

**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

**OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7151**

November 4, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-869

State Senator Raymond L. Kysar
300 W. Arrington
Farmington, New Mexico 87401

RE: Notice of Publication
Sunco Trucking Company
Modification of Rule 711 Permit
SW/4 SW/4, Sec. 2, Twn 29 N, Rng 12 W
San Juan County, New Mexico

Dear Senator Kysar:

Enclosed is a copy of the public hearing notice in which Sunco Trucking Company is seeking approval to construct and operate a 5-acre centralized landfarm within the 40-acre facility currently permitted to dispose of produced water. The public hearing will be held at 10:00 A.M. on November 19, 1996, Room 9008, San Juan Community College, Farmington, New Mexico.

If you have any questions, please call me at (505) 827-7155.

Sincerely,

Mark Ashley
Geologist

xc: OCD Aztec Office

P 288 258 869

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

PS Form 3800, April 1995

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
- 2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

SENATOR KYLAR
300 W. ARDENSTON
FARMINGTON, NM
87401

4a. Article Number

P-288-258-869

4b. Service Type

- Registered Certified
- Express Mail Insured
- Return Receipt for Merchandise COD

7. Date of Delivery

12-9-96

8. Addressee's Address (Only if requested and fee is paid)

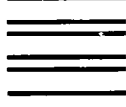
Received By: (Print Name)
Shawna Kelly

6. Signature: (Addressee or Agent)
X Shawna Kelly

PS Form 3811, December 1994

Domestic Return Receipt

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

● **Print your name, address, and ZIP Code in this box ●**

75216 0001 052

Regional Bureau
COMMUNICATIONS DIVISION
1000 Pennsylvania Avenue
Washington, DC 20535-57505



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

**OIL CONSERVATION DIVISION
2040 South Paseo Street
Santa Fe, New Mexico 87506
(505) 827-7131**

November 4, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-868

Mr. Gary Horner
P.O. Box 2497
Farmington, New Mexico 87499

**RE: Notice of Publication
Sunco Trucking Company
Modification of Rule 711 Permit
SW/4 SW/4, Sec. 2, Twn 29 N, Rng 12 W
San Juan County, New Mexico**

Dear Mr. Horner:

Enclosed is a copy of the public hearing notice in which Sunco Trucking Company is seeking approval to construct and operate a 5-acre centralized landfarm within the 40-acre facility currently permitted to dispose of produced water. The public hearing will be held at 10:00 A.M. on November 19, 1996, Room 9008, San Juan Community College, Farmington, New Mexico.

If you have any questions, please call me at (505) 827-7155.

Sincerely,

Mark Ashley
Geologist

xc: OCD Aztec Office

P 288 258 868

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

PS Form 3800, April 1995

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

GARY HOBNER
P.O. BOX 2497
FARMINGTON, NM 87499

4a. Article Number

P-288-258-868

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Certified
- Insured
- COD

7. Date of Delivery

NOV 1 1998
FARMINGTON, NM 87401
USPS

8. Addressee's Address (Print Name) if requested and fee is paid

GARY L. HOBNER

5. Received By: (Print Name)

GARY L. HOBNER

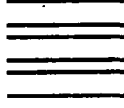
6. Signature: (Addressee or Agent)

X *[Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Print your name, address, and ZIP Code in this box •

11011
11011
11011



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

November 4, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-867

Carroll Vaughn
#8 Road 5151
Bloomfield, New Mexico 87413

RE: Notice of Publication
Sunco Trucking Company
Modification of Rule 711 Permit
SW/4 SW/4, Sec. 2, Twn 29 N, Rng 12 W
San Juan County, New Mexico

Dear Carroll Vaughn:

Enclosed is a copy of the public hearing notice in which Sunco Trucking Company is seeking approval to construct and operate a 5-acre centralized landfarm within the 40-acre facility currently permitted to dispose of produced water. The public hearing will be held at 10:00 A.M. on November 19, 1996, Room 9008, San Juan Community College, Farmington, New Mexico.

If you have any questions, please call me at (505) 827-7155.

Sincerely,

Mark Ashley
Geologist

xc: OCD Aztec Office

P 288 258 867

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back, if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

CAROL LAUGHON
#8 ROAD 5151
BLOOMFIELD, NM 87413

4a. Article Number

7-288-258-867

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

WMC SWCS
Illa Laughon

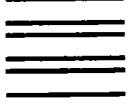
6. Signature: (Addressee or Agent)

X Illa Laughon

PS Form 3811, December 1994

Domestic Return Receipt

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Print your name, address, and ZIP Code in this box •

NO
1000
Federal Bureau
of Investigation
Division
1000
87505



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

**OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87506
(505) 827-7131**

November 4, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-866

Ms. Valerie Hatch
P.O. Box 506
Fruitland, New Mexico 87416

**RE: Notice of Publication
Sunco Trucking Company
Modification of Rule 711 Permit
SW/4 SW/4, Sec. 2, Twn 29 N, Rng 12 W
San Juan County, New Mexico**

Dear Ms. Hatch:

Enclosed is a copy of the public hearing notice in which Sunco Trucking Company is seeking approval to construct and operate a 5-acre centralized landfarm within the 40-acre facility currently permitted to dispose of produced water. The public hearing will be held at 10:00 A.M. on November 19, 1996, Room 9008, San Juan Community College, Farmington, New Mexico.

If you have any questions, please call me at (505) 827-7155.

Sincerely,

A handwritten signature in cursive script that reads "Mark Ashley".

Mark Ashley
Geologist

xc: OCD Aztec Office

P 288 258 866

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. Addressee's Address
 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

VALERIE WATCH
P.O. BOX 1506
FARMINGTON, NM 87416

4a. Article Number

9-288-258-866

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

11. 06. 96

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

Valerie Hatch

6. Signature: (Addressee or Agent)

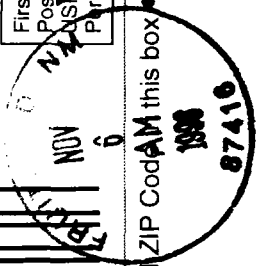
x Valerie Hatch

PS Form 3811, December 1994

Domestic Return Receipt

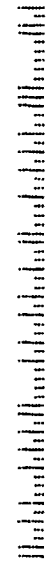
UNITED STATES POSTAL SERVICE

First-Class Mail
Postage & Fees Paid
Permit No. G110



• Print your name, address, and ZIP Code **AM** this box •

NOV 6 1998 87416 52





**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

**OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131**

November 4, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-865

Dewey Foutz
Foutz and Bursom Construction Company
P.O. Box 307
Farmington, New Mexico 87499

**RE: Notice of Publication
Sunco Trucking Company
Modification of Rule 711 Permit
SW/4 SW/4, Sec. 2, Twn 29 N, Rng 12 W
San Juan County, New Mexico**

Dear Mr. Foutz:

Enclosed is a copy of the public hearing notice in which Sunco Trucking Company is seeking approval to construct and operate a 5-acre centralized landfarm within the 40-acre facility currently permitted to dispose of produced water. The public hearing will be held at 10:00 A.M. on November 19, 1996, Room 9008, San Juan Community College, Farmington, New Mexico.

If you have any questions, please call me at (505) 827-7155.

Sincerely,

Mark Ashley
Geologist

xc: OCD Aztec Office

P 288 258 865

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

PS Form 3800, April 1995

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
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- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

DEWEY FOURZ
P.O. BOX 307
FRANKLINSON, NM 87499

4a. Article Number

P-288-258-865

4b. Service Type

- Registered Certified
- Express Mail Insured
- Return Receipt for Merchandise COD

7. Date of Delivery

11-7-96

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

MARK SWICO
Steve E. Fectz

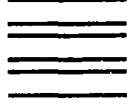
6. Signature/Address or Agent

X Steve E. Fectz

PS Form 3811, December 1994

Domestic Return Receipt

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Print your name, address, and ZIP Code in this box •

00000 12 11 8 52

Post Office Bureau
Post Office Division
Post Office
Post Office 00000 12 11 8 52



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87506
(505) 827-7131

November 4, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-863

Mr. John A. Dean Jr.
Curtis & Dean
506 W. Arrington
P.O. Drawer 1259
Farmington, New Mexico 87499

RE: Notice of Publication
Sunco Trucking Company
Modification of Rule 711 Permit
SW/4 SW/4, Sec. 2, Twn 29 N, Rng 12 W
San Juan County, New Mexico

Dear Mr. Dean:

Enclosed is a copy of the public hearing notice in which Sunco Trucking Company is seeking approval to construct and operate a 5-acre centralized landfarm within the 40-acre facility currently permitted to dispose of produced water. The public hearing will be held at 10:00 A.M. on November 19, 1996, Room 9008, San Juan Community College, Farmington, New Mexico.

If you have any questions, please call me at (505) 827-7155.

Sincerely,

A handwritten signature in cursive script that reads "Mark Ashley".

Mark Ashley
Geologist

xc: OCD Aztec Office

P 288 258 863

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

JOAN DEAN
 CURTIS O DEAN
 506 W. WASHINGTON
 FARMINGTON, NM 87499

4a. Article Number

288-258-863

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

11-6-96

8. Addressee's Address (Only if requested and fee is paid)

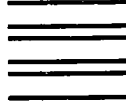
Received By: (Print Name)
 JOAN DEAN
 Signature: (Addressee or Agent)
 [Signature]

X

PS Form 3811, December 1994

Domestic Return Receipt

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Print your name, address, and ZIP Code in this box •

07 2011 52

U.S. DEPARTMENT OF THE TREASURY
INTERNAL SECURITY DIVISION
2000 G ST, N.W.
WASHINGTON, DC 20540
SAC, ALBUQUERQUE, NM 87505





**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

**OIL CONSERVATION DIVISION
2948 South Pecos Street
Santa Fe, New Mexico 87506
(505) 827-7131**

November 4, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-862

Mr. George Coleman
Sunco Trucking Company
P.O. Box 443
Farmington, New Mexico 87499

RE: Notice of Publication
Sunco Trucking Company
Modification of Rule 711 Permit
SW/4 SW/4, Sec. 2, Twn 29 N, Rng 12 W
San Juan County, New Mexico

Dear Mr. Coleman:

Enclosed is a copy of the public hearing notice in which Sunco Trucking Company is seeking approval to construct and operate a 5-acre centralized landfarm within the 40-acre facility currently permitted to dispose of produced water. The public hearing will be held at 10:00 A.M. on November 19, 1996, Room 9008, San Juan Community College, Farmington, New Mexico.

If you have any questions, please call me at (505) 827-7155.

Sincerely,

Mark Ashley
Geologist

xc: OCD Aztec Office

P 288 258 862

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

GEORGE COLTSMAN
SUNCO TRUCKING CO.
P.O. BOX 443
FRANKLINTON, NM 87499

4a. Article Number

P. 288-58-862

4b. Service Type

- Registered
- Registered Certified
- Express Mail Insured
- Return Receipt for Merchandise COD

7. Date of Delivery

DEC 11 1994

8. Addressee's Signature (Only if requested and fee is paid)

USPS

Received By: (Print Name)

George Coltsman

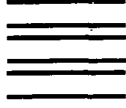
6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

UNITED STATES POSTAL SERVICE

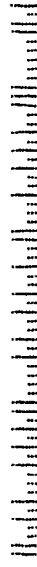


First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Print your name, address, and ZIP Code in this box •

NOV 4 11 3 52

NOV 4 11 3 52





**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87506
(505) 827-7131

November 4, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-864

San Juan County Commissioner
c/o County Clerk
112 South Mesa Verde
Aztec, New Mexico 87410

RE: Notice of Publication
Sunco Trucking Company
Modification of Rule 711 Permit
SW/4 SW/4, Sec. 2, Twn 29 N, Rng 12 W
San Juan County, New Mexico

Dear County Commissioner:

Enclosed is a copy of the public hearing notice in which Sunco Trucking Company is seeking approval to construct and operate a 5-acre centralized landfarm within the 40-acre facility currently permitted to dispose of produced water. The public hearing will be held at 10:00 A.M. on November 19, 1996, Room 9008, San Juan Community College, Farmington, New Mexico.

