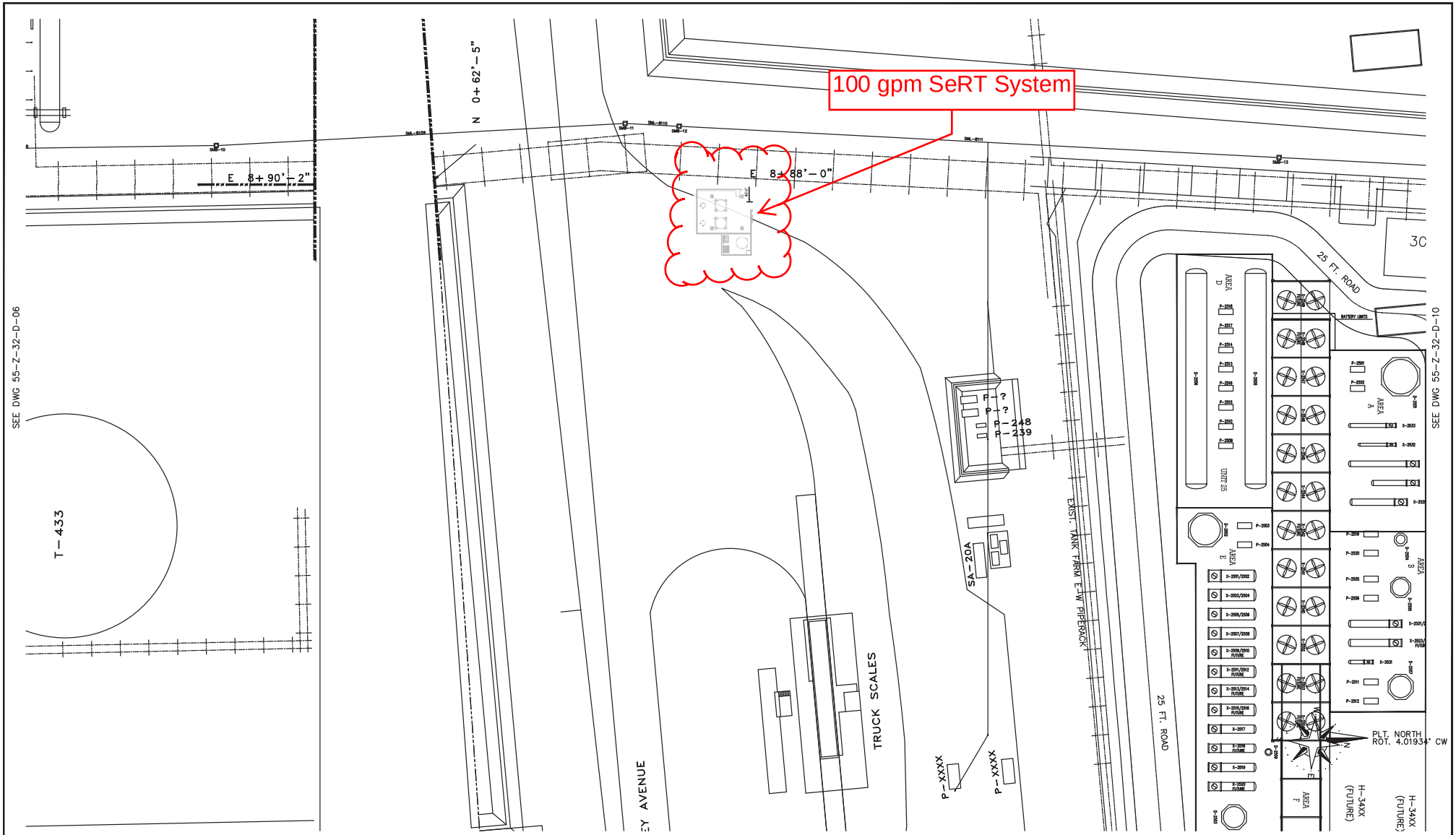
REFERENCE DRAWINGS

NO.	REVISIONS	BY	CHK.	DATE	APPR.	APPR.
1	AS-BUILT	YSF		3/12		
0	ISSUED FOR REFERENCE	SLW	SLW	6/3/08	DGJ	

DRAWING TITLE
KEY PLOT PLAN
ARTESIA INDIVIDUAL
UNIT PLOT PLANS

NAVAJO REFINING CO.
ENGINEERING DEPARTMENT
P.O. DRAWER 159
ARTESIA, NEW MEXICO

DRAWN BY	CHK'D BY	SCALE
SLW	SLW	NONE
DATE	APPR BY	DRAWING NUMBER / REV.
5/30/08	DGJ	55-Z-33-D-01 / 1



NOTES

REFERENCE DRAWINGS

NO.	REVISIONS	BY	CHK.	DATE	APPR.	APPR.
0	ISSUED FOR REFERENCE	SLW	SLW	1/11/08	DGJ	

DRAWING TITLE

PLOT PLAN
UNDERGROUND SEWER PIPING
SOUTH MAIN LINE

NAVAJO REFINING CO.
ENGINEERING DEPARTMENT
P.O. DRAWER 159
ARTESIA, NEW MEXICO

DRAWN BY	CHK'D BY	SCALE	
SLW	SLW	NONE	
DATE	APPR BY	DRAWING NUMBER	REV.
1/11/08	DGJ	55-Z-32-D-09	0

C-807/C-808
Diffusion Air Blowers

P-822/P-823
Diffusion Air Blower
Coolant Circulation Pump

T-801 Equalization tank
110' diameter x 32' height
2,310,000 gallons

T-805 Flocculator
12' diameter x 9' height
7,000 gallons

T-896 Dissolved Air
Floatation Unit

D-831 DAF Recycle
Pressure Tank

T-897 DAF Surge Tank
8' x 8' x 5'
1,900 gallons

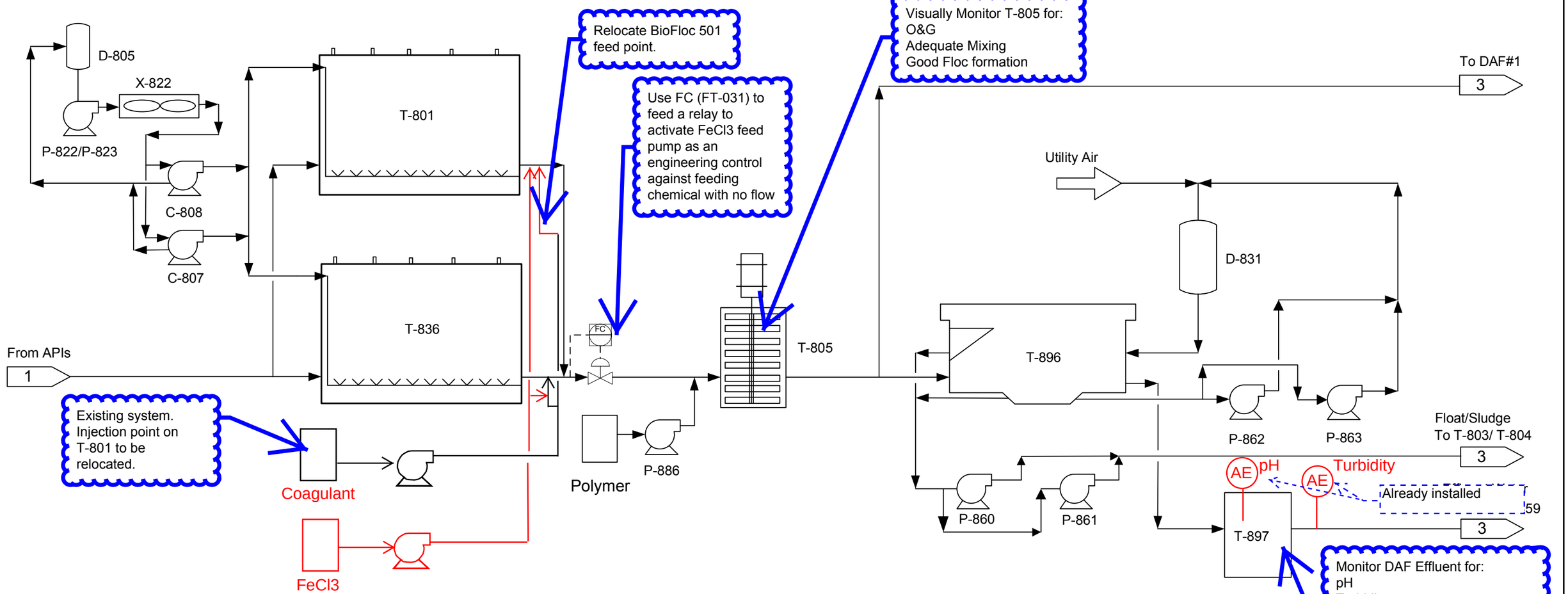
X-822
Diffusion Air Blower
Coolant Air Cooler

T-836 Equalization tank
82.5' diameter x 32' height
gallons

P-866
Polymer Injection Pump

P-860/ P-861
DAF Solids/Float Pump

P-862/ P-863
DAF Recycle Pump



TITLE
WASTE WATER TREATER
EQUALIZATION TANKS, FLUCCULATOR, AND
DAF#2

DATE ORIGINAL	SCALE
04/02/09	NONE

LATEST REVISION	JOB NO.	CHECKED	DRAWN
			80-V-01-D-02

REVISIONS

NO.	DATE	DESCRIPTION
1	7/09	

Navajo

ENGINEERING DEPARTMENT

P.O. Drawer 159

ARTESIA, NEW MEXICO

T-805 FLOCCULATOR
12' DIAMETER X 9' HEIGHT
7,000 GALLONS

T-896 DISSOLVED AIR FLOATATION UNIT

P-862/P-863
DAF RECYCLE PUMP

P-860/P-861
DAF SOLIDS/FLOAT PUMP

D-831 DAF RECYCLE PRESSURE TANK

T-806 FUTURE DISSOLVED AIR FLOATATION UNIT (CONVERT FROM T-806)

