

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary

7001 1940 0004 7923 4993

March 4, 2005

Mark E. Fesmire, P.E. Director **Oil Conservation Division**

Gandy Marley, Inc. P.O. Box 1658 Roswell, NM 88202

Permit Number: NM-1-0019

Re: Administrative Modification of Landfarm Permits

The Oil Conservation Division (OCD) issued the landfarm permit identified above under OCD Rule 711. As explained in the public notice given prior to the issuance of the permit, the permit was for landfarming to remediate hydrocarboncontaminated soils. The language of the permit, however, is broader, allowing the facility to accept oilfield contaminated solids which are either exempt from the Federal RCRA Subtitle C (hazardous waste) regulations or are "nonhazardous" by characteristic testing. If this language were interpreted to allow the landfarm to accept oilfield waste contaminated with salts, the salts could compromise the biodegradation capacity of the landfarm. And because salts leach more easily than hydrocarbons, the landfarm may pose a greater threat to groundwater.

According to the terms of the permit identified above, the OCD may change the permit conditions administratively for good cause shown as necessary to protect fresh water, human health and the environment. The OCD has determined that it is necessary to protect fresh water, human health and the environment to modify the permit as follows:

Effective immediately, the NMOCD permitted landfarm identified above is prohibited from accepting oilfield waste contaminated with salts.

If the landfarm identified above wishes to accept oilfield waste contaminated with salts, you will need to file an application to modify the permit pursuant to OCD Rule 711.B(1) and follow the notice requirements of OCD Rule 711.B(2). If you have already filed a complete application for permit modification with this office and complete with the notice requirements, the OCD will process the application promptly.

Landfarms that wish to accept oilfield wastes contaminated with salts while their application for permit modification is pending may apply to the Division Director for an emergency order under OCD Rule 1202. Applications for emergency orders will be considered on a case-by-case basis.

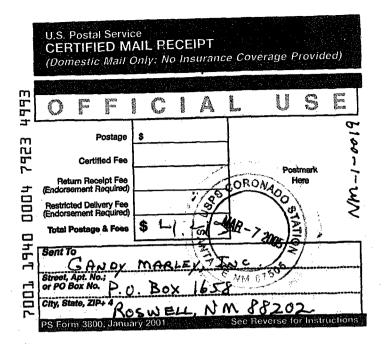
This notice is being sent to all entities operating landfarm facilities in New Mexico permitted pursuant to OCD Rule 711, as shown on the attached list.

If you have any questions, please contact Ed Martin at (505) 476-3492 or emartin@state.nm.us.

Verv truly yours, E. 7-Mark E. Fesmire, P.E

Before the OCD Case 13454 & 13455 OCD Ex. 6

Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, New Mexico 87505 Phone: (505) 476-3440 * Fax (505) 476-3462 * http://www.emnrd.state.nm.us



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: GANDY MARLEY, INC. P. O. Box 1658 	A. Signature f X Mulu
ROSWELL, NM 88202	3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.
	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service label) 7001-1940	-0004-7923-4993
PS Form 3811, August 2001 Domestic Re	· · · · · · · · · · · · · · · · · · ·

DISTRIBUTION LIST

DD Landfarm, Inc. NM-1-0034 317 W. Blanco Hobbs, NM 88242

C & C Landfarm, Inc. NM-1-0012 P.O. Box 55 Monument, NM 88265

Doom Landfarm NM-1-0033 Box 168 Jal, NM 88252

South Monument Waste Management Facility, LLC NM-1-0032 P.O. Box 18 Hobbs, NM 88241

Lazy Ace Landfarm, LLC NM 1-0041. P.O. Box 160 Eunice, NM 88231

Lea Land, Inc. NM-1-0035 5644 Westheimer, #153 Houston, TX 77056

Gandy Marley, Inc. NM-1-0019 P.O. Box 1658 Roswell, NM 88202

Saunders Landfarm, LLC NM-1-0038 394 State Highwy. 206 Lovington, NM 88260

Rhino Oilfield Disposal, Inc. NM-1-0021 c/o Diamondback Disposal Services, Inc. P.O. Box 2491 Hobbs, NM 88241

J & L Landfarm, Inc. NM-1-0023 P.O. Box 356 Hobbs, NM 88241-0356

Artesia Aeration, LLC NM-1-0030 P.O. Box 310 Hobbs, NM 88240

Sid Richardson Energy Services Co.; NM-2-0019 610 Commerce Jal, NM 88252

ChevronTexaco Exploration & Production, Inc.; NM-2-0013 15 Smith Rd. Midland, TX 79705 John H. Hendrix Corp.; NM-2-0021 P.O. Box 3040 Midland, TX 79702-3040

Pitchfork Landfarm, LLC; NM-1-0039 524 Antelope Ridge Jal, NM 88252

Commercial Exchange, Inc.; NM-1-0042 6906 Gary Ave. Lubbock, TX 79413

Envirotech, Inc.; NM-1-0011 5796 U.S. Highway 64 Farmington, NM 87401

T-N-T Environmental, Inc.; NM-1-0008 HCR 74 P.O. Box 115 Lindrith, NM 87029

Giant Exploration & Production Co.; NM-2-0010 23733 North Scottsdale Rd. Scottsdale, AZ 85255

Controlled Recovery, Inc. NM-1-006 P.O. Box 388 Hobbs, NM 88241-0388