

**AP-111**

**GENERAL  
CORRESPONDENCE**

**2020 - Present**



**Michelle Lujan Grisham**  
Governor

**Howie C. Morales**  
Lt. Governor

**NEW MEXICO  
ENVIRONMENT DEPARTMENT**

**Hazardous Waste Bureau**

2905 Rodeo Park Drive East, Building 1  
Santa Fe, New Mexico 87505-6313  
Phone (505) 476-6000 Fax (505) 476-6030  
[www.env.nm.gov](http://www.env.nm.gov)



**James C. Kenney**  
Cabinet Secretary

**Jennifer J. Pruett**  
Deputy Secretary

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

October 22, 2020

John Moore  
Environmental Superintendent  
Western Refining, Southwest Inc., Gallup Refinery  
92 Giant Crossing Road  
Gallup, New Mexico 87301

**RE: APPROVAL  
REQUEST FOR EXTENSION OF TIME  
WESTERN REFINING SOUTHWEST INC., GALLUP REFINERY  
EPA ID # NMD000333211  
HWB-WRG-MISC**

Dear Mr. Moore:

The New Mexico Environment Department (NMED) has received the Marathon Petroleum Company LP dba Western Refining Southwest Inc., Gallup Refinery (the Permittee) *Request for Extension of Time* (Request), dated October 9, 2020 and received October 14, 2020. The Permittee requests to extend the due dates as listed for the following submittals:

Document to be Submitted	Current Due Date	Requested Due Date
Rail Car Loading Area Gasoline Release - RTC	June 29, 2020	November 15, 2020
AM - Spill Report for T35 Oil Water Release - RTC	July 31, 2020	November 15, 2020
Rail Car Loading Area -Gasoline Release - IWP	August 31, 2020	December 31, 2020
2015/2016 Annual Groundwater Report - RTC	April 5, 2019	November 15, 2020
Geotechnical Report - RTC	August 17, 2020	November 15, 2020
AOC 30 Assessment Report	June 30, 2020	November 15, 2020
AOC 26 Assessment Report	September 30, 2020	November 30, 2020

Mr. Moore  
October 22, 2020  
Page 2

RCRA Permit Section I.J.12 states, "[t]he Permittee may seek an extension of time in which to perform a requirement of this Permit, for good cause, by sending a written request for an extension of time and a proposed revised schedule to the NMED."

The Permittee requests the extensions due to the reduction of third-party contractor availability associated with shutdown to complete these tasks. NMED hereby grants the extension request. These documents must be submitted to NMED no later than the requested due dates indicated in the table above.

If you have any questions regarding this correspondence, please contact Michiya Suzuki at (505) 476-6046.

Sincerely,



Dave Cobrain  
Program Manager  
Hazardous Waste Bureau

cc: M. Suzuki, NMED HWB  
C. Chavez, OCD  
L. King, EPA Region 6 (6LCRRC)

File: Reading File and WRG 2020 File  
HWB-WRG-MISC

**From:** [Caitlin Fields](#)  
**To:** [Cobrain, Dave, NMENV](#); [Chavez, Carl J, EMNRD](#)  
**Cc:** [Moore, John](#); [McCartney, Gregory J.](#); [Heidi Jones](#)  
**Subject:** [EXT] Gallup Submittal Extension Requests  
**Date:** Friday, October 9, 2020 11:13:05 AM  
**Attachments:** [image001.png](#)  
[202010\\_NMEDEExtension\\_LTR.pdf](#)

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Good Morning,

Please find an Extension Request for Gallup NMED Submittals attached. Please contact John Moore if you have any questions or comments. A hard copy is also being mailed out today.

Have a good weekend.  
Caitlin

**Caitlin Fields**  
**Associate Engineer**

1252 Commerce Drive  
Laramie, Wyoming 82070  
(307) 745-7474 (phone)  
(307) 745-7729 (fax)  
[www.trihydro.com](http://www.trihydro.com)



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## Western Refining Southwest, Inc.

