

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



JUNE 29, 2017

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

Re: HollyFrontier Navajo Refining Company, LLC, Artesia Refinery (GW-028) Discharge Permit Modification, Eddy County, New Mexico

Dear Mr. Denton:

The New Mexico Oil Conservation Division (OCD) is responding based on our meeting in Santa Fe on Tuesday, June 20, 2017, to discuss provisions of the recently issued discharge permit (permit) dated May 25, 2017. The Permittee suggested changes to the permit to better clarify its obligations.

Effective immediately, OCD hereby issues the following permit modifications to read as follows:

Page 5 of 8

2. E. 5. A summary of all wastewater volumes disposed of, sold, or treated on-site.

Page 7 of 8

4. 4th bullet of the section

- The Permittee shall obtain necessary permits and land-owner approvals for the start of well construction and initiate right-of-way work for the pipeline no later than October 31, 2017.

Page 8 of 8

6. 2nd paragraph

...60 days of the cessation of discharge of reverse osmosis reject fluids to the ground surface at the facility.

Please contact me at (505)-476-3490 or E-mail CarlJ.Chavez@state.nm.us if you have any questions. Thank you.

Respectfully,

Carl J. Chavez

CC: File

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



MAY 25, 2017

**CERTIFIED MAIL
RETURN RECEIPT NO: 7913 8145**

Mr. Scott Denton
Environmental Manager
HollyFrontier Navajo Refining LLC
501 East Main
Artesia, NM 88210

RE: RENEWAL OF FINAL DISCHARGE PERMIT FOR DISCHARGE OF REVERSE OSMOSIS REJECT FLUID AT THE NAVAJO ARTESIA REFINERY (GW-028) SE/4 OF SECTION 1, E/2 OF SECTION 8, W/2 OF SECTION 9, N/2 OF SECTION 12, TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM, EDDY COUNTY, NEW MEXICO

Dear Mr. Denton:

The discharge permit renewal (GW-028) regarding the HollyFrontier Navajo Refining, LLC. (Navajo) Artesia Refinery located in the SE/4 of Section 1, E/2 of Section 8, W/2 of Section 9, N/2 of Section 12, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, is hereby approved under the terms and conditions specified in the attached Discharge Permit.

Navajo's discharge permit was originally issued on October 21, 1991 and has been on several occasions since renewed. Navajo's discharge permit renewal application was submitted pursuant to 20.6.2.3106 NMAC. OCD approves this discharge permit renewal pursuant to 20.6.2.3109A NMAC. 20.6.2.3109G NMAC provides for possible future amendment of the permit. Be advised that approval of this discharge permit does not relieve Navajo of liability of operations result in pollution of surface water, ground water, or the environment.

20.6.2.3104 NMAC specifies "*When a permit has been issued, discharges must be consistent with the terms and conditions of the permit.*" Pursuant to 20.6.2.3107C NMAC, Navajo is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the water quality or volume of the discharge.

This discharge permit will expire on April 21, 2022, and Navajo should submit a discharge permit renewal application in ample time before this date. Under 20.6.2.3106F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved discharge permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved.

The discharge permit renewal application is subject to 20.6.2.3114 NMAC. Every facility submitting a discharge permit renewal application is assessed a non-refundable filing fee of \$100.00. OCD has already received this filing fee. The permit fee for discharging at a refinery is \$8,400.00. The Permittee shall

May 24, 2017

Page 2

submit this amount by check payable to the "New Mexico Water Quality Management Fund." This renewal does not take effect until the fees are paid in full.

Please make all checks payable to:

WATER QUALITY MANAGEMENT FUND
C/O: OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DRIVE
SANTA FE, NEW MEXICO 87505

If you have any questions regarding this matter, please contact Jim Griswold at 505-476-3465. On behalf of the staff of OCD, I wish to thank you and your staff for your cooperation during this discharge permit renewal process.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Catanach", with a stylized flourish at the end.

