

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87501

9200 827
DIVISION
101 007
4 11 8 56

APPLICATION FOR SURFACE WASTE DISPOSAL FACILITY
(Refer to OCD Guidelines for assistance in completing the application.)

- I. Type: Produced Water Drilling Muds Treating Fluids
 Solids Other _____
- II. OPERATOR: C & C Landfarm Inc.
ADDRESS: Box 55 Monument, NM 88265
CONTACT PERSON: Jimmie T. Cooper PHONE: 505-397-2045
- III. LOCATION: SW /4 NE /4 Section 3 Township 20 Range 37 E
Submit large scale topographic map showing exact location.
- IV. IS THIS AN EXPANSION OF AN EXISTING FACILITY? Yes No
- V. Attach the name and address of the landowner of the disposal facility site and landowners of record within one-half mile of the site.
- VI. Attach description of the facility with a diagram indicating location of fences, pits, dikes, and tanks on the facility.
- VII. Attach detailed engineering designs with diagrams prepared in accordance with Division guidelines for the construction/installation of the following: pits or ponds; leak-detection systems; aerations systems; enhanced evaporation (spray) systems; waste treating systems and security systems.
- VIII. Attach a contingency plan for reporting and clean-up of spills or releases.
- IX. Attach a routine inspection and maintenance plan to ensure permit compliance.
- X. Attach a closure plan.
- XI. Attach geological/hydrological evidence demonstrating that disposal of oil field wastes will not adversely impact fresh water.
- XII. Attach proof that the notice requirements of OCD Rule 711 have been met. (Commercial facilities only.)
- XIII. Attach a contingency plan in the event of a release of H₂S.
- XIV. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
- XV. CERTIFICATION

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

Name: Eddie W. Seay Title: Agent/Consultant
Signature: Eddie W. Seay Date: October 4, 1991

DISTRIBUTION: Original and one copy to Santa Fe with one copy to appropriate Division District Office.

APPLICATION FOR SURFACE WASTE DISPOSAL FACILITY

- I. Type: Solids - Oil or Salt water contaminated soils from production facilities only.
- II. OPERATOR: C & C Landfarm Inc.
ADDRESS: Box 55 Monument, NM 88265
CONTACT PERSON: Jimmie T. Cooper
PHONE: 505-397-2045
- III. LOCATION: SW 1/4 of the NE 1/4 of Section 3,
Township 20, Range 37 East, Lea Co., NM.
- IV. IS THIS AN EXPANSION OF AN EXISTING FACILITY? No,
this is a new facility.
- V. LANDOWNER OF FACILITY SITE
Jimmie T. Cooper
P.O. Box 55
Monument, NM 88265

LANDOWNERS OF RECORD WITHIN 1/2 MILE
State of New Mexico
State Land Office
P.O. Box 1148
Santa Fe, NM 87504

S & W Cattle Co.
8900 South County Rd. 58
Monument, NM 88265

J.R. Williams, et al
P.O. Box 215
Monument, NM 88265

A.C. Doyall
P.O. Box 188
Monument, NM 88265
- VI. DIAGRAM (attached)
 - (A) Excavate area as needed down to top of redbed approximately 10 to 12 feet. Use overburden to build burms around site to prevent and restrict rain run off and drainage to facility.
 - (B) Fence around all sides, with chain link fence adjacent to County Road 58.
 - (C) Gate with cattle guard at entrance. Open during daylight hours only.
 - (D) 5 monitor wells on North, South, East, and West sides.
 - (E) Signs posted with restrictions and permit no.

(F) Any other improvement as needed or required by OCD.

VII. DRAWING OF MONITOR WELL (attached)

Excavate land area down to redbed, dispose of contaminated soil in 6 in. lifts and till or plow every 30 to 60 days as needed to ensure proper aeration so soil can be cleaned up by natural remediation according to government standards. Have soil tested for TPH and BTEX before adding new lift as required.

VII. CONTINGENCY PLAN (NA)

There will be no liquids at facility. Any soil accidentally spilled at facility will be picked up with front end loader and deposited within landfill. No material will be accepted without documentation.

IX. ROUTINE INSPECTION AND MAINTENANCE PLAN

- (1) Weekly inspection of monitor wells.
- (2) Road area around facility will be graded and kept free of oily dirt.
- (3) All loads will be documented and logged.
- (4) No liquids accepted.
- (5) No tank bottoms accepted.
- (6) Area will be posted with proper signs.
- (7) No dumping will be allowed unless facility is open.
- (8) May require letter from company showing waste has not been mixed with non-exempt waste.
- (9) All area properly fenced with locked gates.
- (10) Each lift will be tested for BTEX Method 602 and TPH Method 8015 EPA test requirements before adding new lift.

X. CLOSURE PLAN

All overburden will be removed down to the redbed, averaging from 12 ft. on the east side, to 16 ft. on the west side.

Disposal of solids will start at redbed, when area has been filled and tested to within 1 ft. of surface elevation, area will be backfilled with top soil, mound over and compacted. The mound should prevent rain or water from standing or leaching into backfill.

All fences will be left in tact and monitor wells left in place for future monitoring.

Also, any additional rule or regulation at time of closure will be adhered to.

- XI. Geographically, the site is situated near the western boundary of the southern extension of the High Plains in Southeastern New Mexico. The site in question is a 40 acre tract located in Unit G, Section 3, Township 20, Range 37 E, Lea Co., NM.

The site which is bordered by County road 58 on the east, has a gradual surface slope to the west. To the SE of this site in Unit Lettter O is a large pit with the redbed exposed. Redbed is a layer of relatively impermeable clays, red to reddish brown in color, underlying the fresh water aquifer in SE New Mexico ranging in thickness up to 1200 ft.

C & C Landfarm Inc. is located on or near the redbed layer. A series of test wells were drilled to define the redbed and check for fresh water.

TEST WELL LOGS

- #1 Located 100 yds. N of NW corner
0-1 ft. Top Soil
1-18 ft. Caliche, Rock
18-20 ft. Redbed
All formations dry.
- #2 Located 125 ft. N of the south line on the extreme west edge.
0-1 1/2 ft. Top Soil
1 1/2-16 ft. Caliche, Rock
16-18 ft. Redbed
All formations dry.
- #3 Located 100 yds. E of the west line on the south side.
0-1 ft. Top Soil
1-15 ft. Caliche, Rock
15-17 ft. Redbed
All formations dry.
- #4 Located 50 yds. W of the east line on the south border.
0-1 ft. Top Soil
1-13 ft. Caliche, Rock
13-16 ft. Redbed
All formations dry.
- #5 Located 150 yds. W of east line on the north side.
0-1 ft. Top Soil

1-14 ft. Caliche, Rock
14-17 ft. Redbed
All formations dry.

- * An area in the middle of the east edge of the property, was excavated with a backhoe. Rock and caliche at 0-12 ft. Redbed was encountered at 12 ft.

The wells were drilled with rotary rig, no water was encountered, only caliche, rock, and sand down to redbed. The redbeds came in at 12 ft. on the east side, down to 17 ft. on the west side. The five wells drilled were completed into the redbed and cased with 3 in. PVC pipe with 5 ft. of screen on bottom with the top 2 ft. cemented and capped. Wells to be secured with locks and used as monitor wells.

Researched State Engineers records and U.S.G.S. file, no fresh water was recorded or found within area of review. A physical inspection was made and a windmill was found approximately 1 mile SW of the site, a sample was taken and analysis recorded for future use.

We feel this is one of the better sites for deposit of contaminated soil due to the thickness of redbeds, little or no fresh water in the area, a monitor system is in place for control of system. This system is in the middle of the oil and gas production and will serve a valuable environmental need, both regulatory and industrial.

- XII. PROOF OF OCD RULE 711 (attached)
- XIII. CONTINGENCY PLAN FOR RELEASE OF H₂S (NA)
Open pit system should not have H₂S. If encountered, OCD Rule 118 will be adhered to.
- XIV. All State of New Mexico, Oil Conservation rules will be enforced as they pertain to this system.

19 37



Area of Review:
Sw₄ - NE₄
sect 3
Township 20
Range 37 E

GREEN
SKAGGS UNIT
GRBG UNIT

EAST EDMONT OIL
MOREXCO (OPER)

EDMONT

TO
EN
ME

Je
to
TO

R.T. Fur
Muriel T.M

Amer.
H.B.P.
A-140

1-52
MR. Annou
Proddack
Disc

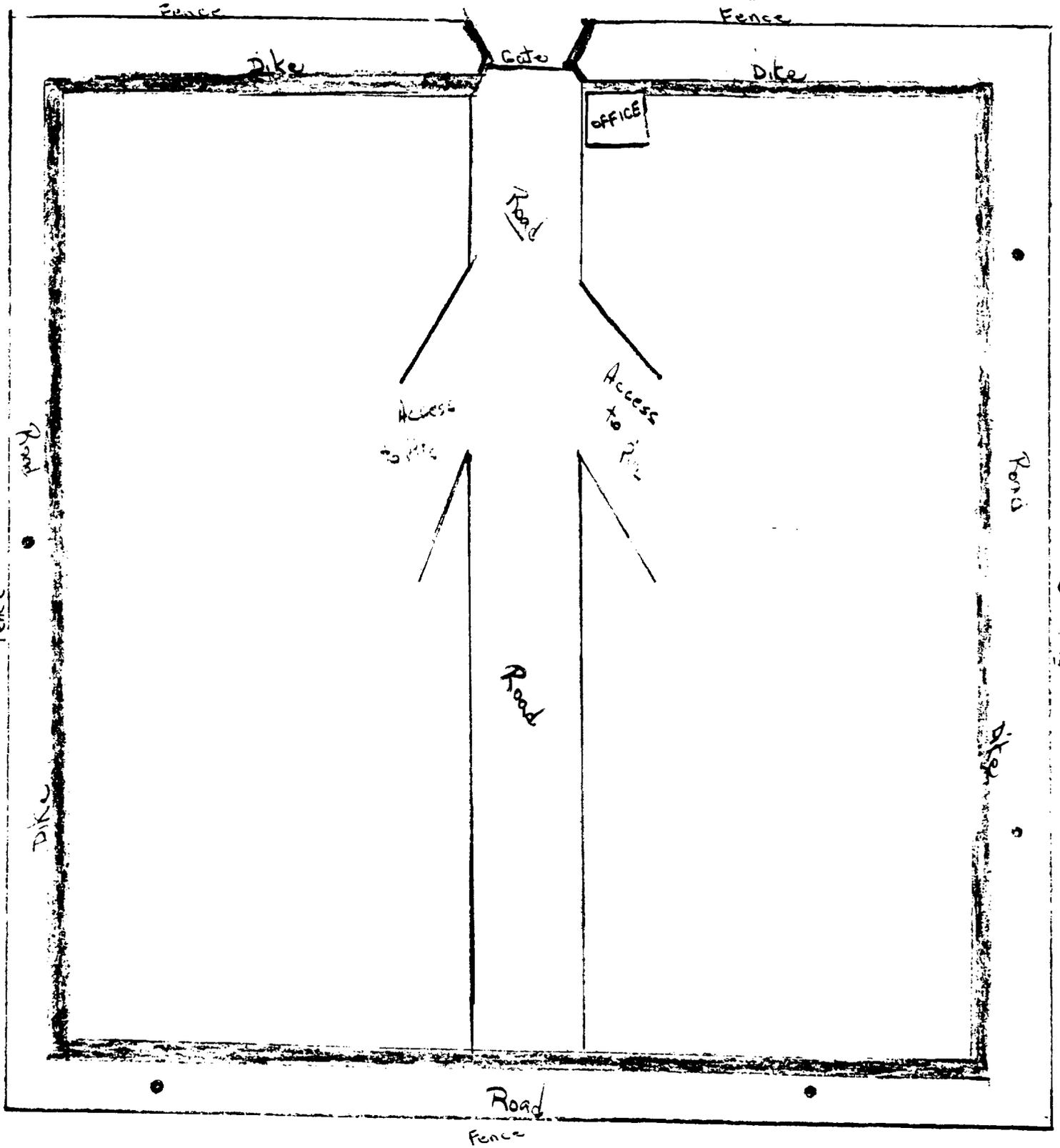
Mary E. W
S.W. Carr
S

W. H. S
W. H. S
E 602

VI

W

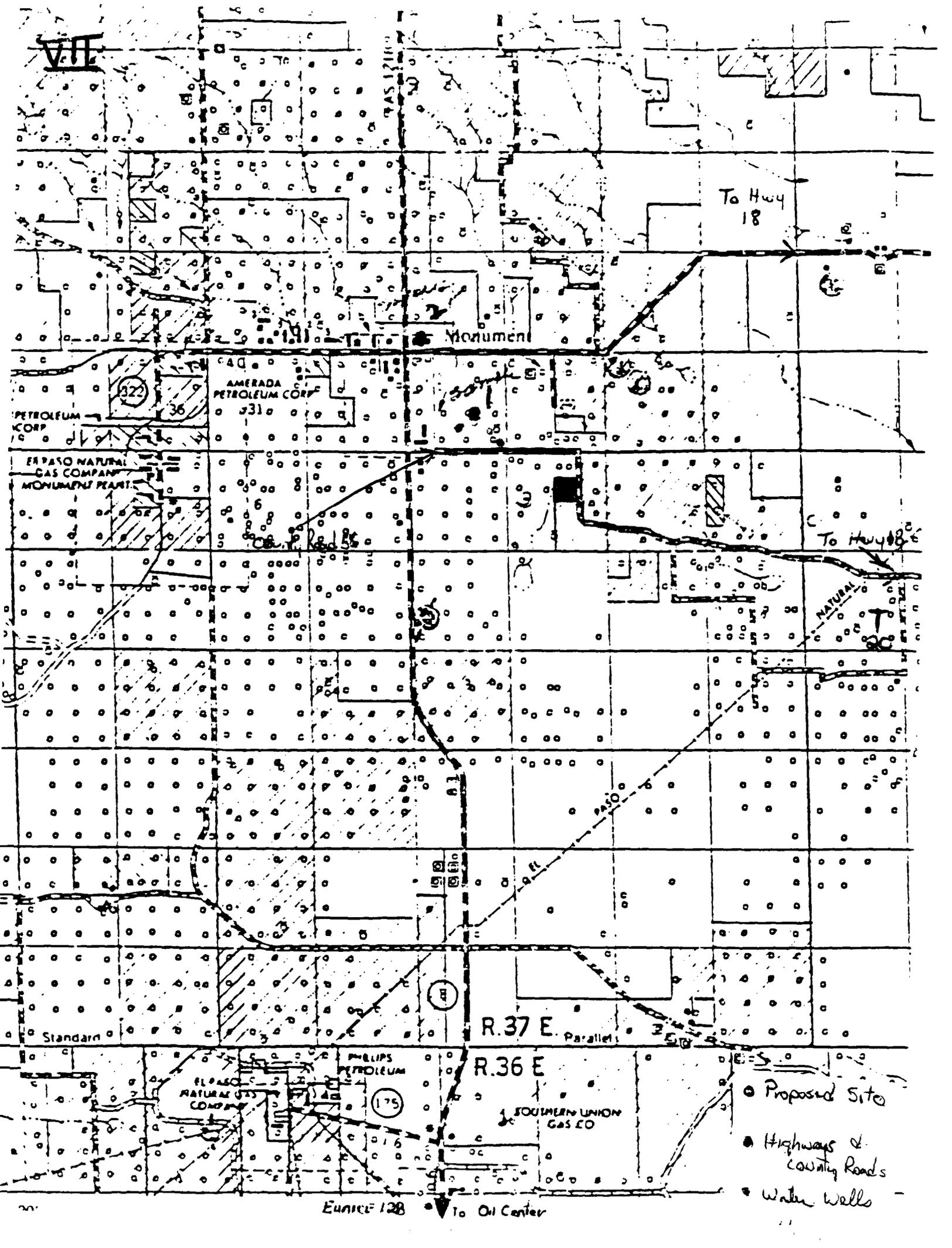
County Road 58 "Billy Walker Road"



Noted walls
 arms or Dyke
 disposal Area

N

VII



To Hwy 18

Monument

AMERADA PETROLEUM CORP
31

PETROLEUM CORP
322

EL PASO NATURAL GAS COMPANY
MONUMENT PLANT

Co. Rd 56

To Hwy 85

NATURAL

Standard

R. 37 E
Parallel

R. 36 E

EL PASO NATURAL GAS COMPANY

PHILIPS PETROLEUM
175

SOUTHERN UNION GAS CO

- Proposed Site
- Highways & County Roads
- Water Wells

Enric 128

To Oil Center

LEASE

C+C Landfarm Inc.

WELL NO.

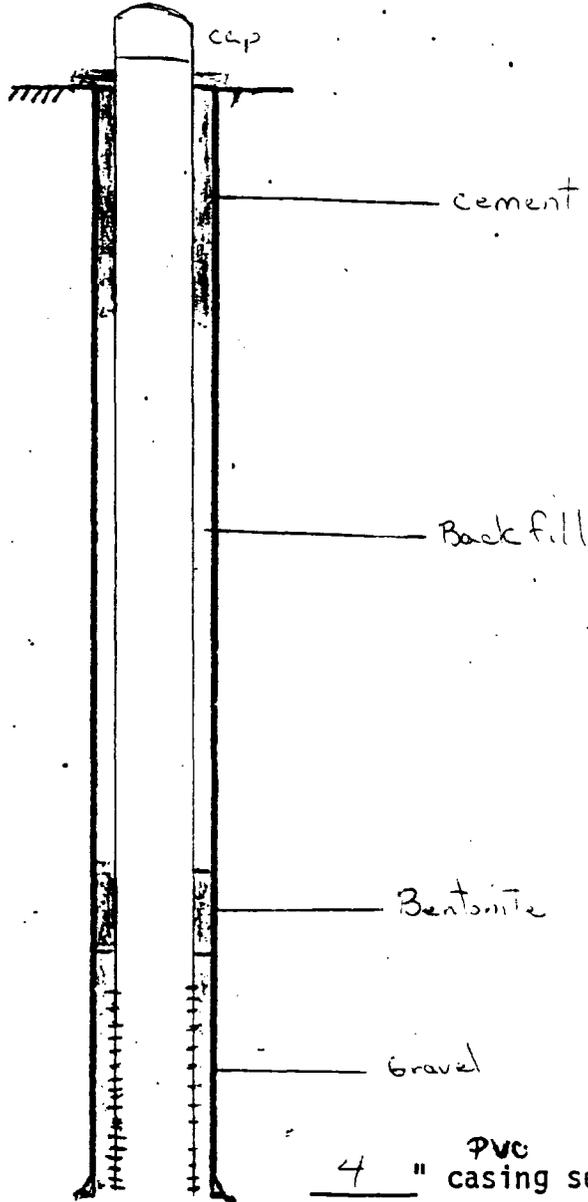
MW

LOCATION

Unit G S-3 T-20 R-37 E

Test well - Monitor well

VII



4" ^{PVC} casing set at Redbed

Hole size 6 3/4"

MINING

CLAIMING

HOBBS

180
62

TO

3550

3550

TO

3450

3750
3700
3650
3650
3550

(Pearl)

Monument
Spring

Monument

(B)

3500

3400

A
L
L
E
Y

Center
Map

/// Ogallala

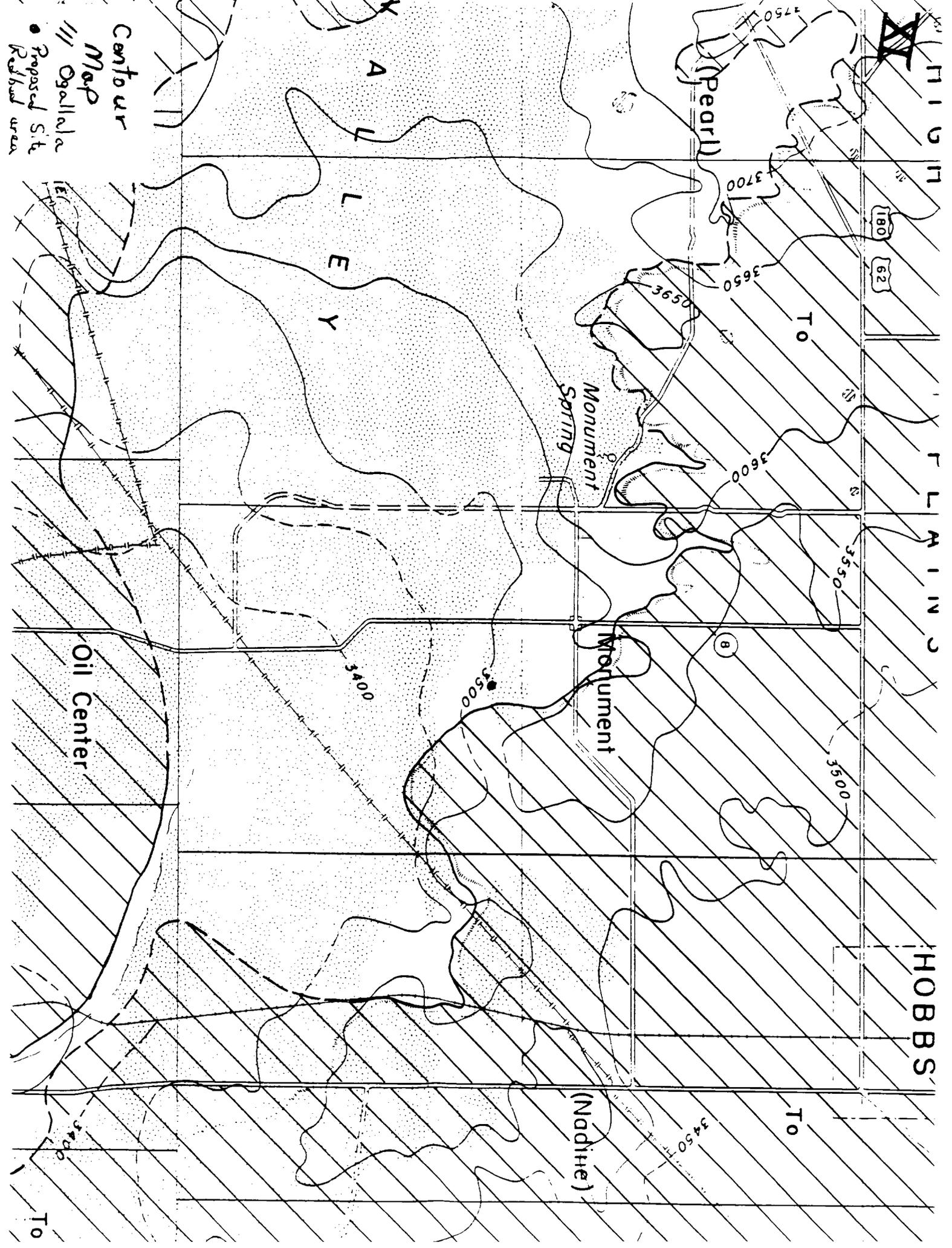
● Proposed S.t.