P-806x3/P-806x4
FUTURE DAF RECYCLE PUMP

P-806x1/P-806x2
FUTURE DAF SOLIDS/FLOAT PUMP

D-806/807
ACTIVATED CARBON BEDS

D-806x5 FUTURE DAF RECYCLE PRESSURE TANK

D-810/811
WALNUT HULL FILTERS

T-897 DAF SURGE TANK
8' X 8' X 5'
1,900 GALLONS

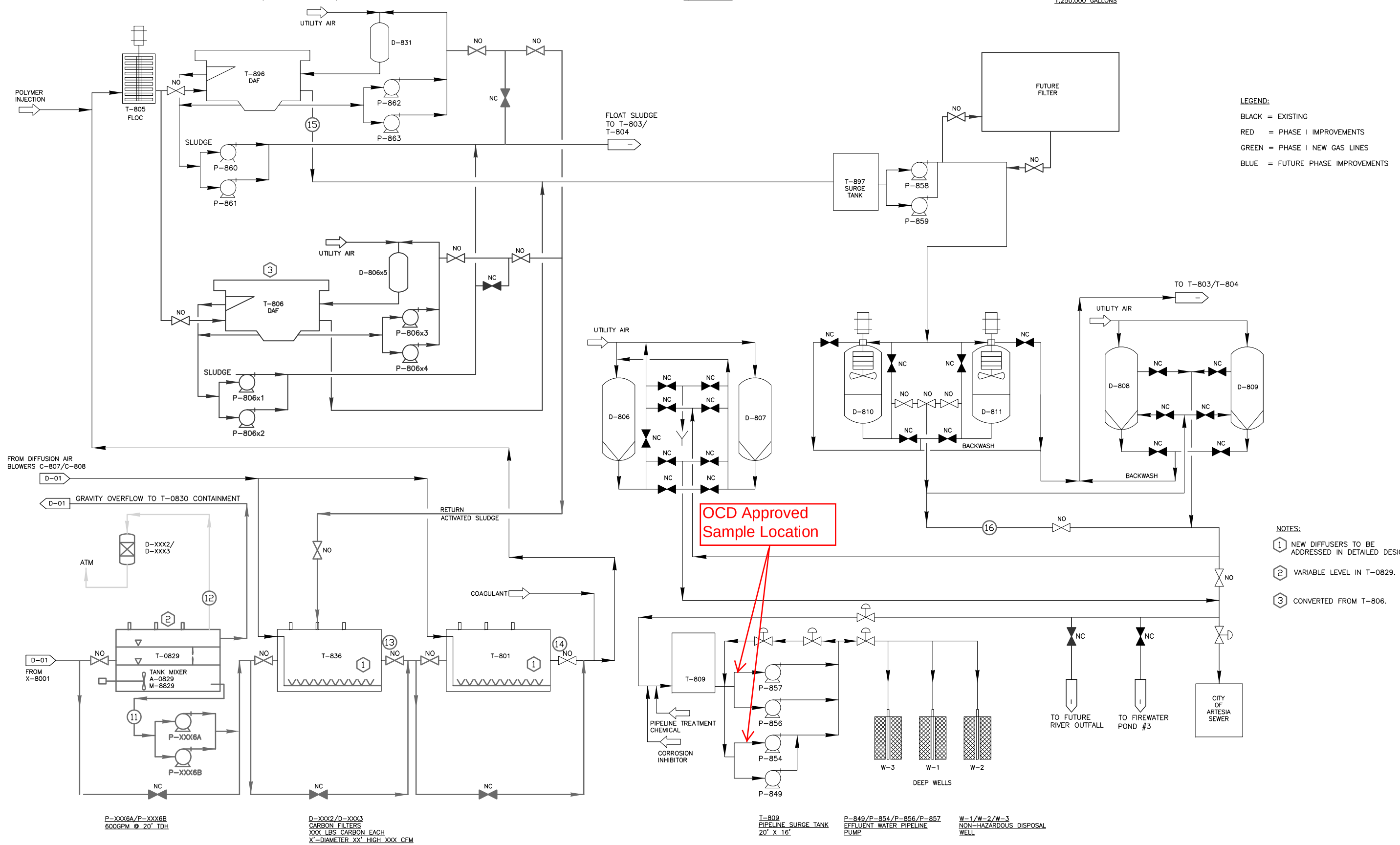
D-808/809
MECHANICAL FILTERS

P-858/P-859
DAF RECYCLE PUMP

T-0829 EQUALIZATION TANK
82.5' DIAMETER X 32' HEIGHT
1,250,000 GALLONS

T-801 EQUALIZATION TANK
110' DIAMETER X 32' HEIGHT
2,310,000 GALLONS

T-836 EQUALIZATION TANK
82.5' DIAMETER X 32' HEIGHT
1,250,000 GALLONS



LEGEND:

BLACK = EXISTING

RED = PHASE I IMPROVEMENTS

GREEN = PHASE I NEW GAS LINES

BLUE = FUTURE PHASE IMPROVEMENTS

NOTES:

1. NEW DIFFUSERS TO BE ADDRESSED IN DETAILED DESIGN.
2. VARIABLE LEVEL IN T-0829.
3. CONVERTED FROM T-806.

P-XXX6A/P-XXX6B
600GPM @ 20' TDH

D-XXX2/D-XXX3
CARBON FILTERS
XXX LBS CARBON EACH
X'-DIAMETER XX' HIGH XXX CFM

T-809
PIPELINE SURGE TANK
20' X 16'

P-849/P-854/P-856/P-857
EFFLUENT WATER PIPELINE PUMP

W-1/W-2/W-3
NON-HAZARDOUS DISPOSAL WELL

REV. NO.	DATE	DRWN	CHKD	REMARKS
5	01/12	DH	JDC	ISSUED FOR PHA REVIEW
4	12/9	RM	JDC	CHANGED PER 12/07/10 REVIEW MEETING
3	12/6	RM	JDC	CHANGED PER 11/30/10 REVIEW MEETING
2	11/3			CHANGED DURING CLIENT REVIEW MEETING
1	10/26			CHANGED PER CLIENT 10/26/10

DESIGNED BY: J. CAMANN
DRAWN BY: R. MOORE
SHEET CHK'D BY: K. GREENFELDER
CROSS CHK'D BY: M. CARBALLA
APPROVED BY: X
DATE: DECEMBER 2010

CDM
Camp Dresser & McKee
3050 Post Oak Boulevard, Suite 300
Houston, Texas 77056
Tel: (713) 423-7300 Fax: (713) 840-0173
TBPE Firm Registration No. F-3043
consulting • engineering • construction • operations

NAVAJO REFINERY
ARTESIA, NEW MEXICO
PHASE I WWTP

PROCESS FLOW DIAGRAM
PHASE I - WASTEWATER TREATMENT PLANT IMPROVEMENTS - SHEET 2
EQUALIZATION TANK TO DISCHARGE

PROJECT NO. 90538-79019
FILE NAME: G001PFD
SHEET NO. D-02

DWG: S:\90538\79019\00-EXHIBITS\DPH G001PFD-ALT.dwg USER: moorere
DATE: Jan 13, 2011 8:35am XREFS:CDM_2234 79019-2234BDR

NAVAJO REFINING COMPANY, LLC

FAX
(575) 746-5283 DIV. ORDERS
(575) 746-5481 TRUCKING
(575) 746-5458 PERSONNEL

501 EAST MAIN STREET • P. O. BOX 159
ARTESIA, NEW MEXICO 88211-0159
TELEPHONE (575) 748-3311

FAX
(575) 746-5419 ACCOUNTING
(575) 746-5451 ENV/PURCH/MKTG
(575) 746-5421 ENGINEERING

October 6, 2009

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

RE: Discharge Permits UIC-CLI-008 and UIC-CLI-008-1

Carl,

Enclosed, please find a check in the amount of $9,000 to cover the permit fees for the above mentioned discharge permits. Also, enclosed are the signed copies of the permits for your files. If there are any questions concerning this submission, please call me at 575-746-5281.

Sincerely,
NAVAJO REFINING COMPANY, LLC

Darrell Moore
Environmental manager for Water and Waste

Encl:

File: Injection Well Discharge Permits 4A02

NAVAJO REFINING COMPANY LLC
100 Crescent Court, Suite 1600
Dallas TX 75201-6927

WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIVISION
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4000

Check Date		09/29/2009
Check Amount	$	9,000.00
Vendor No		5111809
Payment Document		2000057040
Company Code		1020

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
09/25/2009	092509	INJECTION WELL DISCHARGE PERMIT UIC	4,500.00	0.00	4,500.00
09/25/2009	092509A	INJECTION WELL DISCHARGE PERMIT UIC	4,500.00	0.00	4,500.00

Payment document	Check number	Date	Currency	Payment amount
2000057040	1000069284	09/29/2009	USD	*********9,000.00*

↓ PLEASE FOLD ON PERFORATION AND DETACH HERE ↓

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 9/29/09

or cash received on _____ in the amount of $ 9000 00

from Valero Refining Co.

for WDW-8

Submitted by: Lawrence Romero Date: 10/23/09

Submitted to ASD by: Lawrence Romero Date: 10/23/09

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

NAVAJO REFINING COMPANY, LLC

FAX
(575) 746-5283 DIV. ORDERS
(575) 746-5481 TRUCKING
(575) 746-5458 PERSONNEL

501 EAST MAIN STREET • P. O. BOX 159
ARTESIA, NEW MEXICO 88211-0159
TELEPHONE (575) 748-3311

FAX
(575) 746-5419 ACCOUNTING
(575) 746-5451 ENV/PURCH/MKTG
(575) 746-5421 ENGINEERING

October 6, 2009

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

RE: Discharge Permits UIC-CLI-008 and UIC-CLI-008-1

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Sincerely,
NAVAJO REFINING COMPANY, LLC

Darrell Moore
Environmental manager for Water and Waste

Encl:

File: Injection Well Discharge Permits 4A02

NAVAJO REFINING COMPANY LLC
100 Crescent Court, Suite 1600
Dallas TX 75201-6927

WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIVISION
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4000

Check Date		09/29/2009
Check Amount	$	9,000.00
Vendor No		5111809
Payment Document		2000057040
Company Code		1020