If you have any questions, please call me at (505) 827-7155.

Sincerely,

Mark Ashley
Geologist

xc: OCD Aztec Office

P 288 258 864

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (*See reverse*)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back, if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

SNW SWAN CTR. COMM.
40 COURT CLEAR
112 S. WESSA VILLAGE
ARTES, NM 87410
MARK SWANCO

4a. Article Number

P-288-258-864

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Certified
- Insured
- COD

7. Date of Delivery 11/6/96

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

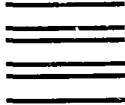
6. Signature (Addressee or Agent)

X

PS Form 3841, December 1994

Domestic Return Receipt

UNITED STATES POSTAL SERVICE

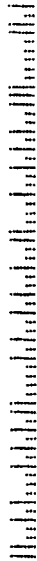


First-Class Mail
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**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 29, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-630

Mr. Chuck Badsgard, V.P.
Sunco Trucking Water Disposal Company
P.O. Box 443
Farmington, New Mexico 87499

RE: **OCD Case No. 11518**
Application of Sunco Trucking Company for a modification to its Rule-711 permitted surface waste disposal facility located in the SW/4 NW/4 of Section 2, Township 29 North, Range 12 West, San Juan.,NM

Dear Mr. Badsgard:

The Director of the Oil Conservation Division (OCD) has set the above-referenced application for a public hearing on Thursday, April 18, 1996 in Farmington, New Mexico. The docket will be available the week of April 4, 1996.

The OCD requests that each party appearing in this case submit to the OCD no later than April 12, 1996, a pre-hearing statement (see Memorandum 2-90 --- Enclosed) setting forth the nature of evidence the party intends to present, the identification of the witnesses the party intends to call, and a list of the exhibits which the party proposes to submit in support of its position. Testimony and evidence in opposition to the application will be limited to the modifications contained in the application and will not be accepted if related to land use or zoning issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Eustice".

Chris Eustice
Geologist

Z 765 962 630



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**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 29, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-629

Mr. Dewey K. Foutz
Foutz and Bursom Construction Company
PO Box 307
Farmington, New Mexico 87499

RE: OCD Case No. 11518
Application of Sunco Trucking Company for a modification to its Rule-711 permitted surface waste disposal facility located in the SW/4 NW/4 of Section 2, Township 29 North, Range 12 West, San Juan., NM

Dear Mr. Foutz:

The Director of the Oil Conservation Division (OCD) has set the above-referenced application for a public hearing on Thursday, April 18, 1996 in Farmington, New Mexico. The docket will be available the week of April 4, 1996.

The OCD requests that each party appearing in this case submit to the OCD no later than April 12, 1996, a pre-hearing statement (see Memorandum 2-90 --- Enclosed) setting forth the nature of evidence the party intends to present, the identification of the witnesses the party intends to call, and a list of the exhibits which the party proposes to submit in support of its position. Testimony and evidence in opposition to the application will be limited to the modifications contained in the application and will not be accepted if related to land use or zoning issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Eustice".

Chris Eustice
Geologist

Z 765 962 629



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**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 29, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-628

Mr. Valerie Hatch
PO Box 506
Fruitland, New Mexico 87416

RE: **OCD Case No. 11518**
Application of Sunco Trucking Company for a modification to its Rule-711 permitted surface waste disposal facility located in the SW/4 NW/4 of Section 2, Township 29 North, Range 12 West, San Juan., NM

Dear Ms. Hatch:

The Director of the Oil Conservation Division (OCD) has set the above-referenced application for a public hearing on Thursday, April 18, 1996 in Farmington, New Mexico. The docket will be available the week of April 4, 1996.

The OCD requests that each party appearing in this case submit to the OCD no later than April 12, 1996, a pre-hearing statement (see Memorandum 2-90 --- Enclosed) setting forth the nature of evidence the party intends to present, the identification of the witnesses the party intends to call, and a list of the exhibits which the party proposes to submit in support of its position. Testimony and evidence in opposition to the application will be limited to the modifications contained in the application and will not be accepted if related to land use or zoning issues.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chris Eustice".

Chris Eustice
Geologist

Z 765 962 628



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**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 29, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-627

Carroll Vaughn
#8 Rd. 5151
Bloomfield, New Mexico 87413

RE: OCD Case No. 11518
Application of Sunco Trucking Company for a modification to its Rule-711 permitted surface waste disposal facility located in the SW/4 NW/4 of Section 2, Township 29 North, Range 12 West, San Juan., NM

Dear Carroll Vaughn:

The Director of the Oil Conservation Division (OCD) has set the above-referenced application for a public hearing on Thursday, April 18, 1996 in Farmington, New Mexico. The docket will be available the week of April 4, 1996.

The OCD requests that each party appearing in this case submit to the OCD no later than April 12, 1996, a pre-hearing statement (see Memorandum 2-90 --- Enclosed) setting forth the nature of evidence the party intends to present, the identification of the witnesses the party intends to call, and a list of the exhibits which the party proposes to submit in support of its position. Testimony and evidence in opposition to the application will be limited to the modifications contained in the application and will not be accepted if related to land use or zoning issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Eustice".

Chris Eustice
Geologist

Z 765 962 627



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**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 29, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-626

Mr. Gary L. Horner
P.O. Box 2497
Farmington, New Mexico 87499

RE: **OCD Case No. 11518**
Application of Sunco Trucking Company for a modification to its Rule-711 permitted surface waste disposal facility located in the SW/4 NW/4 of Section 2, Township 29 North, Range 12 West, San Juan., NM

Dear Mr. Horner:

The Director of the Oil Conservation Division (OCD) has set the above-referenced application for a public hearing on Thursday, April 18, 1996 in Farmington, New Mexico. The docket will be available the week of April 4, 1996.

The OCD requests that each party appearing in this case submit to the OCD no later than April 12, 1996, a pre-hearing statement (see Memorandum 2-90 --- Enclosed) setting forth the nature of evidence the party intends to present, the identification of the witnesses the party intends to call, and a list of the exhibits which the party proposes to submit in support of its position. Testimony and evidence in opposition to the application will be limited to the modifications contained in the application and will not be accepted if related to land use or zoning issues.

Sincerely,

Chris Eustice
Geologist

Z 765-962 626



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CURTIS & DEAN

ATTORNEYS AT LAW

506 WEST ARRINGTON • P. O. DRAWER 1259
FARMINGTON, NEW MEXICO 87499

SCOTT M. CURTIS
JOHN A. DEAN, JR.

OFF: (505) 327-6031
FAX: (505) 327-6034

March 18, 1996

17 21 1996

William J. LeMay Director
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

RE: Sunco Trucking Application For Surface Waste
Disposal Facility

Dear Director LeMay:

I am retained to represent Sunco Trucking with regard to the above referenced application. I have been provided with a copy of a letter dated January 2, 1996 written by attorney Gary L. Horner. A copy of this letter is enclosed. I would like to request a copy of all of the information provided to Mr. Horner pursuant to his requests numbered four, five, and six. If there is a cost for copying these documents please let me know and I will remit it to you.

Thank you for your cooperation with this request.

Sincerely:



John A. Dean, Jr.

JAD\jv

xc: client

enclosure



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

February 14, 1996

State Senator Raymond L. Kysar
300 W. Arrington
Farmington, New Mexico 87401

Dear Senator Kysar,

The Oil Conservation Division (OCD) has received your request, dated February 12, 1996, for a copy of the OCD's response to Ms. Valerie Hatch's concerns about the proposed modification to the Sunco Trucking Disposal Facility (Permit No. NM-01-0009). Please find attached the OCD's response to Ms. Hatch. I hope this will help complete your file.

If you have any questions, please call me at (505) 827-7131.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill LeMay".

William J. LeMay
Director

WJL/cee



New Mexico State Senate

State Capitol
Santa Fe

COMMITTEES:

VICE-CHAIRMAN:
Indian & Cultural Affairs

MEMBER:
Finance

INTERIM COMMITTEES:

MEMBER:
Legislative Finance Committee
Health Care Task Force
New Mexico Finance Authority
Oversight Committee

SENATOR RAYMOND KYSAR

R-San Juan-1

300 W. Arrington
Farmington, NM 87401

Office: 325-4561
Home: 325-3041

February 12, 1996

Mr. William LeMay
Director
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

RE: Letter dated January 16, 1996 from Valerie Hatch

Dear Mr. William LeMay,

I have received a copy of a letter sent to you from Valerie Hatch concerning Sunco Application for a Modification of Permit Number NM-01-0009 to operate a Surface Waste Management Facility. I certainly would like a copy of your response sent to me for my files.

I thank you for your time on this matter.

Sincerely yours,

State Senator Raymond L Kysar

Copy sent to [unclear] & [unclear] on [unclear] 1/16/96
[unclear] [unclear]

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505

January 19, 1996

Ms. Valerie Hatch
PO Box 506
Fruitland, New Mexico 87416

Re: Sunco Proposal to Treat Contaminated Soils
San Juan County, New Mexico

Dear Mr. Foutz:

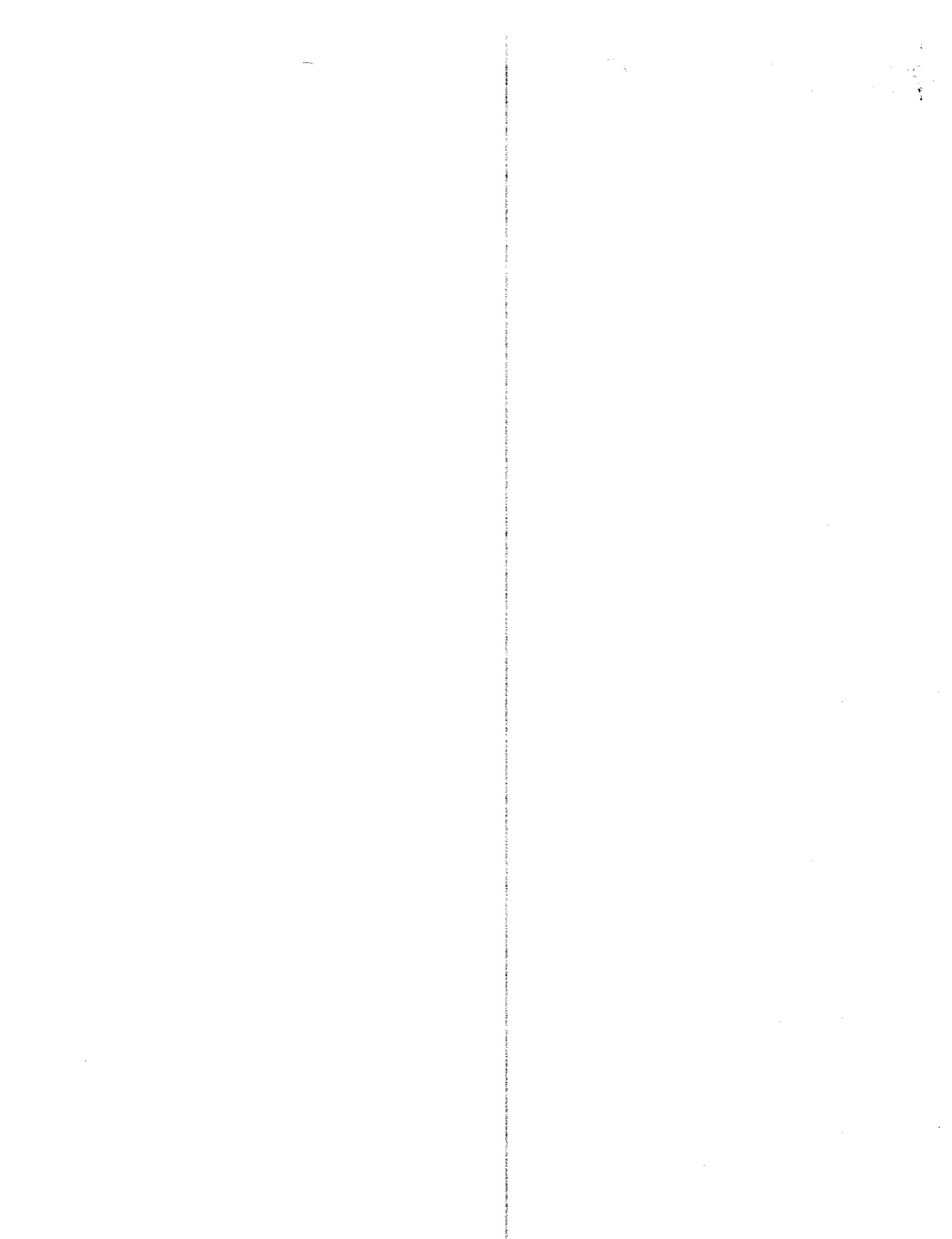
The Oil Conservation Division (OCD) has received your correspondence, dated January 16, 1996, expressing your concern(s) over the proposed modification of the Sunco Trucking Disposal Facility.

The process the OCD uses to review surface disposal applications is comprehensive and ongoing. The applicant submits the initial application, it is thoroughly reviewed, and if necessary additional information and commitments are requested to satisfy specific OCD requirements. After all the required information is evaluated an ultimate determination is made as to whether or not the facility can be operated in a manner consistent with the regulations.

In determining whether a specific facility is approvable the OCD must insure that there will be sufficient protection of ground water, surface water, public health and the environment. The OCD cannot deny an application on the basis that the use is incompatible with the surrounding land uses or local zoning requirements. The OCD has no jurisdiction or authority to enforce compliance with those regulations. Land use comes under the jurisdiction of county and local government.

The OCD does have information on the area ground water. Prior to the Sunco Disposal facility being permitted, the operator hired a consultant to investigate the geologic and hydrologic conditions specifically present at the facility site. Depth to ground water is approximately one hundred feet (100') with a regional gradient towards the northwest. Furthermore, the dissolved solids concentration of this groundwater is approximately 800 parts per million.

The OCD does have current monitoring requirements for the facility. The ponds present are monitored by a leak detection system that was installed prior to commencing facility operations. The proposed five acre landfarm will be monitored two feet (2') below the ground surface for the detection and interception of migrating contaminants prior to reaching ground water. The OCD refers to this monitoring procedure as "Treatment Zone Monitoring". Furthermore, the OCD feels this is better than monitoring the groundwater because any potential ground water contaminants will be detected long before ground water is impacted and/or contaminated. In the event contaminants are detected in the "Treatment Zone" a contingency plan will be in place that has been approved by the OCD and committed to by the operator. That contingency plan specifies what action(s) will be initiated to ensure inhibition of contaminants migrating any further.



Ms. Hatch

January 19, 1996

Page 2

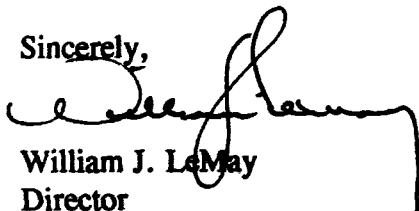
The applicant has applied for a centralized landfarm only. If the operator decides to apply for a commercial landfarm permit, the operator would be required to go through additional permitting procedures and you, as an adjacent landowner would be notified and presented the same opportunity to participate in that permitting procedure. The OCD stipulates, as a condition of centralized facility approval, that the proposed landfarm be used to remediate only soils and/or sludges generated at the facility.

The proposed landfarm is physically located within the confines of Sunco's permitted commercial facility. Closure of the centralized landfarm would be included in the overall facility closure plan and closure cost estimate. In reference to your concerns on financial assurances, a cash or surety bond is required in the amount of the closure cost estimate for the total facility. The bond will be reviewed and approved by the OCD, then held in escrow until the operator fulfills the requirements of the facility closure.

The New Mexico Oil and Gas Act (70-2-1 through 70-2-38) allows the OCD to make rules providing for fresh water protection from improper disposal of drilling or production waters. Exploration and production wastes are covered exclusively under Oil and Gas Act authorized rules and orders. Amendments to the Oil and Gas Act (Chapter 70-Pamphlet III-1989 Cumulative Supplement, NMSA 1978 annotated) passed in 1989 specifically authorized the OCD to regulate disposal of non-hazardous wastes from oil and gas exploration, production, refining, transportation and storage, and the oil field service industry. In addition, the Water Quality Act does not apply to any activity or condition subject to the authority of the Oil Conservation Commission under the Oil and Gas Act, 70-2-12 NMSA 1978, and other laws conferring power on the Oil Conservation Commission to prevent or abate water pollution.

If you have any questions on this matter, please call Chris Eustice at (505) 827-7153

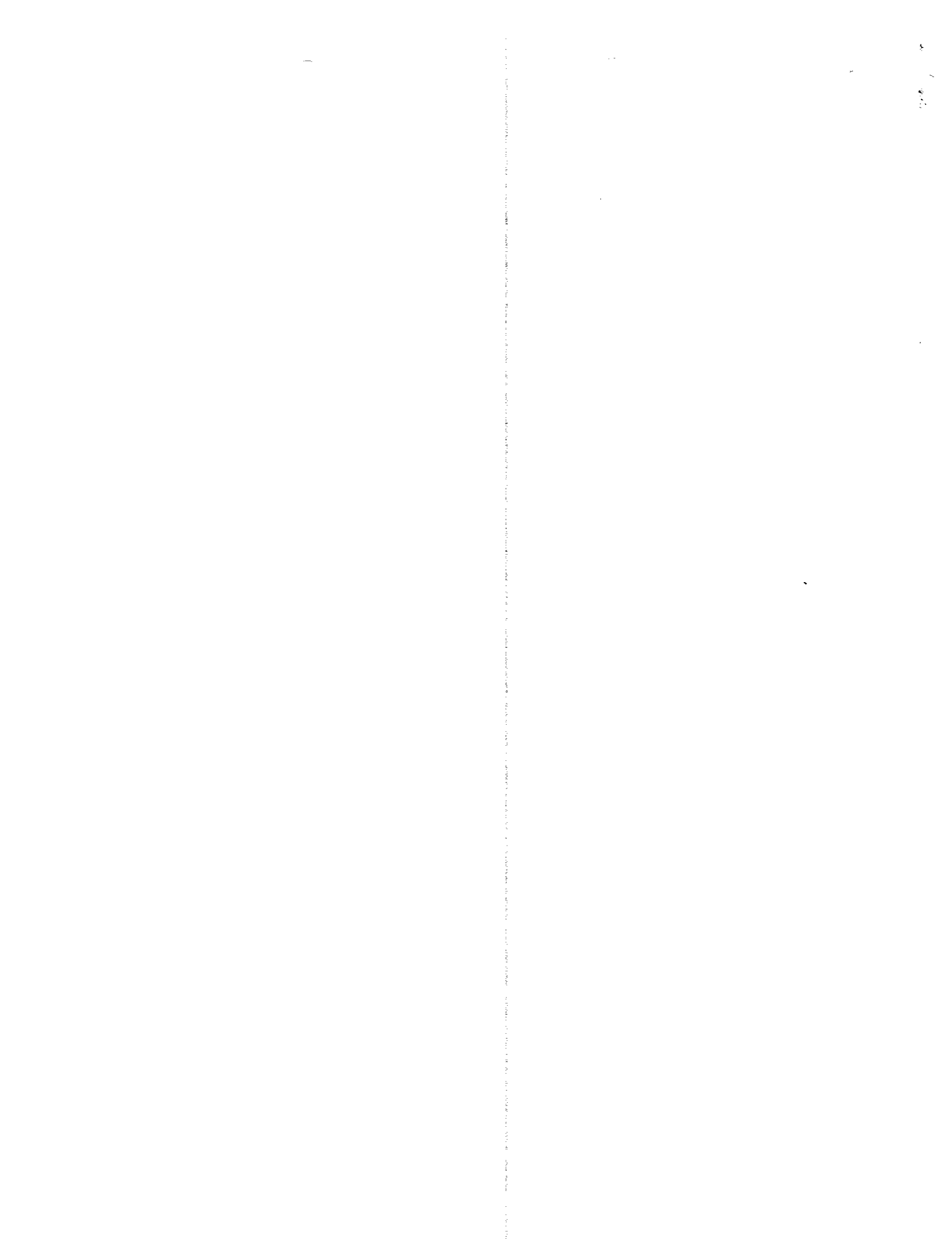
Sincerely,



William J. LeMay
Director

WJL/cee

xc: Denny Foust, OCD Aztec Office
cc: Jennifer Salisbury, Secretary, EMNRD
U.S. Senator Pete Domenici
U.S. Senator Jeff Bingaman
U.S. Congressman Bill Richardson
State Congressman Jerry Sandel
State Senator Raymond Kysar



OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505

January 19, 1996

Mr. Dewey K. Foutz
Foutz and Bursom Construction Co., Inc.
PO Box 307
Farmington, New Mexico 87499

Re: Sunco Proposal to Treat Contaminated Soils
San Juan County, New Mexico

Dear Mr. Foutz:

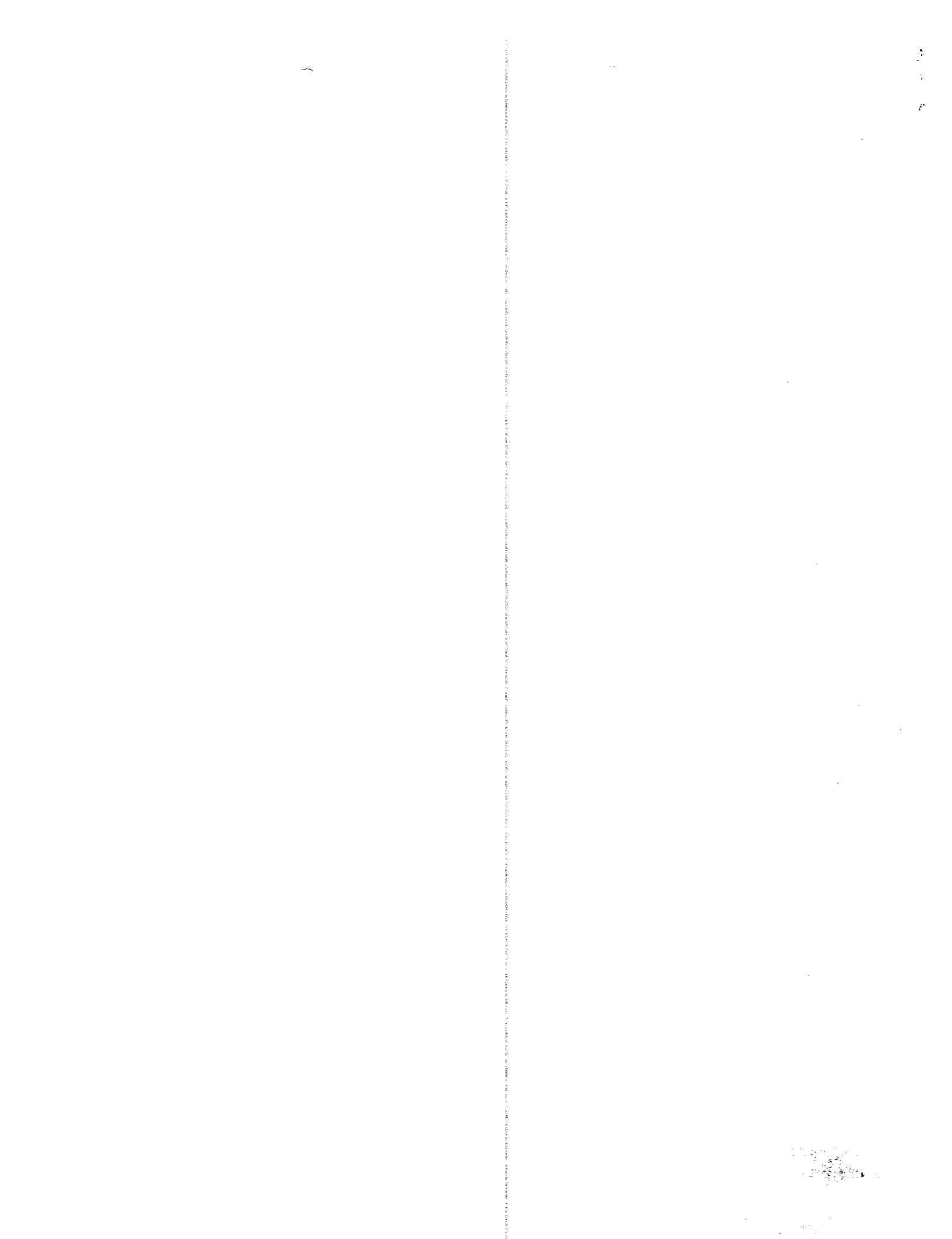
The Oil Conservation Division (OCD) has received your correspondence, dated January 16, 1996, expressing your concern(s) over the proposed modification of the Sunco Trucking Disposal Facility.

The process the OCD uses to review surface disposal applications is comprehensive and ongoing. The applicant submits the initial application, it is thoroughly reviewed, and if necessary additional information and commitments are requested to satisfy specific OCD requirements. After all the required information is evaluated an ultimate determination is made as to whether or not the facility can be operated in a manner consistent with the regulations.

In determining whether a specific facility is approvable the OCD must insure that there will be sufficient protection of ground water, surface water, public health and the environment. The OCD cannot deny an application on the basis that the use is incompatible with the surrounding land uses or local zoning requirements. The OCD has no jurisdiction or authority to enforce compliance with those regulations. Land use comes under the jurisdiction of county and local government.

The OCD does have information on the area ground water. Prior to the Sunco Disposal facility being permitted, the operator hired a consultant to investigate the geologic and hydrologic conditions specifically present at the facility site. Depth to ground water is approximately one hundred feet (100') with a regional gradient towards the northwest. Furthermore, the dissolved solids concentration of this groundwater is approximately 800 parts per million.

The OCD does have current monitoring requirements for the facility. The ponds present are monitored by a leak detection system that was installed prior to commencing facility operations. The proposed five acre landfarm will be monitored two feet (2') below the ground surface for the detection and interception of migrating contaminants prior to reaching ground water. The OCD refers to this monitoring procedure as "Treatment Zone Monitoring". Furthermore, the OCD feels this is better than monitoring the groundwater because any potential ground water contaminants will be detected long before ground water is impacted and/or contaminated. In the event contaminants are detected in the "Treatment Zone" a contingency plan will be in place that has been approved by the OCD and committed to by the operator. That contingency plan specifies what action(s) will be initiated to ensure



Mr. Foutz
January 19, 1996
Page 2

inhibition of contaminants migrating any further.

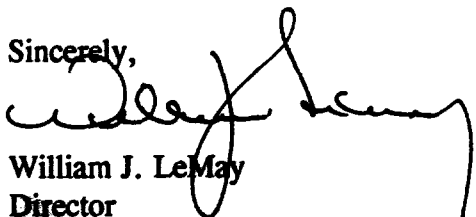
The applicant has applied for a centralized landfarm only. If the operator decides to apply for a commercial landfarm permit, the operator would be required to go through additional permitting procedures and you, as an adjacent landowner would be notified and presented the same opportunity to participate in that permitting procedure. The OCD stipulates, as a condition of centralized facility approval, that the proposed landfarm be used to remediate only soils and/or sludges generated at the facility.

The proposed landfarm is physically located within the confines of Sunco's permitted commercial facility. Closure of the centralized landfarm would be included in the overall facility closure plan and closure cost estimate. In reference to your concerns on financial assurances, a cash or surety bond is required in the amount of the closure cost estimate for the total facility. The bond will be reviewed and approved by the OCD, then held in escrow until the operator fulfills the requirements of the facility closure.

The New Mexico Oil and Gas Act (70-2-1 through 70-2-38) allows the OCD to make rules providing for fresh water protection from improper disposal of drilling or production waters. Exploration and production wastes are covered exclusively under Oil and Gas Act authorized rules and orders. Amendments to the Oil and Gas Act (Chapter 70-Pamphlet III-1989 Cumulative Supplement, NMSA 1978 annotated) passed in 1989 specifically authorized the OCD to regulate disposal of non-hazardous wastes from oil and gas exploration, production, refining, transportation and storage, and the oil field service industry. In addition, the Water Quality Act does not apply to any activity or condition subject to the authority of the Oil Conservation Commission under the Oil and Gas Act, 70-2-12 NMSA 1978, and other laws conferring power on the Oil Conservation Commission to prevent or abate water pollution.

If you have any questions on this matter, please call Chris Eustice at (505) 827-7153

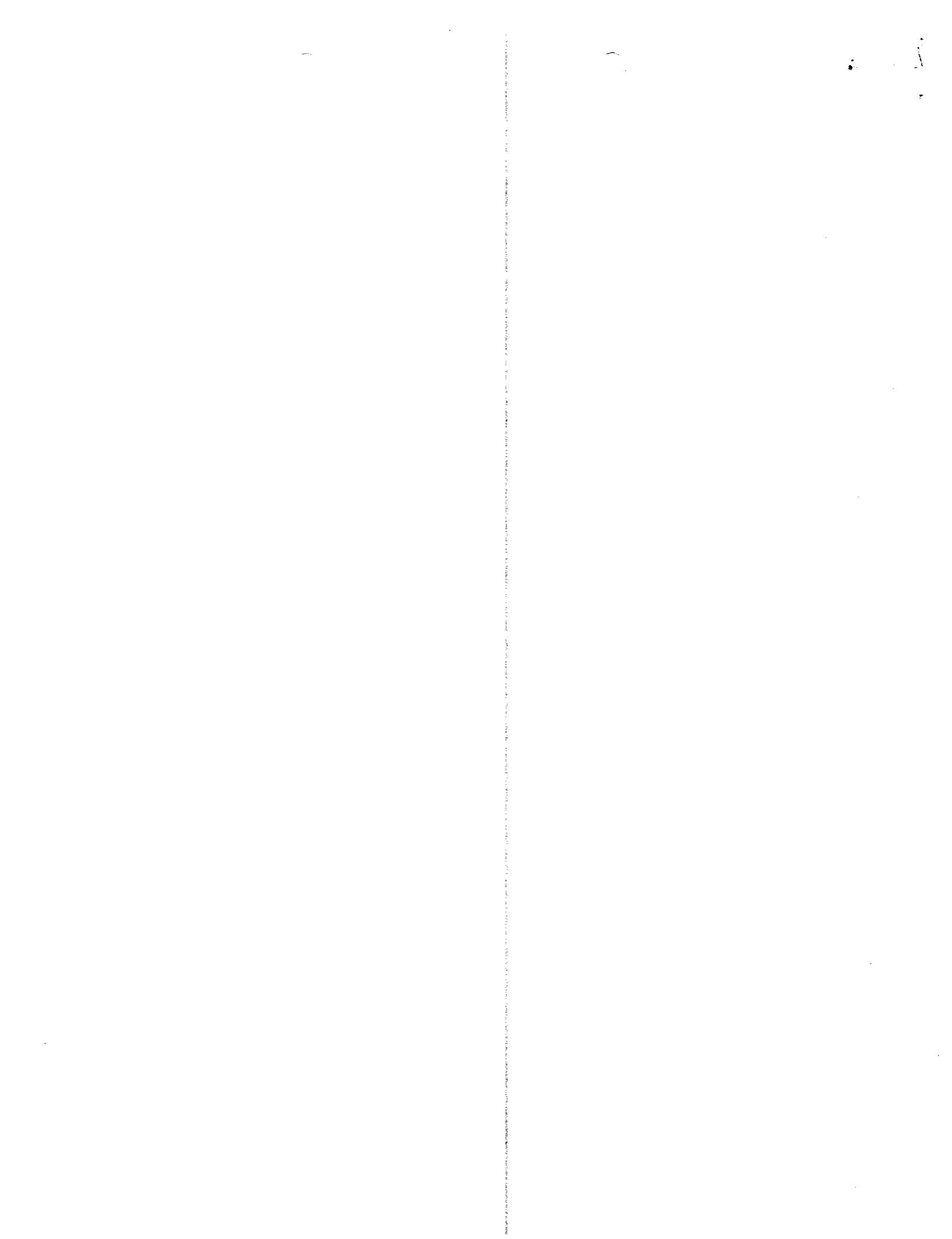
Sincerely,



William J. LeMay
Director

WJL/cee

xc: Denny Foust, OCD Aztec Office
cc: Jennifer Salisbury, Secretary, EMNRD
U.S. Senator Pete Domenici
U.S. Senator Jeff Bingaman
U.S. Congressman Bill Richardson
State Congressman Jerry Sandel
State Senator Raymond Kysar



OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505

January 17, 1996

Carroll Vaughn
#8 Rd. 5151
Bloomfield, New Mexico 87413

Re: Sunco Proposal to Treat Contaminated Soils
San Juan County, New Mexico

Dear Carroll:

The Oil Conservation Division (OCD) has received your correspondence, dated January 6, 1996, expressing your concern(s) over the compatibility of the Sunco Disposal Facility with ongoing development of a residential area.

The process the OCD uses to review surface disposal applications is comprehensive and ongoing. The applicant submits the initial application, it is thoroughly reviewed, and if necessary additional information and commitments are requested to satisfy specific OCD requirements. After all the required information is evaluated an ultimate determination is made as to whether or not the facility can be operated in a manner consistent with the regulations.

In determining whether a specific facility is approvable the OCD must insure that there will be sufficient protection of ground water, surface water, public health and the environment. The OCD cannot deny an application on the basis that the use is incompatible with the surrounding land uses or local zoning requirements. The OCD has no jurisdiction or authority to enforce compliance with those regulations. Land use comes under the jurisdiction of county and local government.