Red hatched areas

Oil Center

(Nadine)

To



XII

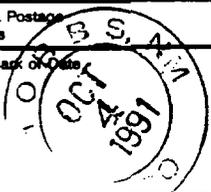
P 661 750 233



Certified Mail Receipt
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
S & W Cattle Co.	
Street & No.	
8900 S. County Rd. 58	
P.O., State & ZIP Code	
Monument, NM 88265	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, June 1990



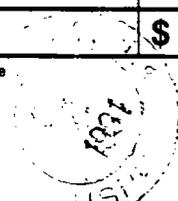
P 661 750 231



Certified Mail Receipt
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
Commissioner of Public Lands	
Street & No.	
P.O. Box 1148	
P.O., State & ZIP Code	
Santa Fe, NM 87504	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, June 1990



P 661 750 230



Certified Mail Receipt
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
Mr. A.C. Doyall	
Street & No.	
P.O. Box 188	
P.O., State & ZIP Code	
Monument, NM 88265	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, June 1990

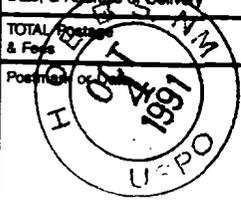
P 661 750 234



Certified Mail Receipt
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
Mr. Jimmie T. Cooper	
Street & No.	
Box 55	
P.O., State & ZIP Code	
Monument, NM 88265	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, June 1990



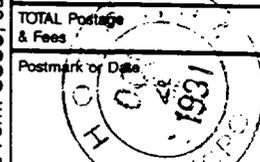
P 661 750 232



Certified Mail Receipt
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
J.R. Williams, et al	
Street & No.	
P.O. Box 215	
P.O., State & ZIP Code	
Monument, NM 88265	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, June 1990



XII

C & C Landfarm Inc.
Jimmie T. Cooper P.O. Box 55 Monument, NM 88265
505-397-2045

October 1, 1991

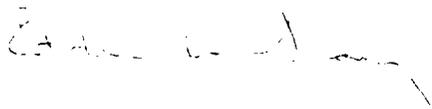
Dear Sir:

Pursuant to Rule 711 of the Oil Conservation Commission, State of New Mexico, notice is hereby given that Jimmie T. Cooper, owner and operator of C & C Landfarm Inc., will be filing an application for a surface waste disposal facility located at SW 1/4 of the NE 1/4 of Section 3, Township 20, Range 37E, Lea Co., NM on deeded land. The facility will be for the disposal of contaminated soils only from oil and gas production. No produced waters or tank bottoms will be allowed. This disposal will allow a safe place for the natural occurrence of remediation of the soil.

If there are any questions please contact:

Mr. Roger Anderson
State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
505-827-5884

Thank You.



Eddie W. Seay
Peak Consulting Service

C & C LANDFARM INC.

Additional information to Application for Surface Waste Disposal.

- I. The thickness of the rebeds varied from area to area in Section 3. The information was taken from logs of producing oil wells in the area and lithology reports.

Unit	C	Top	20 ft.	Base	960 ft.
	F		30 ft.		562 ft.
	B		14 ft.		880 ft.
	H		15 ft.		1350 ft.
	M		30 ft.		1270 ft.
	L		40 ft.		1050 ft.

with the average thickness being 987 ft.

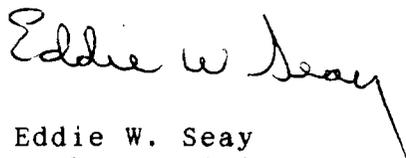
- II. Groundwater in the area; Figure I is a copy of the State Engineer's water analysis and locations for this area, none were listed in Sect. 3. The windmill SSW of our proposed site appears to be located in Unit M of Sect. 3 approximately 3/4 mile from site; Figure II is a copy of analysis from S & W windmill. Figure III indicates water wells in the general area showing top and bottom of water formation and contour line indicating direction of flow, which is SE. Figure IV is a contour map of top of rebed, with slopes to the SSE. Figure V is a contour map of the surface for the surrounding area, the direction of slope is to the west.

The contour maps provided are information from the State Bureau of Mines, which shows any movement at our site would run SE along the rebed surface and west along the top of ground.

If the State feels it is necessary, additional monitor wells can be installed or a rebed barrier constructed on the SW portion of our site to prevent any contaminate from moving.

- III. Also provided are the mail receipts from registered letters.

Any additional information needed, please call (505)392-2236.



Eddie W. Seay
Peak Consulting

Figure I
 STATE
 FILE

	LOCATION	DATE COLLECTED	CHLORIDE mg/L	CONDUCT M-MHDS	TEMP DEG	WBF	
4	20S 36E 09 13440	10/12/84	434	2350	63F	T06	
5	20S 36E 10 32114	08/28/72	79	520		GAL	
6	20S 36E 10 32114	11/01/76	66	889	66F	GAL	
7	20S 36E 10 32114	10/19/79	68	880	66F	GAL	
8	20S 36E 10 32114	10/12/84	92	980	64F	GAL	
9							
10	20S 36E 11 42243	08/28/72	1000	1450		GAL	
11	20S 36E 11 42243	11/01/76	918	3969	63F	GAL	
12	20S 36E 11 42243	10/19/79	1074	4569	65F	GAL	
13	20S 36E 11 42243	10/12/84	840	4330	64F	GAL	
14							
15	20S 36E 15 242421	08/28/72	720	1800		GAL	
16	20S 36E 15 242421	11/01/76	518	3223		GAL	
17	20S 36E 15 242421	10/12/84	882	3630	63F	GAL	
18	20S 36E 15 242421	5/07/86	884	3715	70F	GAL	
19							
20	20S 36E 15 24342	03/30/54	1080	6780		T06	
21	20S 36E 15 24342	09/09/58	1240	7500		T06	
22							
23	20S 36E 15 24342A	08/28/72	1280	2900		TRC	L 06986
24	20S 36E 15 24342A	11/01/76	1192	6988	70F	TRC	L
25							
26	20S 36E 26 24344	11/08/79	150	1790		T06	L
27	20S 36E 26 24344	2/08/85	150	1798	68F	T06	L
28							
29	20S 36E 26 24443	11/08/79	182	1895		T06	L
30							
31	20S 36E 35 24444	11/08/79	118	1541		T06	L
32							
33	20S 37E 04 11114	04/02/54	450	2180		GAL	L
34	20S 37E 04 11114	04/22/55	425	2090		GAL	L
35	20S 37E 04 11114	09/09/58	325	1670		GAL	L
36							
37	20S 37E 04 221321	04/22/55	51	758		GAL	L
38	20S 37E 04 221321	09/09/58	47	708		GAL	L
39	20S 37E 04 221321	07/14/77	106	1070		GAL	L
40	20S 37E 04 221321	10/25/79	214	1506	65F	GAL	L
41	20S 37E 04 221321	2/06/85	81	964		GAL	L
42							
43	20S 37E 05 222144	11/29/79	258	1611		T06	L
44	20S 37E 05 222144	9/26/84	314	1729		T06	L
45							
46	20S 37E 07 24331	11/09/79	1268	4232		T06	L
47	20S 37E 07 24331	2/13/85	2680	8160	68F	T06	L
48							
49	20S 37E 08 244124	11/29/79	868	3734	57F	T06	L 07620 ES L
50							
51	20S 37E 08 423223	10/25/79	520	2396	66F	T06	L
52	20S 37E 08 423223	9/26/84	886	3806		T06	L
53							
54							
55							
56							
57							

State Eng.
 List of
 water wells
 in the area.
 They list none
 in Sect 3

DATE CONT.

WATER ANALYSIS REPORT

Company : S & W CATTLE CO Date : 10/29/91
 Address : HOBBS, NEW MEXICO Date Sampled : 10/28/91
 Lease : SECT 3 T20 R37 Analysis No. : 876
 Well : UNIT M
 Sample Pt. : WINDMILL

ANALYSIS	mg/L	* meq/L
1. pH	7.1	
2. H2S	NEGATIVE	
3. Specific Gravity	1.000	
4. Total Dissolved Solids	2245.2	
5. Suspended Solids		
6. Dissolved Oxygen		
7. Dissolved CO2		
8. Oil In Water		
9. Phenolphthalein Alkalinity (CaCO3)		
10. Methyl Orange Alkalinity (CaCO3)	291.0	
11. Bicarbonate	HCO3 355.0	HCO3 5.8
12. Chloride	Cl 599.1	Cl 16.9
13. Sulfate	SO4 575.0	SO4 12.0
14. Calcium	Ca 153.5	Ca 7.7
15. Magnesium	Mg 66.1	Mg 5.4
16. Sodium (calculated)	Na 496.4	Na 21.6
17. Iron	Fe 0.0	
18. Barium	Ba 0.0	
19. Strontium	Sr 0.0	
20. Total Hardness (CaCO3)	655.6	

PROBABLE MINERAL COMPOSITION

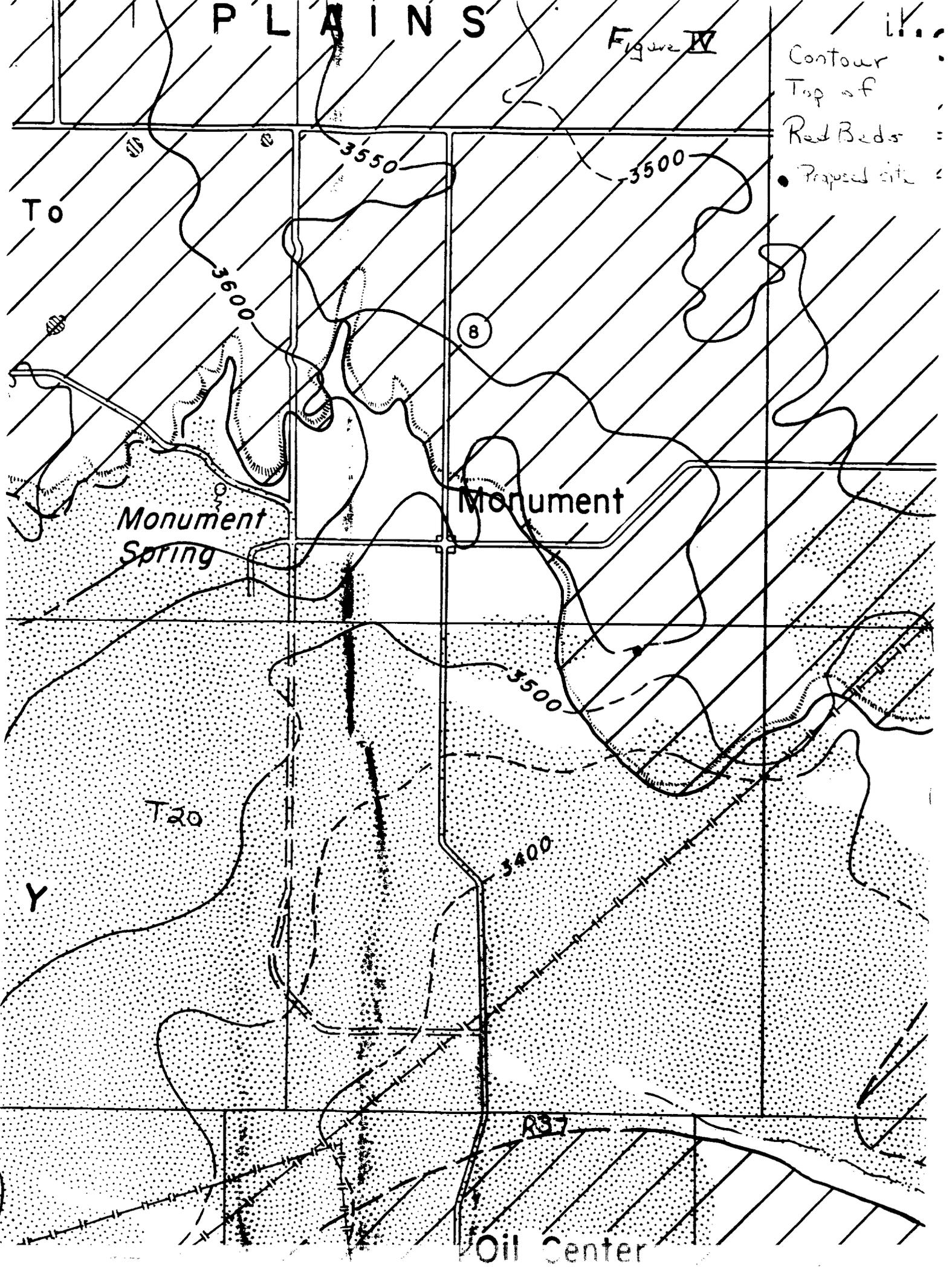
*milli equivalents per Liter	Compound	Equiv wt X meq/L	= mg/L
8 *Ca <----- *HCO3	Ca(HCO3)2	81.0	472
/----->	CaSO4	68.1	125
5 *Mg -----> *SO4	CaCl2	55.5	
<-----/	Mg(HCO3)2	73.2	
22 *Na -----> *Cl	MgSO4	60.2	327
	MgCl2	47.6	
Saturation Values Dist. Water 20 C	NaHCO3	84.0	
CaCO3 13 mg/L	Na2SO4	71.0	333
CaSO4 * 2H2O 2090 mg/L	NaCl	58.4	988
BaSO4 2.4 mg/L			

REMARKS: EDDIE SEAY

PLAINS

Figure IV

Contour
Top of
Red Beds
● Proposed site



SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3. Article Addressed to:
S & W Cattle Co.
P.O. Box 1799
Hobbs, NM 88240

4. Article Number
P 661 750 229

5. Signature - Addressee
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

8. Addressee's Address (ONLY if requested and fee paid)
Always obtain signature of addressee or agent and DATE DELIVERED.

6. Signature - Agent
[Signature]

7. Date of Delivery
7-10-91

PS Form 3811, Apr. 1989 *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3. Article Addressed to:
Mr. A.C. Doyall
P.O. Box 188
Monument, NM 88265

4. Article Number
P 661 750 230

5. Signature - Addressee
[Signature]

6. Signature - Agent
[Signature]

7. Date of Delivery
10-7-91

8. Addressee's Address (ONLY if requested and fee paid)
Always obtain signature of addressee or agent and DATE DELIVERED.

Type of Service:
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

PS Form 3811, Apr. 1989 *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3. Article Addressed to:
Mr. Jimmie T. Cooper
P.O. Box 55
Monument, NM 88265

4. Article Number
P 661 750 234

5. Signature - Addressee
[Signature]

6. Signature - Agent
[Signature]

7. Date of Delivery
7-10-91

8. Addressee's Address (ONLY if requested and fee paid)
Always obtain signature of addressee or agent and DATE DELIVERED.

Type of Service:
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

PS Form 3811, Apr. 1989 *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3. Article Addressed to:
Commissioner of Public Lands
State of New Mexico
NM State Land Office
P.O. Box 1148
Santa Fe, NM 87504

4. Article Number
P 661 750 231

5. Signature - Addressee
[Signature]

6. Signature - Agent
[Signature]

7. Date of Delivery
10-7-91

8. Addressee's Address (ONLY if requested and fee paid)
Always obtain signature of addressee or agent and DATE DELIVERED.

Type of Service:
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

PS Form 3811, Apr. 1989 *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3. Article Addressed to: Apollo Realty ATTN: J. R. Williams P.O. Box 475285 Albuquerque, NM 87194-0285	4. Article Number: P 661 750 228 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input checked="" type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature - Addressee <input checked="" type="checkbox"/>	6. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <input checked="" type="checkbox"/>	7. Date of Delivery 10-15-91

**NEW MEXICO OIL CONSERVATION DIVISION
GENERAL LANDFARM GUIDELINES
FOR COMMERCIAL LANDFARMS
(October 1992)**

LANDFARM OPERATION

1. Disposal will only occur when an attendant is on duty. The facility will be secured when no attendant is present.
2. The facility will be fenced and have a sign at the entrance. The sign will be legible from at least fifty (50) feet and contain the following information: a) name of the facility, b) location by section, township and range, and c) emergency phone number.
3. An adequate berm will be constructed and maintained to prevent runoff and runoff for that portion of the facility containing contaminated soils.
4. All contaminated soils received at the facility will be spread and disked within 72 hours of receipt.
5. Soils will be spread on the surface in six inch lifts or less.
6. Soils will be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
7. Successive lifts of contaminated soils will not be spread until a laboratory measurement of Total Petroleum Hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), and the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and the benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations will be maintained at the facility. Authorization from the OCD will be obtained prior to application of successive lifts.
8. Only oilfield wastes which are exempt from the RCRA Subtitle C regulations or non-hazardous by characteristic testing will be accepted at the facility. Solids from operations not currently exempt under RCRA Subtitle C or mixed exempt/non-exempt solids will be tested for appropriate hazardous constituents. Test results must be submitted to the OCD along with a request to receive non-exempt solids, and a written OCD approval (case specific) must be obtained prior to disposal. Any non-oilfield wastes which are RCRA Subtitle C exempt or are non-hazardous by characteristic testing will only be accepted on a case-by-case basis and with prior OCD approval. Comprehensive records of all laboratory analyses and sample locations will be maintained by the operator.
9. Moisture will be added as necessary to enhance bioremediation and to control blowing dust. There will be no ponding, pooling or run-off of water allowed. Any ponding of precipitation will be removed within seventy-two (72) hours of discovery.

10. Enhanced bio-remediation through the application of microbes (bugs) and/or fertilizers will only be permitted after prior approval from the OCD. Request for application of microbes must include the location of the area designated for the bio-remediation program, composition of additives, and the method, amount and frequency of application.
11. No free liquids or soils with free liquids will be accepted at the facility.
12. Comprehensive records of all material disposed of at the facility will be maintained at the facility. The records for each load will include: 1) the origin, 2) Exempt or non-exempt status and analysis for hazardous constituents if required, 3) transporter, and 4) exact cell location and any addition of microbes, moisture, fertilizers, etc.

TREATMENT ZONE MONITORING

1. One (1) background soil sample will be taken from the center portion of the landfarm two (2) feet below the native ground surface prior to operation. The sample will be analyzed for total petroleum hydrocarbons (TPH), general chemistry, volatile aromatic organics (BTEX), and heavy metals using approved EPA methods.
2. A treatment zone not to exceed two (2) feet beneath the land farm will be monitored. A minimum of one random soil sample will be taken from each individual cell, with no cell being larger than five (5) acres, six (6) months after the first contaminated soils are received in the cell and then quarterly thereafter. The sample will be taken at two to three (2-3) feet below the native ground surface.
3. The soil samples will be analyzed using approved EPA methods for TPH and volatile aromatic organics (BTEX) quarterly, and general chemistry and heavy metals annually.
4. After obtaining the soil samples the boreholes will be filled with an impermeable material such as bentonite cement.

REPORTING

1. Analytical results from the treatment zone monitoring will be submitted to the OCD Santa Fe Office within thirty (30) days of receipt from the laboratory.
2. The OCD will be notified of any break, spill, blow out, or fire or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.

BOND

Pursuant to OCD Rule 711 a surety or cash bond in the amount of \$25,000, in a form approved by the Division, is required prior to commencing construction of the commercial surface disposal facility.

CLOSURE

When the facility is to be closed no new material will be accepted. Existing soils will be remediated until they meet the OCD standards in effect at the time of closure. The area will then be reseeded with natural grasses and allowed to return to its natural state. Closure will be pursuant to all OCD requirements in effect at the time of closure.

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE 9955 (DE NOVO)
Order No. R-9485-A

APPLICATION OF SUNCO TRUCKING WATER
DISPOSAL FOR A PERMIT TO CONSTRUCT AND
OPERATE A COMMERCIAL WASTEWATER EVAPORATION
POND, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on June 12, 1991, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission."

NOW, on this 19th day of July, 1991, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) Sunco Trucking Water Disposal Company ("Applicant") seeks an order for a permit pursuant to Rule 711 of the Oil Conservation Division's ("Division") Rules and Regulations to construct a commercial surface disposal facility to dispose of "nonhazardous" wastewater resulting from oil and gas drilling and production operations.

(3) Said facility is to be located in the SW/4 NW/4 (Unit E) of Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico.

(4) On June 13, 15, and 22, 1990, the Division held a hearing of Case 9955 for a permit for Applicant to construct and operate a commercial wastewater evaporation pond.

(5) On April 2, 1991 the Division entered Order No. R-9485 approving such permit under certain conditions.

(6) Harold and Doris Horner ("Protestor") are owners of land near the proposed facility and protested the granting of the permit and requested this De Novo hearing.

(7) The entire record of the Examiner hearing was entered into the Commission hearing record.

(8) Protestor objected to the proposed facility because of the possibility that hydrogen sulfide gas could be generated and that the contamination of ground water could occur. Protestor was also concerned that the Division did not require submission of certified engineering plans for the operational system prior to permit approval.

(9) The Division presented an expert witness who testified that hydrogen sulfide build-up could be prevented by supplying sufficient oxygen to the pond to maintain a residual oxygen level of at least 0.5 parts per million (ppm). The witness testified that performance criteria, not design criteria, should be ordered, to allow for flexibility of technology and site specific requirements. The design of the facility was characterized as utilizing the best currently available affordable technology to prevent the formation or release of hydrogen sulfide gas.

(10) If the facility is constructed with a double synthetic lining and adequate leak detection on a properly constructed base, and if a proper leak response program which will require prompt detection and repair is maintained, it is highly unlikely that fluids will contact the soil with no danger of contacting fresh water sources.

(11) Applicant's witness testified that wastewater delivered to the facility can be tested and treated in a closed system if hydrogen sulfide is found to be present. This treatment must be carried to completion in the truck to prevent introduction of the gas into the pond.

(12) Protestor appeared at the hearing through Counsel and cross-examined Applicant's witness and the OCD witness, but did not present any direct evidence to support their position that the facility could not be permitted without creating an unreasonable risk of contaminating fresh water supplies or presenting a danger to human health and the environment.

(13) The findings and order of the Division are well founded upon all the evidence before the Commission and should be adopted by the Commission subject to modifications ordered herein.

IT IS THEREFORE ORDERED THAT:

(1) Division Order No. R-9485 is hereby affirmed and adopted as the order of the Commission with the exception of the changes ordered below:

(2) Decretory Paragraph No. (1) of said order be and the same is hereby amended to read in its entirety as follows:

"The applicant, Sunco Trucking Water Disposal Company, is hereby authorized to construct and operate a commercial surface wastewater disposal facility at a site in the SW/4 NW/4 (Unit E), Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico, for the purpose of collection, disposal, evaporation or storage of produced water, completion fluids and other non-hazardous oil field related waste, subject to the permit conditions.

PROVIDED HOWEVER THAT, the proposed disposal facility shall be constructed and operated in accordance with the permit conditions attached hereto as Exhibit "A" (herein amended) which are incorporated herein and made a part of this order, and in accordance with such additional conditions and requirements as may be directed by the Division Director from time to time, and shall be operated and maintained in such a manner as to preclude spills and fires, and to protect surface waters, ground waters, human health, livestock and the environment.