A subsidiary of Marathon Petroleum Corporation

92 Giant Crossing Road  
Jamestown, NM 87347  
Tel: 505.722.3833

October 9, 2020

Mr. Kevin Pierard, Chief  
New Mexico Environmental Department  
Hazardous Waste Bureau  
2905 Rodeo Park Drive East, Bldg. 1  
Santa Fe, New Mexico 87505

**RE: Request for Extension of Time  
Western Refining Southwest, Inc. - Gallup Refinery  
EPA ID #NMD000333211**

Dear Mr. Pierard:

Following up on the original Request for Extension of Time dated August 14, 2020, Western Refining Southwest, Inc. (Western Refining) is requesting an extension of time pursuant to Section I.J.12 of our RCRA Post-Closure Permit (October 2013, Modified September 2017) EPA ID NM No. NM000333211 (RCRA Permit). For your reference, Western Refining has been having routine discussions to keep New Mexico Environmental Department (NMED) apprised of the status of various investigations and results at the refinery. In the second quarter, we notified NMED about the company's reduction of third-party contractors at the Refinery and the likely impact it would have on being able to meet certain reporting and field activities due dates. Pursuant to our discussions, Western Refining is submitting this additional request for an extension of the reports listed below. Preliminary field activities have commenced during the third quarter 2020 and will continue into 2021.

Because we are dependent on contractor availability to complete these written reports, we are proposing the following revised schedule:

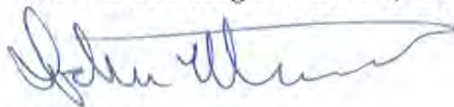
Report	Current Due Date	Proposed Due Date
Rail Car Loading Area Gasoline Release – RTC	June 29, 2020	November 15, 2020
Approval with Mods – Spill Report for T35 Oil Water Release – RTC	July 31, 2020	November 15, 2020

Rail Car Loading Area – Gasoline Release – Investigation Work Plan	August 31, 2020	December 31, 2020
2015/2016 Annual Groundwater Report – RTC	April 5, 2019	November 15, 2020
Geotechnical Report – RTC	August 17, 2020	November 15, 2020
AOC 30 Assessment Report	June 30, 2020	November 15, 2020
AOC 26 Assessment Report	September 30, 2020	November 30, 2020

In addition to the above listed documents, NMED recent communications require submittal of Investigation of Work Plan No. 2 Area of Concern 35 Disapproval Response, SWMU-1 Investigation Report Disapproval Response, Facility Wide Groundwater Monitoring Work Plan – Updates for 2020 Disapproval Response, and Response to Approval with Modifications Facility Wide Groundwater Monitoring Plan – Updates for 2019 Response to Approval that will be submitted by December 31, 2020. Western Refining appreciates NMED’s consideration of our request for an extension of time. If you have any questions or comments, do not hesitate to contact me at 505-722-0205 or via email at [JMoore5@Marathonpetroleum.com](mailto:JMoore5@Marathonpetroleum.com).

Sincerely,

**Western Refining Southwest, Inc.**



John Moore, P.E.  
Environmental Superintendent  
Gallup Refinery

Cc: C. Chavez, OCD  
D. Cobrain, NMED  
H. Jones, Trihydro

**From:** [Griswold, Jim, EMNRD](#)  
**To:** [Chavez, Carl J, EMNRD](#); [Brancard, Bill, EMNRD](#)  
**Subject:** Gallup refinery  
**Date:** Monday, August 3, 2020 9:17:02 AM

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Good Morning,

Director Sandoval received word from Marathon late-Friday that they are shutting down the refinery East of Gallup. We need to figure out a regulatory path forward. She would like at least the framework of a plan by the end of the week. Let's talk.

**Jim Griswold**

Oil Conservation Division  
5200 Oakland NE, Suite 100  
Albuquerque, New Mexico 87113  
505.660.1067

**From:** [Moore, John](#)  
**To:** [Chavez, Carl J. EMNRD](#)  
**Subject:** [EXT] RE: [EXTERNAL] WQCC 20.6.2.3103D NMAC Effective Today: Amended Numerical Standards  
**Date:** Wednesday, July 1, 2020 2:48:46 PM

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Thank you Carl. I'll take a look at it. Stay safe and healthy.

John Moore, P.E.  
Environmental Superintendent  
[JMoore5@Marathonpetroleum.com](mailto:JMoore5@Marathonpetroleum.com)

MPC – Gallup Refinery  
Phone: (505) 722-0205  
Mobile: (505) 879-7643  
[www.Marathonpetroleum.com](http://www.Marathonpetroleum.com)

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**From:** Chavez, Carl J, EMNRD <[CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)>  
**Sent:** Wednesday, July 1, 2020 2:33 PM  
**To:** Moore, John <[JMoore5@Marathonpetroleum.com](mailto:JMoore5@Marathonpetroleum.com)>  
**Subject:** [EXTERNAL] WQCC 20.6.2.3103D NMAC Effective Today: Amended Numerical Standards

:John,

Good afternoon. Hope you and staff are all doing well and safe during this COVID-19 Pandemic Situation in the U.S.

Please refer to the above subject regulations and revise any applicable sections for future refinery reports to the New Mexico Oil Conservation Division.