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
09/25/2009	092509	INJECTION WELL DISCHARGE PERMIT UIC	4,500.00	0.00	4,500.00
09/25/2009	092509A	INJECTION WELL DISCHARGE PERMIT UIC	4,500.00	0.00	4,500.00

Payment document	Check number	Date	Currency	Payment amount
2000057040	1000069284	09/29/2009	USD	*********9,000.00*

↓ PLEASE FOLD ON PERFORATION AND DETACH HERE ↓

VERIFY THE AUTHENTICITY OF THIS MULTI-TONE SECURITY DOCUMENT. CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

ANTI-FRAUD PROTECTION - PATENTS 5,197,765; 5,330

NAVAJO REFINING COMPANY LLC
100 Crescent Court, Suite 1600
Dallas TX 75201-6927

64-1278/611 **1000069284**
09/29/2009

PAY EXACTLY
*********9,000.00*USD
VOID AFTER 180 DAYS

PAY *** NINE THOUSAND and 00 /100 USD***

TO THE
ORDER OF WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIVISION
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4000

Stephen D Wise
AUTHORIZED SIGNATURE

⑈1000069284⑈ ⑆061112788⑆ 329905321 7⑈

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division

September 21, 2009

Mr. Darrell Moore
Environmental Manager for Water and Waste
Navajo Refining Company, L.L.C.
501 East Main Street, P.O. Drawer 159
Artesia, New Mexico 88211-0159

Re: **Approval of Class I Injection Well Discharge Permit UIC-CLI-008 (I-008)**
Class I Non-Hazardous Oil Field Waste Disposal Well
WDW-1, API No. 30-015-27592
660 FSL and 2310 FEL UL: O Section 31, T 17 S, R 28 E
Eddy County, New Mexico

Dear Mr. Moore:

Pursuant to the Water Quality Control Commission (WQCC) Regulations 20.6.2 NMAC and more specifically 20.6.2.3104 - 20.6.2.3999 and 20.6.2.5000-.5299, the Oil Conservation Division (OCD) hereby authorizes Navajo Refining Company Class I WDW-1 Waste Disposal Well (API No. 30-015-27592) in Eddy County, New Mexico, under the conditions specified in the enclosed **Attachment To The Class I Injection Well Discharge Permit**.

Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter-including permit fees.**

Please be advised that approval of this permit does not relieve the Navajo Refining Company of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the Navajo Refining Company of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Carl Chavez of my staff at (505-476-3490) or E-mail address: carlj.chavez@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Glenn von Gonten
Acting Environmental Bureau Chief

GvG/cc
Attachments-1
xc: OCD District Office

ATTACHMENT TO THE DISCHARGE PERMIT
Navajo Refining Company WDW-1 Class I Waste Disposal Well UICCL1-008 (I-008)
DISCHARGE PERMIT APPROVAL CONDITIONS

September 21, 2009

Please remit a check for $4,500.00 made payable to Water Quality Management Fund:

Water Quality Management Fund
C/o: Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

1. **Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of $100.00, plus a renewal flat fee (*see* WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required $100.00 filing fee and the Navajo Refining Company still owes the required $4500.00 permit fee. The total fee amount due is $4500 for the Class I Well.

2. **Permit Expiration and Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on July 14, 2013** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. ***Expired permits are a violation of the Water Quality Act (Chapter 74, Article 6, NMSA 1978) and civil penalties may be assessed accordingly.***

3. **Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the Navajo Refining Company must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38. All injection operations related to oil and natural gas production in New Mexico are regulated under the provisions of the Oil and Gas Act, NMSA 1978, Sections 70-2-1 *et seq.* and the Water Quality Act, NMSA 1978, Sections 74-6-1 *et seq.* These Acts delegate authority for enforcement of their provisions relating to oil and natural gas drilling, production, processing, and transportation to the Oil Conservation Division (OCD) of the New Mexico Energy, Minerals and Natural Resources Department, and to the Oil Conservation Commission (OCC) and the Water Quality Control Commission (WQCC). To carry out its authority, the OCC has promulgated rules (19 NMAC) and numerous orders. Navajo Refining Company shall comply with WQCC Regulations 20.6.2 *et seq.* NMAC relating to Class I Waste Disposal Wells.

4. Navajo Refining Company Commitments: The Navajo Refining Company shall abide by all commitments submitted in its June 28, 2006 Application for Permit to Drill, Re-enter, Deepen, Plug back or Add a Zone API No. 30-015-27592" including subsequent attachments and amendments; letters and conditions herein for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the Navajo Refining Company shall abide by all previous commitments of such plans and these conditions for approval.

5. Modifications: WQCC Regulation 20.6.2.3107.C, 20.6.2.3109 and 20.6.2.5101.I NMAC addresses possible future modifications of a permit. The Navajo Refining Company (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is or will be exceeded, or if a toxic pollutants as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.

6. Waste Disposal and Storage: Navajo Refining Company shall dispose of all other non-injected wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class I well. RCRA non-hazardous, exempt and non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

B. Waste Storage: The Navajo Refining Company shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The Navajo Refining Company shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

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8. Process, Maintenance and Yard Areas: The Navajo Refining Company shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.

9. Above Ground Tanks: The Navajo Refining Company shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The Navajo Refining Company shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.

10. Labeling: The Navajo Refining Company shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The Navajo Refining Company may use a tank code numbering system, which is incorporated into their emergency response plans.

11. Below-Grade Tanks/Sumps and Pits/Ponds.

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The Navajo Refining Company shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The Navajo Refining Company shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

C. The Navajo Refining Company shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

D. The Navajo Refining Company shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The Navajo

Refining Company shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The Navajo Refining Company may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The Navajo Refining Company shall notify the OCD at least 72 hours prior to all testing.

12. Underground Process/Wastewater Lines:

A. The Navajo Refining Company shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The Navajo Refining Company may use other methods for testing if approved by the OCD.

B. Navajo Refining Company shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The Navajo Refining Company shall report any leaks or loss of integrity to the OCD within 15 days of discovery.

Navajo Refining Company shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The Navajo Refining Company shall notify the OCD at least 72 hours prior to all testing.

13. Class V Wells: The Navajo Refining Company shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V Waste Disposal Wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

14. Housekeeping: The Navajo Refining Company shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The Navajo Refining Company shall maintain all records at the facility and available for OCD inspection.

15. Spill Reporting: The Navajo Refining Company shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation

20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The Navajo Refining Company shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD may place additional requirements on the facility and modify the permit conditions based on well emergencies, OCD inspections, and/or quarterly reporting information.

17. Storm Water: The Navajo Refining Company shall implement and maintain run-on and runoff plans and controls. The Navajo Refining Company shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any storm water run-off. The Navajo Refining Company shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

18. Unauthorized Discharges: The Navajo Refining Company shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application approved herein.

An unauthorized discharge is a violation of this permit.

19. Vadose Zone and Water Pollution: The Navajo Refining Company shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-.4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the Navajo Refining Company to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit.

20. Additional Site Specific Conditions:

A. Notification: The Navajo Refining Company shall notify the OCD within 24 hours after having knowledge of ground water pollution complaints or well problems within a 1-mile radius of WDW-1.

B. Hydrogen Sulfide (H_2S) Contingency Plan: If concentrations of H_2S at the facility may exceed 100 ppm as specified in 19.15.11.12 et seq. NMAC, a H_2S Contingency Plan per 19.15.11.9 et seq. NMAC shall be submitted within 3 months of permit issuance.

21. Class I Injection Well(s) Identification, Operation, Monitoring, Bonding and Reporting.

A. Well Identification: API # 30-015-27592

B. Well Work Over Operations: OCD approval will be obtained prior to performing remedial work, pressure test or any other work. Approval will be requested on OCD Form C-103 "Sundry Notices and Reports on Wells" (OCD Rule 1103.A) with appropriate copies sent to the OCD Environmental Bureau and District Office.

C. Injection Formation, Interval & Waste: Injected refinery exempt/non-exempt non-hazardous wastes will be injected into the Wolfcamp, Cisco and Canyon Formations at the interval 7924 ft to 8476 ft. Tubing shall be surrounded by surface casing set to a depth protective of fresh ground water (< 10,000 ppm TDS). The owner/operator shall take all steps necessary to ensure that the injected waste enters only the above specified injection interval and is not permitted to escape to other formations or onto the surface. The operator shall provide written notice of the date of commencement of injection to the Santa Fe Office of the Division.

D. Well Injection Pressure Limits: The wellhead injection pressure on the well shall be limited to no more than 1580 psig. In addition, the injection well or system shall be equipped with a pressure limiting device in workable condition, which shall, at all times, limit surface injection pressure to the maximum allowable pressure for this well. The maximum operating surface injection and/or test pressure measured at the wellhead shall not exceed 1580 psig unless otherwise approved by the OCD. The pressure-limiting device shall monthly be demonstrated and reported quarterly to the OCD. Navajo Refining Company shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the ground surface. Any pressure that causes new fractures or propagation in existing fractures or causes damage to the system shall be reported to OCD within 24 hours of discovery.

The Director of the OCD may authorize an increase in injection pressure upon demonstration by the operator of said well that such higher pressure will not result in migration of the injected fluid from the injection formation. Such demonstration shall consist of a valid step-rate test run in accordance with and acceptable to the OCD.

E. Mechanical Integrity Testing (MIT): The owner/operator shall complete an annual casing-tubing annulus pressure test from the surface to the approved injection depth and below the depth of fresh ground water (< 10,000 ppm TDS) to assess casing and tubing integrity. The MIT shall consist of a 30-minute test at a minimum pressure from 300 to 500 psig measured at the surface. A Bradenhead test(s) shall also be

performed annually along with the casing-tubing annulus test. A Bradenhead test(s) shall be performed in all annular spaces including surface casing if not cemented.

The owner/operator shall complete an annual pressure fall-off test to monitor the pressure buildup in the injection zone. The well shall be shut down for a period sufficient to conduct the test and shall be submitted to the OCD in the annual report (see Section 21K (11)). All well testing shall be performed annually or shall also be performed whenever the tubing is pulled or the packer reseated or when the injection formation will be isolated from the casing/tubing annuals. The operator shall notify the Santa Fe Office of the Division of the date, time and time of the installation of disposal equipment and of any MIT so that it may be inspected and witnessed.