PROVIDED FURTHER THAT, Protestor is afforded the opportunity to review and comment on all engineering designs for the aeration, circulation and enhanced evaporation spray systems. The period for Protestor's review and comments shall not exceed ten working days from the receipt of the designs; such review and comments shall be certified by a registered professional engineer."

(3) Decretory Paragraph No. (3) be and the same is hereby amended to read in its entirety as follows:

"(3) Engineering designs for aeration systems shall be certified by a registered professional engineer and submitted to and approved by the Director prior to construction."

(4) Decretory Paragraph No. (4) be and the same is hereby amended to read in its entirety as follows:

"(4) Engineering designs for the enhanced evaporation spray systems shall be certified by a registered professional engineer and submitted to and approved by the Director prior to construction."

(5) Secretary Paragraph (6) be and the same is hereby amended to read in its entirety as follows:

"(6) As-built drawings, certified by a registered professional engineer, shall be submitted to and approved by the Director prior to initiating operations."

(6) Secretary Paragraph No. (7) be and the same is hereby amended to read in its entirety as follows:

"(7) The Director of the Division shall be authorized to administratively grant, pursuant to Rule 711, approval for the expansion or modification of the proposed disposal facility."

(7) Secretary Paragraph (12) be and the same is hereby amended to read in its entirety as follows:

"(12) Each aeration system shall be designed such that the oxygen requirements and residuals can be provided without the use of any additional system."

(8) Secretary Paragraph No. (13) be and the same is hereby amended to read in its entirety as follows:

"(13) Each aeration system shall be designed to allow for expansion if the actual oxygen demand exceeds the oxygen demand used in the design calculations."

(9) Secretary Paragraph No. (15) be and the same is hereby amended to read in its entirety as follows:

"(15) The Division shall have the authority to administratively change any condition of this permit to protect fresh water, human health and the environment. Applicant may request a hearing upon any change which materially affects the operation of the facility, unless the change is a response to an emergency situation impacting human health and the environment."

(10) A new Exhibit "A" as attached hereto and incorporated herein is adopted and substituted for the Exhibit "A" attached to Order No. R-9485. The revised Exhibit "A" shall include the following changes:

a. Exhibit "A" Section VII.B.2.a. is amended to read:

The ponds shall have a minimum freeboard of eighteen (18) inches. If overtopping occurs at any time, the freeboard shall be increased to prevent a reoccurrence.

b. Exhibit "A" Section VII.B.2.d. is amended to read:

An aeration system shall be constructed to prevent anaerobic conditions from forming in a pond. Such system shall be able to provide sufficient oxygen in the pond to maintain a residual oxygen concentration of 0.5 parts per million (ppm) at one foot off the pit bottom without the use of any other system. The system shall be designed to permit expansion if actual oxygen demand exceeds the oxygen demand used in design calculations. Such plans and specifications, certified by a registered professional engineer, must be submitted to the Division for approval prior to actual construction.

c. Exhibit "A" Section VII.B.2.e. is amended to read:

Upon completion of construction, "as-built" completion diagrams of the ponds and aeration systems certified by a registered professional engineer shall be submitted and approved by the Director prior to operation.

d. Exhibit "A" Section VIII.B is amended to read:

If a leak is determined to exist in the primary liner, the operator will immediately undertake the following contingency measures under the direction of the OCD:

e. Exhibit "A" Section VIII.B.5. is amended to read:

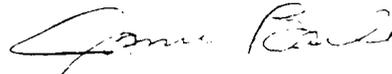
Additional measures may be required by the OCD.

(11) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Case 9955 De Novo
Order No. R-9485-A
Page 6

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

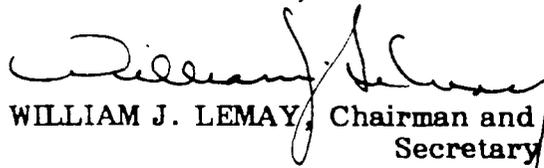
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JAMI BAILEY, Member



WILLIAM W. WEISS, Member



WILLIAM J. LEMAY, Chairman and
Secretary

S E A L

dr/

NEW MEXICO OIL CONSERVATION DIVISION

CASE 9955 De Novo, ORDER R-9485-A
Exhibit A

**SURFACE DISPOSAL FACILITY PERMIT
INITIAL CONDITIONS FOR APPROVAL
SUNCO TRUCKING WATER DISPOSAL COMPANY**

I. Type of Operation

The major purpose of the facility shall be to dispose of salt water produced in connection with the production of oil and gas by evaporating such water in open pits using enhanced evaporation techniques as necessary and under those conditions which make such use safe.

Water shall be tested for hydrogen sulfide (H₂S) and treated, if necessary, in a closed system prior to introduction into a pond. Ponds shall be properly aerated to maintain oxygen levels as required by this permit. Contingency plans have been developed for H₂S buildup and for leaks as set forth herein.

II. Operator

The owner of the facility is:

Sunco Trucking Water Disposal Company
708 South Tucker Ave.
Farmington, NM 87401

III. Location of Disposal Pit

The facility shall be located at a site in the SW/4 NW/4 (Unit E), Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico. Said facility shall be constructed in accordance with the site plan submitted to the Division at hearing subject to any modifications directed or approved by the Division.

IV. Expansion Request

This is an application for a new facility to be constructed upon issuance of this permit.

V. Land Ownership

The land upon which the facility is to be constructed is owned in fee by Sunco Trucking Water Disposal Company.

VI. Storage/Disposal Facilities Description

- A. The facility shall accept for disposal produced water, completion fluids and non-hazardous oilfield related waste for disposal.
- B. Fluids shall be received in an open skim tank, subject to the requirements for treatment set forth herein. Oil and other hydrocarbons shall be skimmed off and placed in closed storage tanks until sold. Treated and skimmed water shall be placed in open, synthetically double lined ponds with approved leak detection system for evaporation. The skim tank, oil storage tanks and ponds are to be located as shown on the site plan submitted at the hearing, subject to any modifications or changes required or approved by the Division.

VII. Engineering Design

- A. The subject facility shall be constructed in accordance with the engineering designs presented at the hearing as applicant's exhibits no. 1, 2A, 2B, 3, 4 & 6 and in accordance with the following conditions and requirements set forth herein.

B. General Construction Requirements

1. Location

This approval is for the specific site and location identified. The location of any pit or pond shall not be changed from the submitted site plan without specific authorization from the Division.

2. Design and Construction

- a. The ponds shall have a minimum freeboard of eighteen (18) inches. If overtopping occurs at any time, the freeboard shall be increased to prevent a

reoccurrence. Liner markings or some other device shall be installed to accurately measure freeboard.

- b. The pond shall be constructed so that the inside grade of the levee is no steeper than 2:1. Levees shall have an outside grade no steeper than 3:1.
- c. The top of the levees shall be level and shall be at least eighteen inches (18") wide.
- d. An aeration system shall be constructed to prevent anaerobic conditions from forming in a pond. Such system shall be able to provide sufficient oxygen in the pond to maintain a residual oxygen concentration of 0.5 parts per million (ppm) at one foot of the bottom of the pit without the use of any spray system. The system shall be designed to permit expansion if actual oxygen demand exceeds the oxygen demand used in design calculations. Such plans and specifications, certified by a registered professional engineer, must be submitted to the Division for approval prior to actual construction.
- e. Upon completion of construction "as-built" completion diagrams of the ponds and aeration systems certified by a registered professional engineer shall be submitted and approved by the Director prior to commencement of operation.

3. Synthetically Lined Evaporation Ponds

- a. Materials -- Synthetic materials used for lining the evaporation ponds shall be impermeable flexible HDPE membrane as submitted in applicant's hearing exhibit no. 1, and no substitution of different material shall be made without prior approval of the Division.
- b. Leak Detection System
 - (1) A leak detection system of an approved design shall be installed between the primary and secondary liner. The Aztec district office of the Division shall be notified at least 48 hours in advance of the scheduled installation of the primary liner to afford the opportunity for a

Division representative to inspect the leak detection system.

- (2) A network of slotted or perforated drainage pipes shall be installed between the primary and secondary liners. The main collector pipes shall be not less than four (4) inch diameter and the laterals shall be not less than two (2) inch diameter pipe. The network shall be of sufficient density so that no point in the pond bed is more than twenty feet (20') from such drainage pipe or lateral thereof. The material placed between the pipes and laterals shall be sufficiently permeable to allow transport of the fluids to the drainage pipe. The slope for all drainage lines and laterals shall be at least six inches (6") per fifty feet (50'). The slope of the pond bed shall also conform to these values to assure fluid flow towards the leak detection system. The drainage pipe shall convey any fluids to a corrosion-proof sump located outside the perimeter of the pond.

c. Preparation of Pond Bed for Installation of Liners

- (1) The bed of the pond and inside grade of the levee shall be smooth and compacted, free of holes, rocks, stumps, clods, or any other debris which may rupture the liner. If necessary to prevent rocks from damaging the liner, the pond bed shall be covered with a compacted layer of sand or other suitable materials.
- (2) A trench shall be excavated on the top of the levee the entire perimeter of the pond for the purpose of anchoring flexible liners. This trench shall be located a minimum of nine inches (9") from the slope break and shall be a minimum of twelve inches (12") deep.
- (3) The liner shall rest smoothly on the pond bed and the inner face of the levees, and shall be of sufficient size to extend down to the bottom of the anchor trench and come back out a minimum of two inches (2") from the trench on the side furthest from the pond. Wrinkles or folds shall

be placed at each corner of the pond in accordance with manufacturer's specifications to allow for contraction and expansion of the membrane due to temperature variations.

- (4) The liners shall be properly vented in accordance with the design submitted as Applicant's Exhibit 2B.
- (5) An anchor of used pipe or other similar material shall be placed over the liner in the anchor trench and the trench back-filled. The anchor trench shall extend the entire perimeter of the pond.
- (6) The sand, gravel or geotextile membrane layers placed on top of the secondary liner shall be done in such a manner that the risk of tearing the liner is minimized.
- (7) At any point of discharge into the pond(s), no fluid force shall be directed toward the liner.

4. Spray Evaporation Systems

- a. Sprayer systems shall be included to enhance natural evaporation.
- b. Engineering designs for the sprayer system must be submitted for approval prior to installation. An anemometer with automatic shutdown systems shall be installed which will automatically deactivate the spray systems when wind-born spray drift can be carried outside the confines of the ponds.
- c. Spray systems shall be operated such that all spray remains within the confines of the lined portion of the ponds. The spray system shall be operated only when an attendant is on duty at the facility.

5. Skimmer Tanks

a. Required Use

Skimmer tanks shall be used to separate any oil from the water prior to allowing the water to discharge into the evaporation pond.

b. Design Criteria

The skimmer tank shall be designed to allow for oil/water separation only; oil shall be removed in a timely manner and stored in tanks. Per Division General Rule 310, oil shall not be stored or retained in earthen reservoirs or in open receptacles.

- (1) The material of construction and/or design shall provide for corrosion resistance.
- (2) Siphons or other suitable means shall be employed to draw water from oil/water interface for transfer to the evaporation pond. The siphon shall be located as far as possible from the inlet to the skimmer tank.
- (3) The skimmer tank shall at all times be kept free of appreciable oil buildup to prevent oil flow into the evaporation pond.

6. Fences, Signs and Netting

a. A fence shall be constructed and maintained in good condition around the facility perimeter. Adequate space will be provided between the fence and levees for passage of maintenance vehicles. The fence shall be constructed so as to prevent livestock and people from entering the facility area. Fences shall not be constructed on levees.

b. A sign not less than 12" x 24" with lettering of not less than two inches (2") shall be posted in a conspicuous place on the fence surrounding the facility. The sign shall be maintained in legible condition and shall identify the operator of the disposal system, the location of the facility by quarter-quarter section,

township, and range; and emergency telephone numbers.

- c. To protect migratory birds, all tanks exceeding 16 feet in diameter, and exposed pits and ponds shall be screened, netted or covered. Upon written application by the operator, an exception to screening, netting or covering of a facility may be granted by the district supervisor upon a showing that an alternative method will protect migratory birds or that the facility is not hazardous to migratory birds.

VIII. Spill/Leak Prevention and Reporting Procedures (Contingency Plan)

- A. Leak detection system sumps shall be inspected daily, and records of such inspections shall be made and retained and kept on file at the facility for OCD inspection at any time. If fluids are found in the sump the following steps will be immediately undertaken:
 1. The operator shall notify the Division Aztec District Office within twenty-four (24) hours;
 2. the fluids will be sampled and analyzed to determine the source; and
 3. the fluids will be immediately and continuously removed from the sump. Such fluids may be returned to the pond.
- B. If a leak is determined to exist in the primary liner, the operator will immediately undertake the following contingency measures under the direction of the OCD:
 1. Introduction of fluids into the pond will cease.
 2. Enhanced evaporation will commence, provided atmosphere conditions are such that the spray systems can be operated in accordance with the provisions of this permit.
 3. Fluids will be removed from the pond utilizing evaporation and transportation to another authorized facility, until the fluid level is below the location of the leak in the liner.
 4. The liner will be repaired and tested and the leak detection system will be completely drained before resuming introduction of fluids into the pond.

5. Any additional measures required by the OCD.

IX. Operation and Maintenance

A. **Requirements for receipt of fluid.**

1. Disposal at this facility shall occur only when an attendant is on duty. The facility shall be secured when no attendant is present.
2. No produced water shall be received at the facility unless the transporter has a valid Form C-133 (Authorization to Move Produced Water) on file with the Division.
3. Only liquids that are non-hazardous by U.S. Environmental Protection Agency under Resource Conservation Recovery Act (RCRA) Subtitle C exemption or by characteristic testing will be accepted at the facility. Liquids and solids from operations not currently exempt under RCRA Subtitle C will be tested for appropriate hazardous constituents prior to disposal.
4. All liquids accepted for disposal shall be tested for hydrogen sulfide concentrations. All liquids with measurable hydrogen sulfide concentrations shall be treated in a closed system prior to introduction of liquids to any open tank or pond. The treatment reaction shall be driven to completion to eliminate all measurable hydrogen sulfide.
5. The operator shall keep and make available for inspection records for each calendar month on the source, location, volume and type of waste (produced water, spent acids, completion fluids, drilling mud, etc.), analysis for hazardous constituents (if required), date of disposal, and hauling company that disposes of fluids or material in the facility. Records of H₂S measurements and treatment volumes shall be maintained in the same manner. Such records shall be maintained for a period of two (2) years from the date of disposal.
6. The operator shall file forms C-117-A, C-118, and C-120-A as required by OCD rules.

7. Fluids shall not be accepted if introduction of the fluid will cause the pond freeboard to be less than that approved herein.

B. Pond Maintenance.

1. Outside walls of all levees shall be maintained in such a manner to prevent erosion. Inspections of the outside walls of the levees shall be made weekly and after any rainfall of consequence.
2. No oil shall be allowed in the pond(s).

C. General Operational Requirements.

1. Operating personnel shall be trained in the operation, calibration, maintenance and safety requirements of all test equipment used at the facility.
2. At least 1000 gallons of a treatment chemical shall be stored on-site and shall not be retained for a period in excess of the manufacturer's stated shelf life. Expired chemicals may be disposed of in the pond.
3. Prior to disposal, any accumulated sludge generated in the disposal facility shall be analyzed for composition and disposal pursuant to requirements determined by the OCD.
4. If any of the required systems become inoperative, the Aztec district office of the Division will be notified immediately.

X. Closure Plan

- A. When the facility is to be closed, the operator shall provide for removal of all fluids and/or wastes, back-filling, grading and mounding of pits, cleanup of any contaminated soils. Wastes shall be disposed of in accordance with statutes, rules and regulations in effect at the time of closure.

- B. OCD shall be notified when operation of the facility is discontinued for a period in excess of six months or when the facility is to be dismantled.

XI. Flood Protection

- A. The facility will be constructed such that there will be no storm water runoff from the boundaries of the facility.
- B. The operator will immediately notify the Aztec district office of the Division of any flooding or washouts.

XII. H₂S Prevention and Contingency Plan

- A. In order to prevent development of harmful concentrations of hydrogen sulfide, the following procedures shall be followed:
 - 1. Daily tests shall be conducted and records made and maintained of the pH in each pond, and if the pH falls below 7.0, remedial steps shall be taken immediately to raise the pH.
 - 2. Weekly tests shall be conducted and records made and retained at the facility of the dissolved sulfide concentrations in the ponds.
 - 3. Tests shall be conducted, and records made and retained at the facility of such tests, to determine the dissolved oxygen levels in each pond:
 - a. Tests shall be conducted at the beginning and end of each day, or at least twice per 24-hour period.
 - b. The sample for each test shall be taken one foot from the bottom of the pond.
 - c. The location of each test shall vary around the pond.
 - d. If any test shows a dissolved residual oxygen level of less than 0.5 ppm, immediate steps shall be undertaken to raise the oxygen level to at least 0.5 ppm, which measures may include adding bleach or increased aeration.

- B. In order to prevent any harm by hydrogen sulfide gas, Tests of ambient H₂S levels shall be conducted, and records made and retained. Such tests shall be made at varying locations around the berm of the pond and shall be conducted twice per day. The wind speed and direction shall be recorded in conjunction with each test.
1. If an H₂S reading of 0.1 ppm or greater is obtained:
 - a. A second reading shall be taken on the downwind berm within one hour;
 - b. The dissolved oxygen and dissolved sulfide levels of the pond shall be tested immediately and the need for immediate treatment determined;
 - c. Tests for H₂S levels shall be made at the fence line, downwind from the problem pond.
 2. If two consecutive H₂S readings of 0.1 ppm or greater are obtained:
 - a. The operator shall notify the Aztec office of the OCD immediately;
 - b. The operator shall commence hourly monitoring on a 24-hour basis;
 - c. The operator will obtain daily analysis of dissolved sulfides in the pond.
 3. If an H₂S reading of 10.0 ppm or greater at the facility fence line is obtained:
 - a. The operator will immediately notify the OCD and the following public safety agencies:
 - ▶ State Police
 - ▶ County Sheriff
 - ▶ County Fire Marshall;
 - b. The operator will initiate notification of all persons residing within one-half ($\frac{1}{2}$) mile of the fence line and assist public safety officials with evacuation as requested.

Case 9955 De Novo
Order No. R-9485-A
Exhibit A
Page 12

XIII. Additional Information

The operator shall notify the Division of any additional information change in conditions which may be relevant to this permit

XIV. Certification

Sunco Trucking Water Disposal Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Sunco Trucking Water Disposal Company further acknowledges that this permit shall not become effective until Bond satisfactory to the Division is posted and that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

SUNCO TRUCKING WATER DISPOSAL
COMPANY

by _____
Title

Example

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10539
ORDER NO. R- _____

APPLICATION OF TIERRA ENVIRONMENTAL
COMPANY, INC. FOR A COMMERCIAL SURFACE WASTE
DISPOSAL FACILITY, LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

1st DRAFT 11/3/92

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on Wednesday, September ²~~8~~, 1992, at Santa Fe, New Mexico, before Examiner Michael E. Stogner, in Docket No. 28-92.

NOW, on this _____ day of November, 1992 the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) Sections 70-2-12.B(21) and (22), N.M.S.A. (1978) Compilation, also known as the New Mexico Oil and Gas Act, authorizes the New Mexico Oil Conservation Division (Division) to regulate the disposition of non-domestic wastes resulting from various oil and gas activities and operations and to protect public health and the environment.

(3) The applicant, Tierra Environmental Company, Inc., (Tierra) originally filed its application, pursuant to General Rule 711 with the Division on April 14, 1992 for authorization to construct and operate a commercial "landfarm" facility for the remediation of non-hazardous hydrocarbon contaminated soils utilizing an enhanced biodegradation process on a site located in the NW/4 SE/4 (Unit J) of Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico, which is situated atop Crouch Mesa

approximately 6 miles east of Farmington, New Mexico just east off of San Juan County Road No. 3500. The term "non-hazardous" in this matter is synonymous with the terminology and usage in the Resource Conservation and Recovery Act (RCRA) Subtitle C regulations.

Federal

(4) This application, subsequent to review by the Division, has been administratively determined to be approveable and that this hearing was scheduled to allow interested parties the opportunity to present technical evidence why this application should not be approved pursuant to the applicable rules of the Division.

(5) Within the required time frame and in accordance to Division rules, the following two adjacent landowner interests to the proposed facility filed written protests and requested this hearing on the applications:

- (a) Glenn E. and Storme S. Vavra
P.O. Box 3656
Farmington, NM 87499-3656
- (b) Arthur H. Bicham
6750 Colby Lane
Bloomfield Hills, Michigan 48301.

At the time of the hearing, Arthur H. Bicham and Glenn E. Storme Vavra and their four children made an appearance.

and

(6) Also at the hearing, all previous correspondence, letters, ~~applications from the applicant~~, notices and other such pertinent material prepared by the Division, interested parties, other state and federal agencies and the applicant were made part of the record in this case.

(7) As mentioned in Finding Paragraph No. (4), the Division has on July 21, 1992 found the application of Tierra to be approveable, see Exhibit "A" attached hereto and made a part hereof, which includes correspondence dated July 21, 1992 from the Division to Tierra with attachments containing the proposed permit.

(8) It is the intent of the Division in issuing an order in this case to supplement the proposed administrative approval with any applicable changes deemed necessary from the testimony and evidence presented. Any such changes would be incorporated into the permit and would then become a part thereof. Furthermore, in keeping with the procedures instituted by the Division in such facility permits, the entire record in this case will be made a part of the permit and, if deemed necessary by the Director can in part or in whole be utilized in determining further amendments or changes to the facility.

(9) At the time of the hearing it was determined that inadequate notice was made by the applicant pursuant to General Rule 711.A.(2); however, both affected parties referred to in Finding Paragraph No. (5) waived such notice procedure. Such waiver should be accepted without prejudice in this matter.

(10) Mr. Bicham presented testimony describing wind currents and natural erosion, suggesting to the hearing officer and to Tierra that the addition of sufficient moisture to the landfarm facility would reduce the threat of emission from both hydrocarbon vapors as well as contaminated particle matter. He further testified that specialized tilling techniques should be implemented at the landfarm to further reduce natural wind erosion.

(11) Tierra Environmental Company, President Richard Cheney PE/PS, presented testimony that the addition of moisture if allowed by the Division would reduce the threat of emission as well as enhance the natural bio-degradation of contaminants treated at the landfarm facility. He further testified that special soil tilling procedures at the facility would further reduce natural wind erosion.

(12) In the implementation of such tilling procedures and the addition of moisture, the applicant should consult with and/or utilize information readily available from the U.S. Soil Conservation Service, N.M. State University County Extension Office or local Soil and Water Conservation District on soil characteristics in order to determine how much moisture is appropriate to stabilize the soil types found on Crouch Mesa and on the special tilling practices that would also reduce to the most possible degree the amount of dust and blowing dirt.