David R. Catanach
Director

DRC/jg

Enclosure: Discharge Permit

RENEWAL OF DISCHARGE PERMIT GW-28

1. GENERAL PROVISIONS

1. A. Permittee and Permitted Facility: The Director of the Oil Conservation Division (OCD) within the Energy, Minerals and Natural Resources Department issues Discharge Permit GW-28 (Permit) to HollyFrontier Navajo Refining LLC (Permittee) with an address of 501 East Main in Artesia, New Mexico 88210, regarding the Artesia Refinery (Facility) located northeast of the intersection of Highway 285 and Highway 82, in Artesia, New Mexico (SE/4 of Section 1, E/2 of Section 8, W/2 of Section 9, and the N/2 of Section 12; all within Township 17 South, Range 26 East, NMPM, Eddy County).

The Permittee refines up to 115,000 barrels per day of crude oil and other feedstocks at the Facility into asphalt, fuel oil, gasoline, diesel, jet fuel, and liquefied petroleum gas. Reverse osmosis reject fluids are generated at the Facility from the pre-treatment of fresh groundwater. These reject fluids have been historically discharged onto the ground surface within the Facility boundary under conditions of a Discharge Permit originally issued by the OCD in 1991. The Permittee is also abating groundwater and vadose zone contamination at the Facility. Groundwater that may be affected by a spill, leak, or accidental discharge occurs at a depth of approximately 15 feet below ground surface with a total dissolved solids concentration of approximately 2,500 milligrams per liter (mg/l).

The issuance of this Discharge Permit does not relieve the Permittee from the responsibility of complying with the provisions of the Water Quality Act, any applicable regulations or water quality standards of the WQCC, or any applicable federal laws, regulations or standards.

1. B. Scope of Permit: OCD has been granted authority to administer the Water Quality Act (Chapter 74, Article 6 NMSA 1978) as it applies to refineries by statute and by delegation from the Water Quality Control Commission pursuant to Section 74-6-4(E) NMSA 1978.

The Water Quality Act and the rules issued under the Act protect groundwater and surface water of the State of New Mexico by providing that unless otherwise allowed by rule, no person shall cause or allow effluent or leachate to discharge so that it may move directly or indirectly into groundwater unless such a discharge is pursuant to an approved discharge permit (20.6.2.3104 and 3106 NMAC).

This renewed Permit authorizes the Permittee to continue discharging a maximum of 15,000 barrels per day of reverse osmosis reject fluids to the ground surface at the Facility until such time as injection capacity into a permitted Class I disposal well becomes available, but no later than October 31, 2018. This Permit renewal includes requirements for facility-wide groundwater monitoring and for the abatement of vadose zone and groundwater contamination resulting from the discharge of reverse osmosis reject fluids along with any other releases of potential groundwater contaminants.

This Permit does not authorize on-site disposal of any materials, product, by-product, or oil field waste. This Permit does not convey any property rights of any sort nor any exclusive privilege,

and does not authorize any injury to persons or property, any invasion of other private rights, or any infringement of state, federal, or local laws, rules or regulations.

The Permittee shall operate in accordance with the Permit conditions to comply with the Water Quality Act and the rules issued pursuant to the Act, so neither a hazard to public health nor undue risk to property will result (20.6.2.3109 C NMAC); so no discharge will cause or may cause any stream standard to be violated (20.6.2.3109 H (2) NMAC); so no discharge of any water contaminant will result in a hazard to public health (20.6.2.3109 H (3) NMAC); and so the numerical standards specified of 20.6.2.3103 NMAC are not exceeded.

1. C. Discharge Permit Renewal: This is a Permit renewal which replaces the permit being renewed. Replacement of a prior permit does not relieve the Permittee of its responsibility to comply with the terms of the prior permit while that permit was in effect.

1. D. Definitions: Terms not specifically defined in this Permit shall have the same meanings as those in the Water Quality Act or the rules adopted pursuant to the Act, as the context requires.

1. E. Fees: Every facility that submits a discharge permit application for initial approval or renewal must pay the permit fees specified in Table 1 and the filing fee specified in Table 2 of 20.6.2.3114 NMAC. OCD has received the required \$100.00 filing fee. The permit fee of \$8,400.00 is now due for this renewal to take effect. There is also a fee under 20.6.2.3114 NMAC associated with approval of financial assurance (Table 2) of the greater of \$250.00 or 0.01% of the financial assurance amount. Checks must be payable to the "Water Quality Management Fund" and not the OCD.