1. General Requirements:

   a. If the testing requires a packer then casing-tubing annulus must be loaded with inert fluid 24 hours prior to testing.

   b. Have manpower and equipment available for pressure test. Wellhead shall be prepared for test and all valves and gauges should be in good working order.

   c. Pumps, tanks, external lines etc. must be isolated from the wellhead during test.

   d. A continuous recording pressure device with a maximum 4-hour clock shall be installed on the casing-tubing annulus. The pressure range shall not be greater than 500 psig. The operator must provide proof that the pressure-recording device has been calibrated within the past 6 months.

   e. A minimum of one pressure gauge shall be installed on the casing/tubing annulus.

   f. OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test, the operator may be required to bleed-off well pressure to demonstrate recorder and gauge response.

   g. The Operator shall supply the following information on the pressure chart that the inspector will file in the well records:
      1. Company Name, Well Name, API #, Legal Location.
      2. Test Procedure with "Pass/Fail" designation.
      3. Testing Media: Water, Gas, Oil, Etc.
      4. Date, time started and ending.
      5. Name (printed) and signature of company representative and OCD Inspector

2. Test Acceptance:

The OCD will use the following criteria in determining if a well has passed the Mechanical Integrity Test:

a. Passes if Zero Bleed-Off during the test.

b. Passes if Final Test Pressure is within ± 10% of Starting Pressure, if approved by the OCD inspector.

c. Fails if any Final Test Pressure is greater than ± 10% of Starting Pressure. Operators must investigate for leaks and demonstrate that mechanical integrity of the well(s) by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and/or injection zones. Wells shall not resume operations until approved by OCD.

Note: OCD recognizes that different operations, well designs, formation characteristics and field conditions may cause variations in the above procedures. If the operator wishes to make or discuss anticipate changes, please notify the OCD for approval. All operators are responsible to notify OCD of any procedure that may cause harm to the well system or formation. Please be advised that OCD approval does not relieve any operator of liability should operations result in pollution of surface water, groundwater, or the environment.

d. When the MIT is not witnessed by an OCD Representative and fails, the owner/operator shall notify the OCD within 24 hours after having knowledge of well MIT failure.

F. Loss of Mechanical Integrity: The operator shall report within 24 hours of discovery any failure of the casing, tubing or packer, or movement of fluids outside of the injection zone. The operator shall cease operations until proper repairs are made and receive OCD approval to re-start injection operations. In addition, any associated fresh ground water monitor wells, which exhibit anomalous static water levels, detection of elevated general chemistry constituents, public health issues, etc. shall be immediately reported to the OCD.

G. Injection Record Volumes and Pressures: The owner/operator shall submit quarterly reports of its disposal, operation and well workovers provided herein. The minimum, maximum, average flow waste injection volumes (including total volumes) and annular pressures of waste (oil field exempt/non-exempt non-hazardous waste)

injected will be recorded monthly and submitted to the OCD Santa Fe Office on a quarterly basis.

The casing-tubing annulus shall contain fluid and be equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. Due to pressure fluctuations observed at Navajo's other two nearby Class I Injection Wells, WDW-1 shall be equipped with an expansion tank under constant 100 psig pressure connected to the casing-annulus and maintained under constant pressure. The expansion tank shall initially be filled half-full (250 gallon expansion tank) with an approved fluid to establish an equilibrium volume and fluid level. Weekly monitoring of fluid levels in the expansion tank coupled with documented additions/ removals of fluids into or out of the expansion tank is required to maintain the equilibrium volume. Any loss or gain of fluids in the expansion tank shall be recorded, and if significant, reported to the OCD within 24 hours of discovery. The owner/operator shall provide the following information on a quarterly basis: weekly expansion tank volume readings shall be provided in a table in the cover letter of each quarterly report. Navajo shall monitor, record and note any fluid volume additions or removals from the expansion tank on a quarterly basis. In addition, any well activity (i.e., plugging, changing injection intervals, etc.) shall be conducted in accordance with all applicable New Mexico Oil Conservation Division regulations.

H. Analysis of Injected Waste: Provide an analytical data or test results summary of the injection waste water with each annual report. The analytical testing shall be conducted on a quarterly basis with any exceedence reported to the OCD within 24 hours after having knowledge of an exceedence(s). Records shall be maintained at Navajo for the life of the well. The required analytical test methods are:

a. Aromatic and halogenated volatile hydrocarbon scan by EPA Method 8260C GC/MS. Semi-volatile Organics GC/MS EPA Method 8270B including 1 and 2-methylnaphthalene.

b. General water chemistry (Method 40 CFR 136.3) to include calcium, potassium, magnesium, sodium, bicarbonate, carbonate, chloride, sulfate, total dissolved solids (TDS), pH, and conductivity.

c. Heavy metals using the ICP scan (EPA Method 6010) and Arsenic and Mercury using atomic absorption (EPA Methods 7060 and 7470).

d. EPA RCRA Characteristics for Ignitability, Corrosivity and Reactivity (40 CFR part 261 Subpart C Sections 261.21 – 261.23, July 1, 1992).

I. Area of Review (AOR): The operator shall report within 24 hours of discovery of any new wells, conduits, or any other device that penetrates or may penetrate the

injection zone within a 1-mile radius from the Class I Well. Documentation of new wells shall be added to the existing AOR information in the well file within 30 days of the discovery.

J. Bonding or Financial Assurance: The operator shall maintain at a minimum, a one well plugging bond in the amount of $95,000 or the actual amount required to plug/abandon the well pursuant to OCD and WQCC rules and regulations. If warranted, OCD may require additional financial assurance to ensure adequate funding to plug and abandon the well or for any corrective actions.

K. Annual Report: All operators shall submit an annual report due on January 31 of each year. The report shall include the following information:

a. Cover sheet marked as "Annual Class I Well Report, name of operator, permit #, API# of well(s), date of report, and person submitting report.

b. Brief summary of Class I Well(s) operations including description and reason for any remedial or major work on the well with a copy of OCD Form C-103.

c. Production volumes as required above in 21.G. including a running total should be carried over to each year. The maximum and average injection pressure.

d. A copy of the chemical analysis as required above in 21.H.

e. A copy of any mechanical integrity test chart, including the type of test, i.e. duration, gauge pressure, etc.

f. Brief explanation describing deviations from normal production methods.

g. A copy of any expansion tank monitoring pressure, fluid removals/additions, well problems, drinking water impacts, leaks and spills reports.

h. If applicable, results of any groundwater monitoring.

i. An Area of Review (AOR) update summary.

j. Sign-off requirements pursuant to WQCC Subsection G 20.6.2.5101.

k. A summary with interpretation of MITs, Fall-Off Tests, etc., with conclusion(s) and recommendation(s).

l. Annual facility training.

22. Transfer of Discharge Permit: Pursuant to WQCC 20.6.2.5101.H the Navajo Refining Company and any new owner/operator shall provide written notice of any transfer of the permit in accordance with WQCC 20.6.2.3104 (Discharge Permit Required), 20.6.2.3111 (Transfer of Discharge Permit), 20.6.2.5101 (Discharge Permit and Other Requirements for Class I Non-Hazardous Waste Disposal Wells, and Class III Wells). Both parties shall sign the notice 30 days prior to any transfer of ownership, control or possession of a Class I Well with an approved discharge permit. In addition, the purchaser shall include a written commitment to comply with the terms and conditions of the previously approved discharge permit. OCD will not transfer Class I Well operations until: correspondence between the transferor and transferee is submitted along with a signed certification of acceptance by the transferee, and proper bonding or financial assurance is in place and approved by the division. OCD reserves the right to require a major modification of the permit during the transfer process.

23. Training: All personnel associated with operations at the Navajo Class I disposal well shall have appropriate training in accepting, processing, and disposing of Class I non exempt non-hazardous refinery waste to insure proper disposal. Provide training documentation in annual report under Section 21K(12).

24. Closure: The Navajo Refining Company shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. Prior to closure of the facility, the operator shall submit for OCD approval, a closure plan including a completed C-103 form for plugging and abandonment of the well(s). Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.

25. CERTIFICATION: (OWNER/OPERATOR) by the officer whose signature appears below, acknowledges receipt of this Discharge Permit, and has reviewed its terms and conditions.

NAVAJO REFINING COMPANY, LLC
Company Name- print name above

MICHAEL WHATLEY
Company Representative- print name

Michael Whatley
Company Representative- Signature

Title VP Refinery Manager

Date: 10-20-09

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division

September 21, 2009

Mr. Darrell Moore
Environmental Manager for Water and Waste
Navajo Refining Company, L.L.C.
501 East Main Street, P.O. Drawer 159
Artesia, New Mexico 88211-0159

Re: **Approval of Class I Injection Well Discharge Permit UIC-CLI-008 (I-008)**
Class I Non-Hazardous Oil Field Waste Disposal Well
WDW-1, API No. 30-015-27592
660 FSL and 2310 FEL UL: O Section 31, T 17 S, R 28 E
Eddy County, New Mexico

Dear Mr. Moore:

Pursuant to the Water Quality Control Commission (WQCC) Regulations 20.6.2 NMAC and more specifically 20.6.2.3104 - 20.6.2.3999 and 20.6.2.5000-.5299, the Oil Conservation Division (OCD) hereby authorizes Navajo Refining Company Class I WDW-1 Waste Disposal Well (API No. 30-015-27592) in Eddy County, New Mexico, under the conditions specified in the enclosed **Attachment To The Class I Injection Well Discharge Permit**.

Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter-including permit fees.**

Please be advised that approval of this permit does not relieve the Navajo Refining Company of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the Navajo Refining Company of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Carl Chavez of my staff at (505-476-3490) or E-mail address: carlj.chavez@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Glenn von Gonten
Acting Environmental Bureau Chief

GvG/cc
Attachments-1
xc: OCD District Office

ATTACHMENT TO THE DISCHARGE PERMIT
Navajo Refining Company WDW-1 Class I Waste Disposal Well UICCL1-008 (I-008)
DISCHARGE PERMIT APPROVAL CONDITIONS

September 21, 2009

Please remit a check for $4,500.00 made payable to Water Quality Management Fund:

Water Quality Management Fund
C/o: Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

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B. Waste Storage: The Navajo Refining Company shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The Navajo Refining Company shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

7. Drum Storage: The Navajo Refining Company must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The Navajo Refining Company must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The Navajo Refining Company must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

8. Process, Maintenance and Yard Areas: The Navajo Refining Company shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.

