

NM1 - _____41_____

Modification Request

July 2015

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

David R. Catanach, Division Director
Oil Conservation Division



July 29, 2015

Mr. Daniel C. Berry
Lazy Ace Landfarm, LLC
P.O. Box 130
Eunice, NM 88231-0130

RE: C-137 Minor Modification Review
Lazy Ace Landfarm, LLC
Permit NM1-041
Location: SW/2 SW/4 Section 22, Township 20 South, Range 34 East, NMPM
Lea County, New Mexico

Dear Mr. Berry:

The Oil Conservation Division (OCD) has received and completed the review of Lazy Ace Landfarm, LLC's (Lazy Ace) request, dated July 21, 2015 and received by OCD on July 27, 2015, to "cease sampling all together of backgrounds for new treatment cells" as required by transitional provisions of Subsection B of 19.15.36.20 NMAC and the specific requirements applicable to landfarms of Subsection B of 19.15.36.15 NMAC, to cease sampling the "vadose zone of all treatment cells" as required by Permit NM1-041, the transitional provisions of Subsection A of 19.15.36.20 NMAC and the specific requirements applicable to landfarms of Subsection E of 19.15.36.15 NMAC, and proposes to sample the treatment zone "annually for chlorides and total petroleum hydrocarbons (TPH)" contrary to the transitional provisions of Subsection A of 19.15.36.20 NMAC and the specific requirements applicable to landfarms of Subsection D of 19.15.36.15 NMAC.

The above mentioned request and been submitted as a "minor modification for the Lazy Ace Land Farm permit requirements." Pursuant to Paragraph (10) of 19.15.36.7.B NMAC, "'Minor modification' means a modification of a surface waste management facility that is not a major modification." In accordance with Paragraph (9) of 19.15.36.7.B NMAC, "'Major modification' means a modification of a surface waste management facility that involves an increase in the land area that the permitted surface waste management facility occupies; a change in the design capacity or nature of the permitted oil field waste stream; addition of a new treatment process; an exception to, waiver of or change to a numerical standard provided in 19.15.36 NMAC; or other modification that the division determines is sufficiently substantial that public notice and public participation in the application process are appropriate." The request to not establish background for the vadose zone monitoring and/or to pursue closure of the treatment zone is a request to eliminate (change) a "numerical standard provided in 19.15.36

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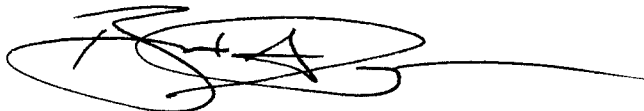
NMAC.” The request is a major modification pursuant to Paragraph (9) of 19.15.36.7.B NMAC and a waiver request pursuant to 19.15.36.19 NMAC. The request to cease “vadose sampling of all treatment cells” is a waiver request pursuant to 19.15.36.19 NMAC and a modification request to specific conditions of Permit NM1-041. The request to reduce the treatment zone monitoring frequency from semi-annual to annual is an exception request pursuant to 19.15.36.19 NMAC.

Pursuant to Subsection A of 19.15.36.19 NMAC, “In a surface waste management facility permit application, the applicant may propose alternatives to requirements of 19.15.36 NMAC, and the division may approve such alternatives if it determines that the proposed alternatives will provide equivalent protection of fresh water, public health, safety and the environment.” OCD was unable to locate any demonstrations or statements that support that the proposed alternatives will provide equivalent protection of fresh water, public health, safety and the environment than compliance with requirements of 19.15.36 NMAC and existing permit conditions.

In accordance with the transitional provision of Subsection B of 19.15.36.20 NMAC, “Major modification of an existing surface waste management facility and a new landfarm cells constructed at an existing surface waste management facility shall comply with the requirements provided in 19.15.36 NMAC.” Pursuant to Subsection C of 19.15.36.8 NMAC, “An applicant or operator shall file an application, form C-137, for a permit for a new surface waste management facility, to modify an existing surface waste management facility or for permit renewal with the environmental bureau in the division’s Santa Fe office.

Pursuant to 19.15.36.8.E NMAC, OCD has determined the permit minor modification request to be administratively incomplete. If Lazy Ace wishes to pursue the modification request, please resubmit and ensure all the required information of Subsection C of 19.15.36.8 NMAC is provided and demonstrations of equivalency for requested waivers and exceptions are included*. If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3487 or brad.a.jones@state.nm.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brad A. Jones', with a long horizontal line extending to the right.

Brad A. Jones
Environmental Engineer

BAJ/baj

cc: OCD District I Office, Hobbs

13-055-7700D
JUL 21 17 P 3:02

Lazy Ace Land Farm

P. O. Box 130
Eunice, New Mexico 88231-0130
Owner ~ Danny Berry

July 21, 2015

Mr. Brad Jones
New Mexico Energy, Minerals, & Natural Resources
Oil Conservation Division, Environmental Bureau
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

RE: **Lazy Ace Land Farm NM1-041**
C137 Minor Modification

Mr. Jones,

Following the review of your letter dated June 22, 2015 a minor modification for the Lazy Ace Land Farm permit requirements is being filed.

The extensive sampling required is unnecessary due to the location of the land farm. Considerately, the request is to cease sampling all together of backgrounds for new treatment cells and vadose zone sampling of all treatment cells. Sampling of treatment zones will be done annually for Chlorides and TPH.