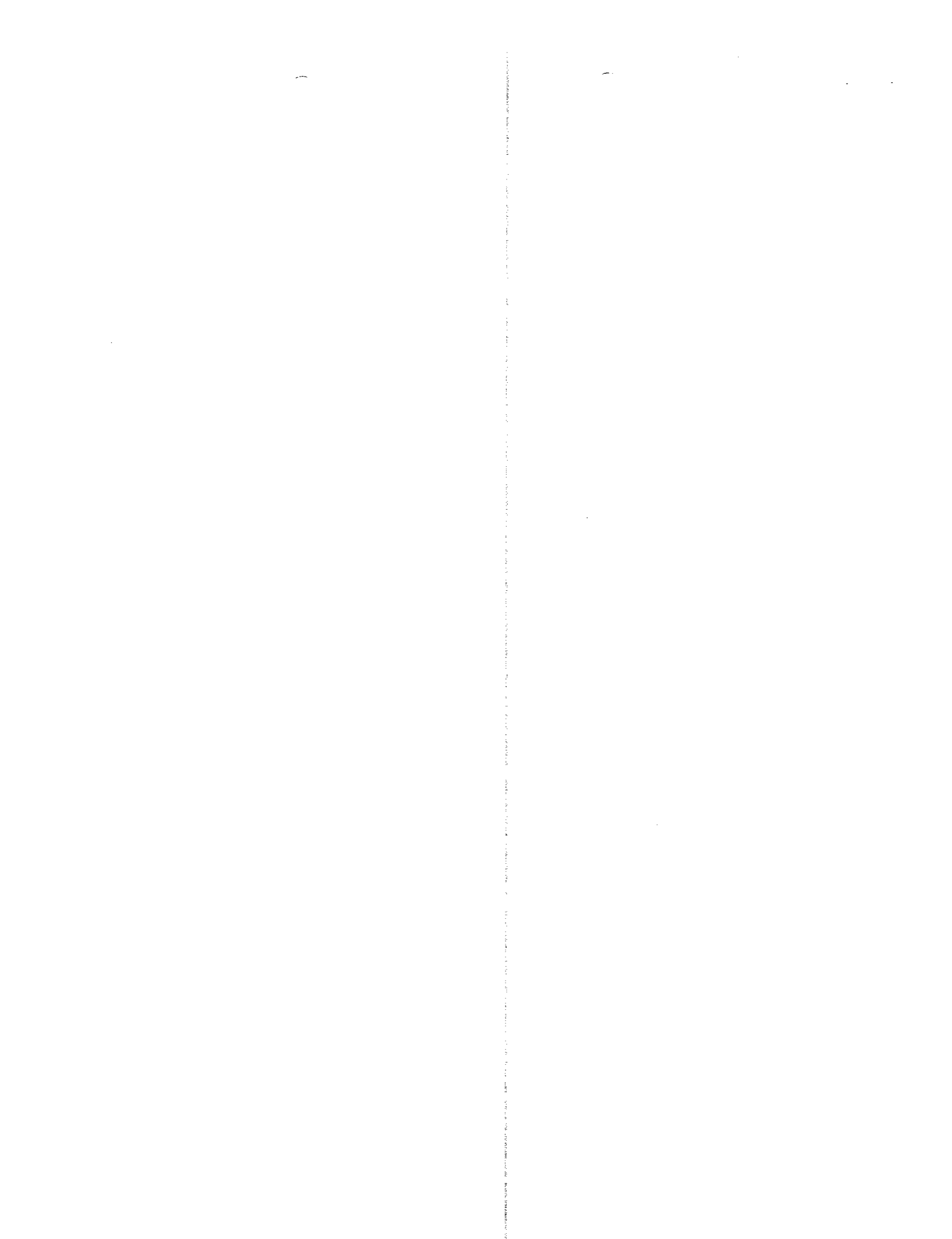
If you have any questions on this matter please call me at (505) 827-7153

Sincerely,



Chris Eustice
Geologist

xc: Denny Foust, OCD Aztec Office



Valerie Hatch
P.O. Box 506
Fruitland, NM 87416

January 16, 1996

Via Facsimile & Overnight Delivery
FAX # 505-827-8177

Mr. William J. LeMay
Director
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

Re: Sunco Application for a Modification of Permit Number NM-01-0009 to Operate a Surface Waste Management Facility (Landfarm) in Section 2, T29N, R12W, San Juan County, New Mexico

Dear Mr. LeMay:

I have been notified that Sunco has applied for a modification to its permit number NM-01-0009 that will allow it to operate a landfarm at the above referenced facility (Proposed Landfarm) under Oil Conservation Division (OCD) General Rule 711. I have owned approximately 110 acres of land approximately one half mile west of the Proposed Landfarm for more than 20 years. Consistent with the rapid growth in San Juan County, residential development of land in the immediate vicinity of the Proposed Landfarm is occurring at a rapidly increasing rate. I have been monitoring this development and paying taxes for my property for many years. I am concerned that just as it is becoming economically feasible for me to develop my land, OCD may grant a permit for the Proposed Landfarm without properly considering adverse impacts to public health and the environment and to area properties. The use and value of my land will be adversely impacted if OCD grants Sunco a permit to operate the Proposed Landfarm, therefore, I request that OCD not grant the application for a permit modification.

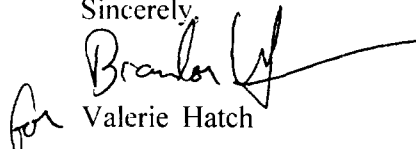
Some of my concerns are as follows:

- 1) OCD offices in Aztec and Santa Fe, and Sunco's representative (as identified in its notice) were not able to provide me with accurate information as to the depth to groundwater, groundwater flow direction, or existing groundwater quality beneath the Proposed Landfarm. Apparently no groundwater monitoring is proposed, or will be required by OCD at the Proposed Landfarm. I am concerned that development of my property cannot be accomplished without a drinkable supply of groundwater and OCD is not requiring measures to protect and monitor the available groundwater in the area.

Mr William J. LeMay
January 16, 1996
Page 2

- 2) OCD and Sunco have indicated that they believe that approval of the Proposed Landfarm is a minor change in operations presently occurring at the Sunco facility because the facility is a centralized facility. This is not correct because Sunco could in the future apply for a commercial facility permit leading to significantly expanded use of the Proposed Landfarm. Additionally, the definition of a centralized facility in OCD Rule 711 implies that waste generated by Sunco at other facilities could be brought to the Proposed Landfarm for disposal. I am concerned that OCD views the Proposed Landfarm as a minor change in operations and has not properly considered the actual impacts that will occur if the permit modification is granted.
- 3) The Financial Assurance Requirements in OCD Rule 711 are clearly inadequate to fund any environmental investigation or remediation efforts that would be required in the event of a release at the Proposed Landfarm. This is especially true if Sunco has more than one centralized facility operating under a blanket financial assurance of \$50,000. I am concerned that OCD is not considering the possibility that soil and/or groundwater contamination could be caused by the Proposed Landfarm without adequate financial assurances in place to take necessary corrective action.
- 4) It is not clear why OCD is not requiring a Discharge Plan pursuant to Water Quality Control Commission (WQCC) regulations for the Proposed Landfarm.

Pursuant to Oil Conservation Division Rule 711, Section B.(2)(c), I request a public hearing be held to consider and address my concerns and the concerns of other landowners that will be impacted by the Proposed Landfarm and OCD actions to be taken concerning the Proposed Landfarm. Based on the proximity of my property to the Proposed Landfarm and the residential land-use near the Proposed Landfarm, OCD should consider my request as constituting "significant public interest" for holding a public hearing **prior** to taking action on Sunco's permit modification request.

Sincerely,

for Valerie Hatch

CC: Jennifer Salisbury, Secretary, Energy and Minerals Department
Pete V. Domenici, U.S. Senator
Jeff Bingaman, U.S. Senator
Bill Richardson, U.S. Representative
Jerry W. Sandel, N.M. Representative
Raymond Kysar, N.M. Senator

Construction Company, Inc.

P.O. BOX 307 FARMINGTON, NEW MEXICO 87499

January 16, 1996

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

Reference: Sunco Application for a Modification of Permit Number NM-01-0009 to Operate a Surface Waste Management Facility (Landfarm) in Section 2, T29N, R12W, San Juan County, New Mexico

Dear Mr. LeMay:

I have been notified that Sunco has applied for a modification to its permit number NM-01-0009 that will allow it to operate a landfarm at the above referenced facility (Proposed Landfarm) under Oil Conservation Division (OCD) General Rule 711. I have owned approximately 110 acres of land approximately one half mile west of the Proposed Landfarm for more than 20 years. Consistent with the rapid growth in San Juan County, residential development of land in the immediate vicinity of the Proposed Landfarm is occurring at a rapidly increasing rate. I have been monitoring this development and paying taxes for my property for many years. I am concerned that just as it is becoming economically feasible for me to develop my land, OCD may grant a permit for the Proposed Landfarm without properly considering adverse impacts to public health and the environment and to area properties. The use and value of my land will be adversely impacted if OCD grants Sunco a permit to operate the Proposed Landfarm, therefore, I request that OCD not grant the application for a permit modification.

Some of my concerns are as follows:

1. OCD offices in Aztec and Santa Fe, and Sunco's representative (as identified in its notice) were not able to provide me with accurate information as to the depth to groundwater, groundwater flow direction, or existing groundwater quality beneath the Proposed Landfarm. Apparently no groundwater monitoring is proposed, or will be required by OCD at the Proposed Landfarm. I am concerned that development of my property cannot be accomplished without a drinkable supply of groundwater and OCD is not requiring measures to protect and monitor the available groundwater in the area.
2. OCD and Sunco have indicated that they believe that approval of the Proposed Landfarm is a minor change in operations presently occurring at the Sunco facility because the facility is a centralized facility. This is not correct because Sunco could in the future apply for a commercial facility permit leading to significantly expanded

Oil and Gas Division
JAN 11 1996 11 8 52

Carroll Vaughn
Bloomfield, NM
January 6, 1996

Director of Oil and Gas Division
2040 S. Pacheco
Santa Fe, NM 87505

Re: Sunco Proposal to retain and treat contaminated soil
at their facility.

Dear Sir:

As you are probably aware, there has been considerable residential
development near the Sunco facility in recent months.

There seems to be sufficient land available in more remote
areas for soil reclamation.

I am aware of the need for soil reclamation facilities such
as the one Sunco is proposing and do not oppose them in general.

I do believe, however, that the public would be served by
keeping these facilities in more remote areas nearer to the
source of the contaminated soil.

Sincerely,

Carroll Vaughn
#8 Rd. 5151
Bloomfield, NM 87413



MEMORANDUM OF MEETING OR CONVERSATION

<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Personal	Time 2:45 pm	Date 1-8-95
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<u>Originating Party</u> CHRIS EUSTICE	<u>Other Parties</u> GARY HORNER, ESQ
---	--

SUBJECT

Sunco centralized landform
Request for further information (dated 1-2-96)

DISCUSSION

Mr. Horner sent the OGD a request (dated 1-2-96) asking we essentially mail him a copy of the file for Sunco Disposal. He also complained about the OGD and it's handling of the permitting process and not considering land use.

Conclusions or Agreements

I told Mr. Horner the OGD does not have the staff to do file research for him. In addition the OGD reviews application for technical merit.