9. Above Ground Tanks: The Navajo Refining Company shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The Navajo Refining Company shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.

10. Labeling: The Navajo Refining Company shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The Navajo Refining Company may use a tank code numbering system, which is incorporated into their emergency response plans.

11. Below-Grade Tanks/Sumps and Pits/Ponds.

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The Navajo Refining Company shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The Navajo Refining Company shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

C. The Navajo Refining Company shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

D. The Navajo Refining Company shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The Navajo

Refining Company shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The Navajo Refining Company may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The Navajo Refining Company shall notify the OCD at least 72 hours prior to all testing.

12. Underground Process/Wastewater Lines:

A. The Navajo Refining Company shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The Navajo Refining Company may use other methods for testing if approved by the OCD.

B. Navajo Refining Company shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The Navajo Refining Company shall report any leaks or loss of integrity to the OCD within 15 days of discovery.

Navajo Refining Company shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The Navajo Refining Company shall notify the OCD at least 72 hours prior to all testing.

13. Class V Wells: The Navajo Refining Company shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V Waste Disposal Wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

14. Housekeeping: The Navajo Refining Company shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The Navajo Refining Company shall maintain all records at the facility and available for OCD inspection.

15. Spill Reporting: The Navajo Refining Company shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation

20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The Navajo Refining Company shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD may place additional requirements on the facility and modify the permit conditions based on well emergencies, OCD inspections, and/or quarterly reporting information.

17. Storm Water: The Navajo Refining Company shall implement and maintain run-on and runoff plans and controls. The Navajo Refining Company shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any storm water run-off. The Navajo Refining Company shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

18. Unauthorized Discharges: The Navajo Refining Company shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application approved herein.

An unauthorized discharge is a violation of this permit.

19. Vadose Zone and Water Pollution: The Navajo Refining Company shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000-.4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the Navajo Refining Company to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit.

20. Additional Site Specific Conditions:

A. Notification: The Navajo Refining Company shall notify the OCD within 24 hours after having knowledge of ground water pollution complaints or well problems within a 1-mile radius of WDW-1.

B. Hydrogen Sulfide (H_2S) Contingency Plan: If concentrations of H_2S at the facility may exceed 100 ppm as specified in 19.15.11.12 et seq. NMAC, a H_2S Contingency Plan per 19.15.11.9 et seq. NMAC shall be submitted within 3 months of permit issuance.

21. Class I Injection Well(s) Identification, Operation, Monitoring, Bonding and Reporting.

A. Well Identification: API # 30-015-27592

B. Well Work Over Operations: OCD approval will be obtained prior to performing remedial work, pressure test or any other work. Approval will be requested on OCD Form C-103 "Sundry Notices and Reports on Wells" (OCD Rule 1103.A) with appropriate copies sent to the OCD Environmental Bureau and District Office.

C. Injection Formation, Interval & Waste: Injected refinery exempt/non-exempt non-hazardous wastes will be injected into the Wolfcamp, Cisco and Canyon Formations at the interval 7924 ft to 8476 ft. Tubing shall be surrounded by surface casing set to a depth protective of fresh ground water (< 10,000 ppm TDS). The owner/operator shall take all steps necessary to ensure that the injected waste enters only the above specified injection interval and is not permitted to escape to other formations or onto the surface. The operator shall provide written notice of the date of commencement of injection to the Santa Fe Office of the Division.

D. Well Injection Pressure Limits: The wellhead injection pressure on the well shall be limited to no more than 1580 psig. In addition, the injection well or system shall be equipped with a pressure limiting device in workable condition, which shall, at all times, limit surface injection pressure to the maximum allowable pressure for this well. The maximum operating surface injection and/or test pressure measured at the wellhead shall not exceed 1580 psig unless otherwise approved by the OCD. The pressure-limiting device shall monthly be demonstrated and reported quarterly to the OCD. Navajo Refining Company shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the ground surface. Any pressure that causes new fractures or propagation in existing fractures or causes damage to the system shall be reported to OCD within 24 hours of discovery.

The Director of the OCD may authorize an increase in injection pressure upon demonstration by the operator of said well that such higher pressure will not result in migration of the injected fluid from the injection formation. Such demonstration shall consist of a valid step-rate test run in accordance with and acceptable to the OCD.

E. Mechanical Integrity Testing (MIT): The owner/operator shall complete an annual casing-tubing annulus pressure test from the surface to the approved injection depth and below the depth of fresh ground water (< 10,000 ppm TDS) to assess casing and tubing integrity. The MIT shall consist of a 30-minute test at a minimum pressure from 300 to 500 psig measured at the surface. A Bradenhead test(s) shall also be

performed annually along with the casing-tubing annulus test. A Bradenhead test(s) shall be performed in all annular spaces including surface casing if not cemented.

The owner/operator shall complete an annual pressure fall-off test to monitor the pressure buildup in the injection zone. The well shall be shut down for a period sufficient to conduct the test and shall be submitted to the OCD in the annual report (see Section 21K (11)). All well testing shall be performed annually or shall also be performed whenever the tubing is pulled or the packer reseated or when the injection formation will be isolated from the casing/tubing annuals. The operator shall notify the Santa Fe Office of the Division of the date, time and time of the installation of disposal equipment and of any MIT so that it may be inspected and witnessed.

1. General Requirements:

   a. If the testing requires a packer then casing-tubing annulus must be loaded with inert fluid 24 hours prior to testing.

   b. Have manpower and equipment available for pressure test. Wellhead shall be prepared for test and all valves and gauges should be in good working order.

   c. Pumps, tanks, external lines etc. must be isolated from the wellhead during test.

   d. A continuous recording pressure device with a maximum 4-hour clock shall be installed on the casing-tubing annulus. The pressure range shall not be greater than 500 psig. The operator must provide proof that the pressure-recording device has been calibrated within the past 6 months.

   e. A minimum of one pressure gauge shall be installed on the casing/tubing annulus.

   f. OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test, the operator may be required to bleed-off well pressure to demonstrate recorder and gauge response.

   g. The Operator shall supply the following information on the pressure chart that the inspector will file in the well records:
      1. Company Name, Well Name, API #, Legal Location.
      2. Test Procedure with "Pass/Fail" designation.
      3. Testing Media: Water, Gas, Oil, Etc.
      4. Date, time started and ending.
      5. Name (printed) and signature of company representative and OCD Inspector

2. Test Acceptance:

The OCD will use the following criteria in determining if a well has passed the Mechanical Integrity Test:

a. Passes if Zero Bleed-Off during the test.

b. Passes if Final Test Pressure is within ± 10% of Starting Pressure, if approved by the OCD inspector.

c. Fails if any Final Test Pressure is greater than ± 10% of Starting Pressure. Operators must investigate for leaks and demonstrate that mechanical integrity of the well(s) by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and/or injection zones. Wells shall not resume operations until approved by OCD.

Note: OCD recognizes that different operations, well designs, formation characteristics and field conditions may cause variations in the above procedures. If the operator wishes to make or discuss anticipate changes, please notify the OCD for approval. All operators are responsible to notify OCD of any procedure that may cause harm to the well system or formation. Please be advised that OCD approval does not relieve any operator of liability should operations result in pollution of surface water, groundwater, or the environment.

d. When the MIT is not witnessed by an OCD Representative and fails, the owner/operator shall notify the OCD within 24 hours after having knowledge of well MIT failure.

F. Loss of Mechanical Integrity: The operator shall report within 24 hours of discovery any failure of the casing, tubing or packer, or movement of fluids outside of the injection zone. The operator shall cease operations until proper repairs are made and receive OCD approval to re-start injection operations. In addition, any associated fresh ground water monitor wells, which exhibit anomalous static water levels, detection of elevated general chemistry constituents, public health issues, etc. shall be immediately reported to the OCD.

G. Injection Record Volumes and Pressures: The owner/operator shall submit quarterly reports of its disposal, operation and well workovers provided herein. The minimum, maximum, average flow waste injection volumes (including total volumes) and annular pressures of waste (oil field exempt/non-exempt non-hazardous waste)

injected will be recorded monthly and submitted to the OCD Santa Fe Office on a quarterly basis.

The casing-tubing annulus shall contain fluid and be equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. Due to pressure fluctuations observed at Navajo's other two nearby Class I Injection Wells, WDW-1 shall be equipped with an expansion tank under constant 100 psig pressure connected to the casing-annulus and maintained under constant pressure. The expansion tank shall initially be filled half-full (250 gallon expansion tank) with an approved fluid to establish an equilibrium volume and fluid level. Weekly monitoring of fluid levels in the expansion tank coupled with documented additions/ removals of fluids into or out of the expansion tank is required to maintain the equilibrium volume. Any loss or gain of fluids in the expansion tank shall be recorded, and if significant, reported to the OCD within 24 hours of discovery. The owner/operator shall provide the following information on a quarterly basis: weekly expansion tank volume readings shall be provided in a table in the cover letter of each quarterly report. Navajo shall monitor, record and note any fluid volume additions or removals from the expansion tank on a quarterly basis. In addition, any well activity (i.e., plugging, changing injection intervals, etc.) shall be conducted in accordance with all applicable New Mexico Oil Conservation Division regulations.

H. Analysis of Injected Waste: Provide an analytical data or test results summary of the injection waste water with each annual report. The analytical testing shall be conducted on a quarterly basis with any exceedence reported to the OCD within 24 hours after having knowledge of an exceedence(s). Records shall be maintained at Navajo for the life of the well. The required analytical test methods are:

a. Aromatic and halogenated volatile hydrocarbon scan by EPA Method 8260C GC/MS. Semi-volatile Organics GC/MS EPA Method 8270B including 1 and 2-methylnaphthalene.

b. General water chemistry (Method 40 CFR 136.3) to include calcium, potassium, magnesium, sodium, bicarbonate, carbonate, chloride, sulfate, total dissolved solids (TDS), pH, and conductivity.

c. Heavy metals using the ICP scan (EPA Method 6010) and Arsenic and Mercury using atomic absorption (EPA Methods 7060 and 7470).

d. EPA RCRA Characteristics for Ignitability, Corrosivity and Reactivity (40 CFR part 261 Subpart C Sections 261.21 – 261.23, July 1, 1992).