1. F. Effective Date, Expiration, Renewal Conditions, and Penalties for Operating Without a Permit: This Permit is effective immediately from the date the Permittee receives this discharge permit and all fees are paid, or until the permit is terminated. This Permit renewal **will expire on April 21, 2022**, which is beyond the cessation of the surface discharge described in Section 1. B as abatement of vadose zone and groundwater contamination resulting from the discharge may continue under provisions of this Permit. The Permittee shall submit an application for subsequent renewal no later than 120 days before the expiration date (20.6.2.3106 F NMAC). If a Permittee submits a renewal application at least 120 calendar days before the Permit expires and complies with the approved Permit, then the existing Permit will not expire until OCD has approved or disapproved the renewal application. A discharge permit continued under this provision remains fully effective and enforceable. Operating with an expired Permit may subject the Permittee to civil and/or criminal penalties (74-6-10.1 and 10.2 NMSA 1978).

1. G. Modifications: The Permittee shall notify the OCD of any facility expansion, production increase, or process modification that would result in any significant modification in the discharge of water contaminants (20.6.2.3107 C NMAC). OCD may require the Permittee to submit a permit modification pursuant to 20.6.2.3109E NMAC and may modify or terminate a permit pursuant to Section 74-6-5(M) through (N) NMSA 1978.

1. H. Transfer of Permit: Prior to any transfer of ownership, control, or possession of the Facility (whether by lease, conveyance or otherwise), the transferor shall notify the transferee in writing of the existence of this Permit, and shall deliver to OCD a copy of such notification, together with a certification or other proof that such notification has been received by the transferee pursuant to 20.6.2.3111 NMAC. Upon receipt of such notification, the transferee shall inquire into all the provisions and requirements contained in the Permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the OCD's file or files concerning the Permit. Upon assuming either ownership or possession of the Facility the transferee shall have the same rights and responsibilities under the Permit as were applicable to the transferor (20.6.2.3111 NMAC).

Transfer of the ownership, control, or possession of the Facility does not relieve the transferor of responsibility or liability for any act or omission which occurred while the transferor owned, controlled, or was in possession of the Facility (20.6.2.3111E NMAC).

1. I. Closure Plan and Financial Assurance: A closure plan is hereby required within 60 days under 20.6.2.3107 A. (11) NMAC along with financial assurance to implement such a plan. The plan shall provide, at a minimum, for the removal or plugging of all lines leading to the discharge locations so that a discharge could no longer occur. As abatement of vadose zone and groundwater contamination resulting from the discharge progresses, modification of the closure plan and financial assurance will be required to incorporate the abatement effort including possibly post-closure monitoring.

1. J. Compliance and Enforcement: If the Permittee violates or is violating a condition of this Permit, OCD may issue a compliance order requiring compliance immediately or within a specified period, suspending or terminating this Permit, and/or assessing a civil penalty (74-6-10 NMSA 1978). OCD may also commence a civil action in district court for appropriate relief, including injunctive relief (74-6-10 (A) (2) and 11 NMSA 1978). The Permittee may be subject to criminal penalties for discharging a water contaminant without a discharge permit or in violation of a condition of a permit; making any false material statement, representation, certification or omission of material fact in an application, record, report, plan or other document filed, submitted or required to be maintained under the Water Quality Act; falsifying, tampering with or rendering inaccurate any monitoring device, method or record required to be maintained under the Water Quality Act; or failing to monitor, sample or report as required by a permit issued pursuant to a state or federal law or regulation (74-6-10.2 NMSA 1978).

2. GENERAL FACILITY OPERATIONS

2. A. Contingency Plan: The Permittee shall implement its contingency plan to cope with failure of the Permit or system.

2. B. Record Keeping: The Permittee shall maintain records of all inspections required by this Permit at its Facility office for a minimum of five years and shall make those records available for inspection by OCD.

