

NM1 - 35

**PERMITS,
RENEWALS, &
MODS**

Hansen, Edward J., EMNRD

From: Hansen, Edward J., EMNRD
Sent: Thursday, December 17, 2009 4:06 PM
To: 'Saralyn Hall'
Cc: 'tripodxo@yahoo.com'; Jones, Brad A., EMNRD
Subject: Approval of Minor Modification to Permit (NM-1-0035), dated August 20, 2009

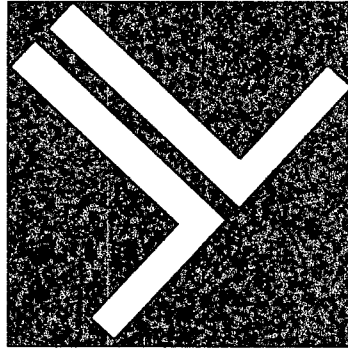
Dear Ms. Hall:

The New Mexico Oil Conservation Division (OCD) has received the request for minor modification to permit (NM-1-0035), dated August 20, 2009, and subsequent addendums. The OCD has conducted a review of the request. The Request, submitted for the minor modification to the surface waste management facility, Lea Land Oil Field Waste Landfill, indicates that the Request would be considered a minor modification under 19.15.36 NMAC (Part 36) and meets the requirements of Part 36. Therefore, the OCD hereby approves the Minor Modification to Permit, NM-1-0035, as specified in the Request, in accordance with 19.15.36 NMAC.

Please be advised that OCD approval of this Request does not relieve the owner/operator of responsibility should operations pose a threat to ground water, surface water, human health or the environment. In addition, OCD approval does not relieve the owner/operator of responsibility for compliance with any OCD, federal, state, or local laws and/or regulations.

If you have any questions regarding this matter, please contact me at 505-476-3489.

Edward J. Hansen
Hydrologist
Environmental Bureau



RECEIVED
AUG 24 2009
Environmental Bureau
Oil Conservation Division

Lea Land LLC

Oil Field Waste Landfill
Carlsbad, New Mexico
Phone 575-887-4048

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division

Minor Permit Modification

Permit NM-1-0035

August 2009

(Corrected – May 8, 2009)



Lea Land LLC

August 20, 2009

RECEIVED
AUG 24 2009
Environmental Bureau
Oil Conservation Division

Mr. Edward J. Hansen
Hydrologist
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: **Revised Minor Permit Modification**
Lea Land, LLC Landfill
Permit NM-1-0035
Section 32, Township 20 South, Range 32 East, Lea County, New Mexico

Dear Mr. Hansen,

Per your letter of April 21, 2009, Lea Land, LLC would like to rescind the Request for Variance as requested in our letter of April 10, 2009.

In addition, Lea Land, LLC wishes to request the following minor permit modifications:

- 1) Requests permission to eliminate the current landfarming permit conditions.
- 2) **Increase the size of each new cell (or stage) to 3.8 acres from 2.75 acres (refer to Figure 1).** The landfill is developed with a 2% sub-grade in two directions, with permanent berms at the low elevation of the sub-grade, resulting in forming an area for the storm water to collect. The relatively low rainfall in this area will allow for evaporation of the collected water. Should the collected water exceed the practical evaporation rate, the excess water will be transferred to the existing HDPE-lined storm-water management area. As cells are constructed, intermediate berms are added to control storm water run-on and run-off. A larger cell area is needed to allow for the intermediate berm and still be able to maintain a working space of approximately 3 acres. **Photographs are attached showing the prepared ground, installation of the geosynthetic liner, installation of the HDPE 60-mil synthetic liner, and installation of the protective cover material and leachate collection system. (Refer to the attached Installation Certification).**

Corporate Office Located at 1300 W. Main Street, Oklahoma City, OK 73106
Phone: 405-236-4257; Fax: 405-236-4261
Landfill Located at Mile Marker 64, US Highway 62/180 East, Carlsbad, NM 88220
Phone: 575-887-4048; Fax: 575-887-7640

- 3) **Request permission for vertical expansion above the existing grade as shown in Figure 2.** The working face in the disposal area will start in the down gradient area, working out and away from the low elevation end of the cell, maintaining a 25% gradient as the disposal cell fills and expands. The previous cell was operated in this manner, extending the lined area at a nominal 3 acres each time more lined area was required to maintain sufficient space for disposal. The cells area will develop in stages to a complete 16 acres inside the surrounding berms. The nominal vertical expansion will finish at 50 feet with a maximum 7% gradient across the top of the finished landfill area.

Lea Land is currently disposing of waste in Stage 5 (Cell # 5) and will dispose of waste in other individual cells to reach final grade. Lea Land's waste acceptance criteria, as described in our permit, are similar to Part 36 requirements.

As required by 19.15.36.14 (A)(7), cells that are not receiving oil field waste for one month or more, but have not achieved the final waste elevation, will contain 12 inches of intermediate cover, which will be stabilized with vegetation using the current, supplier-recommended seed mixture and application rate. The intermediate cover will be inspected monthly and maintained to prevent and manage infiltration or leachate.