SIGNATURE

Signed Christine

AFFIDAVIT OF PUBLICATION

No. 35658

STATE OF NEW MEXICO

County of San Juan:

ROBERT LOVETT being duly sworn says: That he is the Classified Manager of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico for publication on the following day(s):

Sundays through Saturdays, December 17-31, 1995

The attached tear sheet for Legal No. 35658 states that the ad ran December 17, 1995 through January 13, 1996. This was a misprint the ad did run Dec. 17-31, 1995.

and the cost of publication is: \$707.75

Robert Lovett

On 1/4/96 **ROBERT LOVETT** appeared before me, whom I know personally to be the person who signed the above document.

Mary J. Sneed

My Commission Expires March 21, 1998

12-17-95 10:00 AM
12-18-95 10:00 AM

COPY OF PUBLICATION

Legals



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

Notice is hereby given that pursuant to the New Mexico Oil Conservation Division Regulations, the following application has been submitted to the Director of the Oil Conservation Division, 2040 S. Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(NM-01-0009) Sunco Trucking Company, George Coleman, President, 708 S. Tucker, Farmington, New Mexico, 87401, has submitted for approval an application to construct and operate a Rule 711 centralized landfarm to be located in Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico. The proposed landfarm is 5 acres. Only contaminated soils and sludges classified as "non-hazardous" oil field waste, by RCRA Subtitle C exemption or by characteristic testing, will be spread on the ground in six inch lifts or less and periodically stirred to enhance the biodegradation of contaminants. No free liquids will be allowed on the landfarm. The permit application addresses the construction, operations, spill/leak prevention and monitoring procedures to be incorporated at the proposed site. The ground water most likely to be affected by an accidental release is at a depth of 100 feet with a total dissolved solids concentration of approximately 800 parts per million.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed application, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest.

If no hearing is held, the Director will approve or disapprove the application based on the information available. If a public hearing is held, the Director will approve the applications based on the information in the application and information presented at the hearing.

Legal No. 35658 published in The Daily Times, Farmington, New Mexico on Sundays through Saturdays, December 17 through 31, 1995 and January 1 through 16, 1996; except for Monday, December 25, 1995.

GARY L. HORNER
ATTORNEY AT LAW

TELEPHONE
(505) 326-2378

P.O. Box 2497
FARMINGTON, NM 87499

January 2, 1996

Director of the Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505
(505) 827-7131

RECEIVED
JAN 04 1996
Environmental Bureau
Oil Conservation Division

Re: Request for further information regarding:
(NM-01-0009)
Sunco Trucking Company,
Application to construct and operate a Rule 711 centralized landfarm,
Located in Section 2, Township 29 North, Range 12 West, NMPM,
San Juan County, New Mexico

Dear Director:

I have recently become aware of the above-referenced Application pursuant to a legal advertisement in the Farmington Daily Times. I am representing Doris J. Horner, who owns a parcel of land in the subject area.

On behalf of Mrs. Horner, I am hereby requesting the following further information regarding the subject Application, as directed in said legal advertisement:

1. A copy of the subject Application from the Applicant, Sunco Trucking Company;
2. Copies of any correspondence between the OCD and the Applicant regarding the subject project;
3. A copy of current OCD rules and regulations regarding the permitting, construction and/or operation of these or similar facilities;
4. Copies of any rules or regulations, from any entity other than the OCD, with respect to which Applicant will be required to comply regarding the proposed project;
5. Copies of any information regarding violations or noncompliance with any OCD Rules, regulations or previous permit conditions, with respect to this or any other facility owned or operated by Applicant (or Applicant's affiliates), which such facility has been permitted or otherwise regulated by the OCD; and
6. Copies of any information in the possession of OCD relating to the

unauthorized release of any hazardous, noxious or regulated substances from any facility or vehicle owned or operated by Applicant (or Applicant's affiliates).

Thank you for your anticipated prompt attention to these matters.

Sincerely,

A handwritten signature in black ink, appearing to read "G. L. Horner", with a long horizontal flourish extending to the right.

GARY L. HORNER

xc: Doris J. Horner

TO: Director of the
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505
(505) 827-7131

RE: (NM-01-0009)
Sunco Trucking Company
George Coleman, President
Application for permit to construct and operate a Rule 711
centralized landfarm

LETTER OF PROTEST
and COMMENTS

COMES NOW DORIS J. HORNER (hereinafter "Protestor"), by and through her attorney Gary L. Horner, and hereby protests the Application submitted to the Director of the Oil Conservation Division from Sunco Trucking Company, George Coleman, President, for a permit to construct and operate a Rule 711 centralized landfarm to be located in Section 2, Township 29 North, Range 12 West, NMPM, San Juan County New Mexico (hereinafter "Application"). Protestor asserts that the subject Application should be denied.

Regarding said Protest, Protestor submits the following comments as directed by the Oil Conservation Division (hereinafter "OCD") pursuant to a legal advertisement appearing in the Farmington Daily Times, concerning the subject Application:

DORIS J. HORNER
PROTEST LETTER and COMMENTS
PROPOSED SUNCO LANDFARM

I. Identification of Protestor.

Protestor owns the parcel of land directly west of the location of the proposed landfarm. Protestor's property being approximately described as the east 866 feet of Section 3, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico. Protestor's property being situated within one-half mile of the proposed location of said landfarm.

II. The proposed location for the subject landfarm is inappropriate.

Protestor intends, and has intended for some time, to subdivide the aforementioned property for residential purposes when market conditions allow.

In order to facilitate such future residential uses of said property, Protestor and Protestor's predecessors in interest have caused to be installed: a 500,000 gallon water tank located in the southwest quarter of Section 1, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico; as well as, a water line to be used to serve Protestor's property from said water tank.

Crouch Mesa, where both the proposed landfarm is to be located and where Protestor's property is located, is relatively flat, lying relatively equidistant between Farmington, Aztec and Bloomfield. Crouch Mesa is currently being developed for residential uses at a rapid pace.

Streets and utilities have been installed to serve hundreds of new lots, with many more acres currently being considered for residential development within

the immediate area. Homes currently exist on many of the recently developed lots.

County Road 3500, which provides access between Flora Vista and highway 64 (between Farmington and Bloomfield), passes within one-quarter mile of the proposed landfarm.

Many families will be exposed to any hazardous or noxious substances released from the proposed facility, as many existing families are currently exposed to hazardous and noxious substances emanating from this and other OCD permitted facilities in the subject area (including: Applicant's existing produced water disposal pit and injection well at the subject site; the Tierra landfarm; the Meridian landfarm; and the Meridian injection well, which recently blew up).

Protestor believes that the previous construction of the subject disposal pit has already adversely affected the value of Protestor's property as potential residential property. If the subject landfarm is permitted and constructed, the residential development of Protestors property may be precluded altogether.

The proposed location for the subject facility is entirely inappropriate when considering that thousands of acres exist in San Juan County where such facilities could be located without impacting any residential developments within the foreseeable future.

III. The proposed method of disposal of the subject substances is inappropriate.

OCD rules and regulations clearly proscribe the disposal of produced water on the natural ground. The disposal pit at the subject facility is double lined to prevent such fluids from contaminating surrounding soils and groundwater. However, Applicant proposes here to remove the sludge from such produced water, evaporate the water and spread all of the remaining nastiest stuff right on the ground. Hazardous or noxious substances will be released into the air and blown into the lungs of surrounding residents, property owners and passers-by. Such hazardous and noxious substances will also be washed into the ground by rain to contaminate the soil and groundwater.

These substances are not innocuous. Sulfur compounds and hydrogen sulfide are commonly known contaminants of such substances. Also present will be oil and petroleum derivatives including known carcinogens such as benzene and toluene. These substances represent a very significant threat to the environment and the health of the surrounding public.

When speaking with OCD staff about the dumping of these substances on the ground, such staff insists that this will not be "dumping," but rather "remediation." When asked how such "remediation" differs from "dumping," the OCD staff offers that annually the ground under these substances will be tested for contamination. When asked what the Applicant or OCD intends to do if contamination is found in the ground under such substances, the OCD staff has no response. Nowhere has the Applicant indicated how they intend to deal with

contaminated soil. In fact, Applicant proposed in a letter to the OCD, dated March 23, 1993, that such substances be worked into the soil.

Protestor has difficulty understanding how the OCD can require that such substances be disposed of in facilities with double liners, so as not to contaminate the soil, then consider that the nastiest portions of such substances be removed from such waters and be disposed of directly on the surface of the ground.

Protestor further has difficulty understanding how the OCD can find these substances to be so hazardous that they cannot be allowed to contaminate the remote well sites where they were produced, but rather OCD requires that such substances be gathered up and allows them to be brought into town for disposal, where the health of many people is endangered.

At the very least, the OCD should require that such substances be disposed of at remote locations.

IV. Problems with similar facilities in general.

Similar facilities have created enormous problems, even after having applied for and receiving appropriate permits from the OCD. The Basin Disposal facility was located within five miles of the subject facility, near Bloomfield, New Mexico. The Basin facility was created to dispose of produced water, as is the subject facility. The Basin facility had applied for and received the required permits from the OCD for the operation of a produced water disposal facility. The

Basin facility began to emit H₂S, in addition to other problems, soon after it commenced operations. Said facility soon began to inflict serious injuries on surrounding residents. Said residents sued the owners of the Basin facility and obtained a judgment worth nearly one million dollars.

The Basin Court ordered many restrictions on the operation of said facility. Protestor understands that the residents surrounding the Basin facility first had to be evacuated, then had to be relocated permanently. (Please refer to Cause No. CV-87-569-1102, before the Eleventh Judicial District Court, County of San Juan, State of New Mexico entitled *State of New Mexico; Timothy Payne, et al., Plaintiffs, v. Basin Disposal Inc., et al., Defendants*. Said case was referred to at length during the previous permit process regarding Applicant's disposal pits. Please also refer to Protestors' Closing Argument in OCD Cause No. 9955 before the OCD Hearing Examiner in the subject matter, filed on July 12, 1990.)

The Southwest Water Disposal facility was also located within San Juan County, New Mexico, and was also created to dispose of produced water. The Southwest facility became notorious for its poor operations and emissions of H₂S. Protestor understands that recently the life of the subject facility was reached, the facility was closed, the owners declared bankruptcy, and the State of New Mexico had to come in and properly close the facility costing New Mexico taxpayers approximately \$480,000.

Protestor understands that dry lake beds were used in southeastern New

Mexico for the disposal of such produced water. It is not clear to Protestor whether such disposal was done pursuant to OCD permits, or whether such disposal was done without regard for such OCD permits. However, Protestor understands that enormous quantities of produced water from several states was dumped into such dry lake beds creating enormous problems. Protestor understands that the EPA had to come in and shut down such dumping. The OCD must have known of such dumping. It is unclear why the OCD allowed such dumping to occur on such a massive scale.

During the previous permit process in this matter (Cause No. 9955), problems were addressed regarding the jurisdictions of the OCD and the New Mexico Environmental Improvement Board ("EIB"). Typically, the EIB is charged with regulating air quality. The EIB has strict standards for the emission of H₂S from commercial and industrial facilities within the State of New Mexico. However, somehow the EIB does not attempt to regulate oil and gas facilities. The regulation of such oil and gas facilities is for some reason left to the OCD. The OCD has expressed that it has no jurisdiction over air quality, that its jurisdiction is limited to protecting groundwater. Therefore, it appears that the subject facilities fall into a hole where no entity claims jurisdiction over the emission of hazardous or noxious substances from these or similar facilities. At least Protestor believes this to be an accurate description of the problem as of Protestor's last experience with it. If such problems have been resolved, Protestor

is unaware of such resolution.