I. Area of Review (AOR): The operator shall report within 24 hours of discovery of any new wells, conduits, or any other device that penetrates or may penetrate the

injection zone within a 1-mile radius from the Class I Well. Documentation of new wells shall be added to the existing AOR information in the well file within 30 days of the discovery.

J. Bonding or Financial Assurance: The operator shall maintain at a minimum, a one well plugging bond in the amount of $95,000 or the actual amount required to plug/abandon the well pursuant to OCD and WQCC rules and regulations. If warranted, OCD may require additional financial assurance to ensure adequate funding to plug and abandon the well or for any corrective actions.

K. Annual Report: All operators shall submit an annual report due on January 31 of each year. The report shall include the following information:

a. Cover sheet marked as "Annual Class I Well Report, name of operator, permit #, API# of well(s), date of report, and person submitting report.

b. Brief summary of Class I Well(s) operations including description and reason for any remedial or major work on the well with a copy of OCD Form C-103.

c. Production volumes as required above in 21.G. including a running total should be carried over to each year. The maximum and average injection pressure.

d. A copy of the chemical analysis as required above in 21.H.

e. A copy of any mechanical integrity test chart, including the type of test, i.e. duration, gauge pressure, etc.

f. Brief explanation describing deviations from normal production methods.

g. A copy of any expansion tank monitoring pressure, fluid removals/additions, well problems, drinking water impacts, leaks and spills reports.

h. If applicable, results of any groundwater monitoring.

i. An Area of Review (AOR) update summary.

j. Sign-off requirements pursuant to WQCC Subsection G 20.6.2.5101.

k. A summary with interpretation of MITs, Fall-Off Tests, etc., with conclusion(s) and recommendation(s).

l. Annual facility training.

22. Transfer of Discharge Permit: Pursuant to WQCC 20.6.2.5101.H the Navajo Refining Company and any new owner/operator shall provide written notice of any transfer of the permit in accordance with WQCC 20.6.2.3104 (Discharge Permit Required), 20.6.2.3111 (Transfer of Discharge Permit), 20.6.2.5101 (Discharge Permit and Other Requirements for Class I Non-Hazardous Waste Disposal Wells, and Class III Wells). Both parties shall sign the notice 30 days prior to any transfer of ownership, control or possession of a Class I Well with an approved discharge permit. In addition, the purchaser shall include a written commitment to comply with the terms and conditions of the previously approved discharge permit. OCD will not transfer Class I Well operations until: correspondence between the transferor and transferee is submitted along with a signed certification of acceptance by the transferee, and proper bonding or financial assurance is in place and approved by the division. OCD reserves the right to require a major modification of the permit during the transfer process.

23. Training: All personnel associated with operations at the Navajo Class I disposal well shall have appropriate training in accepting, processing, and disposing of Class I non exempt non-hazardous refinery waste to insure proper disposal. Provide training documentation in annual report under Section 21K(12).

24. Closure: The Navajo Refining Company shall notify the OCD when operations of the facility are to be discontinued for a period in excess of six months. Prior to closure of the facility, the operator shall submit for OCD approval, a closure plan including a completed C-103 form for plugging and abandonment of the well(s). Closure and waste disposal shall be in accordance with the statutes, rules and regulations in effect at the time of closure.

25. CERTIFICATION: (OWNER/OPERATOR) by the officer whose signature appears below, acknowledges receipt of this Discharge Permit, and has reviewed its terms and conditions.

_____
Company Name- print name above

_____
Company Representative- print name

_____
Company Representative- Signature

Title_____

Date:_____

ARCADIS
Infrastructure, environment, buildings

ARCADIS U.S., Inc.
TX Engineering License # F-533

ARCADIS
1004 North Big Spring Street
Suite 300
Midland
Texas 79701
Tel 432.687.5400
Fax 432.687.5401
www.arcadis-us.com

ENVIRONMENTAL

Mr. Carl J, Chavez
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Sent Certified Mail Return Receipt Number 7002 2410 0001 5813 0035

Subject:
Proof of Public Notice
Discharge Plan Permit (UIC I-008-1 and I-008)
Navajo Refining Company
Artesia, Eddy County, New Mexico

Date:
August 13, 2009

Contact:
Sharon Hall

Phone:
432 687-5400

Email:
shall@arcadis-us,com

Dear Mr Chavez:

Respectfully submitted on behalf of Navajo Refining Company is this proof of publication for the above referenced Discharge Plan Permit. Notice of Publication for Discharge Plan Permits UIC I-008-1 and I-008 were published in English and Spanish in the Artesia Daily Press on Sunday, August 9, 2009. The notices of publication and affidavits of publication are attached.

If you have any questions or require additional information please contact me at (432) 687-5400 or shall@aracdis-us.com.

Sincerely,

ARCADIS

Sharon E. Hall

Sharon E. Hall
Associate Vice President

Copies:
Darrell Moore- Navajo Refining Company

Attachments:

Affidavit I-008-1 with attached English and Spanish published notices
Affidavit I-008- with attached English and Spanish published notices

Imagine the result

AFFIDAVIT OF PUBLICATION

Artesia Daily Press

503 W. Main Street, Artesia, New Mexico 88210-2067
(575) 746-3524

STATE OF NEW MEXICO
COUNTY OF Eddy

I Gary Scott **(NAME OF PERSON AUTHORIZED TO SIGN ON BEHALF OF THE NEWSPAPER)**, am authorized by the publisher as agent to make this affidavit of publication. Under oath, I state that the following is true and correct.

The Artesia Daily Press is a newspaper, which is published daily, Artesia, Eddy County, New Mexico, and is of general paid circulation and is in compliance with New Mexico Public Notice and Participation Statute 20.6.2.3108. The newspaper is a duly qualified newspaper under the laws of the State wherein legal notices may be published and that the printed notice attached hereto was published in the regular and entire edition of the newspaper and not in supplement thereof on the date of publication below.

The notice has been published once in the newspaper listed above.

DATE OF PUBLICATION:
August 7, 2009

THE NAME OF THE COMPANY: NAVAJO REFINING COMPANY

PROJECT SITE: (I-008) NAVAJO REFINING COMPANY – ARTESIA REFINERY

TYPE OF NOTICE: APPLICATION FOR DISCHARGE PERMIT

AUTHORIZED SIGNATURE:

Title: Publisher

SUBSCRIBED AND SWORN TO BEFORE ME ON THE
10th DAY OF August, 2009

NOTARY SIGNATURE : Kimberly J. Compo
MY COMMISSION EXPIRES ON : April 5, 2011
NOTARY PUBLIC IN AND FOR THE COUNTY OF EDDY, NEW MEXICO

Please attach a newsprint clip of the published notices (Spanish and English).

NOTICE OF PUBLICATION

Navajo Refining Company
Artesia, New Mexico

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(I-008) Navajo Refining Company, Darrell Moore, Environmental Manager for Water and Waste, 501 East Main Street, P.O. Box Drawer 159, Artesia, New Mexico, 88211-0159, has submitted an application for a Class I Injection Well Discharge Permit (UIC-CLI-008) for injection well WDW-1 (API#30-015-27592) located in the SW/4, SE/4 of Section 31, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico. The injection well is located approximately 11 miles East-Southeast of Artesia on Hwy-82 from Hwy-285 and about 1 mile south on Hilltop Road. Oil field exempt and non-exempt non-hazardous industrial waste will be transported about 11 miles underground from the Navajo-Artesia Refinery located at 501 E. Main Street, Artesia, NM via a 6 inch dia. pipeline to WDW-1 for disposal into the Wolfcamp, Cisco, and Canyon Formations in the injection interval from 7,924 to 8,476 feet (depth below ground level). The total dissolved solids concentration of the injection zone ranges from 13,000 mg/l to 119,909 mg/l. The injection rate will not exceed 500 gpm at a maximum injection pressure of 1,580 psig. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 feet below the ground surface, with a total dissolved solids concentration of 100 to 1,535 mg/l. The discharge plan addresses operation, monitoring, associated surface facilities, and provides a contingency plan in the event of accidental spills, leaks, and other accidental discharges in order to protect fresh water.

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be reviewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or also may be viewed at the NMOCD web site http//www.emnrd.state.nm.us/ocd. Persons interested in obtaining a copy of the application and draft permit may contact NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request the NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the permit based on information available, including all comments received. If a public hearing is held, the Director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Published in the Artesia Daily Press on August 9, 2009. Legal 20795.

AFFIDAVIT OF PUBLICATION

Artesia Daily Press

503 W. Main Street, Artesia, New Mexico 88210-2067
(575) 746-3524

STATE OF NEW MEXICO
COUNTY OF Eddy

I Gary Scott **(NAME OF PERSON AUTHORIZED TO SIGN ON BEHALF OF THE NEWSPAPER)**, am authorized by the publisher as agent to make this affidavit of publication. Under oath, I state that the following is true and correct.

The Artesia Daily Press is a newspaper, which is published daily, Artesia, Eddy County, New Mexico, and is of general paid circulation and is in compliance with New Mexico Public Notice and Participation Statute 20.6.2.3108. The newspaper is a duly qualified newspaper under the laws of the State wherein legal notices may be published and that the printed notice attached hereto was published in the regular and entire edition of the newspaper and not in supplement thereof on the date of publication below.

The notice has been published once in the newspaper listed above.

DATE OF PUBLICATION:
August 7, 2009

THE NAME OF THE COMPANY: NAVAJO REFINING COMPANY

PROJECT SITE: (I-008) NAVAJO REFINING COMPANY – ARTESIA REFINERY

TYPE OF NOTICE: APPLICATION FOR DISCHARGE PERMIT

AUTHORIZED SIGNATURE: Gary Scott

Title: Publisher

KIMBERLY J. C... NOTARY PUBLIC ... STATE OF ...