2. C. Release Reporting: The Permittee shall comply with the following permit conditions, pursuant to 20.6.2.1203 NMAC, and may report a release using an OCD form C-141, if it determines that a release of oil or other water contaminant, in such quantity as may with reasonable probability injure or be detrimental to human health, animal or plant life, or property, or unreasonably interfere with the public welfare or the use of property, has occurred. The Permittee shall report unauthorized releases of water contaminants in accordance with any additional commitments made in its approved Contingency Plan. If the Permittee determines that any constituent exceeds the standards specified at 20.6.2.3103 NMAC, then it shall report a release to OCD.

1. Oral Notification: As soon as possible after learning of such a release, but in no event, more than twenty-four (24) hours thereafter, the Permittee shall notify OCD of a release. The Permittee shall provide the following:

- the name, address, and telephone number of the person or persons in charge of the facility, as well as of the Permittee;
- the name and location of the facility;
- the date, time, location, and duration of the release;
- the source and cause of release;
- a description of the release, including its chemical composition;
- the estimated volume of the release; and,
- any corrective or abatement actions taken to mitigate immediate environmental damage from the release.

2. Written Notification: Within one week after the Permittee has discovered a release, the Permittee shall send initial written notification (may use an OCD form C-141 with attachments) to OCD verifying the prior oral notification as to each of the foregoing items and providing any appropriate additions or corrections to the information contained in the prior oral notification.

3. Corrective Action: The Permittee shall undertake such corrective actions as are necessary and appropriate to contain and remove or mitigate the damage caused by the release along with the filing of subsequent corrective action reports with the OCD.

2 D. Other Requirements:

1. Inspection and Entry: Pursuant to 20.6.2.4107A NMAC, the Permittee shall allow any authorized representative of the OCD Director, upon the presentation of proper credentials, to:

- enter the facility at reasonable times;
- inspect and copy records required by this Permit;
- inspect any treatment works, monitoring, and analytical equipment;
- sample any wastes, discharge, groundwater, surface water, stream sediment, plants, animals, or vadose-zone material including vadose-zone vapor;

- use the Permittee's monitoring systems and wells to collect samples; and,
- gain access to off-site property not owned or controlled by the Permittee but accessible to the Permittee through an access agreement if allowed by the agreement.

2. Advance Notice: Pursuant to 20.6.2.4107B NMAC, the Permittee shall provide OCD with at least four working days advance notice of any environmental sampling to be performed pursuant to this Permit, or of any monitoring well plugging or abandonment.

3. Plugging and Abandonment: Pursuant to 20.6.2.4107C NMAC, the Permittee shall propose to plug and abandon a monitoring well to the OCD for approval. The proposed action shall be designed to prevent water pollution that could result from water contaminants migrating through the well or borehole. The proposed action shall not take place without written approval from both OCD and the Office of the State Engineer.

2. E. Reporting: In prior years, the Permittee had been required to submit two reports; an annual permit report along with an annual facility-wide groundwater monitoring report. For the sake of efficiency, the Permittee shall hereafter only submit a single report to the OCD on or before June 15th of each year pursuant to both 20.6.2.3107 NMAC and the existing facility-wide groundwater monitoring plan. The single annual report shall include the following:

1. A summary of all major refinery activities or events;
2. A summary of the discharge activities, including the quality and volume of the discharge;
3. A summary of all leaks, spills, and releases and corrective actions taken;
4. A summary of the discovery of any new vadose zone or groundwater contamination;
5. A summary of all waste and wastewater disposed of, sold, or treated on-site, including a refinery wastewater balance sheet and mass balance of the waste effluents;
6. Documentation regarding the closure of any UIC Class V wells, if any, used for the disposal of industrial wastes or a mixture of industrial wastes and domestic wastes other than contaminated groundwater (see Section 3 below);
7. A description of ground water monitoring and remediation activities conducted throughout the year, including sample collection procedures, decontamination procedures, sample handling procedures, and management of associated wastes;
8. Summary tables of groundwater data including water quality, purging parameters, groundwater elevation, and thickness of any non-aqueous phase liquid;
9. Copies of laboratory analytical data sheets with quality assurance/quality control information;

10. Contour maps for each aquifer depicting the potentiometric gradient for each monitoring event;
11. Isoconcentration maps of major constituents of concern for each monitoring event (minimally benzene, toluene, ethylbenzene, total xylenes, naphthalenes, phenol, chloride, fluoride, sulfate, nitrate and total dissolved solids);
12. Non-aqueous phase liquid thickness isopleth maps for each monitoring event;
13. Plots of static water elevation versus time in key wells, specifically those that contain non-aqueous phase liquid;
14. Tabulation of the volumes of non-aqueous phase liquid removed from recovery wells or monitoring wells throughout the year;
15. Conclusions and recommendations.