So it can be seen that the disposal of such produced water can create enormous problems. The regulation and operation of such facilities must be carefully considered.

V. Representations made by Applicant, Applicant's agents, and Applicant's experts cannot be relied upon.

A. Solids and sludges.

Mr. Robert Frank testified at the OCD Examiner Hearing in the subject OCD Cause No 9955, on June 13, 1990, regarding the issuance of a permit for Applicant's disposal pits at the subject site. Mr. Frank testified that he was employed by the Applicant (at least in a consulting capacity) and had been primarily responsible for the design of the subject disposal pits. Mr. Frank testified at said Examiner Hearing on June 15, 1990 that sludges would not be removed from the disposal pit, rather such sludges would simply be buried on site wrapped in plastic (within the pond at the end of the life of the facility) (Hearing Examiner's Transcript, pp 152-153).

Protestor was concerned at that time that Applicant had not submitted any plan to deal with sludges accumulated at the subject facility. Mr. Frank was explaining that a plan to dispose of sludges produced at the subject facility was not necessary as a part of the permit process, because the subject facility would not be producing significant amounts of sludge.

However, in a letter to the OCD dated November 3, 1992, Ron Mahan with Sunco Trucking indicated that solids were accumulating at the subject facility at the rate of 50 - 100 cubic yards per month. It should be noted that Applicant had only begun accepting fluids for disposal at the subject site two months earlier, the first part of September 1992. Pursuant to said letter, Mr. Mahan proposed simply "to isolate these solids in a bermed area until dry and then spread them 4" - 6" deep in an isolated area of our property."

By February 16, 1993, the OCD had approved Applicant's plan for dealing with the subject sludges, with certain conditions imposed. On March 5, 1993, the OCD notified Applicant that it was violating certain permit conditions relating to the disposal of such sludges, in part because oil was being placed in such bermed areas, no netting was provided over such areas, the drying area had been expanded without authorization, and that solids, sludges and liquids (water and oil) had been placed in the bermed area. The OCD ordered that such operations cease, that all liquids be removed from such areas and that written approval be obtained from the OCD before such operations could be continued.

Applicant proposed by letter to the OCD on March 23, 1993, to construct a holding and drying trough to evaporate free liquids. The solids would then be hauled to an area within their property borders and worked into the soil. On April 12, 1993, the OCD approved Applicant's proposal with certain conditions, including the condition that OCD approval be obtained before placing any

remediated soils within the property boundaries.

In a letter from the OCD to Applicant dated March 2, 1994, the OCD stated that it had been notified that Applicant was again disposing of such solids on site without OCD approval, and again ordered Applicant to cease such on site disposal. Said letter required compliance with the permit process and led directly to the Application presently being considered here (filed on November 22, 1995).

It is clear that Mr. Frank was either trying to deceive the OCD in June 1990, when he testified that no significant amounts of sludge would be generated at the subject facility, or Mr. Frank simply had no idea what he was talking about. However, it is absolutely clear that Mr. Frank's testimony was totally unreliable.

It is also clear that the means for disposing of the subject sludges proposed by Mr. Mahan would contaminate surrounding soils and groundwater in direct contravention of the most basic of principles involved in the creation of the subject facility in the first place. The rules that provided for such facilities were created from the perspective that it was recognized that such fluids were being produced in the oil fields, that such fluids would unacceptably contaminate the soil and ground water if allowed to be disposed of on the ground, that adequate facilities needed to be created to properly dispose of such fluids, and that such facilities should be designed such that such fluids were not directly placed on the ground.

Here Applicant has created an enterprise for the creation of wealth by

providing a service that would provide a means for disposing of such fluids while protecting the public health and the environment. Applicant charges for the acceptance and disposal of such fluids, but then turns around and disposes of them with complete disregard for the protection of public health and the environment.

Unfortunately, Applicant proceeded to dispose of these substances directly on the ground with no regard for the protection of the public health or environment. Even after the OCD ordered Applicant to cease such operations, Applicant continued to dispose of such substances on the unprotected ground.

Applicant here either does not understand the basic purpose of the subject facility it operates, or intentionally disregards the purpose of safeguarding the public health and the environment in order to minimize expenses and maximize profits. Either way, Applicant cannot be relied upon to provide the subject services without strict regulation by some entity (OCD here).

B. Injection wells.

Mr. Robert Frank testified at the Examiner Hearing that he was unaware of any plans to install injection wells at the subject site (Hearing Examiner's Transcript, pp 154-155). Protestor was concerned about the possibility of such injection wells at the subject site. Applicant was generally very evasive about any plans for injection wells at the subject site. However, such an injection well was

apparently being installed on the subject property by at least January 1992, within six months of the approval of the subject permit for Applicant's disposal pits.

Applicant's first disposal pit was not even completed until the late summer of 1992. In fact, when the leaks were discovered in the primary liner in Applicant's disposal pit, when said facility first started taking fluids at the end of August 1992, the fluid levels in the disposal pit were lowered by using the subject injection well. So such injection well was completed and operational before the subject disposal pit was completed and operational. It is not clear to Protestor at this time whether a permit for such injection well was ever required by, or obtained from the OCD.

What is clear is that Applicant's agent, Mr. Frank, was again attempting to deceive the OCD during the permit process and said agent and Applicant can again not be relied upon for accurate, truthful information relating to the operation of the subject facility.

C. Introduction of H₂S into disposal pit.

At the aforementioned OCD Examiner's Hearing, Mr. Frank initially testified that incoming loads to the subject facility would be off loaded into open tanks for settling and treatment of H₂S. However, during the course of the previous permit process, Applicant became aware that dumping such H₂S laden

loads into open tanks would result in the release of H₂S to the atmosphere. Subsequently, Applicant proposed to treat any H₂S laden loads, within the trucks as they arrive, before such loads were dumped into any type of open tank. Applicant stated that chlorine would be added to such loads to react with the H₂S. Applicant further stated that such reaction would be driven to completion before such loads were removed from the trucks. Therefore, no H₂S would be introduced into the disposal pit.

However, significant levels of H₂S have been found in the subject disposal pit on numerous occasions, indicating that incoming loads have not been fully treated as represented by Applicant.

D. Operation of the Spray systems.

Mr. Robert Frank testified at the Examiner Hearing on June 15, 1990, that the spray system at the subject facility would be monitored at all times and at no time would the spray system be operated such that any mists would be allowed to travel outside the boundaries of the pit (Examiner's Hearing Transcript pp 145-150). However, the OCD inspector's field notes indicate that on several occasions (July 25, 1994, August 1, 1994 and November 2, 1994), he found conditions at the subject site such that sprays were landing on the exterior berms of the pond and that said inspector had to direct the facility attendant to shut down or alter the spray system to prevent such overspray. (It is not clear when these spray systems

were installed or became operational, however, such spray systems were not approved by the OCD until March 22, 1993.)

E. Mr. Frank's operation of the Southwest Water Disposal facility.

Mr. Frank also testified that he owned and operated or partially owned and operated similar disposal pits four miles north of Blanco, New Mexico, which were named Southwest Water Disposal (Examiner Transcript, pp 5-7). Southwest Water Disposal was notorious for its H₂S emissions and generally slipshod operations. Protestor understands that Southwest Water Disposal was also subsequently closed, that the owners declared bankruptcy and walked away from the subject facility. Protestor understands that the State was required to come in and close the subject facility with the cost to New Mexico taxpayers on the order of \$480,000.

VI. Neither the OCD nor the public should expect Applicant to comply with any permit condition imposed here by the OCD, because Applicant is currently ignoring permit conditions previously imposed by the OCD.

Applicant currently operates evaporation pits for the disposal of produced water at the subject location. Said facility was constructed pursuant to a permit issued by the OCD pursuant to an Order of the Commission dated July 19, 1991 in cause No. 9955 (De Novo) (reference Order No. R-9485-A). Said permit imposed

certain conditions on Applicant and the subject facility. Said conditions have in many respects been ignored by Applicant and the OCD has apparently not seen fit to enforce said conditions. Particularly:

A. Applicant continues to operate the existing disposal pits, in the presence of leaks in both the primary and secondary liners, in violation of previously imposed permit conditions.

Section VIII, pages 7 and 8 of Exhibit A attached to said Order addresses "Spill/Leak Prevention and Reporting Procedures." Said Permit requires that the leak detection sumps be inspected daily and if any fluids are found from the pond, the Aztec District Office of the OCD must be notified within twenty-four hours, and such fluids must be immediately and continuously removed. If a leak is determined to exist in the primary liner: fluid introduction into the ponds must cease; fluids must be removed from the pond until the fluid level is below the level of the leak; and the liner must be repaired and tested before resuming the introduction of fluids to the pond.

Apparently, the subject secondary liner was never tested prior to the introduction of fluids to the subject disposal pits, as Protestor warned previously. (Even Applicant's own expert, Mr. Robert Frank, testified that the secondary liner would never be tested for leaks (Examiner's Transcript, pp 63-64).) Apparently, the primary liner was only tested by the introduction of fluids to the subject disposal pit and monitoring the leak detection sump for fluids. Protestor understands that a very significant leak in the primary liner was detected when

fluids were first introduced into the subject disposal pit. Protestor understands that the fluid level of said disposal pit was subsequently lowered and attempts were made to repair the damaged primary liner.

Subsequent to such repairs on the primary liner, fluids remain in the leak detection sump. However, fluid levels do not rise to the level of the fluid levels in the disposal pit.

After a considerable period of time, the OCD field inspector ordered that the fluids in the leak detection sump be analyzed and that the sump be drained. When attempts were made to drain the fluids from the leak detection sump, days and/or weeks of pumping were unsuccessful in completely draining such fluids from the sump. An analysis of the fluids in the sump indicated the fluids were from the pond.

The only means whereby disposal pit fluids may enter the leak detection system is by means of a leak in the primary liner. The introduction of fluids to said disposal pit has not ceased, the fluid level of the disposal pit has not been lowered below the level of the leak, the primary liner has not been repaired, and the operation of the facility goes on unimpeded with the full knowledge of the OCD, in violation of said Exhibit A, Section VIII.

Further, the fact that the level of the fluids in the detection sump does not rise to the level of the fluids in the disposal pit indicates that fluids are escaping from the secondary liner. This is not surprising in that said secondary liner was

never tested for leaks. and major leaks were discovered in the primary liner when fluids were first introduced. Unfortunately, these facts indicate that leaks exist in both the primary liner and the secondary liner with the leak in the secondary liner exceeding the size of the leak in the primary liner. Therefore, fluids from the disposal pit are escaping and contaminating surrounding soils and neither the facility owner nor the OCD has made any attempts to correct the problem, regardless of any conditions to do so previously imposed on the facility owner by the OCD.

B. Applicant has failed to remove fluids from leak detection sumps.

Apparently, Applicant has made no attempts to notify the OCD of fluids in the leak detection sumps and, for the most part, little efforts have been made to remove said fluids from such sumps, in violation of said Exhibit A, Section VIII. A. The continuous return of fluids from such leak detection sumps back into the disposal pit, as required by the above referenced OCD permit conditions, would minimize the amount of soil and groundwater contaminated by the leaks here in the secondary liners. But, Applicant again ignores, and the OCD fails to enforce, said permit conditions.

C. Applicant has not notified the OCD of releases of hazardous substances as required.

When Protestor requested information about violations of the conditions of

such permit or the release of hazardous or controlled substances by the Applicant, Protestor was informed that neither the Santa Fe office nor the Aztec office of the OCD had any such information. Apparently, Applicant has not notified the OCD of such leaks or releases, or such notifications are made in such a manner that no records are kept and, therefore, the public will not be able to obtain any knowledge of such conditions.