SUBSCRIBED AND SWORN TO BEFORE ME ON THE
10th DAY OF August, 2009

NOTARY SIGNATURE : Kimberly J. Coubs
MY COMMISSION EXPIRES ON : April 5, 2011
NOTARY PUBLIC IN AND FOR THE COUNTY OF EDDY, NEW MEXICO

Please attach a newsprint clip of the published notices (Spanish and English).

AVISO DE PUBLICACIÓN

Navajo Refining Company
Artesia, Nuevo México

notifica que de conformidad con el Reglamento de Control de la Calidad del Agua de la Comisión de uevo México (20.6.2.3108 NMAC), la siguiente solicitud de permiso de descarga (s) se ha presentado al rector de la División de Conservación de Petróleo de Nueva México ("NMOCD"), 1220 S. Saint Francis ive, Santa Fe, Nuevo México 87505, Teléfono (505) 476-3440:

008) Navajo Refining Company, Darrell Moore, Gerente Ambiental de Agua y Residuos, 501 East ain Street, P.O. Box Drawer, 159 Artesia, Nuevo México, 88211-0159, ha presentado una solicitud permiso de descarga de pozo de inyección Clase I (UIC-CLI-008) para el pozo de inyección WDW- (API # 30-015-27592) situado en el SW/4, SE/4 de la Sección 31, Municipio 17 Sur, Range 28 East, MPM, Eddy, Nuevo México. El pozo de inyección se encuentra aproximadamente a 11 millas al ste-sudeste de Artesia en autopista-82 de la autopista-285 y cerca de 1 milla al sur de carretera iltop. Los residuos industriales no peligrosos de los campos petroleros exentos y no-exentos, se *ansportarán alrededor de 11 millas desde Refinería Navajo-Artesia ubicada en* 501 E. Main Street, rtesia, NM a través de un gasoducto subterráneo de 6 pulgadas de diámetro a WDW-1 para su dis- osición en Wolfcamp, Cisco, y las formaciones del Cañón en intervalo de inyección de 7,924 a 476 pies (profundidad bajo el nivel del suelo). La concentración de sólidos disueltos totales de la ona de inyección varía de 13,000 mg/l de 119,909 mg/l. La tasa de inyección no excederá de 500 pm a una presión de inyección máxima de 1,580 psig. La mayoría de las aguas subterráneas que uedan verse afectadas por un derrame, fuga o liberación accidental está a una profundidad de *proximadamente 100 pies por debajo de la superficie del suelo, con una concentración de sólidos* isueltos totales de 100 a 1,535 mg/l. El plan de descarga aborda la operación, monitoreo, instala- iones de superficie asociadas, y ofrece un plan de contingencia en caso de derrames accidentales, ugas, vertidos accidentales y otros, a fin de proteger el agua dulce.

l NMOCD ha determinado que la solicitud es administrativamente completa y ha preparado un borrador el permiso. El NMOCD aceptará comentarios y declaraciones de interés respecto a esta solicitud y se reará una lista de correo de instalación-específica para las personas que deseen recibir futuras notifica- iones. Las personas interesadas en obtener más información o avisos, solicitar la presentación de obser- aciones o a estar en una instalación- específica pueden ponerse en contacto con el Jefe de la Oficina mbiental de la División de Conservación de Petróleo en la dirección arriba indicada para la futura lista de orreo. La determinación de la integridad administrativa y el proyecto de permiso podrá revisarse en la irección antes mencionada entre las 8:00 am y 4:00 pm, de lunes a viernes, o también puede ser visto en NMOCD en el sitio web http//www.emnrd.state.nm. nosotros/ocd. Las personas interesadas en obtener na copia de la solicitud y el borrador del permiso pueden ponerse en contacto con NMOCD a la dirección ndicada anteriormente. Antes de pronunciarse sobre cualquier de permiso de descarga propuesto o de nodificación importante, el Director deberá permitir un periodo de por lo menos treinta (30) días después le la fecha de publicación del presente anuncio, durante el cual las personas interesadas podrán presen- ar observaciones o solicitar la NMOCD celebrará una audiencia pública. Las solicitudes de audiencia públi- a expondrán las razones por las cuales la audiencia se debe celebrar. La audiencia se celebrará si el Director determina que existe un importante interés público.

Si no se celebra la audiencia pública, el Director aprobará o rechazará el permiso en base a la información disponible, incluyendo todos los comentarios recibidos. Si es una audiencia pública celebrada, el Director aprobará o rechazará el proyecto de permiso en base a la información en la solicitud de permiso y la infor- mación presentada en la audiencia.

Published in the Artesia Daily Press on August 9, 2009. Legal 20796.

P.O. Box 190
Artesia, NM 88211
575-746-3524

RECEIVED
2009 AUG 3 PM 12 50

Statement

Date: 7/30/09
Activity: 7/1/2009 - 7/31/2009
Terms: Net 30

Bill to:
Theresa Duran-Saenz
New Mexico Energy, Minerals & Natural
Resources Department
Oil Conservation Division
1220 So. St Francis Drive

Sold to: Account ID: 4127
Theresa Duran-Saenz
New Mexico Energy, Minerals & Natural
Resources Department
Oil Conservation Division
1220 So. St Francis Drive

Balance Forward before 7/1/2009	$0.00

Date	Ad	Type	Description	Page	Sale	Adj	Pmt	*Balance*
07/17/09	23348	Sale	PO: legal 20769 NOTICE OF		$186.16			*$186.16*
					$186.16			

Thank you for advertising with Artesia Daily Press!

Unapplied Credit	$0.00
Paid Future Ads	$0.00
Account Balance as of 7/31/2009	$186.16

Invoice Balances:

Current	30 Day	60 Day	90 Day	120 Day	Over 120	Total
$186.16						$186.16

8/3/09 Spoke with Kimberly she will mail a copy of the Notice.

ok to pay
8/5/09

Please return this portion with your payment

Statement

Statement Date: 7/30/2009
Account # 4127

Amount Enclosed _____

Remit Payment to
Artesia Daily Press
P.O. Box 190
Artesia, NM 88211
575-746-3524

Account Balance as of 7/31/2009	$186.16

Affidavit of Publication

NO. 20769

STATE OF NEW MEXICO

County of Eddy:

RECEIVED

2009 AUG 4 AM 11 37

GARY D. SCOTT being duly sworn, says: That he is the **PUBLISHER** of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same day as follows:

First Publication July 17, 2009

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Subscribed and sworn to before me this

17 Day July 2009

OFFICIAL SEAL
Jo Morgan
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires: 6/26/2012

Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC), the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(I-008) Navajo Refining Company, Darrell Moore, Environmental Manager for Water and Waste, 501 East Main Street, P.O. Box Drawer 159, Artesia, New Mexico 88211-0159, has submitted an application for a Class I Injection Well Discharge Permit (UIC-CLI-008) for injection well WDW-1 (API# 30-015-27592) located in the SW/4, SE/4 of Section 31, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico. The injection well is located approximately 11 miles East-Southeast of Artesia on Hwy-82 from Hwy-285 and about 1 mile south on Hilltop Road. Oil field exempt and non-exempt non-hazardous industrial waste will be transported about 11 miles underground from the Navajo-Artesia Refinery located at 501 E. Main Street, Artesia, NM via a 6 inch dia. pipeline to WDW-1 for disposal into the Wolfcamp, Cisco, and Canyon Formations in the injection interval from 7,924 to 8,476 feet (depth below ground level). The total dissolved solids concentration of the injection zone ranges from 13,000 mg/l to 119,909 mg/l. The injection rate will not exceed 500 gpm at a maximum injection pressure of 1,580 psig. Groundwater most likely to be affected by a and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site http://www.emnrd.state.nm.us/ocd/. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en espan?ol, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia,

approximately 100 feet below the ground surface, with a total dissolved solids concentration of 100 to 1,535 mg/L. The discharge plan addresses operation, monitoring, associated surface facilities, and provides a contingency plan in the event of accidental spills, leaks, and other accidental discharges in order to protect fresh water.

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Oil Conservation Division (Depto. Conservacio n Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 15th day of July 2009.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

Published in the Artesia Daily Press, Artesia, NM July 17, 2009

Legal No. 20769

Affidavit of Publication

NO. 20769

RECEIVED OCD

STATE OF NEW MEXICO

County of Eddy: 2009 JUL 21 P 1:54

GARY D. SCOTT being duly

sworn, says: That he is the **PUBLISHER** of The

Artesia Daily Press, a daily newspaper of general

circulation, published in English at Artesia, said county

and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said

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for that purpose within the meaning of Chapter 167 of

the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same

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First Publication July 17, 2009

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Fifth Publication

Subscribed and sworn to before me this

17 Day July 2009

OFFICIAL SEAL
Jo Morgan
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 6/26/2012

Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en espan?ol, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. de Energia

the ground surface, with a total dissolved solids concentration of 100 to 1,535 mg/L. The discharge plan addresses operation, monitoring, associated surface facilities, and provides a contingency plan in the event of accidental spills, leaks, and other accidental discharges in order to protect fresh water. (I-008-1)" Navajo Refining Company, Darrell Moore, Environmental Manager for Water and Waste, 501 East Main Street, P.O. Box Drawer 159, Artesia, New Mexico 88211-0159, has submitted an application for a Class I Injection Well Discharge Permit (UIC-CLI-008-1) for injection well WDW-2 (API# 30-015-20894) located in the SW/4 NW/4 of Section 12, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico. The injection well is located approximately 10.5 miles East-Southeast of Artesia on Hwy-82 from Hwy-285 and about 3.3 miles south on Hilltop Road. Oil field exempt and non-exempt non-hazardous industrial waste will be transported about 10.5 miles underground from the Navajo-Artesia, Refinery located at 501 E. Main Street, Artesia, NM via a 6 inch dia. pipeline to WDW-2 for disposal into the Wolfcamp, Cisco, and Canyon Formations in the injection interval from 7,570 to 8,399 feet (depth below ground level). The total dissolved solids concentration of the injection zone ranges from 13,000 mg/l to 119,909 mg/l. The injection rate will not exceed 500 gpm at a maximum injection pressure of 1,510 psig. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 feet below the ground surface, with a total dissolved solids concentration of 100 to 1,535 mg/l. The discharge plan addresses well operation, monitoring, associated surface facilities, and provides a contingency plan in the event of accidental spills, leaks, and other accidental discharges in order to protect fresh water.