If you should have any questions please contact Danny Berry at (575) 393-6964.

Sincerely,

Danny Berry
Owner

Attachment: C-137

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For State Use Only:

Form C-137
Revised August 1, 2011

Submit 1 Copy to Santa Fe Office

APPLICATION FOR SURFACE WASTE MANAGEMENT FACILITY

A meeting should be scheduled with the Division's Santa Fe office Environmental Bureau prior to pursuing an application for a surface waste management facility in order to determine if the proposed location is capable of satisfying the siting requirements of Subsections A and B of 19.15.36.13 NMAC for consideration of an application submittal.

1. Application: ☐ New ☒ Modification ☐ Renewal
2. Type: ☐ Evaporation ☐ Injection ☐ Treating Plant ☐ Landfill ☒ Landfarm ☐ Other
3. Facility Status: ☒ Commercial ☐ Centralized
4. Operator: Lazy Ace Landfarm

Address: P. O. Box 130 ~ Eunice, New Mexico 88231-0130

Contact Person: Daniel C. Berry Phone: (575) 939-6964

5. Location: SW /4 SW /4 Section 22 Township 20 South Range 34 East

6. Is this an existing facility? ☒ Yes ☐ No If yes, provide permit number NM1-041

7. Attach the names and addresses of the applicant and principal officers and owners of 25 percent or more of the applicant. Specify the office held by each officer and identify the individual(s) primary responsible for overseeing management of the facility.

8. Attach a plat and topographic map showing the surface waste management facility's location in relation to governmental surveys (quarter-quarter section, township and range); highways or roads giving access to the surface waste management facility site; watercourses; fresh water sources, including wells and springs; and inhabited buildings within one mile of the site's perimeter.

9. Attach the names and addresses of the surface owners of the real property on which the surface waste management facility is sited and surface owners of the real property within one mile of the site's perimeter.

10. Attach a description of the surface waste management facility with a diagram indicating the location of fences and cattle guards, and detailed construction/installation diagrams of pits, liners, dikes, piping, sprayers, tanks, roads, fences, gates, berms, pipelines crossing the surface waste management facility, buildings and chemical storage areas.

11. Attach engineering designs, certified by a registered professional engineer, including technical data on the design elements of each applicable treatment, remediation and disposal method and detailed designs of surface impoundments.

12. Attach a plan for management of approved oil field wastes that complies with the applicable requirements contained in 19.15.36.13, 19.15.36.14, 19.15.36.15 and 19.15.36.17 NMAC.

13. Attach an inspection and maintenance plan that complies with the requirements contained in Subsection L of 19.15.36.13 NMAC.

14. Attach a hydrogen sulfide prevention and contingency plan that complies with those provisions of 19.15.3.118 NMAC that apply to surface waste management facilities.

15. Attach a closure and post closure plan, including a responsible third party contractor's cost estimate, sufficient to close the surface waste management facility in a manner that will protect fresh water, public health, safety and the environment (the closure and post closure plan shall comply with the requirements contained in Subsection D of 19.15.36.18 NMAC).

16. Attach a contingency plan that complies with the requirements of Subsection N of 19.15.36.13 NMAC and with NMSA 1978, Sections 12-12-1 through 12-12-30, as amended (the Emergency Management Act).

17. Attach a plan to control run-on water onto the site and run-off water from the site that complies with the requirements of Subsection M of 19.15.36.13 NMAC.

18. In the case of an application to permit a new or expanded landfill, attach a leachate management plan that describes the anticipated amount of leachate that will be generated and the leachate's handling, storage, treatment and disposal, including final post closure options.

19. In the case of an application to permit a new or expanded landfill, attach a gas safety management plan that complies with the requirements of Subsection O of 19.15.36.13 NMAC

20. Attach a best management practice plan to ensure protection of fresh water, public health, safety and the environment.

21. Attach a demonstration of compliance with the siting requirements of Subsections A and B of 19.15.36.13 NMAC.

22. Attach geological/hydrological data including:

- (a) a map showing names and location of streams, springs or other watercourses, and water wells within one mile of the site;
- (b) laboratory analyses, performed by an independent commercial laboratory, for major cations and anions; benzene, toluene, ethyl benzene and xylenes (BTEX); RCRA metals; and total dissolved solids (TDS) of ground water samples of the shallowest fresh water aquifer beneath the proposed site;
- (c) depth to, formation name, type and thickness of the shallowest fresh water aquifer;
- (d) soil types beneath the proposed surface waste management facility, including a lithologic description of soil and rock members from ground surface down to the top of the shallowest fresh water aquifer;
- (e) geologic cross-sections;
- (f) potentiometric maps for the shallowest fresh water aquifer; and
- (g) porosity, permeability, conductivity, compaction ratios and swelling characteristics for the sediments on which the contaminated soils will be placed.

23. In the case of an existing surface waste management facility applying for a minor modification, describe the proposed change and identify information that has changed from the last C-137 filing. ***(Please See Attached Letter)***

24. The division may require additional information to demonstrate that the surface waste management facility's operation will not adversely impact fresh water, public health, safety or the environment and that the surface waste management facility will comply with division rules and orders

25. CERTIFICATION

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

Name: Daniel C. Berry

Title: Owner

Signature: Daniel C. Berry

Date: July 21, 2015

E-mail Address: NONE