(13) The following additional site security measures should also be installed to ensure safety and to further protect public health and the environment:

- (a) sheep wire fencing around the entire perimeter;
- (b) locked steel gates;
- (c) air quality monitoring;
- (d) other measures that could possibly enhance safety, protection, reduce erosion and promote the protection of the environment and aesthetics such as wind breaks, etc.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Tierra Environmental Company, Inc. is hereby authorized to construct and operate a landfarm facility at the site in the NW/4 SE/4 of Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico for the purpose of treating and remediating non-hazardous hydrocarbon contaminated soils using an enhanced bio-degradation process.

PROVIDED HOWEVER THAT, the proposed landfarm shall be constructed in accordance with the engineering plat and topographic map presented as evidence in this case and part of Exhibit No. 1, "The OCD File", containing the original application and subsequent correspondence and in accordance with such additional conditions and requirements as may be directed by the Division Director, and shall be operated and maintained in such a manner as to preclude spills, fires, limit emissions and protect persons, livestock and the environment. Required fencing shall be changed from four (4) strand barbed wire to sheep wire and barbed wire in accordance with the New Mexico Highway and Transportation Department's specifications for highway fencing.

PROVIDED FURTHER THAT, prior to initiating operations, the facility shall be inspected by a representative of the Aztec District Office in order to determine the adequacy of fences, gates and cattle guards necessary to preclude livestock and unauthorized persons from entering and/or utilizing said facility, and also to determine the adequacy of dikes and berms to assure safe facility operations.

(2) The Division's approval permit proposed on July 21, 1992, which is Exhibit "A" attached hereto and made a part hereof, shall be accepted at this time with the following amendments:

(a) under LANDFARM OPERATION, Sub-part 3 shall be amended to read:

"(3) Soils will be spread on the surface in six-inch lifts or less.

(a) Soils will be tilled a minimum of on time every two weeks (bi-weekly) to enhance biodegradation of contaminates. The prevailing winds at the site are from 225 degrees True North, according to a 1981 National Weather Service Survey entitled "Crouch Mesa Airport Study". Methods suggested by the U.S. Soil Conservation Service will be utilized in the tilling of the soils which will reduce to the most possible degree the occurrence of natural wind erosion.

(b) Moisture shall be added to all contaminated soils received at the facility. All soils received at the facility will be characterized using the Soil Survey of San Juan County, New Mexico, prepared by the United States Department of Agriculture, Soil Conservation Service, for the purpose of pre-determining amounts of moisture to be added to the particular soils, to (1) enhance natural and artificial bio-degradation and (2) to prevent emissions from volatile organic compounds and

to suppress erosion of contaminated soils from natural wind action. Intermittent light surface spraying shall be continued so as to keep the surface sufficiently moist as will prevent evaporation of harmful levels of hydrocarbons and to prevent blowing dust and sand.

- (b) again, under LANDFARM OPERATION, Sub-part 9 shall be included:

"(9) Comprehensive records of all material disposed of at the facility will be maintained at the facility. The records for each lad will include: 1) the origin, 2) analysis for hazardous constituents if required, 3) the transporter, and 4) exact cell location and method of remediation."

- (c) under TREATMENT ZONE MONITORING, Sub-parts 1, 2, and 4 shall be amended to read:

"1. A treatment zone not to exceed two (2) feet beneath the landfarm will be monitored. A minimum of one random soil sample will be taken from each individual cell six (6) months after the first contaminated soils are received and quarterly thereafter.

2. The soil samples will be analyzed for total petroleum hydrocarbons (TPH) using the HNU Hanby Field Test Method. If TPH is detected, then a laboratory analysis will be conducted for BTEX using approved EPA methods. Immediate remedial measures will be taken and no additional contaminated soils will be placed in the cell until testing indicates that the TPH is below 100 ppm, BTEX is below 50 ppm and benzene, if any, is below 10 ppm.

3. Annually, samples obtained from the treatment zones will be collected and a laboratory analysis conducted using approved EPA methods in accordance with the procedures outlined in item 1."

- (d) the following requirement under the heading "OTHER MONITORING" shall be incorporated:

"OTHER MONITORING

1. Tierra personnel working on the landfarm facility will be required to wear personal monitor devices which indicate the amount of exposure incurred from volatile organic compound vapors and to indicate the nature and extent of volatilization occurring on the site. A Photo-Ionization detector or similar device shall be kept at the facility at all times which is capable of measuring emissions of volatile organic compounds. It will also be used to conduct "Head Space" Testing of newly arrived loads of material for volatile emissions.

2. A particulate collector or similar device shall be kept in place and operational at the prevailing downwind side of the landfarm facility in order to measure particulate emissions drifting off the facility and to ensure compliance with New Mexico Air Quality Regulations. The collector shall be examined daily."

(e) under "REPORTING", Sub-part 1 shall be amended to read:

"1. Analytical results from the treatment zone monitoring will be submitted to the OCD in Santa Fe within thirty (30) days in written form from Tierra Environmental Company with appropriate laboratory analysis included as may be required."

(f) also under "REPORTING", Sub-part 3 shall be included:

"3. The OCD shall be notified immediately, in the event that volatile or particulate releases are in danger of violating New Mexico Air Quality Standards. Remedial measures to prevent violations thereof shall be approved by OCD prior to implementation, however, Tierra Environmental Company, Inc. must deploy additional moisture as an emergency measure in order to suppress excessive emissions. OCD shall be informed of each such emergency measure occurrence immediately via telephone followed by a written report within seven (7) days. No standing, pooling or run-off water shall be permitted during such emergency application."

(g) the following requirement under the heading "TRANSFERABILITY" shall also be incorporated:

"1. Authority for operation of the landfarm facility shall be transferable only upon written application and approval by the Division Director."

Case No. 10539
Order No. R-
Page No. 7

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

July 21, 1992

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Mr. Richard P. Cheney, President
Tierra Environmental Company, Inc.
909 West Apache
Farmington, NM 87401

RE: *Tierra Environmental Commercial Landfarm Application*
San Juan County, NM

Dear Mr. Cheney:

Enclosed is approval of *Tierra Environmental Company, Inc.*'s application for a commercial landfarm under Division Rule 711. Please notice that the approval letter is dated August 11, 1992, and it is not effective until that date.

As you know Arthur and Inez Bichan have filed a protest and request for hearing on your application. Enclosed is a copy of the letter to them advising them of the approval and of their right to file a petition for hearing to rescind the approval. If they do so, the burden will be on them to show why the application should not be approved.

If they do not file their petition before August 10, 1992, your approval will become effective, and you may begin operation. If they do file their petition, your approval will be suspended.

Sincerely,

A handwritten signature in cursive script, appearing to read "Roger Anderson".

Roger Anderson,
Environmental Bureau Chief

EXHIBIT "A"
CASE NO. 10539
ORDER NO. A- _____

2

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

August 11, 1992

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 627-5800

CERTIFIED MAIL
RETURN RECEIPT NO. P-670-683-652

Mr. Richard P. Cheney, President
Tierra Environmental Company Inc.
909 West Apache
Farmington, New Mexico 87401

**RE: Tierra Environmental Commercial Landfarm Application
OCD Rule 711 Permit Approval**

Dear Mr. Cheney:

The permit application for the Tierra Environmental Commercial Landfarm located in the NW/4 SE/4, Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico, is hereby approved in accordance with OCD Rule 711 under the conditions contained in the enclosed attachment. The application consists of the original application dated April 13, 1992, and the materials dated June 3, 1992 and June 22, 1992, submitted as supplements to the application.

The operation, monitoring and reporting shall be as specified in the enclosed attachment. All modifications and alternatives to the approved landfarming methods must receive prior OCD approval. You are required to notify the Director of any facility expansion or process modification and to file the appropriate materials with the Division.

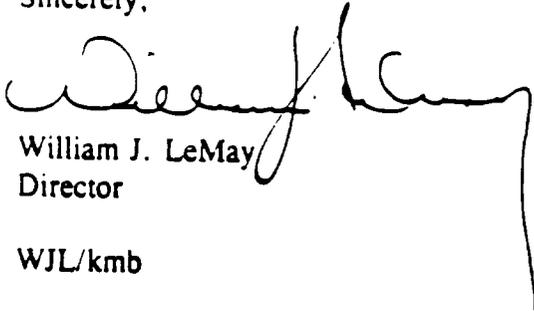
Please be advised approval of this facility does not relieve you of liability should your operation result in actual pollution of surface or ground waters or the environment actionable under other laws and/or regulations.

Please be advised that all tanks exceeding 16 feet in diameter and exposed pits, ponds or lagoons must be screened, netted or otherwise rendered nonhazardous to migratory birds.

Mr. Richard P. Cheney
August 11, 1992
Page 2

If you have any questions, please do not hesitate to contact Kathy Brown at (505) 827-5884.

Sincerely,



William J. LeMay
Director

WJL/kmb

Attachment

xc: Denny Foust, OCD Aztec Office

ATTACHMENT TO OCD 711 PERMIT APPROVAL
TIERRA ENVIRONMENTAL INC.
COMMERCIAL LANDFARM
(August 11, 1992)

LANDFARM OPERATION

1. All contaminated soils received at the facility will be spread and disked within 72 hours of receipt.
2. Soils will be spread on the surface in six inch lifts or less.
3. Soils will be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
4. Successive lifts of contaminated soils will not be spread until a laboratory measurement of Total Petroleum Hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), and the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and the benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations will be maintained at the facility. Authorization from the OCD will be obtained prior to application of successive lifts.
5. Only solids which are non-hazardous by RCRA Subtitle C exemption or by characteristic testing will be accepted at the facility. Solids from operations not currently exempt under RCRA Subtitle C or mixed exempt/non-exempt solids will be tested for appropriate hazardous constituents. Test results must be submitted to the OCD along with a request to receive the non-exempt solids, and a written OCD approval (case specific) must be obtained prior to disposal. Any non-oilfield wastes which are RCRA Subtitle C exempt or are non-hazardous by characteristic testing will only be accepted on a case-by-case basis and with prior OCD approval.
6. Comprehensive records of all material disposed of at the facility will be maintained at the facility. The records for each load will include: 1) the origin, 2) analysis for hazardous constituents if required, 3) transporter, and 4) exact cell location and method of remediation.
7. Bio-remediation through the application of microbes will only be permitted in the designated 1-acre area. The microbes will be mixed with water and applied to the contaminated soils. There will be no ponding, pooling or run-off of water allowed during the application phase or afterwards. Any change in the composition (ie. chemical additives), process or location of the bio-remediation program must receive prior OCD approval.
8. No free liquids or soils with free liquids will be accepted at the facility.

TREATMENT ZONE MONITORING

1. A treatment zone not to exceed two (2) feet beneath the land farm will be monitored. A minimum of one random soil sample will be taken from each individual cell six (6) months after the first contaminated soils are received in the cell and then annually thereafter. The sample will be taken at two to three (2-3) feet below the native ground surface.
2. The soil samples will be analyzed for total petroleum hydrocarbons (TPH) and volatile aromatic organics (BTEX) using approved EPA methods.
3. After obtaining the soil samples the boreholes will be filled with an impermeable material such as bentonite cement.
4. Any cells that have moisture added to them will be analyzed on a quarterly basis following the requirements above.

REPORTING

1. Analytical results from the treatment zone monitoring will be submitted to the OCD Santa Fe Office within thirty (30) days of receipt from the laboratory.
2. The OCD will be notified of any break, spill, blow out, or fire or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.

BOND

Pursuant to OCD Rule 711 a surety or cash bond in the amount of \$25,000, in a form approved by the Division, is required prior to commencing construction of the commercial surface disposal facility.

CLOSURE

When the facility is to be closed no new material will be accepted. Existing soils will be remediated until they meet the OCD standards in effect at the time of closure. The area will then be reseeded with natural grasses and allowed to return to its natural state. Closure will be pursuant to all OCD requirements in effect at the time of closure.

Cumple

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9955
ORDER NO. R-9485

APPLICATION OF SUNCO TRUCKING WATER
DISPOSAL COMPANY FOR A PERMIT TO CONSTRUCT
AND OPERATE A COMMERCIAL WASTEWATER
EVAPORATION POND, SAN JUAN COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on June 13, 1990, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 2nd day of April, 1991, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) Sunco Trucking Water Disposal Company ("Applicant") has applied to the Division for a permit pursuant to Rule 711 of the Division's Rules and Regulations to construct a commercial surface disposal facility to dispose of nonhazardous wastewater resulting from oil and gas drilling and production operations.

(3) Said facility is to be located in the SW/4 NW/4 (Unit E) of Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico.

(4) Harold and Doris Horner ("Protester") are owners of land near the proposed facility and protested the granting of the permit and requested this hearing on the application.

(5) Applicant proposes to build a synthetically double-lined evaporation pond with leak detection, aeration systems and evaporation enhancing spray systems to dispose of produced salt water and drilling fluids which have been tested and treated for hydrogen sulfide.

(6) Applicant appeared at the hearing and presented testimony about the design and operational standards and established a prima facie showing that the facility could be designed and operated so as to protect fresh water supplies and not constitute an unreasonable harm to human health and the environment if standards for such operation are met and followed.

(7) Protester appeared at the hearing through Counsel and cross-examined Applicant's witnesses but did not present any direct evidence to support their position that the facility could not be permitted without creating an unreasonable risk of contaminating fresh water supplies or presenting a danger to human health and the environment.

(8) There is a need for additional disposal facilities in the San Juan Basin to provide for environmentally safe and cost effective means of disposing of water produced in connection with oil and gas operations, and approval of a properly designed facility will help to prevent illegal dumping of water in a manner which would endanger the environment.

(9) The proposed facility is located on a mesa and not in a watercourse, lakebed, sinkhole or other depression. The location is safely above the high water level of the Animas River and any other watercourse in the vicinity.

(10) Evidence presented by the applicant shows that the design of the evaporation pits is adequate to contain all fluids with sufficient surface area.

(11) The design of the proposed ponds has been approved by the State Engineer.

(12) The geology of the proposed site and the distance to any fresh water is such that even if there were a catastrophic

failure if the liner and the full pond were to empty, there is virtually no probability that any fresh water would be contaminated.

(13) If the facility is constructed with a double synthetic lining and adequate leak detection on properly constructed base, and if a proper leak response program which will require prompt detection and repair is maintained, it is highly unlikely that fluids will contact the soil with no danger of contacting fresh water sources.

(14) The applicant proposed that the leak detection system be constructed with two inch collector and 1 inch lateral pipes, but that is not large enough to prevent blockage with accumulated sands and other solids, and the system should use four inch collectors and two inch main pipes.

(15) Intervenor objected to the location of the proposed facility because it is an area which may be used for residential purposes. The Division has no authority to disapprove a facility because the land use is incompatible with surrounding uses, but those uses may be a factor in establishing design and operational requirements to protect human health and the environment.

(16) Intervenor questioned applicant's witnesses and argued that the risk of hydrogen sulfide build-up and potential danger to nearby residents was a significant hazard for which the permit should be denied.

(17) Applicant presented an engineering witness who testified that H₂S build-up could be avoided by preventing anaerobic conditions from developing in the pond by supplying sufficient oxygen to the pond through the aeration system to maintain a residual oxygen level of at least 5 parts per million (ppm).

(18) The size of the aeration system necessary to maintain the necessary residual oxygen level is dependent upon the total oxygen demand of the pond, which can be reduced by insuring that no H₂S water is introduced into the pond and by chemically treating the water if the oxygen demand increases or H₂S is detected. A chemical engineer with the Division's Environmental Bureau confirmed that testimony.

(19) The applicant testified that wastewater delivered to the facility can be tested and treated in a closed system if H₂S is found to be present to prevent its introduction into the pond.

(20) The oxygen level of the pond can be measured regularly and additional aeration and chemical treatment with bleach can be used to eliminate anaerobic conditions before dangerous H₂S build-up occurs.

(21) The operator should be required to keep 1000 gallons of fresh bleach on location at all times in case of need, and stored bleach which has reached the manufacturer's shelf life should be disposed of in the pond.

(22) Air quality monitoring around the berm of the pond can detect the presence of H₂S gas at levels above 0.1 ppm, and remedial measures can be undertaken to eliminate the source before higher concentrations occur.

(23) The applicant should be required to have an emergency notification and contingency plan to be implemented in the unlikely event of H₂S levels reaching a level of 10 ppm at the fence line.

(24) The applicant's operational personnel should be fully trained at all times in the use of H₂S monitoring equipment and in the proper methods for reducing H₂S levels in the pond.

(25) The applicant proposes using a sprayer system to enhance evaporation from the pond.

(26) An enhanced sprayer is a reasonable method to enhance evaporation, but the design for such system should be approved by the Division before installation. It should have an anemometer with automatic shutdown system(s) to prevent spray drift from being blown beyond the confines of the ponds, and it should not be operated without an attendant on duty.

(27) Protester offered the judgment of the District Court of San Juan County in the case of Payne v. Basin Disposal, CV-87-569-1102 in support of their position that the permit should not be approved. The Division takes administrative notice of that decision.

(28) The judgment identified in finding (27) is limited to the facts of that case, and Protester did not offer into evidence any of the relevant facts of that case to support its argument.

(29) The applicant must post the reclamation bond as required by Division Rules and Regulations before beginning construction on the facility.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Sunco Trucking Water Disposal Company, is hereby authorized to construct and operate a commercial surface wastewater disposal facility at a site in the SW/4 NW/4 (Unit E), Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico, for the purpose of collection, disposal, evaporation or storage of produced water, completion fluids and other non-hazardous oilfield related waste. subject to the permit conditions.

PROVIDED HOWEVER THAT, the proposed disposal facility shall be constructed and operated in accordance with the permit conditions attached hereto as Exhibit "A" which are incorporated herein and made a part of this order, and in accordance with such additional conditions and requirements as may be directed by the Division Director from time to time, and shall be operated and maintained in such a manner as to preclude spills and fires, and to protect surface waters, ground waters, human health, livestock and the environment.

(2) Prior to constructing said facility, the applicant shall submit, to the Santa Fe office of the Division, a surety or cash bond in the amount of \$25,000 in a form approved by the Division.

(3) Engineering designs for aeration systems shall be submitted to the Director for approval prior to construction.

(4) Engineering designs for the enhanced evaporation spray systems shall be submitted to the Director for approval prior to construction.

(5) The Aztec office of the Oil Conservation Division shall be notified at least 48 hours prior to the installation of

the primary liner to afford the opportunity for the Division to inspect the leak detection system.

(6) As-built drawings, certified by a registered professional engineer, shall be submitted to the OCD prior to initiating operations.

(7) The Director of the Division shall be authorized to administratively grant approval for the expansion or modification of the proposed disposal facility.

(8) Authority for operation of the treating plant and disposal facility shall be transferrable only upon written application and approval by the Division Director.

(9) Authority for operation of the treating plant and disposal facility shall be suspended or rescinded whenever such suspension or rescission should appear necessary to protect human health or property, to protect fresh water supplies from contamination, to prevent waste, or for non-compliance with the terms and conditions of this order or Division Rules and Regulations.

(10) The leak-detection system between the primary and secondary liner shall be constructed with two (2)-inch laterals and four (4)-inch collector pipes.

(11) The aeration systems shall be designed to provide sufficient oxygen to the pond to maintain a residual oxygen concentration of 0.5 ppm (parts per million).

(12) The aeration systems shall be designed such that the oxygen requirements and residuals are provided without the use of the spray system.

(13) The aeration systems shall be designed to allow for expansion if the actual oxygen demand exceeds the oxygen demand uses in the design calculations.

(14) The permit granted by this order shall become effective only upon acceptance and certification by the applicant.

(15) The Division shall have the authority to administratively change any condition of this permit to protect fresh water, human health and the environment. Applicant may request a hearing upon any change which material affects the

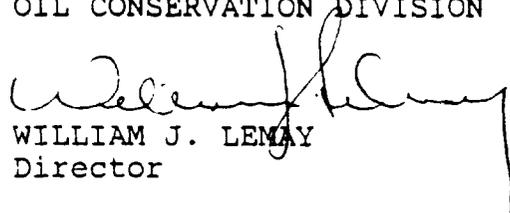
Case No. 9955
Order No. R-9485
Page 7

operation of the facility.

(16) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S . . .

NEW MEXICO OIL CONSERVATION DIVISION

CASE 9955, ORDER R-9485
Exhibit A

**SURFACE DISPOSAL FACILITY PERMIT
INITIAL CONDITIONS FOR APPROVAL
SUNCO TRUCKING WATER DISPOSAL COMPANY**

I. Type of Operation

The major purpose of the facility shall be to dispose of salt water produced in connection with the production of oil and gas by evaporating such water in open pits using enhanced evaporation techniques as necessary and under those conditions which make such use safe.

Water shall be tested for hydrogen sulfide (H₂S) and treated, if necessary, in a closed system prior to introduction into a pond. Ponds shall be properly aerated to maintain oxygen levels as required by this permit. Contingency plans have been developed for H₂S buildup and for leaks as set forth herein.

II. Operator

The owner of the facility is:

Sunco Trucking Water Disposal Company
708 South Tucker Ave.
Farmington, NM 87401

III. Location of Disposal Pit

The facility shall be located at a site in the SW/4 NW/4 (Unit E), Section 2, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico. Said facility shall be constructed in accordance with the site plan submitted to the Division at hearing subject to any modifications directed or approved by the Division.

IV. Expansion Request

This is an application for a new facility to be constructed upon issuance of this permit.

V. Land Ownership

The land upon which the facility is to be constructed is owned in fee by Sunco Trucking Water Disposal Company.

VI. Storage/Disposal Facilities Description

- A. The facility shall accept for disposal produced water, completion fluids and non-hazardous oilfield related waste for disposal
- B. Fluids shall be received in an open skim tank, subject to the requirements for treatment set forth herein. Oil and other hydrocarbons shall be skimmed off and placed in closed storage tanks until sold. Treated and skimmed water shall be placed in open, synthetically double lined ponds with approved leak detection system for evaporation. The skim tank, oil storage tanks and ponds are to be located as shown on the site plan submitted at the hearing, subject to any modifications or changes required or approved by the Division.

VII. Engineering Design

- A. The subject facility shall be constructed in accordance with the engineering designs presented at the hearing as applicant's exhibits no. 1, 2A, 2B, 3, 4 & 6 and in accordance with the following conditions and requirements set forth herein.

B. General Construction Requirements

1. Location

This approval is for the specific site and location identified. The location of any pit or pond shall not be changed from the submitted site plan without specific authorization from the Division.

2. Design and Construction

- a. The ponds shall have a minimum freeboard of eighteen (18) inches. If overtopping occurs at any time, the freeboard shall be lowered to prevent a reoccurrence.

Liner markings or some other device shall be installed to accurately measure freeboard.