3. CLASS V WELLS

Pursuant to 20.6.2.5002 B NMAC, leach fields and other wastewater disposal systems at OCD regulated facilities injecting non-hazardous fluid into or above an underground source of drinking water are Underground Injection Control (UIC) Class V injection wells. This Permit does not authorize the Permittee to use a UIC Class V injection well for the disposal of industrial waste at the Facility. Pursuant to 20.6.2.5005 NMAC, the Permittee shall close any UIC Class V industrial waste injection wells at its Facility that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes (*e.g.*, septic systems, leach fields, dry wells, *etc.*) other than contaminated groundwater within 90 calendar days of the issuance of this Permit. The Permittee shall document the closure of any UIC Class V wells used for the disposal of non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes other than contaminated groundwater in its annual report (see Section 2. E. 6 above).

The Permittee must obtain a permit from the New Mexico Environment Department for other Class V wells, including wells used only for the injection of domestic wastes.

4. DISCHARGE OF REVERSE OSMOSIS REJECT FLUIDS

The Permittee began discharging reverse osmosis reject fluids to the surface in accordance with a permit modification approved on April 17, 1993. The discharge contained constituents present at concentrations that exceeded the standards of 20.6.2.3103 NMAC including but not limited to chloride, fluoride, nitrate, nitrite, sulfate, and total dissolved solids. This discharge has continued at two locations within the Facility:

- The “North Field” comprised of 25.8 acres with a discharge end-of-pipe at approximate latitude 32.85389 degrees, longitude -104.39345 degrees (NAD 83).

- The “South Field” comprised of 29.2 acres with a discharge end-of-pipe at approximate latitude 32.85038, longitude -104.39092 degrees.

The Permittee is allowed to continue discharging onto the land surface at those locations, but shall terminate upon operational completion of a Class I disposal well. The deadlines for disposal well and associated pipeline construction shall be as follows:

- The Permittee shall apply for permit to drill well, make application for a Class I permit, and begin pipeline due diligence no later than April 30, 2017.
- The Permittee shall begin construction of pipeline no later than October 31, 2017.
- The Permittee shall begin well installation no later than April 30, 2018.
- The Permittee shall complete the well and pipeline no later than October 31, 2018.

The well shall be designed, constructed and operated to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The Permittee shall operate that well in accordance with the terms and conditions specified by its separate UIC permit.

4.A. Discharge Rate and Location: The Permittee is authorized to discharge no more than 15,000 barrels per day of reverse osmosis reject fluids to the surface within the Facility at the two locations cited above. Discharge at any other locations is expressly prohibited.

4.B. Sampling and Analysis: The Permittee shall characterize the discharge fluids as follows:

1. The Permittee shall sample and analyze the reverse osmosis reject fluids for all constituents listed in 20.6.2.3103A, B, and C NMAC at least semi-annually by collecting grab samples at the points of discharge.
2. The Permittee shall sample and analyze using the methods specified in the Permittee’s facility-wide groundwater monitoring plan.
3. The Permittee shall retain all sampling and analytical quality assurance/quality control documentation for at least four years.
4. The Permittee shall monitor and record the discharge flow(s) daily.
5. The Permittee shall ensure the sampling and flow measurements are representative of the volume and nature of the discharge.
6. The Permittee shall submit all sample data, analytical results, and flow measurements in the annual report required under Section 2.E.

5. GROUNDWATER MONITORING

The Permittee shall continue to monitor groundwater quality in accordance with its approved facility-wide groundwater monitoring plan. Permittee shall report the results of groundwater monitoring in the annual report required under Section 2.E.