Please contact me if you have questions. Thank you.

Mr. Carl J. Chavez, CHMM (#13099)  
New Mexico Oil Conservation Division (Albuquerque Office)  
Energy Minerals and Natural Resources Department  
5200 Oakland Avenue, NE  
Albuquerque, New Mexico 87113  
Ph. (505) 660-7923  
E-mail: [CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)

**“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)**

**From:** [Chavez, Carl J. EMNRD](#)  
**To:** [Moore, John](#); [elizabeth.bisbeykuehn@state.nmn.us](mailto:elizabeth.bisbeykuehn@state.nmn.us)  
**Cc:** [Cobrain, Dave. NMENV](#); [Vail, Vanessa A](#)  
**Subject:** RE: Gallup Refinery  
**Date:** Thursday, April 16, 2020 11:27:00 AM

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John, et al.:

Received and transmitted.

Thank you.

Mr. Carl J. Chavez, CHMM (#13099)  
New Mexico Oil Conservation Division (Albuquerque Office)  
Energy Minerals and Natural Resources Department  
5200 Oakland Avenue, NE  
Albuquerque, New Mexico 87113  
Ph. (505) 660-7923  
E-mail: [CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)

**“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)**

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**From:** Moore, John <[JMoore5@Marathonpetroleum.com](mailto:JMoore5@Marathonpetroleum.com)>  
**Sent:** Thursday, April 16, 2020 11:18 AM  
**To:** [elizabeth.bisbeykuehn@state.nmn.us](mailto:elizabeth.bisbeykuehn@state.nmn.us)  
**Cc:** Cobrain, Dave, NMENV <[dave.cobrain@state.nm.us](mailto:dave.cobrain@state.nm.us)>; Chavez, Carl J, EMNRD <[CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)>; Vail, Vanessa A <[VAVail@Marathonpetroleum.com](mailto:VAVail@Marathonpetroleum.com)>  
**Subject:** [EXT] Gallup Refinery  
**Importance:** High

Ms. Bisbey-Kuehn,

Please see the attached correspondence regarding the operating status of the Gallup Refinery. A hard copy will follow in the mail. If you have any questions, please feel free to contact me.

John Moore, P.E.  
Environmental Superintendent  
[JMoore5@Marathonpetroleum.com](mailto:JMoore5@Marathonpetroleum.com)

MPC – Gallup Refinery  
92 Giant Crossing Road  
Gallup, NM 87301  
Phone: (505) 722-0205  
Mobile: (505) 879-7643  
[www.Marathonpetroleum.com](http://www.Marathonpetroleum.com)





John Moore, P.E.  
Environmental Supervisor  
Gallup Refinery

## **Western Refining Southwest, Inc.**

A subsidiary of Marathon Petroleum Corporation

I-40 Exit 39  
Jamestown, NM 87347

April 16, 2020

Ms. Elizabeth Bisbey-Kuehn  
Bureau Chief  
New Mexico Environment Department  
Air Quality Bureau  
525 Camino de los Marquez  
Santa Fe, NM 87505-1816

Via email to Elizabeth.Kuehn@state.nm.us

**RE: Standby Operations at Gallup Refinery (Western Refining Southwest, Inc. -  
Facility IDEA No. 888)**

Dear Ms. Bisbey-Kuehn,

As the New Mexico Environment Department (Department) is aware, the COVID-19 pandemic has created a global crisis causing refiners to take unprecedented measures to reduce fuel supply as a result of gasoline and jet fuel demand declining significantly. Based upon these historically low market conditions, Western Refining Southwest, Inc, a wholly-owned subsidiary of the Marathon Petroleum Corporation (MPC), will transition the Gallup Refinery into cold standby mode.<sup>1</sup> While the timeline to contain the COVID-19 pandemic and restore gasoline and jet fuel demand is largely unknown at this time, MPC anticipates this cold standby mode to be temporary in nature.

To facilitate the expected restart of producing fuels at a future date, MPC is transitioning its Gallup Refinery into cold standby (idle) mode rather than shutting down the facility. While operating the facility in standby mode is costlier on an ongoing basis than a complete shutdown, MPC has chosen to place the facility in standby mode because the continued operation, inspection and maintenance of selected equipment during the standby period should allow resumption of refinery operations and production of fuels at a lower overall cost, although the actual cost will not be known until production is resumed in the future.

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<sup>1</sup> Gallup Refinery is owned by Western Refining Southwest, Inc. which owns the refinery processing equipment and Western Terminals, LLC owns the storage and loadout equipment. Each entity is a subsidiary of Marathon Petroleum Corporation.