- b. The pond shall be constructed so that the inside grade of the levee is no steeper than 2:1. Levees shall have an outside grade no steeper than 3:1.
 - c. The top of the levees shall be level and shall be at least eighteen inches (18") wide.
 - d. An aeration system shall be constructed to prevent anaerobic conditions from forming in a pond. Such system shall be able to provide sufficient oxygen in the pond to maintain a residual oxygen concentration of 0.5 parts per million (ppm) without the use of any spray system. The system shall be designed to permit expansion if actual oxygen demand exceeds the oxygen demand used in design calculations. Such plans and specifications, certified by a registered professional engineer, must be submitted to the Division for approval prior to actual construction.
 - e. Upon completion of construction "as-built" completion diagrams of the ponds and aeration systems certified by a registered professional engineer shall be submitted.
3. Synthetically Lined Evaporation Ponds
- a. Materials -- Synthetic materials used for lining the evaporation ponds shall be impermeable flexible HDPE membrane as submitted in applicant's hearing exhibit no. 1, and no substitution of different material shall be made without prior approval of the Division.
 - b. Leak Detection System
 - (1) A leak detection system of an approved design shall be installed between the primary and secondary liner. The Aztec district office of the Division shall be notified at least 48 hours in advance of the scheduled installation of the primary liner to afford the opportunity for a Division representative to inspect the leak detection system.

- (2) A network of slotted or perforated drainage pipes shall be installed between the primary and secondary liners. The main collector pipes shall be not less than four (4) inch diameter and the laterals shall be not less than two (2) inch diameter pipe. The network shall be of sufficient density so that no point in the pond bed is more than twenty feet (20') from such drainage pipe or lateral thereof. The material placed between the pipes and laterals shall be sufficiently permeable to allow transport of the fluids to the drainage pipe. The slope for all drainage lines and laterals shall be at least six inches (6") per fifty feet (50'). The slope of the pond bed shall also conform to these values to assure fluid flow towards the leak detection system. The drainage pipe shall convey any fluids to a corrosion-proof sump located outside the perimeter of the pond.

c. Preparation of Pond Bed for Installation of Liners

- (1) The bed of the pond and inside grade of the levee shall be smooth and compacted, free of holes, rocks, stumps, clods, or any other debris which may rupture the liner. If necessary to prevent rocks from damaging the liner, the pond bed shall be covered with a compacted layer of sand or other suitable materials.
- (2) A trench shall be excavated on the top of the levee the entire perimeter of the pond for the purpose of anchoring flexible liners. This trench shall be located a minimum of nine inches (9") from the slope break and shall be a minimum of twelve inches (12") deep.
- (3) The liner shall rest smoothly on the pond bed and the inner face of the levees, and shall be of sufficient size to extend down to the bottom of the anchor trench and come back out a minimum of two inches (2") from the trench on the side furthest from the pond. Wrinkles or folds shall be placed at each corner of the pond in accordance with manufacturer's specifications to allow for contraction and expansion of the membrane due to temperature variations.

- (4) The liners shall be properly vented in accordance with the design submitted as Applicant's Exhibit 2B.
- (5) An anchor of used pipe or other similar material shall be placed over the liner in the anchor trench and the trench back-filled. The anchor trench shall extend the entire perimeter of the pond.
- (6) The sand, gravel or geotextile membranae layers placed on top of the secondary liner shall be done in such a manner that the risk of tearing the liner is minimized.
- (7) At any point of discharge into the pond(s), no fluid force shall be directed toward the liner.

4. Spray Evaporation Systems

- a. Sprayer systems shall be included to enhance natural evaporation.
- b. Engineering designs for the sprayer system must be submitted for approval prior to installation. An anemometer with automatic shutdown systems shall be installed which will automatically deactivate the spray systems when wind-born spray drift can be carried outside the confines of the ponds.
- c. Spray systems shall be operated such that all spray remains within the confines of the lined portion of the ponds. The spray system shall be operated only when an attendant is on duty at the facility.

5. Skimmer Tanks

- a. Required Use
Skimmer tanks shall be used to separate any oil from the water prior to allowing the water to discharge into the evaporation pond.
- b. Design Criteria

The skimmer tank shall be designed to allow for oil/water separation only; oil shall be removed in a timely manner and stored in tanks. Per Division General Rule 310, oil shall not be stored or retained in earthen reservoirs or in open receptacles.

- (1) The material of construction and/or design shall provide for corrosion resistance.
- (2) Siphons or other suitable means shall be employed to draw water from oil/water interface for transfer to the evaporation pond. The siphon shall be located as far as possible from the inlet to the skimmer tank.
- (3) The skimmer tank shall at all times be kept free of appreciable oil buildup to prevent oil flow into the evaporation pond.

6. Fences, Signs and Netting

- a. A fence shall be constructed and maintained in good condition around the facility perimeter. Adequate space will be provided between the fence and levees for passage of maintenance vehicles. The fence shall be constructed so as to prevent livestock and people from entering the facility area. Fences shall not be constructed on levees.
- b. A sign not less than 12" x 24" with lettering of not less than two inches (2") shall be posted in a conspicuous place on the fence surrounding the facility. The sign shall be maintained in legible condition and shall identify the operator of the disposal system, the location of the facility by quarter-quarter section, township, and range; and emergency telephone numbers.
- c. To protect migratory birds, all tanks exceeding 16 feet in diameter, and exposed pits and ponds shall be screened, netted or covered. Upon written application by the operator, an exception to screening, netting or covering of a facility may be granted by the district supervisor upon a showing that an alternative method will protect migratory birds or that the facility is not hazardous to migratory birds.

VIII. Spill/Leak Prevention and Reporting Procedures (Contingency Plan)

- A. Leak detection system sumps shall be inspected daily, and records of such inspections shall be made and retained and kept on file at the facility for OCD inspection at any time. If fluids are found in the sump the following steps will be immediately undertaken:
1. The operator shall notify the Division Aztec District Office within twenty-four (24) hours;
 2. the fluids will be sampled and analyzed to determine the source; and
 3. the fluids will be immediately and continuously removed from the sump. Such fluids may be returned to the pond.
- B. If a leak is determined to exist in the primary liner, the operator will immediately undertake the following contingency measures:
1. Introduction of fluids into the pond will cease.
 2. Enhanced evaporation will commence, provided atmosphere conditions are such that the spray systems can be operated in accordance with the provisions of this permit.
 3. Fluids will be removed from the pond utilizing evaporation and transportation to another authorized facility, until the fluid level is below the location of the leak in the liner.
 4. The liner will be repaired and tested and the leak detection system will be completely drained before resuming introduction of fluids into the pond.

IX. Operation and Maintenance

- A. **Requirements for receipt of fluid.**
1. Disposal at this facility shall occur only when an attendant is on duty. The facility shall be secured when no attendant is present.

2. No produced water shall be received at the facility unless the transporter has a valid Form C-133 (Authorization to Move Produced Water) on file with the Division.
3. Only liquids that are non-hazardous by U.S. Environmental Protection Agency under Resource Conservation Recovery Act (RCRA) Subtitle C exemption or by characteristic testing will be accepted at the facility. Liquids and solids from operations not currently exempt under RCRA Subtitle C will be tested for appropriate hazardous constituents prior to disposal.
4. All liquids accepted for disposal shall be tested for hydrogen sulfide concentrations. All liquids with measurable hydrogen sulfide concentrations shall be treated in a closed system prior to introduction of liquids to any open tank or pond. The treatment reaction shall be driven to completion to eliminate all measurable hydrogen sulfide.
5. The operator shall keep and make available for inspection records for each calendar month on the source, location, volume and type of waste (produced water, spent acids, completion fluids, drilling mud, etc.), analysis for hazardous constituents (if required), date of disposal, and hauling company that disposes of fluids or material in the facility. Records of H₂S measurements and treatment volumes shall be maintained in the same manner. Such records shall be maintained for a period of two (2) years from the date of disposal.
6. The operator shall file forms C-117-A, C-118, and C-120-A as required by OCD rules.
7. Fluids shall not be accepted if introduction of the fluid will cause the pond freeboard to be less than that approved herein.

B. Pond Maintenance.

1. Outside walls of all levees shall be maintained in such a manner to prevent erosion. Inspections of the outside walls of the levees shall be made weekly and after any rainfall of consequence.
2. No oil shall be allowed in the pond(s).

C. General Operational Requirements.

1. Operating personnel shall be trained in the operation, calibration, maintenance and safety requirements of all test equipment used at the facility.
2. At least 1000 gallons of a treatment chemical shall be stored on-site and shall not be retained for a period in excess of the manufacturer's stated shelf life. Expired chemicals may be disposed of in the pond.
3. Prior to disposal, any accumulated sludge generated in the disposal facility shall be analyzed for composition and disposal pursuant to requirements determined by the OCD.
4. If any of the required systems become inoperative, the Aztec district office of the Division will be notified immediately.

X. Closure Plan

- A. When the facility is to be closed, the operator shall provide for removal of all fluids and/or wastes, back-filling, grading and mounding of pits, cleanup of any contaminated soils. Wastes shall be disposed of in accordance with statutes, rules and regulations in effect at the time of closure.
- B. OCD shall be notified when operation of the facility is discontinued for a period in excess of six months or when the facility is to be dismantled.

XI. Flood Protection

- A. The facility will be constructed such that there will be no storm water runoff from the boundaries of the facility.
- B. The operator will immediately notify the Aztec district office of the Division of any flooding or washouts.

XII. H₂S Prevention and Contingency Plan

- A. In order to prevent development of harmful concentrations of hydrogen sulfide, the following procedures shall be followed:
1. Daily tests shall be conducted and records made and maintained of the pH in each pond, and if the pH falls below 7.0, remedial steps shall be taken immediately to raise the pH.
 2. Weekly tests shall be conducted and records made and retained at the facility of the dissolved sulfide concentrations in the ponds.
 3. Tests shall be conducted, and records made and retained at the facility of such tests, to determine the dissolved oxygen levels in each pond:
 - a. Tests shall be conducted at the beginning and end of each day, or at least twice per 24-hour period.
 - b. The sample for each test shall be taken one foot from the bottom of the pond.
 - c. The location of each test shall vary around the pond.
 - d. If any test shows a dissolved residual oxygen level of less than 0.5 ppm, immediate steps shall be undertaken to raise the oxygen level to at least 0.5 ppm, which measures may include adding bleach or increased aeration.
- B. In order to prevent any harm by hydrogen sulfide gas, Tests of ambient H₂S levels shall be conducted, and records made and retained. Such tests shall be made at varying locations around the berm of the pond and shall be conducted twice per day. The wind speed and direction shall be recorded in conjunction with each test.
1. If an H₂S reading of 0.1 ppm or greater is obtained:
 - a. A second reading shall be taken on the downwind berm within one hour;
 - b. The dissolved oxygen and dissolved sulfide levels of the pond shall be tested immediately and the need for immediate treatment determined;
 - c. Tests for H₂S levels shall be made at the fence line, downwind from the problem pond.

2. If two consecutive H₂S readings of 0.1 ppm or greater are obtained:
 - a. The operator shall notify the Aztec office of the OCD immediately;
 - b. The operator shall commence hourly monitoring on a 24-hour basis;
 - c. The operator will obtain daily analysis of dissolved sulfides in the pond.
3. If an H₂S reading of 10.0 ppm or greater at the facility fence line is obtained:
 - a. The operator will immediately notify the OCD and the following public safety agencies:

State Police
County Sheriff
County Fire Marshall;
 - b. The operator will initiate notification of all persons residing within one-half ($\frac{1}{2}$) mile of the fence line and assist public safety officials with evacuation as requested.

XIII. Additional Information

The operator shall notify the Division of any additional information change in conditions which may be relevant to this permit.

Case No. 9955
Order No. R-9485
Exhibit A
Page 12

XIV. Certification

Sunco Trucking Water Disposal Company, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Sunco Trucking Water Disposal Company further acknowledges that this permit shall not become effective until Bond satisfactory to the Division is posted and that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

SUNCO TRUCKING WATER DISPOSAL

COMPANY

by _____
TITLE

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

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TELECOPIER (505) 983-6043

July 21, 1992

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

RECEIVED

JUL 21 1992

OIL CONSERVATION DIVISION

Re: Oil Conservation Division Case No. 10507:
Application of C & C Landfarm Inc. for a commercial surface waste disposal
facility, Lea County, New Mexico

Dear Mr. LeMay:

C & C Landfarm Inc. respectfully requests that this matter which is currently set on the
Division docket for the July 23, 1992 hearings be continued to the August 6, 1992
Examiner docket.

Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR
WFC:mlh

cc: Mr. Michael L. Pierce
C & C Landfarm Inc.
Post Office Box 636
Hobbs, New Mexico 88240

W. Thomas Kellahin, Esq.
Post Office Box 2265
Santa Fe, New Mexico 87504

S-W Cattle Company
c/o C. Gene Samberson, Esq.
Post Office Drawer 1599
Lovington, NM 88260

Dockets Nos. 22-92 and 23-92 are tentatively set for July 23, 1992 and August 6, 1992. Applications for hearing must be filed at least 23 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - JULY 9, 1992
8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, STATE LAND OFFICE BUILDING,
SANTA FE, NEW MEXICO

The following cases will be heard before Michael E. Stogner, Examiner or David R. Catanach, Alternate Examiner:

CASE 10499: **Application of Mitchell Energy Corporation for a unit agreement, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of the Comanche State Unit Agreement for an area comprising 2556.56 acres, more or less, of State lands in all or portions of Sections 3, 4, 9, and 10 of Township 21 South, Range 33 East, which is centered approximately 1.5 miles south of State Highway No. 176 at mile marker 19.

CASE 10500: **Application of Giant Exploration and Production Company for a cooperative lease secondary recovery pilot project, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks to initiate a secondary recovery pilot project in the Bisti-Lower Gallup Oil Pool by the injection of water into the perforated interval from approximately 4747 feet to 4757 feet in the Colleen Simpson Well No. 1 located 330 feet from the South line and 1650 feet from the East line (Unit O) of Section 25, Township 25 North, Range 12 West. The proposed project area is to consist of two or more of the applicant's leases in Sections 25 and 36 of Township 25 North, Range 12 West, which is located approximately 7 miles south-southwest of the B.I.A. Huerfano Community School.

CASE 10497: (Readvertised)

Application of Mewbourne Oil Company for two secondary recovery pilot projects, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authorization to institute two secondary recovery pilot projects in the Querecho Plains-Upper Bone Spring Pool within Township 18 South, Range 32 East, on its Government "K" Lease by the injection of water from approximately 8454 feet to 8515 feet in Well No. 2 located 1950 feet from the South line and 1980 feet from the West line (Unit K) of Section 23 and on its Federal "E" Lease by the injection of water into the perforated interval from approximately 8501 feet to 8530 feet in Well No. 10 located 2310 feet from the North and East lines (Unit G) and from approximately 8360 feet to 8486 feet in Well No. 11 located 660 feet from the North line and 530 feet from the East line (Unit A) both in Section 27. Said pool is centered approximately 9 miles south by east of Maljamar, New Mexico.

CASE 10501: **Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 23, Township 19 South, Range 27 East, and in the following manner: the S/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated McMillan-Atoka Gas Pool, Undesignated Angell Ranch-Atoka Morrow Gas Pool, Undesignated North McMillan-Morrow Gas Pool, and Undesignated South Millman-Morrow Gas Pool; the SE/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre gas spacing within said vertical extent; and the NW/4 SE/4 forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Millman-Grayburg Pool and Undesignated West Millman-Grayburg Pool. Said units are to be dedicated to a single well to be drilled at a standard location in Unit J. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7 miles east by north of Lakewood, New Mexico.

CASE 10502: (This Case will be continued to August 6, 1992.)

Application of Meridian Oil Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation or to a depth of 8700 feet, whichever is deeper, underlying the NW/4 NW/4 (Unit D) of Section 23, Township 22 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6.25 miles north-northwest of the junction of State Highway No. 128 and the Delaware Basin Road.

CASE 10503: (This Case will be continued to August 6, 1992.)

Application of Meridian Oil Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation or to a depth of 8700 feet, whichever is deeper, underlying the SW/4 NW/4 (Unit E) of Section 23, Township 22 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6 miles north-northwest of the junction of State Highway No. 128 and the Delaware Basin Road.

CASE 10504: (This Case will be continued to August 6, 1992.)

Application of Meridian Oil Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation or to a depth of 8700 feet, whichever is deeper, underlying the NW/4 SW/4 (Unit L) of Section 24, Township 22 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5.5 miles north by west of the junction of State Highway No. 128 and the Delaware Basin Road.

CASE 10458: (Continued from April 2, 1992, Examiner Hearing.)

Application of Meridian Oil Inc. for a high angle/horizontal directional drilling pilot project, special operating rules therefor, a non-standard gas-oil proration unit, an unorthodox well location and a special project allowable, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project in the Angel Peak-Gallup Associated Pool underlying all of Section 35, Township 27 North, Range 10 West, thereby creating a non-standard 640-acre gas or oil spacing and proration unit for said pool. The applicant proposes to drill its Huerfano Unit Well No. 306 from a tentative unorthodox surface location 1455 feet from the South line and 1550 feet from the West line (Unit K) of Section 35, Township 27 North, Range 10 West, kick-off from vertical in a southeasterly direction until an angle of approximately 90 degrees is achieved and continue drilling horizontally for approximately 3015 feet. Applicant, further seeks the adoption of special operating provisions and rules within the pilot project area including the designation of a target window for said horizontal wellbore described as a rectangle 790 feet from the South, East, and West lines and 3430 feet from the North line of said Section 35 and for a special project allowable. Said unit is centered a mile south of the U.S. Bureau of Land Management's Angel Peak Recreational Area Campground.

CASE 10479: (Continued from June 25, 1992, Examiner Hearing.)

Application of Bird Creek Resources, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the NW/4 NE/4 (Unit B) of Section 22, Township 23 South, Range 28 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the East Loving-Delaware Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 1.75 miles east-northeast of Loving, New Mexico.

CASE 10505: **Application of United Gas Search, Inc. for a credit for enhanced oil recovery, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks a credit for enhanced oil recovery covering the following leases: Glenn-Ryan (Leonard Federal) Lease comprising all of Section 11 and the S/2 of Section 14, Township 26 South, Range 37 East, save and except as to depths below 3600 feet subsurface in the SE/4 SE/4 of said Section 11 and as to depths between the surface and 3600 feet subsurface in the SW/4 SW/4 of said Section 14; Glenn-Ryan (Leonard Brothers) Lease comprising all of Section 13 and the N/2 of Section 14, Township 26 South, Range 37 East, save and except as to the Queen formation in the SE/4 SW/4 of said Section 13; and the Leonard Brothers "A" Lease comprising the N/2 N/2, SE/4 NW/4, and the SW/4 NE/4 of Section 23, Township 26 South, Range 37 East, save and except as to the Queen formation in the NE/4 NE/4 of said Section 23. Said leases are located approximately 5 miles east-southeast of Bennett, New Mexico.

CASE 10506: Application of American Hunter Exploration, Ltd. for an exception to the provisions of the Division's No-Flare Rule 306; cancellation of overproduction or, in the alternative, special provisions governing overproduction; and the adoption of special operating procedures, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order permitting the Jicarilla "3F" Well No. 1, surface location being 1845 feet from the North line and 1900 feet from the West line (Unit F) of Section 3, Township 27 North, Range 1 West, (which is approximately 24 miles south of Dulce, New Mexico), to continue to produce at a rate no higher than that which corresponds to the 800 barrels of oil per day and associated GOR of 2,000 to 1 which is established by the Special Pool Rules and Regulations for the West Puerco Chiquito-Mancos Oil Pool; granting an exception to the No-Flare Provisions of Division General Rule 306; canceling the current overproduction for the Jicarilla "3F" Well No. 1 or, in the alternative, adopting special provisions governing how this overproduction shall be calculated and made up; and adopting special operating procedures which will permit the Jicarilla "3F" Well No. 1 to be produced in accordance with a Division approved program for the effective production and development of the Mancos Formation in this area; and granting such other relief as the Division deems appropriate.

Application of C & C Landfarm Inc. for a commercial surface waste disposal facility, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authorization to construct and operate a commercial landfarm facility for remediation of non-hazardous hydrocarbon-contaminated soils using an enhanced biodegradation process. Said area is to be located in the SW/4 NE/4 (Unit G) of Section 3, Township 20 South, Range 37 East, which is approximately 2 miles southeast of Monument, New Mexico. This application has been administratively determined to be approvable, and this hearing is scheduled to allow parties the opportunity to present technical evidence why the application should not be approved pursuant to the rules of the Division. In the absence of objection, this application will be taken under advisement.

DOCKET 21-92

DOCKET: COMMISSION HEARING - THURSDAY - JULY 16, 1992
9:00 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING,
SANTA FE, NEW MEXICO

The Land Commissioner's designee for this hearing will be Gary Carlson

CASE 10508: In the matter of Case 10508 being called by the Oil Conservation Commission on its own motion pursuant to the provisions of Division Order No. R-6446-B which approved the Bravo Dome Carbon Dioxide Gas Unit Agreement in Harding, Union and Quay Counties, New Mexico, to permit Amoco Production Company, the operator of said unit, to review operations and demonstrate to the Commission that its operations within the unit are resulting in the prevention of waste and the protection of correlative rights on a continuing basis.

CASE 10462: (De Novo)

Application of Marathon Oil Company for termination of oil prorationing in the Vacuum-Glorieta Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Division General Rule 505 for the Vacuum-Glorieta Pool, located in portions of Townships 17 and 18 South, Ranges 34 and 35 East, whereby the allowable for each well producing from said pool would equal its producing capability. Said pool is centered approximately 11 miles east of Buckeye, New Mexico. Upon application of Marathon Oil Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

1st Draft 11/5/92

Released 11/13/92

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

11/13/92
WJ

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10507
ORDER NO. R- 9769

**APPLICATION OF C & C LANDFARM, INC.
FOR A COMMERCIAL SURFACE WASTE
DISPOSAL FACILITY, LEA COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on Tuesday, September 1, 1992, at Santa Fe, New Mexico, before Examiner Michael E. Stogner in Docket No. 27-92.

NOW, on this _____ day of November, 1992 the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2)  Sections 70-2-12.B(21) and (22), N.M.S.A. (1978) Compilation, also known as the New Mexico Oil and Gas Act, authorizes the New Mexico Oil Conservation Division (Division) to regulate the disposition of non-domestic wastes resulting from various oil and gas activities and operations and to protect public health and the environment.

(4) The applicant, C & C Landfarm, Inc., (C & C) originally filed its application, pursuant to General Rule 711 with the Division on October 8, 1991 for authorization to construct and operate a commercial "landfarm" facility for the remediation of non-hazardous hydrocarbon contaminated soils utilizing an enhanced biodegradation process on a site located in the SW/4 NE/4 (Unit G) of Section 3, Township 20 South, Range 37 East,

NMPM, Lea County, New Mexico, which is located approximately two miles southeast of Monument, New Mexico. The term "non-hazardous" in this matter is synonymous with the terminology and usage in the Resource Conservation and Recovery Act (RCRA) Subtitle C regulations.