6. ABATEMENT

There are indications that abatement of vadose zone and groundwater contamination is required due to the historic discharge of reverse osmosis reject fluids. Typically, persons responsible for abatement must do so in accordance with 20.6.2.4104 and 4106 NMAC. However, pursuant to 20.6.2.4105 A (6) NMAC, abatement can proceed as part of a discharge plan.

The Permittee shall submit a plan for characterization and abatement of vadose zone and groundwater contamination associated with the discharge of reverse osmosis reject fluids within 60 days of the issuance of this permit. The OCD will review that plan and upon its approval, the Permittee shall proceed with the characterization and abatement effort including regular reporting to the OCD of the results. Failure to submit such a plan, or to fulfill OCD requirements associated with the characterization and/or abatement, will be deemed by the OCD as non-compliance with provisions of this discharge permit possibly resulting in its termination along with other enforcement actions including penalties (Section 1. J).



July 31, 2017

Director, Oil Conservation Division
NM Energy, Minerals & Natural Resources Dept.
1220 S. St. Francis Drive
Santa Fe, NM 87505

Certified Mail/Return Receipt
7014 3490 0000 6269 6809

**Re: Discharge Permit GW-028 – Permit Fee
Discharge Permit Renewal Fee
Hollyfrontier Navajo Refining Company LLC
Artesia Refinery**

Dear Director:

Enclosed please find a check in the amount of \$8,400.00 in payment of the permit fee pursuant to 20.6.2.3114 NMAC for the Permit Modification Application to GW-028 dated May 25, 2017. If you have any questions, please do not hesitate to contact me at (575) 746-5487.

Sincerely,

Scott M. Denton
Environmental Manager

Enclosure

Electronic cc: OCD: Bill Brancard, Allison Marks, Jim Griswold, Carl Chavez
HFC Bob O'Brien, Mike Holder, Denise McWatters

Environmental File: OCD.RO Reject Flow Data.Permit Mod

HollyFrontier Navajo Refining LLC
2828 N. Harwood St., Suite 1300
Dallas TX 75201-1507

WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIV
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4225

Check Date	07/24/2017
Check Amount	\$ 8,400.00
Vendor No	5111809
Payment Document	2000084743
Company Code	1020

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
07/20/2017	072017	RENEWAL FOR FINAL DISCHARGE PERMIT	8,400.00	0.00	8,400.00

Payment document	Check number	Date	Currency	Payment amount
2000084743	1000350061	07/24/2017	USD	*****8,400.00*

↓ PLEASE FOLD ON PERFORATION AND DETACH HERE ↓

VERIFY THE AUTHENTICITY OF THIS MULTI-TONE SECURITY DOCUMENT.

CHECK BACKGROUND AREA CHANGES COLOR GRADUALLY FROM TOP TO BOTTOM.

HollyFrontier Navajo Refining LLC
2828 N. Harwood St., Suite 1300
Dallas TX 75201-1507

64-1278/611 1000350061
07/24/2017

PAY EXACTLY

*****8,400.00*USD

VOID AFTER 180 DAYS

PAY

*** EIGHT THOUSAND FOUR HUNDRED and 00 /100 USD***

TO THE
ORDER OF WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIV
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4225

Bank of America N.A.



AUTHORIZED SIGNATURE

Cash Remittance Report (CRR)

Appendix 8-14 revised 11/27/01

Energy, Minerals & Natural Resources Department CASH REMITTANCE REPORT (CRR)

Location Name ①

Location Code ②

OCD - Environment0740Today's Date: 08 MONTH 02 DAY ③ 20 17 YEARCollection Period: MM / DD / YYYY through MM / DD / YYYY ④

Cost Center ⑤	Revenue Code ⑤	Receipt Amount ⑦	Collected Amount ⑧
0740		8400.00	

Total	=====→	\$ 8400.00 ⑨	\$ ⑩
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Over/Short Amount	\$ ⑪
-------------------	------

CRR Deposit Amount	\$ ⑫
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Print Name: Lorraine DeVargas ⑬ Signature: Lorraine DeVargas ⑬

Print Name: _____ ⑬ Signature: _____ ⑬

Distribution: White and Yellow copy to Accounts Receivable-ASD.
Pink copy retained at CRR submitting location.