MPC is aware of the New Source Review (NSR) Reactivation Policy of the United States Environmental Protection Agency (EPA), as expressed in EPA's memoranda.<sup>2</sup> The policy supports the conclusion that new permits are not required when a facility suspends normal operations for a temporary period during which the facility is maintained, as opposed to a facility that shuts down completely but is later reactivated. It is important to MPC that standby operations at the Gallup Refinery are not construed as a shut-down that would require new permits upon resumed operations, so we have reviewed the Reactivation Policy criteria carefully and now seek your concurrence regarding the significance of the following points.

As part of MPC's plan to maintain the operability and integrity of the facility while production and distribution of fuels are suspended due to market conditions, MPC expects the emission units (EU) authorized by Title V Operating Permit No. P021-R3<sup>3</sup> and NSR Permits 633-M17 and 633-M19 to be operated and maintained. Actual operation of some of the units is expected to be minimal and will continue to be maintained and inspected during operating rounds as they have in the past. Although some units will likely be deactivated and remain inactive while the Refinery is not making petroleum products, the equipment will remain at the site and will be regularly inspected and maintained by refinery personnel. The refinery will be undertaking decommissioning activities, such as placing de-inventoried units under an inert blanket, in ways that will protect the equipment from damage or corrosion and minimize the effort required to bring the equipment back into service. Additionally, the refinery plans to remain staffed with operations and maintenance personnel.

The plan above is subject to change but represents our best estimate of how we will operate the EUs at this time. If conditions change significantly in the future, MPC will notify the Department of the changes.

Consistent with MPC's intent to maintain the plant as an active facility under EPA's NSR Reactivation Policy, MPC requests that the Department continue to process our Title V Operating Permit P021-R3 renewal application in a timely manner. As noted above, EUs authorized by the current Gallup Refinery Title V and NSR permits will continue to operate in some capacity during the period the facility is in standby mode. Going forward, MPC specifically requests authorization to continue to operate all the equipment authorized by the current operating permit.

MPC also requests that the Department maintain all Gallup Refinery EUs in the State of New Mexico's Air Emissions Inventory required under 40 CFR 51, Subpart A. As required by 20.2.73.300(B) New Mexico Administrative Code (NMAC), MPC will assist the Department in meeting the reporting requirements of

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<sup>2</sup> The "Reactivation Policy" has been expressed through a series of EPA memoranda, letters and determinations issued since the late 1970s. See EPA Memorandum from E. Reich (Sept. 6, 1978) re: PSD Requirements; EPA Memorandum from J. Seitz (May 27, 1987) re: Reactivation of Noranda Lakeshore Mines' RLA Plant and PSD Review; EPA Letter from D. Howekamp (Nov. 6, 1987) re: Supplemental PSD Applicability Determination Cyprus Case Grande Corporation Copper Mining and Processing Facilities; USEPA Memorandum from J. Rasnic (Nov. 19, 1991) re: Applicability of PSD to Watertown Power Plant, South Dakota, Shutdown 9 Years; See also EPA Letter from William L. Wehrum (April 5, 2018) re: Applicability of NSR to Limetree Bay Terminals, St. Croix, U.S. Virgin Islands, Shutdown 6 years.

<sup>3</sup> Title V Operating Permit No. P021-R3 expired March 27, 2020. While the Department processes Western Refining Southwest, Inc.'s (Western Refining) operating permit renewal application, Western Refining is currently operating under the permit application shield afforded by 40 CFR 71.7(b) (20.2.70.302.J NMAC & 20.2.70.400(D) NMAC).

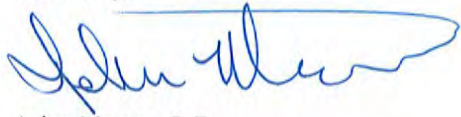
Ms. Elizabeth Bisbey-Kuehn, NMED  
Standby Operations at the Gallup Refinery  
April 15, 2020

40 CFR 51.15 by continuing to submit to the Department annual estimates of actual emissions from operating EUs at the refinery.

Finally, MPC would appreciate written acknowledgment from the Department that based on the information provided in this letter, that MPC has presented a reasonable plan for permitting and operations, consistent with our intent to maintain the Gallup Refinery as an active facility for purposes of EPA NSR Reactivation Policy.

If you have any questions or require additional information, please do not hesitate to contact Brian Valenzuela at 505-726-9743 or BValenzuelaAlcantar@Marathonpetroleum.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Moore", with a long horizontal flourish extending to the right.

John Moore, P.E.  
Environmental Superintendent

CC: Dave Cobrain – NMED HWB  
Carl Chavez - OCD