(5) This application, subsequent to review by the Division, has been administratively determined to be approveable and ~~that~~ this hearing was scheduled to allow interested parties the opportunity to present technical evidence why this application should not be approved pursuant to the applicable rules of the Division.

(6) Within the required time frame and in accordance ^{with} ~~to~~ Division rules, five parties of interest filed written ~~objectives~~ ^{objections} to the proposed facility:

- a) Walter C. Laughlin
4139 E. Laughlin Road
Casa Grande, Arizona 85222
- b) Larry N. Henry
500 E. Scharbauer
Hobbs, New Mexico 88240
- c) Elsie M. Reeves
3902 W. Keim Drive
Phoenix, Arizona 85019
- d) W. T. Stradley, President
S-W Cattle Company
P.O. Box 1799
Hobbs, New Mexico 88241
- e) Ken Marsh
Controlled Recovery, Inc.
P.O. Box 369
Hobbs, New Mexico 88241

(7) At the time of the hearing Elsie M. Reeves and W. Trent Stradley entered appearances through counsel in objection to this matter.

(8) Also at the hearing, all previous correspondence, letters, applications from the applicant, notices and other such pertinent material prepared by the Division, interested parties, other state and federal agencies and the applicant were made part of the record in this case.

(9) The proposed landfarm is to be located on a forty-acre tract of land, as described in Finding Paragraph No. 3, which is bordered by Lea County Road No. 58 on the east. C & C proposes to excavate on the property as needed down to the top of the "redbed", which is a thick layer of relatively impermeable clays. Oilfield contaminated soils will be trucked to the site and broadcast within the excavated site(s) in six-inch lifts; these soils will be tilled or plowed to ensure proper aeration and bio-remediation to proper

governmental standards. New lifts will be added in the above-described method until an excavated area has been filled and properly tested to within one foot of the surrounding surface elevation, the area will then be backfilled with topsoil, mound over and compacted to prevent rainfall from standing or leaching into backfill. All ^{to} be constructed, operated and maintained in accordance with applicable NMOCD rules and standards.

(10) There is a need for such solids disposal facilities in Southeastern New Mexico to provide environmentally safe and cost effective means of disposing of such solid wastes in connection with oil and gas operations, and approval of a properly designed facility will help to prevent illegal dumping of solid material in a manner which could endanger the environment.

(11) Applicant appeared at the hearing and presented testimony about the design and operational standards and established a prima facie showing that the facility could be designed and operated so as to protect fresh water supplies and not constitute an unreasonable harm to human health and the environment if standards for such operation are met and followed.

(12) Testimony presented in this matter indicates that the proposed facility can be constructed and operated in a manner that will not cause contamination of underground fresh water resources, will not leach-out and migrate onto off-setting properties, can be operated and maintained in a safe manner and will not cause waste.

(13) "Conditions of Approval" should be adopted by this order which will assure safe operations and provide an adequate monitoring system to detect any leaching process or movement of contaminants that could cause the pollution of nearby underground fresh water supplies.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, C & C Landfarm, Inc., is hereby authorized to construct and operate a commercial "landfarm" facility for the remediation of non-hazardous hydrocarbon contaminated soils utilizing an enhanced biodegradation process on a site located in the SW/4 NE/4 (Unit G) of Section 2, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER THAT the proposed facility shall be constructed and operated in accordance with the permit conditions attached hereto as Exhibit "A" which are incorporated herein and made a part of this order, and in accordance with such additional conditions and requirements as may be directed by the Division Director, and shall be operated and maintained in such a manner as to preclude spills, ^{fires} limit emissions and protect persons, livestock and the environment.

fires

Hobbs

PROVIDED FURTHER THAT, prior to initiating operations, the facility shall be inspected by a representative of the ~~Aztec~~ District Office in order to determine the adequacy of fences, gates and cattle guards necessary to preclude livestock and unauthorized persons from entering and/or utilizing said facility, and also to determine the adequacy of dikes and berms to assure safe facility operations.

(2) Prior to commencing operations on said facility, the applicant shall submit, to the Santa Fe office of the Division, a surety or cash bond pursuant to General Rule 711, in the amount of \$25,000 in a form approved by the Division.

(3) The Director of the Division shall be authorized to administratively grant approval for the expansion or modification of the proposed disposal facility.

(4) Authority for operation of the "landfarm" facility shall be transferrable only upon written application and approval by the Division Director.

(5) Authority for operation of the "landfarm" facility shall be suspended or rescinded whenever such suspension or rescission should appear necessary to protect human health or property, to protect fresh water supplies from contamination, to prevent waste, or for non-compliance with the terms and conditions of this order or Division Rules and Regulations.

(6) The permit granted by this order shall become effective only upon acceptance and certification by the applicant.

(7) The Division shall have the authority to administratively change any condition of this permit to protect fresh water, human health and the environment. Applicant may request a hearing upon any change which materially affects the operation of the facility.

(8) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

Exhibit "A"
Case No. 10507
Order No. A-9769

**C & C LANDFARM, INC. APPLICATION
OCD CONDITIONS OF APPROVAL**

LANDFARM OPERATIONS

1. Disposal will only occur when an attendant is on duty. The facility will be secured when no attendant is present.
2. The facility will be fenced and have a sign at the entrance. The sign will be legible from at least fifty (50) feet and contain the following information: a) name of the facility, b) location by section, township and range, and c) emergency phone number.
3. A redbed dike will be installed on the south, west and north edges of the property as proposed in C & C's correspondence dated March 2, 1992.
4. All contaminated soils received at the facility will be spread and disked within 72 hours of receipt.
5. Soils will be spread on the surface in six-inch lifts or less.
6. Soils will be disked a minimum of one time every two weeks (bi-weekly) to enhance biodegradation of contaminants.
7. Successive lifts of contaminated soils will not be spread until a laboratory measurement of Total Petroleum Hydrocarbons (TPH) in the previous lifts is less than 100 parts per million (ppm), and the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and the benzene is less than 10 ppm. Comprehensive records of the laboratory analysis and the sampling locations will be maintained at the facility. Authorization from the OCD will be obtained prior to application of successive lifts.
8. Only oilfield wastes which are exempt ^{from} RCRA Subtitle C regulations or ~~non-hazardous by characteristic testing~~ will be accepted at the facility. Solids from operations ~~not~~ currently exempt ~~from~~ under RCRA Subtitle C or mixed exempt/non-exempt solids will be tested for appropriate hazardous constituents. Test results may be submitted to the OCD along with a request to receive non-exempt solids, and a written OCD approval (case specific) must be obtained prior to disposal. Any non-oilfield wastes which are RCRA Subtitle C exempt or are non-hazardous by characteristic testing will only be accepted on a case-by-case basis and with prior OCD approval. Comprehensive records of all laboratory analyses and sample locations will be maintained by the operator.

9. Moisture will be added as necessary to enhance biodegradation and to control blowing dust. There will be no ponding, pooling or run-off of water allowed. Any ponding of precipitation will be removed within seventy-two hours of discovery.

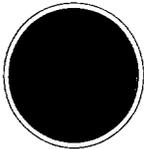
CLOSURE

When the facility is to be closed, no new material will be accepted. Existing soils will be remediated until they meet the OCD standards in effect at the time of closure. The area will then be reseeded with natural grasses and allowed to return to its natural state. Closure will be pursuant to all OCD requirements in effect at the time of the closure.

ROCKY MOUNTAIN MINERAL LAW FOUNDATION

Porter Administration Bldg.
7039 East 18th Ave.
Denver, CO 80220

Telephone (303) 321-8100
Telecopier (303) 321-7657



JOHN C. LACY
President

RANDY L. PARCEL
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Bar Associations

Alaska Bar Assn.
American Bar Assn. -SONREEL
State Bar of Arizona
Colorado Bar Assn.
Idaho State Bar
State Bar of Montana
Nebraska State Bar Assn.
State Bar of Nevada
State Bar of New Mexico
State Bar of South Dakota
Utah State Bar
Wyoming State Bar

Mining Associations

American Mining Congress
Arizona Mining Assn.
California Mining Assn.
Colorado Mining Assn.
Idaho Mining Assn.
National Coal Assn.
Nevada Mining Assn.
New Mexico Mining Assn.
Northwest Mining Assn.
Rocky Mtn Assn. of Mineral L.dmn.
Utah Mining Assn.
Wyoming Mining Assn.

Oil & Gas Associations

American Assn. of Professional L.dmn.
American Petroleum Institute
Denver Assn. of Petroleum L.dmn.
Indep. Petroleum Assn. of America
Indep. Petroleum Assn. of Mtn. States
Indep. Petroleum Assn. of New Mexico
New Mexico Oil & Gas Assn.
Rocky Mountain Oil & Gas Assn.

MEMORANDUM

JE DONSEE
REC-112
199 JAN 14 AM 9 56

TO: Purchasers - *Proceedings* of the 39th Annual
Rocky Mountain Mineral Law Institute

FROM: David P. Phillips

DATE: January 12, 1994

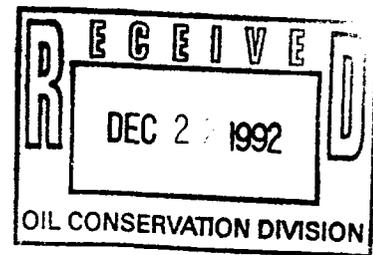
The *Proceedings* of the 39th Annual Rocky Mountain Mineral Law Institute was mailed to you, pursuant to your order, in late December.

It has come to our attention that, due to an error at the bindery, some of the pages are missing or are out of order in a few books. Purchasers are urged to **check the pagination, not to be confused with section numbers, particularly in Chapters 10 and 11** where omissions and duplications have been reported.

If your volume is faulty, please include a note with your name and address and any instructions and return the volume to us on or before February 1st.

Rocky Mountain Mineral Law Foundation
7039 East 18th Avenue
Denver, Colorado 80220

A corrected volume will be shipped to you as quickly as possible. We apologize for this problem and any inconvenience. Thank you.



KELLAHIN AND KELLAHIN
ATTORNEYS AT LAW
EL PATIO BUILDING
117 NORTH GUADALUPE
POST OFFICE BOX 2265
SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN*
*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW
JASON KELLAHIN (RETIRED 1991)

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

December 22, 1992

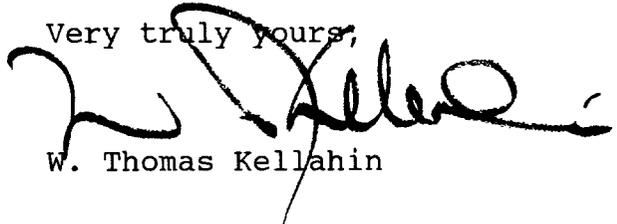
Mr. William J. LeMay
Chairman
Oil Conservation Commission
310 Old Santa Fe Trail, Room 219
Santa Fe, New Mexico 87501

VIA FACSIMILE
(505) 827-5741
AND HAND DELIVERED

Re: MOTION TO CONTINUE
NMOCD CASE 10507 (DeNovo)
Order No. R-9769
Application of C & C Landfarm,
Inc. for a Commercial Surface
Waste Disposal Facility, Lea
County, New Mexico

Dear Mr. LeMay:

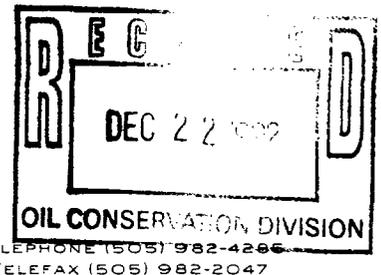
On behalf of Elsie Reeves, S-W Cattle Company and W. T. (Trent) Stradley, we respectfully request that the Hearing DeNovo of the above-referenced case before the New Mexico Oil Conservation Commission be continued from the January 14, 1992 Commission Docket to the next available docket now scheduled for February 11, 1992.

Very truly yours,

W. Thomas Kellahin

WTK/jcl
Enclosures

cc: With Enclosures
Michael Stogner, OCD (By Hand)
Robert G. Stovall, Esq., OCD (By Hand)
William F. Carr, Esq.
Elsie Reeves
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Gene Samberson, Esq.

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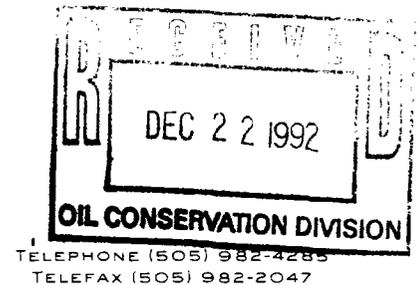
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FACSIMILE COVER SHEET

DATE: December 22, 1992

NUMBER OF PAGES: 2
(including cover sheet)

TIME: _____

TO: William J. LeMay

FROM: W. Thomas Kellahin

OF: Oil Conservation Division

SPECIAL INSTRUCTIONS:

FAX NO.: 827-5741

- URGENT
- FOR YOUR INFORMATION
- FOR YOUR REVIEW
- PLEASE REPLY
- FOR YOUR APPROVAL
- PER YOUR REQUEST

RE: NMOCD Case No. 10507 DeNovo

Application of C & C Landfarm

Rehearing before the Commission

MESSAGE: A letter dated today to you follows regarding the
continuance of the above case. The original will follow
by hand delivery

A HARD COPY WILL WILL NOT FOLLOW BY U.S. MAIL.

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

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SANTA FE, NEW MEXICO 87504-2285

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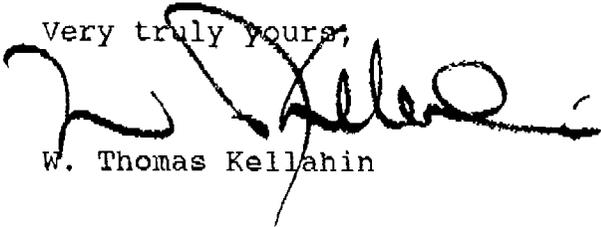
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Gene Samberson, Esq.

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LOOP-HOLES

loop-hole (-hōl') *n.* [prob. < MDu. *lupen*, to peer + HOLE]
1. a hole or narrow slit in the wall of a fort, etc. for looking or shooting through 2. a means of evading an obligation, a law, etc.

Florence -

I have talked to Carr
and Kellchin. Bill C.
is going to request that
C&C be continued to
the February Commission
hearing

Bob

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

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FACSIMILE COVER SHEET

DATE: January 5, 1993

NUMBER OF PAGES: 3
(including cover sheet)

TIME: _____

TO: William J. LeMay

FROM: W. Thomas Kellahin

OF: Oil Conservation Commission

SPECIAL INSTRUCTIONS:

FAX NO.: 827-5741

URGENT

RE: NMOC Case No. 10507 DeNovo

FOR YOUR INFORMATION

Application of C & C LandFarm

FOR YOUR REVIEW

Order No. R-9769

PLEASE REPLY

FOR YOUR APPROVAL

PER YOUR REQUEST

MESSAGE: A letter dated today to you regarding the continuance
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A HARD COPY WILL _____ WILL NOT FOLLOW BY U.S. MAIL.

KELLAHIN AND KELLAHIN

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JASON KELLAHIN (RETIRED 1991)

January 5, 1993

William J. LeMay
Oil Conservation Commission
310 Old Santa Fe Trail
State Land Office Building
Santa Fe, New Mexico 87501

VIA FACSIMILE
(505) 827-5741
AND HAND DELIVERY

Re: Renewed Motion to Continue
New Mexico Oil Conservation
Division Case 10507 (DeNovo)
Application of C & C Land Farm Inc.
for a Commercial Surface Waste Disposal
Facility, Lea County, New Mexico
Order No. R-9769

Dear Mr. LeMay:

I have practiced before the Commission since 1972 and do not ever recall making a personal request for a case be continued over opposition by opposing counsel. I do so now.

On December 17, 1992, I first became aware the Commission had set its January Hearing for January 14, 1993. I had incorrectly assumed that no hearing would take place that week and had made \$1,600 worth of reservations so my family and I could go skiing this week.

On that same date I had informed Mr. Carr of what I had informally been told was the Commission's January hearing schedule and that I had committed to a family ski trip, made deposits and was unavailable for a hearing that week. I obtained his concurrence to seek an alternative date and both he and I then met with you in your office that same morning to discuss scheduling of this case. You advised us that the Commission would not schedule a "special" date to accommodate my conflict and that the next available hearing was set for February 11, 1993.

On December 22, 1992, I filed a formal request to continue the case to the Commission's February 11th docket and sent a copy to Mr. Carr via facsimile the same day.

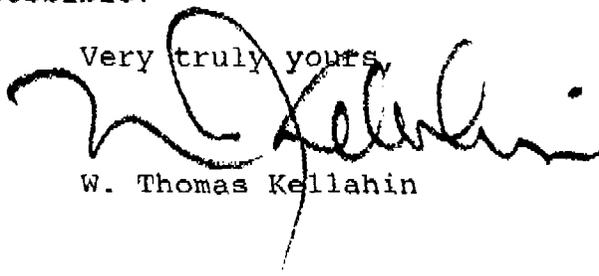
Both before and after, I have had numerous conversations with Mr. Carr about this setting and each time was assured he was trying to accommodate my conflict.

Now some 14 days after I have filed my request and just 10 days before the hearing, I receive a copy of a letter dated January 4, 1993 and I discover to my great astonishment that Mr. Carr is now opposed to a 30 day continuance of this case.

Because of Mr. Carr's delay in advising me he now opposes my continuance, I am subject to forfeiture of approximately \$1,600 worth of reservations and in the alternative, I am not now able to arrange for alternate counsel for my client.

As DeNovo applicant, we renew our request to have the matter continued to the February 11, 1993 hearing. I would appreciate it if you could advise me of your decision as soon as possible.

Very truly yours,



W. Thomas Kellahin

WTK/jcl

cc: William F. Carr, Esq. (Via Facsimile)

HR005.647

KELLAHIN AND KELLAHIN

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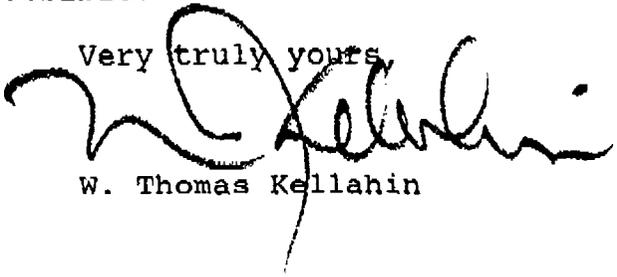
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lit103.647

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117 NORTH GUADALUPE

POST OFFICE BOX 2285

SANTA FE, NEW MEXICO 87504-2285

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

FACSIMILE COVER SHEET

DATE: January 5, 1993

NUMBER OF PAGES: 3
(including cover sheet)

TIME: _____

TO: William J. LeMay

FROM: W. Thomas Kellahin

OF: Oil Conservation Commission

SPECIAL INSTRUCTIONS:

FAX NO.: 827-5741

URGENT

RE: NMOCD Case No. 10507 DeNovo

FOR YOUR INFORMATION

Application of C & C LandFarm

FOR YOUR REVIEW

Order No. R-9769

PLEASE REPLY

FOR YOUR APPROVAL

PER YOUR REQUEST

MESSAGE: A letter dated today to you regarding the continuance
of the above case follows.

A HARD COPY WILL _____ WILL NOT FOLLOW BY U.S. MAIL.

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

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JASON KELLAHIN (RETIRED 1991)

January 5, 1993

William J. LeMay
Oil Conservation Commission
310 Old Santa Fe Trail
State Land Office Building
Santa Fe, New Mexico 87501

VIA FACSIMILE
(505) 827-5741
AND HAND DELIVERY

Re: Renewed Motion to Continue
New Mexico Oil Conservation
Division Case 10507 (DeNovo)
Application of C & C Land Farm Inc.
for a Commercial Surface Waste Disposal
Facility, Lea County, New Mexico
Order No. R-9769

Dear Mr. LeMay:

I have practiced before the Commission since 1972 and do not ever recall making a personal request for a case be continued over opposition by opposing counsel. I do so now.

On December 17, 1992, I first became aware the Commission had set its January Hearing for January 14, 1993. I had incorrectly assumed that no hearing would take place that week and had made \$1,600 worth of reservations so my family and I could go skiing this week.

On that same date I had informed Mr. Carr of what I had informally been told was the Commission's January hearing schedule and that I had committed to a family ski trip, made deposits and was unavailable for a hearing that week. I obtained his concurrence to seek an alternative date and both he and I then met with you in your office that same morning to discuss scheduling of this case. You advised us that the Commission would not schedule a "special" date to accommodate my conflict and that the next available hearing was set for February 11, 1993.

On December 22, 1992, I filed a formal request to continue the case to the Commission's February 11th docket and sent a copy to Mr. Carr via facsimile the same day.

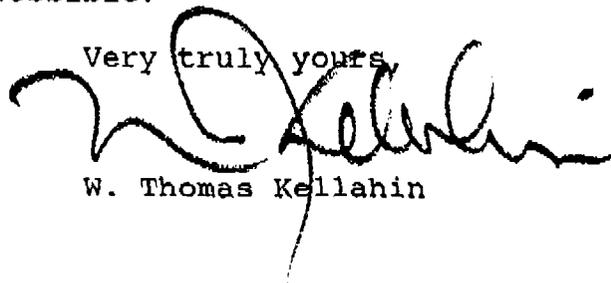
Both before and after, I have had numerous conversations with Mr. Carr about this setting and each time was assured he was trying to accommodate my conflict.

Now some 14 days after I have filed my request and just 10 days before the hearing, I receive a copy of a letter dated January 4, 1993 and I discover to my great astonishment that Mr. Carr is now opposed to a 30 day continuance of this case.

Because of Mr. Carr's delay in advising me he now opposes my continuance, I am subject to forfeiture of approximately \$1,600 worth of reservations and in the alternative, I am not now able to arrange for alternate counsel for my client.

As DeNovo applicant, we renew our request to have the matter continued to the February 11, 1993 hearing. I would appreciate it if you could advise me of your decision as soon as possible.

Very truly yours,



W. Thomas Kellahin

WTK/jcl

cc: William F. Carr, Esq. (Via Facsimile)

lit105.647

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

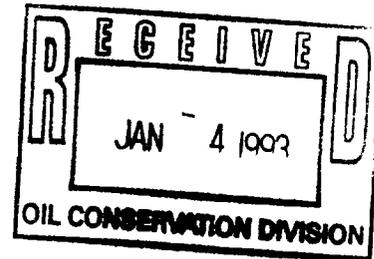
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY
PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT
JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

January 4, 1993

HAND-DELIVERED

William J. LeMay, Chairman
Oil Conservation Commission
310 Old Santa Fe Trail, Room 219
State Land Office Building
Santa Fe, New Mexico 87503



Re: New Mexico Oil Conservation Division Case No. 10507 (*De Novo*)
Application of C & C Land Farm Inc. for a Commercial Surface Waste
Disposal Facility, Lea County, New Mexico
Order No. R-9769

Dear Mr. LeMay:

C & C Land Farm Inc., opposes the request for continuance of the January 14, 1993 *De Novo* hearing in the above-referenced case which was filed by W. Thomas Kellahin on behalf of Elsie Reeves, S-W Cattle Company and W.T. (Trent) Stradley.