Official Use Only

Completed by the Accounts Receivable

Date Received: _____ ①

Notes: _____ ②

Amount Received: _____ ③

State Treasurer Deposit Number: _____ ④

Verified by: _____ ⑥

Deposit Date: _____ ⑤

HollyFrontier Navajo Refining LLC
2828 N. Harwood St., Suite 1300
Dallas TX 75201-1507

WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIV
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4225

Check Date 07/24/2017
Check Amount \$ 8,400.00
Vendor No 5111809
Payment Document 2000084743
Company Code 1020

Invoice Date	Invoice Number	Description	Invoice Amount	Discount Amount	Net Amount
07/20/2017	072017	RENEWAL FOR FINAL DISCHARGE PERMIT	8,400.00	0.00	8,400.00

Payment document	Check number	Date	Currency	Payment amount
2000084743	1000350061	07/24/2017	USD	*****8,400.00*

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HollyFrontier Navajo Refining LLC
2828 N. Harwood St., Suite 1300
Dallas TX 75201-1507

64-1278/611 1000350061
07/24/2017

PAY EXACTLY

*****8,400.00*USD

VOID AFTER 180 DAYS

PAY *** EIGHT THOUSAND FOUR HUNDRED and 00 /100 USD***

TO THE
ORDER OF WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIV
1220 S SAINT FRANCIS DR
SANTA FE NM 87505-4225



AUTHORIZED SIGNATURE

Bank of America N.A.





July 31, 2017

Director, Oil Conservation Division
NM Energy, Minerals & Natural Resources Dept.
1220 S. St. Francis Drive
Santa Fe, NM 87505

Certified Mail-Return Receipt
7014 3490 0000 6269 6809

**Re: Discharge Permit GW-028 – Permit Fee
Discharge Permit Renewal Fee
Hollyfrontier Navajo Refining Company LLC
Artesia Refinery**

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Sincerely,

Scott M. Denton
Environmental Manager

Enclosure

Electronic cc: OCD: Bill Brancard, Allison Marks, Jim Griswold, Carl Chavez
HFC Bob O'Brien, Mike Holder, Denise McWatters

Environmental File: OCD.RO Reject Flow Data.Permit Mod

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

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of Check No. 1000350061 dated 07/24/2017

or cash received on 08-02-2017 in the amount of \$ 8400.00

from Holly Frontier Navajo Refining

for WQF - permit Modification GW-028

Submitted by: Carl Chavez Date: 08/02/2017

Submitted to ASD by: Lorraine DeVargas Date: 08/02/2017

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility: _____ Renewal: _____

Modification ☒ _____ Other _____

Organization Code 521.07 Applicable FY 118

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

NEW MEXICO ENVIRONMENT DEPARTMENT - ALBUQUERQUE FIELD OFFICE DAILY CHECK RECEIPT LOG

DATE RECEIVED	WALK- IN	MAIL	NAME ON CHECK	DATE OF CHECK	CHECK/MONEY ORDER#	PROGRAM ACCOUNT CODE	AMOUNT OF CHECK	DATE DEPOSITED	DEPOSITED BY:
8/2/17		X	Holly Frontier	07/24/17	1000350061		8400. ⁰⁰		
TOTAL							8400. ⁰⁰		

REVENUE TRANSMITTAL SHEET

Description	Fund	Dept.	Share Acct	Sub Acct	Amount
Liquid Waste	34000	Z3200	496402		
Water Recreation Facilities	40000	Z8501	496402		
Food Permit Fees	99100	Z2600	496402		
OTHER	34100	232900		2329029000	

Affidavit of Publication

No. 24275

State of New Mexico

County of Eddy:

Danny Scott

being duly sworn say: that she is the

Publisher

of the Artesia Daily Press, a daily newspaper of General circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutive weeks/day on the same

day as follows:

First Publication

April 23, 2017

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Subscribed and sworn before me this

24th

day of

April

2017



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/6/2019

Latisha Romine

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

Legal Notice

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3106 NMAC), the following discharge permit application has been submitted to the Director of the New Mexico Oil Conservation Division ("OCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3441:

(GW-028) HollyFrontier Navajo Refining Company- Artesia Refinery, Scott Denton, Environmental Manager, P.O. Box 159, Artesia, New Mexico 88211, has submitted a renewal application for a previously approved discharge permit (5-year period) at the Artesia Refinery located in the SE/4 of Section 1, E/2 of Section 8, W/2 of Section 9, N/2 of Section 12, Township 17 South, Range 26 East, NMPM, Eddy County, just northeast of the intersection of Hwy. 285 and Hwy. 82, in Artesia New Mexico. The refinery discharges a maximum of 15,000 bbls/day of Reverse Osmosis (RO) Reject Water effluent into the two farm fields east of US-285 and south of East Richey Avenue until all RO Reject Water in accordance with the OCD work schedule incorporated into the Discharge Permit is disposed down a fourth UIC Class I (non-hazardous) Disposal Well (UICI-8-4) to be constructed by the end of October 2018 east of the refinery into an OCD approved subsurface geologic injection zone. The northern RO reject water discharge point is currently located 1,255 feet south of East Richey Avenue and 1,569 feet east of US-285. The southern RO reject water discharge point is currently located 2,532 feet south of East Richey Avenue and 2,208 feet east of US-285. The final abatement of the two farm fields will occur during the permit period.

All other wastes generated will be temporarily stored in tanks or containers and shipped off site for proper disposal or recycling at an OCD permitted or approved facility. The renewal application consists of methods and procedures for handling crude oil transmission, storage, waste water management, site abatement of groundwater and soil contamination, contingency measures for releases, closure plan, and financial assurance. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 15 feet below the ground surface, with a total dissolved solids (TDS) concentration of approximately 2,500 ppm. The discharge permit addresses how oilfield exempt and non-exempt wastes will be properly handled, stored, and/or disposed of, including spills, leaks, and other accidental discharges to the surface to protect fresh water.

The OCD has determined the applications listed above are administratively complete and has prepared draft permits. The OCD will accept comments and statements of interest regarding this renewal application and will create a facility-specific mailing list for persons who wish to receive future notices. Persons interested in obtaining further information, submitting comments or requesting to be on a facility-specific mailing list may contact the Environmental Bureau Chief of the OCD at the address given above. The permit may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or may also be viewed at the OCD web site <http://www.emnrd.state.nm.us/ocd/>. Persons interested in obtaining a copy of the renewal application and draft permit may contact the OCD at the address given above.

period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that OCD hold a public hearing. Requests for a hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

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

Para obtener más información sobre esta solicitud en español, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservacio'n Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Laura Tulk, 575-748-1283)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 23rd day of April 2017.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

David R. Catanach, Director

Published in the Artesia Daily Press, Artesia, N.M., April 23, 2017 Legal No. 24275.

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO

County of Bernalillo SS

Bernadette Gonzales, the undersigned, on oath states that she is an authorized Representative of The Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made of assessed as court cost; that the notice, copy of which hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

04/23/2017



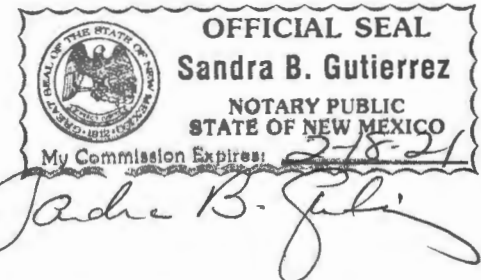
Sworn and subscribed before me, a Notary Public, in and for the County of Bernalillo and State of New Mexico this

23 day of April of 2017

PRICE \$119.66

Statement to come at the end of month.

ACCOUNT NUMBER 1009556



NOTICE OF PUBLICATION

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Conservation Division ("OCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3441:

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with a total dissolved solids (TDS) concentration of approximately 2,500 ppm. The discharge permit addresses how oilfield exempt and non-exempt wastes will be properly handled, stored, and/or disposed of, including spills, leaks, and other accidental discharges to the surface to protect fresh water.

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

Para obtener más información sobre esta solicitud en español, sírvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Depart-

ment (Depto. Del Energía, Minerales y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. Conservación Del Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto: Laura Tulk, 575-748-1283)

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 23rd day of April 2017.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL

David R. Catanach,
Director
Journal: April 23, 2017