However, field inspectors from the Aztec office of the OCD do make and retain notes of their field inspections. Protestor was able to obtain some limited information regarding violations of the subject permit conditions from said field notes. Said field notes indicate that such inspectors found evidence of H₂S or odors emanating from Applicant's facility, during apparently random field visits, on April 12, 1993, June 1, 1993, June 2, 1993, November 18, 1993, April 1, 1994, July 20, 1994, July 14, 1995, and August 2, 1995. It should be noted that such field inspectors apparently travel with their own H₂S meters. It appears that any information regarding H₂S emissions from the subject facility was not obtained from Applicant's personnel or records, but rather was independently determined by said field inspectors.

In addition, a letter from Denny Foust, Environmental Geologist with the Aztec office of the OCD, to Applicant dated March 15, 1993 indicated he had encountered strong odors being emitted from Applicant's disposal pit on his last several visits to the facility.

Further, said field inspectors apparently took a complaint on July 2, 1993, from an area resident of odors from Applicant's facility causing problems with his wife's eyes, and trees dying near Applicant's facility.

D. Records regarding releases of hazardous substances and the operation of the facility are not available to the public.

It is not clear whether Applicant has been operating the subject facility in accordance with previously imposed permit conditions or whether Applicant has been performing the required testing at all, in that, records of such tests are not available to the public from the Applicant or the OCD.

The subject Exhibit A is replete with requirements for testing and the maintenance of records. Said Exhibit A requires:

- i. pH levels are to be tested daily, records made and retained, and action taken if the pH falls below 7.0 (Section XII.);
- ii. Oxygen levels in the disposal pit are to be tested twice daily, records made and retained, and action taken if dissolved residual oxygen levels fall below 0.5 ppm (Section XII.);
- iii. Dissolved sulfide concentrations are to be tested twice weekly and records made and retained (Section XII.);
- iv. Ambient H₂S levels are to be tested twice daily and records made and retained including wind speed and direction, and actions taken if H₂S levels exceed 0.1 ppm (Section XII.);

v. H₂S levels in incoming loads are to be tested and records made and retained and actions taken if measurable H₂S concentrations are found (Section IX.);

vi. Liquids and solids from operations currently exempt under RCRA Subtitle C are to be tested for appropriate hazardous constituents prior to disposal (Section IX.);

vii. Records are to be maintained for each calendar month on the source location, volume and type of waste, analysis for hazardous constituents, date of disposal, and hauling company, as well as records of H₂S measurements and treatment volumes.

Said records are apparently to be retained by the operator, but not necessarily otherwise even reported to the OCD. Said records appear to not be available in any manner, short of a court action and subpoena, to any interested party or affected individual or neighbor. Therefore, it is not clear what the results were of the subject tests, whether proper records were kept, or whether the subject tests were actually ever conducted at all.

Further, since such records are unavailable to interested parties, since the OCD apparently maintains no records of violations of permit conditions, since the OCD apparently does not maintain records regarding the release of hazardous substances, and since the OCD apparently maintains no records of enforcement orders, Protestor and the public in general find themselves in the position of being

unable to determine if the operation of this or any similar facility is being conducted safely.

In deed, since it is very clear that similar facilities are in fact extremely dangerous (e.g., the Basin Disposal facility) it can only be assumed by the public that the present facility is also extremely dangerous.

VII. The essence of OCD's regulation of the subject industry is supposed to be the protection of the public health and environment.

The powers of the OCD are enumerated in Section 70-2-12 NMSA 1978 (1995 Repl.). Subsection 70-2-12 B. provides that

". . . the division is authorized to make rules, regulations and orders for the purposes and with respect to the subject matter stated in this subsection:

* * *

"(15) to regulate the disposition of water produced or used in connection with the drilling for or producing of oil or gas or both and to direct surface or subsurface disposal of the water in a manner that will afford reasonable protection against contamination of fresh water supplies designated by the state engineer;"

* * *

"(21) to regulate the disposition of nondomestic wastes resulting from the exploration, development, production or storage of crude oil or natural gas to protect public health and the environment; and" (emphasis added)

"(22) to regulate the disposition of nondomestic wastes resulting from the oil field service industry, the transportation of crude oil or natural gas, the treatment of natural gas or the refinement of crude oil to protect public health and the environment including administering the Water Quality Act [Chapter 74, Article 6 NMSA 1978] as provided in Subsection E of Section 74-6-4 NMSA 1978" (emphasis added).

VIII. OCD is neither regulating the subject industry nor protecting

the public interest, rather the OCD is facilitating the subject industry and protecting the industry from the public.

The OCD has clearly been charged with the responsibility of protecting the public health and environment in connection with such produced water disposal facilities. However, the OCD has: failed or refused to require that such potentially dangerous facilities be located in areas away from developed or developing areas; failed or refused to enforce permit conditions (that were purportedly designed to protect the public and the environment) previously imposed upon Applicant; failed or refused to require Applicant to submit reports regarding compliance with such previously established permit conditions; failed or refused to maintain records regarding compliance with or violations of such previously imposed permit conditions; failed or refused to make records regarding the safety and operation of the subject facility available to the public; and made it practically impossible for interested parties, or the public in general, to obtain any information regarding emissions of hazardous or noxious substances from the subject facility.

It should also be noted that while the OCD has been considering the disposal of such substances on the ground at the subject facility inappropriate, the OCD has required that such substances be taken across the street and disposed of by dumping them directly on the ground at the OCD approved Tierra landfarm.

In that regard, it can hardly be said that the OCD is "regulating" the subject facility or similar facilities, or that the OCD is protecting the public health

or the environment. Rather, OCD's real mission appears to be to insure that the industry can obtain whatever facilities it deems necessary. It appears that the OCD's real mission statement with respect to the industry is "You asked for it . . . you got it!"

It appears that the OCD is neither regulating the subject industry nor protecting the public interest, rather the OCD appears to be facilitating the subject industry and protecting the industry from the public.

IX. The OCD's refusal to consider the appropriateness of the location of the subject facilities completely undermines their reason for being.

In view of the OCD's failure or refusal to insist or insure that such facilities are operated safely, the only means of protecting public health is to require that such facilities be located in areas away from developed or developing areas. Statements by OCD staff indicate that the OCD's position is that the OCD has no authority over the location of such facilities by virtue of the fact that no zoning laws exist with respect to the proposed facility (the unincorporated areas of San Juan County). However, such statements presume that only zoning ordinances can affect the location of such facilities, and that the OCD has no authority to insist that such facilities be located safely.

It appears that the appropriateness of the location of a proposed facility with respect to the proximity of developed or developing areas is given no

consideration whatsoever by the OCD. The OCD's failure or refusal to insure that such facilities are operated safely, coupled with the OCD's refusal to consider the appropriateness of the location of such facilities, means that the OCD is completely and totally disregarding the protection of the public health. Such positions by the OCD completely undermine their reason for being in that the only reason for regulating such facilities is for the protection of the public health and environment.

X. CONCLUSION.

The history of these facilities, and the history of the positions taken by Applicant and Applicant's agents, clearly leads one to the conclusion that the benevolence of the owners and operators of these facilities cannot be relied upon to operate them safely.

Further, the history of the positions taken by the OCD with regard to the setting of standards for such facilities, and the lack of meaningful enforcement of imposed permit conditions clearly leads one to the conclusion that the OCD cannot be relied upon to ensure that such facilities will be operated safely.

Therefore, the only means of ensuring that the public health and the environment will be protected where these facilities are concerned is to insist that such facilities be located in remote locations, away from developed or developing areas. Unfortunately, the OCD refuses to consider requiring that such facilities be

remotely located. The only possible result is that many people will be injured by these facilities, even after obtaining permits from the OCD.

Protestor respectfully requests that the OCD consider not only the denial of the present Application, but also the complete elimination such facilities from developed or developing areas.

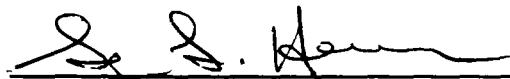
Protestor further respectfully requests that the highest levels within the OCD spend some time reconsidering the basic purposes of the OCD. Protestor would like to see the OCD come to the realization that it has been facilitating the industry rather than regulating it. Protestor would like to see the OCD come to the realization that it must actually regulate the industry, to protect public health and the environment as charged by the New Mexico legislature.

WHEREFORE, Protestor respectfully:

1. States that the proposed landfarm would pose intolerable and totally unacceptable harm with respect to the value of Protestor's property, the environment, the health, safety and welfare of existing and future residents of such area and would unreasonably restrict Protestor's own use and enjoyment of her property;
2. Requests that the subject Application be denied as proposed;
3. Requests that the subject Application be denied as such Application may possibly be amended with respect to the proposed location.

4. Requests that Applicant be required to remove the existing facilities at the subject location.

Respectfully submitted by:



GARY E. HORNER
P.O. Box 2497
Farmington, New Mexico 87499
(505) 326-2378

January 30, 1996

Date

xc: Doris J. Horner

327-4919

OIL CONSERVATION DIVISION-ENVIRONMENTAL BUREAU

TO: JERRY CATES - CREATIVE FUTURE TECHNOLOGIES

FROM: CHRIS EUSTICE, GEOLOGIST 505-827-7153

NUMBER OF PAGES INCLUDING THIS ONE: 2

MESSAGE:

I've written the "public notice"
for you because I didn't tell
you what the minimum requirements are. ;

*

IF YOU HAVE ANY TROUBLE RECEIVING THIS FAX PLEASE CALL
(505)-827-7133.

OCD FAX NUMBER: (505)-827-8177

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

Notice is hereby given that pursuant to the New Mexico Oil Conservation Division Regulations, the following application has been submitted to the Director of the Oil Conservation Division, 2040 S. Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

(NM-01-0009) Sunco Trucking Company, George Coleman, President, 708 S. Tucker, Farmington, New Mexico, 87401, has submitted for approval an application to construct and operate a Rule 711 centralized landfarm to be located in Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico. The proposed landfarm is 5 acres. Only contaminated soils and sludges classified as "non-hazardous" oil field waste, by RCRA Subtitle C exemption or by characteristic testing, will be spread on the ground in six inch lifts or less and periodically stirred to enhance the biodegradation of contaminants. No free liquids will be allowed on the landfarm. The permit application addresses the construction, operations, spill/leak prevention and monitoring procedures to be incorporated at the proposed site. The ground water most likely to be affected by an accidental release is at a depth of 100 feet with a total dissolved solids concentration of approximately 800 parts per million.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed application, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest.

If no hearing is held, the Director will approve or disapprove the application based on the information available. If a public hearing is held, the Director will approve the applications based on the information in the application and information presented at the hearing.

MEMORANDUM OF CONVERSATION

✓ TELEPHONE ___ PERSONAL TIME 145 pm DATE 12-5-95

ORIGINATING PARTY CHRIS EUSTICE

OTHER PARTIES JERRY CATES (Creative Future Tech.)
dba - Sunco

DISCUSSION RE: SUNCO DISPOSAL MODIFICATION - LANDFARM

I wanted to Jerry to understand the proof of notice requirements for Sunco's application for a landfarm.

I told Jerry the OCD needs:

- affidavit from the paper & copy of notice
- proof that landowners w/in 1 mile of the facility are notified, individually.

I told him return receipts are best.

CONCLUSIONS

He'll provide

CHRIS EUSTICE

Chris Eustice

TO FILE