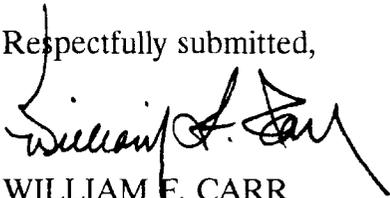
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William J. LeMay, Chairman
Oil Conservation Commission
January 4, 1993
Page 2

C & C Land Farm Inc. is prepared to go forward with the hearing scheduled before the Commission on January 14, 1993. This application has been pending for fifteen (15) months and we are anxious to have a final determination so we can proceed with the construction of this surface waste disposal facility.

C & C Land Farm Inc. opposes any continuance of the hearing on this application from January 14, 1993 Oil Conservation Commission hearing docket.

Respectfully submitted,



WILLIAM F. CARR
ATTORNEY FOR C & C LAND FARM INC.
WFC:mlh

cc: Michael Stogner "Hand-Delivered"
Robert G. Stovall "Hand-Delivered"
W. Thomas Kellahin "Hand-Delivered"

Michael Pierce
Peak Consulting Services
Post Office Box 636
Hobbs, New Mexico 88240

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

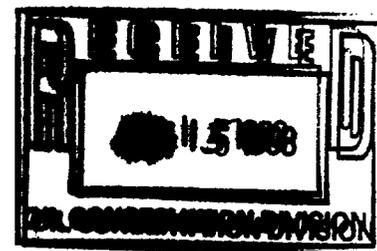
JASON KELLAHIN (RETIRED 1991)

January 5, 1993

William J. LeMay
Oil Conservation Commission
310 Old Santa Fe Trail
State Land Office Building
Santa Fe, New Mexico 87501

VIA FACSIMILE
(505) 827-5741
AND HAND DELIVERY

Re: Renewed Motion to Continue
New Mexico Oil Conservation
Division Case 10507 (DeNovo)
Application of C & C Land Farm Inc.
for a Commercial Surface Waste Disposal
Facility, Lea County, New Mexico
Order No. R-9769



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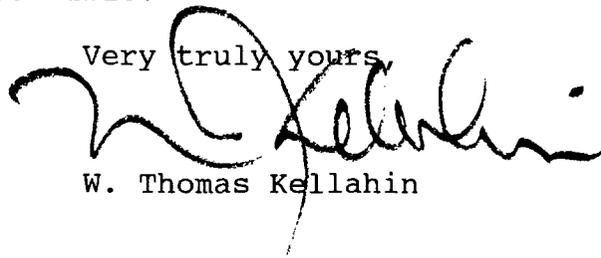
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Because of Mr. Carr's delay in advising me he now opposes my continuance, I am subject to forfeiture of approximately \$1,600 worth of reservations and in the alternative, I am not now able to arrange for alternate counsel for my client.

As DeNovo applicant, we renew our request to have the matter continued to the February 11, 1993 hearing. I would appreciate it if you could advise me of your decision as soon as possible.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written over the typed name below.

W. Thomas Kellahin

WTK/jcl

cc: William F. Carr, Esq. (Via Facsimile)

ltr105.647

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

August 5, 1992

HAND-DELIVERED

W. Thomas Kellahin, Esq.
Kellahin, Kellahin & Aubrey
117 North Guadalupe Street
Santa Fe, New Mexico 87501

Re: New Mexico Oil Conservation Division Case No. 19507:
Application of C & C Landfarm Inc. for a Commercial Surface Waste
Disposal Facility, Lea County, New Mexico

Dear Mr. Kellahin:

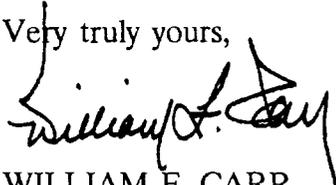
On behalf of C & C Landfarm Inc., demand is hereby made upon you as attorney for S-W Cattle Company and Elsie Reeves, to provide to me by 5:00 o'clock p.m., August 7, 1992, the following information and data so that we can adequately prepare for hearing on this application:

1. copies of any and all exhibits prepared for hearing purposes;
2. copies of any and all samples and tests including but not limited to:
 - a. composition samples and tests;
 - b. soil samples and tests;
 - c. compaction tests;
 - d. permeability tests;
 - e. Cation Exchange capacity tests;
 - f. water samples and analysis;
 - g. liquid and plastic tests on the redbeds; and
 - h. any soil properties tests and data.
3. any hydrology studies and data;
4. any geologic studies and data;

W. Thomas Kellahin, Esq.
Kellahin, Kellahin & Aubrey
August 5, 1992
Page 2

5. any ground water studies and data;
6. any percolation tests and data;
7. any ground water migration tests and data; and
8. any contaminant mobility tests and data.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large, stylized initial "W".

WILLIAM F. CARR

WFC:mlh

cc: Mr. Michael Pierce
Peak Consulting

core file

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
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TELEPHONE: (505) 988-4421
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January 4, 1993

HAND-DELIVERED

William J. LeMay, Chairman
Oil Conservation Commission
310 Old Santa Fe Trail, Room 219
State Land Office Building
Santa Fe, New Mexico 87503

Re: New Mexico Oil Conservation Division Case No. 10507 (*De Novo*)
Application of C & C Land Farm Inc. for a Commercial Surface Waste
Disposal Facility, Lea County, New Mexico
Order No. R-9769

Dear Mr. LeMay:

C & C Land Farm Inc., opposes the request for continuance of the January 14, 1993 *De Novo* hearing in the above-referenced case which was filed by W. Thomas Kellahin on behalf of Elsie Reeves, S-W Cattle Company and W.T. (Trent) Stradley.

This application was originally filed by C & C Land Farm Inc. in October, 1991 and was determined by the Division's Environmental Division to be approvable in mid-1992. Objections to this proposal were received from Elsie Reeves, S-W Cattle Company and W.T. (Trent) Stradley in May, 1992 and the application was originally set for hearing on July 23, 1992. This hearing was continued repeatedly for various reasons including unavailability of the opponents witnesses. On September 1, 1992 the case finally came before Examiner Stogner for hearing. Order No. R-9769 was entered by the Division approving the application on November 16, 1992 and on December 8th, Mr. Kellahin requested a hearing *De Novo*.

William J. LeMay, Chairman
Oil Conservation Commission
January 4, 1993
Page 2

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C & C Land Farm Inc. opposes any continuance of the hearing on this application from January 14, 1993 Oil Conservation Commission hearing docket.

Respectfully submitted,



WILLIAM F. CARR
ATTORNEY FOR C & C LAND FARM INC.
WFC:mlh

cc: Michael Stogner "Hand-Delivered"
Robert G. Stovall "Hand-Delivered"
W. Thomas Kellahin "Hand-Delivered"

Michael Pierce
Peak Consulting Services
Post Office Box 636
Hobbs, New Mexico 88240

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

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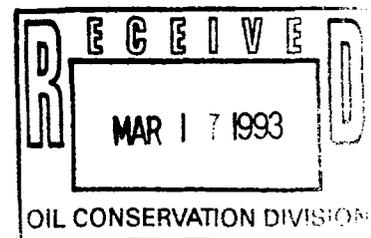
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POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

March 17, 1993

HAND-DELIVERED



William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

Re: Case No. 10507 (*De Novo*):
Application of C & C Landfarm Inc., for a commercial surface waste disposal
facility, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed is the proposed Order of C & C Landfarm, Inc., in the above-referenced case.

If you need anything further from C & C Landfarm, Inc. to proceed with your consideration
of this matter, please advise.

Very truly yours,

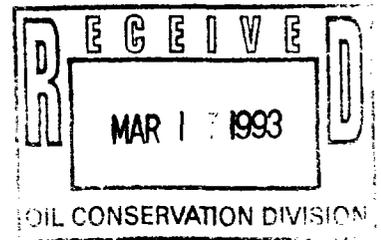
A handwritten signature in black ink that reads "William F. Carr". The signature is written in a cursive style with a large, stylized initial "W".

WILLIAM F. CARR

WFC:mlh

Enclosure

cc w/enc.: Gary Carlson
William Weiss
Michael Pierce
Eddie Seay
W. Thomas Kellahin, Esq.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION FOR THE PURPOSE OF
CONSIDERING:

Case No. 10507 (De Novo)
Order No. R-9769

APPLICATION OF C & C LANDFARM, INC.
FOR A COMMERCIAL SURFACE
WASTE DISPOSAL FACILITY,
LEA COUNTY, NEW MEXICO.

**C & C LANDFARM INC.'S
PROPOSED ORDER OF THE COMMISSION**

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on February 25, 1993, at Santa Fe, New Mexico, before the Oil Conservation Commission of the State of New Mexico, hereinafter referred to as the "Commission."

NOW, on this ____ day of March, 1993, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) Sections 70-2-12.B(21) and (22) N.M.S.A. (1978) Compilation, also known as the New Mexico Oil and Gas Act, authorizes the New Mexico Oil Conservation Commission ("Commission") to regulate the disposition of non-domestic wastes resulting from various oil and gas activities and operations and to protect public health and the environment.

(3) The applicant, C & C Landfarm, Inc. (C & C) filed an application, pursuant to General Rule 711 with the Division on October 8, 1991 seeking authorization to construct and operate a commercial landfarm facility for the remediation of non-hazardous hydrocarbon contaminated soils. C & C proposes to utilize an enhanced biodegradation process known as "the treatment zone monitoring method" on a site located in the SW/4 NE/4 (Unit G) of Section 20 South, Range 37 East, NMPM, Lea County, New Mexico, which is located approximately two miles southeast of Monument, New Mexico. The term

"non-hazardous" in this matter is synonymous with the terminology and usage in the Resource Conservation and Recovery Act (RCRA) Subtitle C Regulations.

(4) This application was reviewed by the Environmental Bureau of the Oil Conservation Division and determined to be approvable.

(5) A Division Examiner hearing was scheduled to provide to interested parties an opportunity to present technical evidence why this application should not be approved pursuant to the applicable rules of the Division.

(6) Within the time frame authorized by Division rule, certain parties of interest filed written objections to the proposed facility including Elsie M. Reeves and W.T. Stradley, President of S-W Cattle Company.

(7) An Examiner hearing was held on September 1, 1992 at which time Elsie M. Reeves and W.T. Stradley presented evidence in opposition to this application.

(8) On November 16, 1992 the Division entered Order No. R-9769 approving this application and thereafter Elsie M. Reeves, S-W Cattle Company and W.T. Stradley timely filed for a hearing *De Novo*.

(9) The proposed landfarm is to be located on a forty-acre tract of land, as described in Finding Paragraph No. 3 which is bordered on the east by Lea County Road No. 58. Oil field contaminated soils will be trucked to the site and deposited within cells in six inch lifts; these soils will be tilled or plowed to ensure proper aeration and bio-remediation to proper government standards. Prior to any soil being deposited in a cell, the soil in the cell or "treatment zone" will be sampled and tested. Six months after the first oil field contaminated soil is deposited in the cell and quarterly thereafter the treatment zone will be tested again to assure that no contamination is occurring.

(10) Applicant appeared at the hearing and presented testimony about the design and operational standards to be used at the proposed facility.

(11) The evidence presented in this case also showed:

- (a) there is no fresh water under the disposal site;
- (b) use of the "treatment zone monitoring method" should result in no contamination of soils in the proposed facility and, even if contamination is detected, would permit remedial action to be taken which would assure no contamination of fresh water in the area;

~~(c) that precipitation will not cause off site contamination of fresh water;
and~~

~~(d) that there is a need for this project to dispose of oil contaminated soil.~~

(12) Elsie M. Reeves and W.T. Stradley, property owners in the area, appeared in opposition to the application and expressed concern that the proposed facility could contaminate fresh water. They called a hydrologist who testified that additional requirements might be necessary to assure there was no contamination of fresh water supplies but admitted that such requirements would need to be developed based on inspection of the facility and sampling and testing of the water and soil in the area. He stated he had not been to the site and had taken no samples nor conducted any tests at the proposed facility.

(13) The Division's Environmental Bureau has reviewed the proposed facility, inspected the site and made specific permit recommendations for this facility which it requests be incorporated into and made part of a Commission Order approving this application. These "Conditions of Approval" should be adopted to assure safe operations and to provide for a monitoring system to detect any leaching or movement of contaminants that could cause the pollution of nearby underground fresh water supplies.

(14) If contaminant migration occurs the Division

(15) Approval of this application and operation of the proposed landfarm in accordance with the Environmental Bureau's proposed "Conditions of Approval" will not impair fresh water supplies in the area, will have no adverse effect on human health nor on the environment, will not cause waste and should be approved.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, C & C Landfarm, Inc. is hereby authorized to construct and operate a commercial "landfarm" facility for the remediation of non-hazardous hydrocarbon contaminated soils utilizing an enhanced biodegradation process on a site located in the SW/4 NE/4 (Unit G) of Section 2, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER THAT, the proposed facility shall be constructed and operated in accordance with the permit conditions attached hereto as Exhibit "A" which are incorporated herein and made a part of this order, and in accordance with such additional conditions and requirements as may be directed by the Division Director, and shall be operated and maintained in such a manner as to preclude spills, fires, limit emissions and protect persons, livestock and the environment.

immediately order the operator to take additional steps to remediate the contaminated soils. Provide a procedure to prevent future migration.

PROVIDED FURTHER THAT, prior to initiating operations, the facility shall be inspected by a representative of the Hobbs District Office of the Oil Conservation Division in order to determine the adequacy of fences, gates and cattle guards necessary to preclude livestock and unauthorized persons from entering and/or utilizing said facility, and also to determine the adequacy of dikes and berms to assure safe facility operations.

(2) Prior to commencing operations on said facility, the applicant shall submit, to the Santa Fe office of the Division, a surety or cash bond pursuant to General Rule 711, in the amount of \$25,000 in a form approved by the Division.

(3) The Director of the Division shall be authorized to administratively grant approval for the expansion or modification of the proposed disposal facility.

(4) Authority for operation of the landfarm facility shall be transferrable only upon written application and approval by the Division Director.

(5) Authority for operation of the landfarm facility shall be suspended or rescinded whenever such suspension or rescission should appear necessary to protect human health or property, to protect fresh water supplies from contamination, to prevent waste, or for non-compliance with the terms and conditions of this order or Division Rules and Regulations.

(6) The permit granted by this order shall become effective only upon acceptance by the applicant of the "Conditions of Approval" attached hereto as Exhibit A.

(7) The Division shall have the authority to administratively change any condition of this permit to protect fresh water, human health and the environment. Applicant may request a hearing upon any change which materially affects the operation of the facility.

(8) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Case No. 10507 (De Novo)
Order No. R-9769
Page 5

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

WILLIAM J. LeMAY, Chairman

WILLIAM WEISS, Member

GARY CARLSON, Member

S E A L

Exhibit "A"
Case No. 10507
Order No. R-9769

**C & C LANDFARM, INC. APPLICATION
OCD CONDITIONS OF APPROVAL**

LANDFARM OPERATIONS

1. Remediation of contaminated soils will occur only on the native ground surface. The caliche pit present on the facility will not be used for the disposal, storage or remediation of **any materials** without the case-by-case approval of the OCD.
2. No disposal or remediation of contaminated soils will occur within one-hundred (100) feet of your property boundary.
3. Disposal will only occur when an attendant is on duty. The facility will be secured when no attendant is present.
4. The facility will be fenced and have a sign at the entrance. The sign will be legible from at least fifty (50) feet and contain the following information: a) name of the facility, b) location by section, township and range, and c) emergency phone number.
5. An adequate berm will be constructed and maintained to prevent runoff and runoff for that portion of the facility containing contaminated soils.
6. All contaminated soils received at the facility will be spread and disked within 72 hours of receipt.
7. Soils will be spread on the surface in six inch lifts or less.
8. Soils will be disked a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
9. Successive lifts of contaminated soils will not be spread until a laboratory measurement of Total Petroleum Hydrocarbons (TPH) in the previous lift is less than 100 parts per million (ppm), and the sum of all aromatic hydrocarbons (BTEX) is less than 50 ppm, and the benzene is less than 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations will be maintained at the facility. Authorization from the OCD will be obtained prior to application of successive lifts.
10. Only oilfield wastes which are exempt from RCRA Subtitle C regulations or non-hazardous by characteristic testing will be accepted at the facility. Solids from operations not currently exempt under RCRA Subtitle C or mixed exempt/non-exempt solids will be tested for appropriate hazardous constituents. Test results must

be submitted to the OCD along with a request to receive the non-exempt solids, and a written OCD approval (case specific) must be obtained prior to disposal. Any non-oilfield wastes which are RCRA Subtitle C exempt or are non-hazardous by characteristic testing will only be accepted on a case-by-case basis and with prior OCD approval. Comprehensive records of all laboratory analyses and sample locations will be maintained by the operator.

11. Moisture will be added as necessary to enhance bio-remediation and to control blowing dust. There will be no ponding, pooling or run-off of water allowed. Any ponding of precipitation will be removed within seventy-two (72) hours of discovery.
12. Enhanced bio-remediation through the application of microbes (bugs) and/or fertilizers will only be permitted after prior approval from the OCD. Request for application of microbes must include the location of the area designated for the bio-remediation program, composition of additives, and the method, amount and frequency of application.
13. No free liquids or soils with free liquids will be accepted at the facility.
14. Comprehensive records of all material disposed of at the facility will be maintained at the facility. The records for each load will include: 1) the origin, 2) date received 3) quantity, 4) exempt or non-exempt status and analysis for hazardous constituents if required, 5) transporter, and 6) exact cell location and any addition of microbes, moisture, fertilizers, etc.
15. The monitor wells will be inspected for the presence of fluids on a quarterly basis on the same schedule as the treatment zone monitoring. If fluids are discovered the OCD will be notified immediately.

TREATMENT ZONE MONITORING

1. One (1) background soil sample will be taken from the center portion of the landfarm two (2) feet below the native ground surface. The sample will be analyzed for total petroleum hydrocarbons (TPH), general chemistry, and heavy metals using approved EPA methods.
2. A treatment zone not to exceed three (3) feet beneath the landfarm will be monitored. A minimum of one random soil sample will be taken from each individual cell, with no cell being larger than five (5) acres, six (6) months after the first contaminated soils are received in the cell and then quarterly thereafter. The sample will be taken at two to three (2-3) feet below the native ground surface.
3. The soil samples will be analyzed using approved EPA methods for TPH and BTEX quarterly, and for general chemistry and heavy metals annually.

4. After obtaining the soil samples the boreholes will be filed with an impermeable material such as bentonite cement.

REPORTING

1. Analytical results from the treatment zone monitoring will be submitted to the OCD Santa Fe Office within thirty (30) days of receipt from the laboratory.
2. The OCD will be notified of any break, spill, blow out, or fire or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.

BOND

Pursuant to OCD Rule 711 a surety or cash bond in the amount of \$25,000, in a form approved by the Division, is required prior to commencing construction of the commercial surface disposal facility.

CLOSURE

The operator will notify the Division of cessation of operations. Upon cessation of disposal operations for six (6) consecutive months, the operator will complete cleanup of constructed facilities and restoration of the facility site within the following six (6) months, unless an extension for time is granted by the Director. When the facility is to be closed no new material will be accepted. Existing soils will be remediated until they meet the OCD standards in effect at the time of closure. The area will then be reseeded with natural grasses and allowed to return to its natural state. Closure will be pursuant to all OCD requirements in effect at the time of closure, and any other applicable state and/or federal regulations.

*FILED
RECEIVED*



New Mexico Petroleum Recovery Research Center

A Division of
New Mexico Institute of Mining and Technology
Telephone (505) 835-5142

Socorro, NM 87801
Facsimile (505) 835-6031
Verify (505) 835-~~5142~~
5142

F A X

Facsimile Number: 827-5741

DATE: May 20, 1993

PAGES: 1

TIME: 3:50 PM

TO: **Bill LeMay**
Oil Conservation Division
Santa Fe, NM

FROM: **Bill Weiss** *WWW*
PRRC
Socorro, NM

RE: **Reeves & Stradley Re-Hearing Application (#10507)**

On May 18, 1993, I received an application for re-hearing case #10507 from Kellahin and Kellahin, who represent W.T. Stradley. I see no reason to re-hear this case because

1. The applicant presented evidence convincing me that the operation of the proposed landfarm will not contaminate any fresh water aquifer.
2. The applicant presented evidence convincing me that he can operate a landfarm in a proper manner.
3. The opponent's expert witness, Mr. T.E. Kelly, confirmed the need for site-specific data when he relied on references to locate the Ogallala aquifer. Mr. Kelly testified based on published information, that the Ogallala formation underlies the applicant's proposed landfarm. The applicant presented data, based on five monitor wells drilled on the site, which documented the absence of the Ogallala aquifer.

WWW:kb

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

July 31, 1992

HAND-DELIVERED

W. Thomas Kellahin, Esq.
Kellahin, Kellahin & Aubrey
117 North Guadalupe Street
Santa Fe, New Mexico 87501

Re: New Mexico Oil Conservation Division Case No. 19507:
Application of C & C Landfarm Inc. for a Commercial Surface Waste
Disposal Facility, Lea County, New Mexico

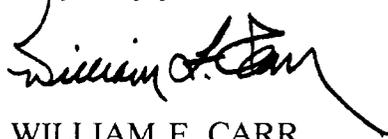
Dear Mr. Kellahin:

In response to your letter of July 30, 1992 we are enclosing the following information which represents all information in our possession which is responsive to your request, other than that information which has already been included with the application C & C filed with the Oil Conservation Division and, thereby, made available to you.

C & C Landfarm Inc., has no information or exhibits which relate to Items 1 and 2 of your request, except from the information responsive to Item 2f which was included with our original application. In response to Item 3, we are enclosing copies of drillers logs for the three dry water wells drilled in February, 1992, located in Section 34, Township 19 South, Range 37 East. All information responsive to Item 4 in our possession has been included in our original Oil Conservation Division application. All information responsive to Item 5 of your request is included in our response to Item 3 hereinabove. All data in our possession responsive to Item 6 was included with our original application. C & C Landfarm has no additional information responsive to Items 7, 8 and 9 in your original letter.

If you have questions concerning the enclosed, please advise.

Very truly yours,



WILLIAM F. CARR
WFC:mlh
Enclosures

STATE ENGINEER OFFICE
WELL RECORD

Section 1. GENERAL INFORMATION

(A) Owner of well Carlyle J. Hall Owner's Well No. 01
Street or Post Office Address P.O. Box 163
City and State Monument, NM 88265

Well was drilled under Permit No. L-10,166 and is located in the:

- a. SE 1/4 31 SE SW 34 of Section 34 Township 19S 50. Range 37 East N.M.P.M.
E 1320', S 330', W 1320', beginning, 10 ac
- b. Tract No. _____ of Map No. _____ of the _____
- c. Lot No. _____ of Block No. _____ of the _____
Subdivision, recorded in Lea County.
- d. X= _____ feet, Y= _____ feet, N.M. Coordinate System _____ Zone in
the _____ Grant.