The NMOCD has determined that the application is

(Depto. Conservacio n Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New Mexico (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 15th day of July 2009.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
S E A L
Mark Fesmire, Director

Published in the Artesia Daily Press, Artesia, NM July 17, 2009
Legal No. 20769

THE SANTA FE
NEW MEXICAN
Founded 1849

RECEIVED
2009 JUL 23 PM 12 56

NM EMNRD OIL CONSERV
1220 S ST FRANCIS DR
SANTA FE NM 87505

ALTERNATE ACCOUNT: 56689
AD NUMBER: 00292184 ACCOUNT: 00002212
LEGAL NO: 87680 P.O. #: 52100-00000206

294 LINES 1 TIME(S)	288.54
AFFIDAVIT:	7.00
TAX:	23.83
TOTAL:	319.37

oil trans pmt
7/24/09

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

I, V. Wright, being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 87680 a copy of which is hereto attached was published in said newspaper 1 day(s) between 07/22/2009 and 07/22/2009 and that the notice was published in the newspaper proper and not in any supplement; the first date of publication being on the 22nd day of July, 2009 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/ V Wright
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 22nd day of July, 2009

Notary Mary Margaret Vigil-Weideman
Commission Expires: 11-13-2012

OFFICIAL SEAL
Mary Margaret Vigil-Weideman
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 11-13-12

NOTICE OF PUBLICATION

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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(I-008-1) Navajo Refining Company, Darrell Moore, Environmental Manager for Water and Waste, 501 East Main Street, P.O. Box Drawer 159, Artesia New Mexico 88211-0159, has submitted an application for a Class I Injection Well Discharge Permit (UIC-CLI-008-1) for Injection well WDW-2 (API# 30-015-20894) located in the SW/4, NW/4 of Section 12, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico. The injection well is located approximately 10.5 miles East-Southeast of Artesia on Hwy-82 from Hwy-285 and about 3.3 miles south on Hilltop Road. Oil field exempt and non-exempt non-hazardous industrial waste will be transported about 10.5 miles underground from the Navajo-Artesia Refinery located at 501 E. Main Street, Artesia, NM via a 6 inch dia. pipeline to WDW-2 for disposal Into the Wolfcamp, Cisco, and Canyon Formations in the injection Interval from 7,570 to 8,399 feet (depth below ground level). The total dissolved solids concentration of the Injection zone ranges from 13,000 mg/l to 119,909 mg/l. The injection rate will not exceed 500 gpm at a maximum Injection pressure of 1,510 psig. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 feet below the ground surface, with a total dissolved solids concentration of 100 to 1,535 mg/l. The discharge plan addresses well operation, monitoring, associated surface facilities, and provides a contingency plan in the event of accidental spills, leaks, and other accidental discharges in order to protect fresh water.

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site http://www.emnrd.state.nm.us/ocd/. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

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Para obtener mas información sobre esta solicitud en espan ol, sirvase comunicarse por favor, New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México) Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St Francis Drive, Santa Fe, New México, (Contacto: Dorothy Phillips, 505-476-3461).

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 15th day of July 2009.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L
Mark Fesmire, Director
Legal#87680
Pub. July 22, 2009

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Wednesday, July 15, 2009 2:36 PM
To: 'legals@sfnewmexican.com'
Cc: Herrera, Rachel, EMNRD
Subject: Santa Fe New Mexican Public Notice Newspaper Request
Attachments: Navajo PNs 7-15-2009.doc

Dear Ms. Valencia:

Please publish (**for one day only**) the attached Public Notice in the classified notice section of your respective newspaper.

For billing purposes, the New Mexico Oil Conservation Division PO# is 52100-0000013759 with your newspaper:

Artesia Daily Press (Account or Customer # 56689) **Public Notice Description: UICI-008 (see attached public notice)**

Please send me an affidavit of proof of publication for each notice that you process and contact me if you have questions. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: http://www.emnrd.state.nm.us/ocd/index.htm
(Pollution Prevention Guidance is under "Publications")

NOTICE OF PUBLICATION

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The

administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site http://www.emnrd.state.nm.us/ocd/. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservacio´n Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 15th day of July 2009.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Wednesday, July 15, 2009 2:33 PM
To: 'legals@artesianews.com'
Cc: Herrera, Rachel, EMNRD
Subject: Artesia Daily Press Public Notice Newspaper Request
Attachments: Navajo PNs 7-15-2009.doc

Dear Ms. Boans:

Please publish (**for one day only**) the attached Public Notice in the classified notice section of your respective newspaper.

For billing purposes, the New Mexico Oil Conservation Division PO# is 52100-0000013763 with your newspaper:

Artesia Daily Press (Account or Customer # 4212) **Public Notice Description: UICI-008 (see attached public notice)**

Please send me an affidavit of proof of publication for each notice that you process and contact me if you have questions. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: http://www.emnrd.state.nm.us/ocd/index.htm
(Pollution Prevention Guidance is under "Publications")

NOTICE OF PUBLICATION

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3108 NMAC); the following discharge permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(I-008) Navajo Refining Company. Darrell Moore, Environmental Manager for Water and Waste, 501 East Main Street, P.O. Box Drawer 159, Artesia New Mexico 88211-0159, has submitted an application for a Class I Injection Well Discharge Permit (UIC-CLI-008) for injection well WDW-1 (API# 30-015-27592) located in the SW/4, SE/4 of Section 31, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico. The injection well is located approximately 11 miles East-Southeast of Artesia on Hwy-82 from Hwy-285 and about 1 mile south on Hilltop Road. Oil field exempt and non-exempt non-hazardous industrial waste will be transported about 11 miles underground from the Navajo-Artesia Refinery located at 501 E. Main Street, Artesia, NM via a 6 inch dia. pipeline to WDW-1 for disposal into the Wolfcamp, Cisco, and Canyon Formations in the injection interval from 7,924 to 8,476 feet (depth below ground level). The total dissolved solids concentration of the injection zone ranges from 13,000 mg/l to 119,909 mg/l. The injection rate will not exceed 500 gpm at a maximum injection pressure of 1,580 psig. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 feet below the ground surface, with a total dissolved solids concentration of 100 to 1,535 mg/L. The discharge plan addresses operation, monitoring, associated surface facilities, and provides a contingency plan in the event of accidental spills, leaks, and other accidental discharges in order to protect fresh water.

(I-008-1) Navajo Refining Company. Darrell Moore, Environmental Manager for Water and Waste, 501 East Main Street, P.O. Box Drawer 159, Artesia New Mexico 88211-0159, has submitted an application for a Class I Injection Well Discharge Permit (UIC-CLI-008-1) for injection well WDW-2 (API# 30-015-20894) located in the SW/4, NW/4 of Section 12, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico. The injection well is located approximately 10.5 miles East-Southeast of Artesia on Hwy-82 from Hwy-285 and about 3.3 miles south on Hilltop Road. Oil field exempt and non-exempt non-hazardous industrial waste will be transported about 10.5 miles underground from the Navajo-Artesia Refinery located at 501 E. Main Street, Artesia, NM via a 6 inch dia. pipeline to WDW-2 for disposal into the Wolfcamp, Cisco, and Canyon Formations in the injection interval from 7,570 to 8,399 feet (depth below ground level). The total dissolved solids concentration of the injection zone ranges from 13,000 mg/l to 119,909 mg/l. The injection rate will not exceed 500 gpm at a maximum injection pressure of 1,510 psig. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 100 feet below the ground surface, with a total dissolved solids concentration of 100 to 1,535 mg/l. The discharge plan addresses well operation, monitoring, associated surface facilities, and provides a contingency plan in the event of accidental spills, leaks, and other accidental discharges in order to protect fresh water.

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. The NMOCD will accept comments and statements of interest regarding this application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list for future notices may contact the Environmental Bureau Chief of the Oil Conservation Division at the address given above. The

administrative completeness determination and draft permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the NMOCD web site http://www.emnrd.state.nm.us/ocd/. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en español, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservacio´n Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Dorothy Phillips, 505-476-3461)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 15th day of July 2009.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

NAVAJO REFINING COMPANY LLC
100 Crescent Court, Suite 1600
Dallas TX 75201-6927

WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIVISION
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4000

Check Date		09/03/2008
Check Amount	$	100.00
Vendor No		5111809
Payment Document		2000046586
Company Code		1020

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
08/26/2008	082608	DP APPLICATION FEE FOR WDW 1	100.00	0.00	100.00

Payment document	Check number	Date	Currency	Payment amount
2000046586	1000037330	09/03/2008	USD	**********100.00*

↓ PLEASE FOLD ON PERFORATION AND DETACH HERE ↓

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 9/3/08

or cash received on _____ in the amount of $ 100.00

from Navajo Refining Co.

for VICL-8

Submitted by: Lawrence Romero Date: 9/16/08

Submitted to ASD by: Lawrence Romero Date: 9/16/08

Received in ASD by: _____ Date: _____

Filing Fee ✓ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

NAVAJO REFINING COMPANY, LLC

FAX
(575) 746-5283 DIV. ORDERS
(575) 746-5481 TRUCKING
(575) 746-5458 PERSONNEL

501 EAST MAIN STREET • P. O. BOX 159
ARTESIA, NEW MEXICO 88211-0159
TELEPHONE (575) 748-3311

FAX
(575) 746-5419 ACCOUNTING
(575) 746-5451 ENV/PURCH/MKTG
(575) 746-5421 ENGINEERING

September 8, 2008

Mr. Carl Chavez, CHMM
New Mexico Energy Minerals and Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Filing Fee for Discharge Plan for WDW-1

Dear Carl,

Enclosed, please find the $100 filing fee for the Discharge Plan for WDW-1. We will forward the plan fee when the discharge plan is finalized. If there are any questions concerning this submittal, please call me at 575-746-5281.

Sincerely,
NAVAJO REFINING COMPANY

Darrell Moore

Darrell Moore
Environmental Manager for Water and Waste

Encl.