(B) Drilling Contractor W. L. Van Noy License No. WD-208
Address Box 7, Oil Center, NM 88266

Drilling Began 2-25-91 Completed 2-26-91 Type tools Cable Size of hole 8" in.
Elevation of land surface or _____ at well is _____ ft. Total depth of well 35 ft.
Completed well is shallow artesian. Depth to water upon completion of well dry ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
From	To			
<u>dry</u>				

Section 3. RECORD OF CASING

Diameter (inches)	Pounds per foot	Threads per in.	Depth in Feet		Length (feet)	Type of Shoe	Perforations	
			Top	Bottom			From	To
<u>None</u>								

Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet		Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement
From	To				

Section 5. PLUGGING RECORD

Plugging Contractor _____
Address _____
Plugging Method _____
Date Well Plugged _____
Plugging approved by: _____
State Engineer Representative

No.	Depth in Feet		Cubic Feet of Cement
	Top	Bottom	
1			
2			
3			
4			

FOR USE OF STATE ENGINEER ONLY

Date Received March 17, 1992

Quad _____ FWL _____ FSL _____

L-10.166 (1) (DRY HOLE)

DOM & STK

10 27 24 3441

193

STATE ENGINEER OFFICE
WELL RECORD

Section 1. GENERAL INFORMATION

(A) Owner of well Carlyle J. Hall Owner's Well No. 02
Street or Post Office Address Box 163
City and State Monument, NM 88265

Well was drilled under Permit No. L-10,166 and is located in the:
a. ~~SW 1/4~~ ^{SE 1/4} ~~SW 1/4~~ ^{SE 1/4 SW 1/4} of Section 34 Township 19 S Range 37 E N.M.P.M.
E 1320, S 330', W 1320', beginning, 10ac
b. Tract No. _____ of Map No. _____ of the _____
c. Lot No. _____ of Block No. _____ of the _____
Subdivision, recorded in Lea County.
d. X= _____ feet, Y= _____ feet, N.M. Coordinate System _____ Zone in the _____ Grant.

(B) Drilling Contractor W. L. VAN NOY License No. WD-208
Address P. O. BOX 7, OIL CENTER, NM 88266

Drilling Began 2-26-91 Completed 2-27-91 Type tools Cable Size of hole 8 in.
Elevation of land surface or _____ at well is _____ ft. Total depth of well 35 ft.
Completed well is shallow artesian. Depth to water upon completion of well DRY ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
From	To			
DRY				

Section 3. RECORD OF CASING

Diameter (inches)	Pounds per foot	Threads per in.	Depth in Feet		Length (feet)	Type of Shoe	Perforations	
			Top	Bottom			From	To
NONE								

Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet		Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement
From	To				

Section 5. PLUGGING RECORD

Plugging Contractor _____
Address _____
Plugging Method _____
Date Well Plugged _____
Plugging approved by: _____
State Engineer Representative

No.	Depth in Feet		Cubic Feet of Cement
	Top	Bottom	
1			
2			
3			
4			

FOR USE OF STATE ENGINEER ONLY

Date Received March 17, 1992

Quad _____ FWL _____ FSL _____

STATE ENGINEER OFFICE
WELL RECORD

Section 1. GENERAL INFORMATION

(A) Owner of well CARLYLE J. HALL Owner's Well No. 03
Street or Post Office Address BOX 163
City and State MONUMENT, NM 88265

Well was drilled under Permit No. L-10,166 and is located in the:

a. SE 1/4 ~~SW 1/4~~ SW 1/4 of Section 34 Township 19S Range 37E N.M.P.M.
• 1320, s 330', w 1320' beginning, 10 ac
b. Tract No. _____ of Map No. _____ of the _____
c. Lot No. _____ of Block No. _____ of the _____
Subdivision, recorded in Lea County.
d. X= _____ feet, Y= _____ feet, N.M. Coordinate System _____ Zone in
the _____ Grant.

(B) Drilling Contractor W. L. VAN NOY License No. WD-208
Address BOX 7, OIL CENTER, NM 88266

Drilling Began 1-29-92 ~~2-29-92~~ Completed 1-30-92 Type tools Cable Size of hole 8 in.

Elevation of land surface or _____ at well is _____ ft. Total depth of well 35 ft.

Completed well is shallow artesian. Depth to water upon completion of well DRY ft.

Section 2. PRINCIPAL WATER-BEARING STRATA

Depth in Feet		Thickness in Feet	Description of Water-Bearing Formation	Estimated Yield (gallons per minute)
From	To			
DRY				

Section 3. RECORD OF CASING

Diameter (Inches)	Pounds per foot	Threads per in.	Depth in Feet		Length (feet)	Type of Shoe	Perforations	
			Top	Bottom			From	To
NONE								

Section 4. RECORD OF MUDDING AND CEMENTING

Depth in Feet		Hole Diameter	Sacks of Mud	Cubic Feet of Cement	Method of Placement
From	To				

Section 5. PLUGGING RECORD

Plugging Contractor _____
Address _____
Plugging Method _____
Date Well Plugged _____
Plugging approved by: _____
State Engineer Representative

No.	Depth in Feet		Cubic Feet of Cement
	Top	Bottom	
1			
2			
3			
4			

FOR USE OF STATE ENGINEER ONLY

Date Received March 17, 1992

Quad _____ FWL _____ FSL _____

closure will be adhered to.

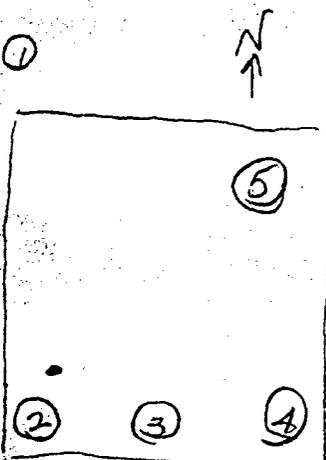
- XI. Geographically, the site is situated near the western boundary of the southern extension of the High Plains in Southeastern New Mexico. The site in question is a 40 acre tract located in Unit G, Section 3, Township 20, Range 37 E, Lea Co., NM.

The site which is bordered by County road 58 on the east, has a gradual surface slope to the west. To the SE of this site in Unit Letter O is a large pit with the redbed exposed. Redbed is a layer of relatively impermeable clays, red to reddish brown in color, underlying the fresh water aquifer in SE New Mexico ranging in thickness up to 1200 ft.

C & C Landfarm Inc. is located on or near the redbed layer. A series of test wells were drilled to define the redbed and check for fresh water.

TEST WELL LOGS

- #1 Located 100 yds. N of NW corner
0-1 ft. Top Soil
1-18 ft. Caliche, Rock
18-20 ft. Redbed
All formations dry.
- #2 Located 125 ft. N of the south line on the extreme west edge.
0-1 1/2 ft. Top Soil
1 1/2-16 ft. Caliche, Rock
16-18 ft. Redbed
All formations dry.
- #3 Located 100 yds. E of the west line on the south side.
0-1 ft. Top Soil
1-15 ft. Caliche, Rock
15-17 ft. Redbed
All formations dry.
- #4 Located 50 yds. W of the east line on the south border.
0-1 ft. Top Soil
1-13 ft. Caliche, Rock
13-16 ft. Redbed
All formations dry.
- #5 Located 150 yds. W of east line on the north side.
0-1 ft. Top Soil



-37-

does not agree with their drawing (# VII attached)

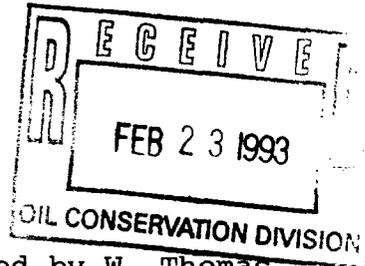
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10507 (DeNovo)

APPLICATION OF C & C LANDFARM INC.
FOR A COMMERCIAL SURFACE WASTE
DISPOSAL FACILITY, LEA COUNTY,
NEW MEXICO

PRE-HEARING STATEMENT



This pre-hearing statement is submitted by W. Thomas Kellahin, Esq. and C. Gene Samberson, Esq. on behalf of W. T. (Trent) Stradley and S-W Cattle Co. and by W. Thomas Kellahin on behalf of Elsie M. Reeves as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

C & C Landfarm, Inc.
P.O. Box 55
Monument, N.M. 88265

ATTORNEY

William F. Carr
Campbell, Carr, Berge &
Sheridan
P.O. Box 2208
Santa Fe, NM 87504
(505) 988-4421

OPPOSITION PARTIES

W. T. Stradley
& S-W Cattle Co.
Elsie M. Reeves

ATTORNEY

W. Thomas Kellahin
KELLAHIN AND KELLAHIN
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

W. T. Stradley
& S-W Cattle Co.

C. Gene Samberson
P.O. Box 1599
Lovington, NM 88260
(505) 396-5303

STATEMENT OF CASE

APPLICANT

SEE APPLICANT FILING

OPPOSITION OR OTHER PARTY

As her statement of the case, Elsie M. Reeves ("Reeves") adopts her "Statement of Objections" filed on June 5, 1992 in the record of this matter.

As its statement of the case, S-W Cattle Co. ("S-W Cattle") adopts its objection letter dated May 13, 1992 and filed on May 15, 1992 in the record of this matter.

In addition, S-W Cattle states it has fresh water in the immediate vicinity of the subject project which it currently uses and which is at risk of contamination if this project is approved as outlined by the "OCD Conditions of Approval" notice dated May 20, 1992 or as outlined in "OCD Recommendations" dated January 6, 1993.

The NMOCD "Conditions of Approval" notice dated May 20, 1992 and "OCD Recommendations" dated January 6, 1993 contain substantial errors and fail to protect ground water, human health and the environment.

The subject facility is being designed by the OCD and not the Applicant and is being permitted without any science or experience to know that it will work and prior to the OCD adopting guidelines for such a facility.

As to the OCD Order R-9769, the Opponents to this application will present T.E. (Tim) Kelly, a geohydrologist, as a qualified expert witness to present evidence that the granting of the application by the OCD failed to protect human health and the environment and constitutes a risk of contamination of ground water, including the following:

(a) The Applicant's proposed plan will place at risk shallow water wells located down-dip from the proposed landfarm which will be subject to contamination from seepage of leachate contaminants.

(b) The Applicant's plans to prevent migration of contaminants down gradient along the redbed surface is inadequate.

(c) The proposed monitor wells are improperly located and will not afford adequate assurance of detection of contaminants.

(d) The proposed dike identified in OCD Condition (10) in said Order is insufficient and conditions on compaction

and verification are inadequate to stop the mobility of the leachate contaminants.

(e) The composition of the berm is not environmentally safe.

(f) Additional soil tests should be performed on the redbed soil including:

- (1) Falling head permeability tests,
- (2) Soil property tests,
- (3) Cation Exchange Capacity tests,

(g) Applicant needs to perform liquid and plastic tests on the redbeds.

(h) The Applicant's proposed barrier is inadequate for its proposed landfarm.

(i) Applicant's geology is inadequate and fails to include an east-west cross section.

The OCD-Environmental Bureau's (OCD-EB) January 6, 1993 Recommendations assume that the contaminated soils will be kept from any shallow fresh water because of about 10 feet of native soil being used as a "treatment zone."

There is no characterization of the "redbeds." In this area there are the Triassic deposits, probably the Chinle shale, and referred to as the "redbeds." The integrity of

this landfarm system is dependent upon the impermeability of the redbeds, but the Applicant has presented no data about the physical characteristics of these deposits, such as cation exchange rates, in-situ permeability, remolded permeability at specified compaction ratios, swelling characteristics, etc. All of these are critical factors that ensure that there would be no migration of leachate along the top of or through the redbeds.

There are inadequate horizontal and vertical buffer zones surrounding this proposed facility.

The configuration of the upper surface of the redbeds in the 40-acre tract has not been defined.

The Application is flawed and should be denied.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
SEE APPLICANT FILING		

PROPOSED EVIDENCE

OPPOSITION

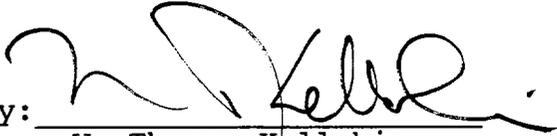
WITNESSES	EST. TIME	EXHIBITS
W. T. Stradley	20 Minutes	Approx. 4
Elsie Reeves	10 Minutes	Approx. 1
T.E. Kelly Geohydrologist	60 Minutes	Approx. 4

PROCEDURAL MATTERS

- 1) Applicant is wrong in its attempt to shift the burden of proof to either the OCD or the opponents.
- 2) The OCD DeNovo Hearing Procedures mandate that the Applicant should go forward and attempt to sustain its burden of proof by substantial evidence.
- 3) The Application should be dismissed as premature until such time as the OCD adopts guidelines for landfarms.

Respectfully submitted,

KELLAHIN AND KELLAHIN,

By: 

W. Thomas Kellahin

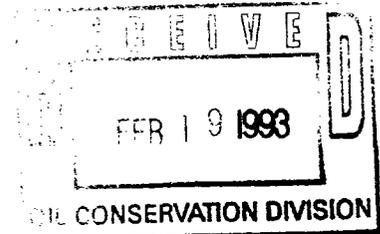
P.O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285
ATTORNEYS FOR OPPOSITION-
W.T. STRADLEY/S-W CATTLE CO.
AND ELSIE M. REEVES

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10507 (De Novo)

APPLICATION OF C & C LANDFARM
INC. FOR A COMMERCIAL SURFACE WASTE
DISPOSAL FACILITY,
LEA COUNTY, NEW MEXICO.



PRE-HEARING STATEMENT

This prehearing statement is submitted by William F. Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

C & C Landfarm Inc. _____
c/o Michael L. Pierce _____
Post Office Box 636 _____
Hobbs, New Mexico 88240 _____

(505) 392-1915 _____

name, address, phone and
contact person

OPPOSITION OR OTHER PARTY

Elsie M. Reeves _____
C-W Cattle Co. _____

name, address, phone and
contact person

ATTORNEY

William F. Carr _____
Campbell, Carr, Berge & Sheridan _____
Post Office Box 2208 _____
Santa Fe, New Mexico 87504 _____

(505) 988-4421 _____

ATTORNEY

W. Thomas Kellahin _____
Post Office Box 2265 _____
Santa Fe, New Mexico 87504 _____
(505) 982-4285 _____

STATEMENT OF CASE

APPLICANT

C & C Landfarm Inc., applicant in the above-styled cause, seeks authorization to construct and operate a commercial landfarm facility for remediation of non-hazardous hydrocarbon-contaminated soils using an enhanced biodegradation process. Said area is to be located in the SW/4 NE/4 (Unit G) of Section 3, Township 20 South, Range 37 East, which is approximately 2 miles southeast of Monument, New Mexico. This application has been administratively determined to be approvable, and this hearing is scheduled to allow parties the opportunity to present technical evidence why the application should not be approved pursuant to the rules of the Division. In the absence of objection, this application will be taken under advisement.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

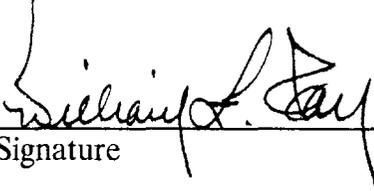
APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Michael L. Pierce	20 Minutes	Approximately 5

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
-----------------------------------	-----------	----------

PROCEDURAL MATTERS



Signature

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW
EL PATIO BUILDING

117 NORTH GUADALUPE
POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

JASON KELLAHIN (RETIRED 1991)

March 17, 1993

Mr. William J. LeMay
Oil Conservation Commission
310 Old Santa Fe Trail, Room 219
Santa Fe, New Mexico 87501

HAND DELIVERED

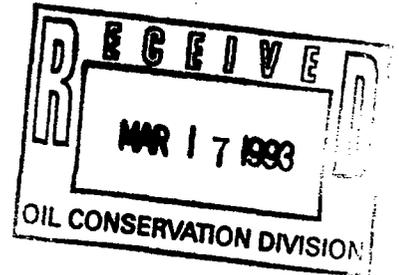
Mr. Gary Carlson
State Land Commissioner's Office
State Land Office Building, 1st Floor
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

HAND DELIVERED

Mr. William Weiss
New Mexico Petroleum Recovery
Research Center
New Mexico Tech Campus
Socorro, New Mexico 87801

VIA TWO-DAY US MAIL

RE: NMOCD Case No. 10507 DeNovo
Application of C & C Landfarm, Inc. for
a Commercial Surface Waste Disposal
Facility, Lea County, New Mexico
Commission Hearing Held February 25, 1993



Gentlemen:

On behalf of Elsie Reeves and W. T. Stradley of S-W Cattle Company, please find enclosed for your review our Proposed Order which denies C & C Landfarm Inc.'s Application referenced above.

Very truly yours,


W. Thomas Kellahin

WTK/jcl

Enclosure

cc: With Enclosure

Robert G. Stovall, Esq. (By Hand)

William F. Carr, Esq.

Elsie Reeves

W. T. Stradley

Gene Samberson, Esq.

ltr317.647

OIL CONSERVATION DIVISION

RECEIVED
KELLAHIN AND KELLAHIN

'92 DE 10 10 11 34
ATTORNEYS AT LAW
EL PATIO BUILDING

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

December 8, 1992

Mr. William J. LeMay
Chairman
Oil Conservation Commission
310 Old Santa Fe Trail, Room 219
Santa Fe, New Mexico 87501

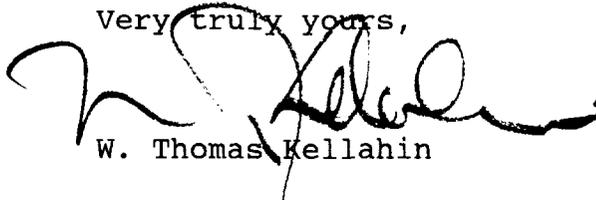
HAND DELIVERED

Re: REQUEST FOR HEARING DENOVO
NMOCD CASE 10507
Order No. R-9769
Application of C & C Landfarm,
Inc. for a Commercial Surface
Waste Disposal Facility, Lea
County, New Mexico

Dear Mr. LeMay:

On behalf of Elsie Reeves, S-W Cattle Company and W.
T. (Trent) Stradley, please find enclosed our request for
a Hearing DeNovo of the above-referenced case before the
New Mexico Oil Conservation Commission.

Very truly yours,



W. Thomas Kellahin

WTK/jcl
Enclosures

cc: With Enclosures
Michael Stogner, OCD-Hearing Examiner
Robert G. Stovall, Esq.
William F. Carr, Esq.
Elsie Reeves
S-W Cattle Company (W. T. Stradley)
Gene Samberson, Esq.

appt1119.547

OIL CONSERVATION DIVISION

RECEIVED
KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW
EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

December 8, 1992

Mr. William J. LeMay
Chairman
Oil Conservation Commission
310 Old Santa Fe Trail, Room 219
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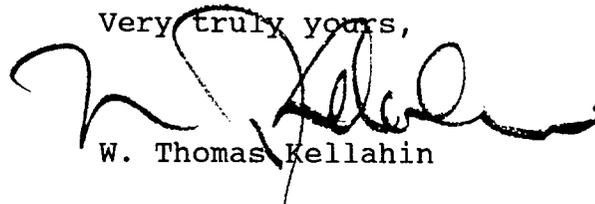
HAND DELIVERED

Re: REQUEST FOR HEARING DENOVO
NMOCD CASE 10507
Order No. R-9769
Application of C & C Landfarm,
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Waste Disposal Facility, Lea
County, New Mexico

Dear Mr. LeMay:

On behalf of Elsie Reeves, S-W Cattle Company and W.
T. (Trent) Stradley, please find enclosed our request for
a Hearing DeNovo of the above-referenced case before the
New Mexico Oil Conservation Commission.

Very truly yours,



W. Thomas Kellahin

WTK/jcl
Enclosures

cc: With Enclosures
Michael Stogner, OCD-Hearing Examiner
Robert G. Stovall, Esq.
William F. Carr, Esq.
Elsie Reeves
S-W Cattle Company (W. T. Stradley)
Gene Samberson, Esq.

appt1119.647

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

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 10507
Order No. R-9769

APPLICATION OF C & C LANDFARM,
INC. FOR A COMMERCIAL SURFACE
WASTE DISPOSAL FACILITY, LEA
COUNTY, NEW MEXICO

ELSIE REEVES, S-W CATTLE COMPANY'S AND
W. T. STRADLEY'S
REQUEST FOR A DE NOVO HEARING
BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION

Comes now ELSIE REEVES, S-W CATTLE COMPANY AND W. T. STRADLEY, parties of record before the New Mexico Oil Conservation Division in Case 10507 and adversely affected by Division Order R-9769 entered November 16, 1992, by its attorneys Kellahin & Kellahin and pursuant to Section 70-2-13 NMSA-1978, hereby requests that the New Mexico Oil Conservation Commission hold a HEARING DENOVO in this matter.

NMOCD Case No. 10507
Request for Hearing DeNovo
Elsie Reeves and S-W Cattle Company
Page 2

Respectfully Submitted:



W. Thomas Kellahin
Kellahin & Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87501
(505) 982-4285
ATTORNEYS FOR ELSIE REEVES,
W. T. (TRENT) STRADLEY AND
S-W CATTLE COMPANY

Gene Samberson, Esq.
P. O. Drawer 1599
Lovington, New Mexico 88260
(505) 396-5303
ATTORNEYS FOR W. T. (TRENT)
STRADLEY AND S-W CATTLE COMPANY

CERTIFICATE OF MAILING

I, W. Thomas Kellahin, hereby certify that on this _____ day of December, 1992 I provided a copy of the foregoing pleading by US mail, postage pre-paid or hand delivery to all counsel and parties of record in this matter.



W. Thomas Kellahin

OIL CONSERVATION DIVISION

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KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

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TELEPHONE (505) 982-4285

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W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

December 8, 1992

Mr. William J. LeMay
Chairman
Oil Conservation Commission
310 Old Santa Fe Trail, Room 219
Santa Fe, New Mexico 87501

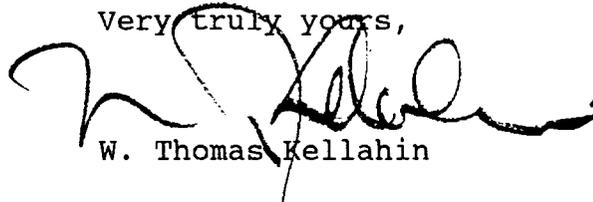
ms.
HAND DELIVERED

Re: REQUEST FOR HEARING DENOVO
NMOCD CASE 10507
Order No. R-9769
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Inc. for a Commercial Surface
Waste Disposal Facility, Lea
County, New Mexico

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APPLICATION OF C & C LANDFARM,
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