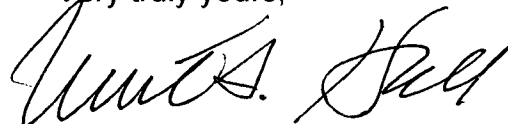
Lea Land will notify the OCD prior to commencement of construction (or liner installation) of Stage # 6 (Cell # 6) and prior to any additional landfill construction beyond the current 16-acre footprint, where updated design and placement plans will be provided.

Within one year of achieving the final waste elevation of the current 16 acres (Stages 1 – 6), landfill cover will be installed in accordance with Part 36 requirements at the time of closure. Lea Land will provide a minimum of three working days notice to the OCD prior to the final cover installation.

An updated Form C-137 is also attached.

If you have any questions, I can be reached at 405-236-4257. Thank you for your prompt response to our previous letter.

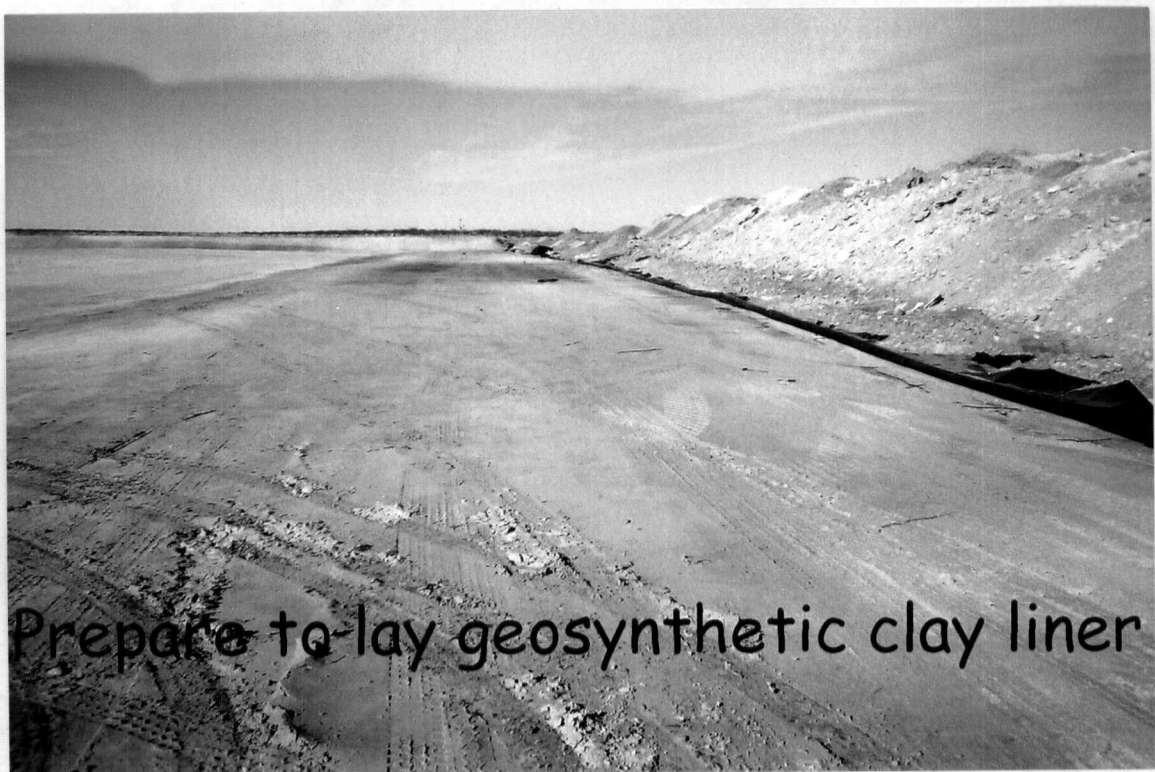
Very truly yours,

A handwritten signature in black ink, appearing to read "Robert G. Hall", written in a cursive style.

Robert G. Hall
Managing Partner









NM1 - 35

**PERMITS,
RENEWALS, &
MODS**

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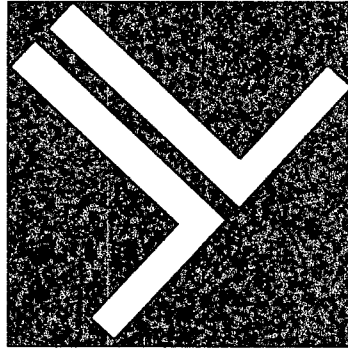
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Edward J. Hansen
Hydrologist
Environmental Bureau



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Lea Land LLC

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(Corrected – May 8, 2009)



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Santa Fe, New Mexico 87505

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Phone: 405-236-4257; Fax: 405-236-4261
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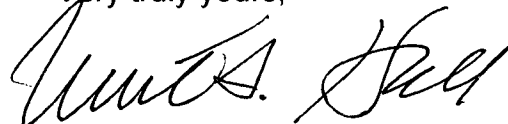
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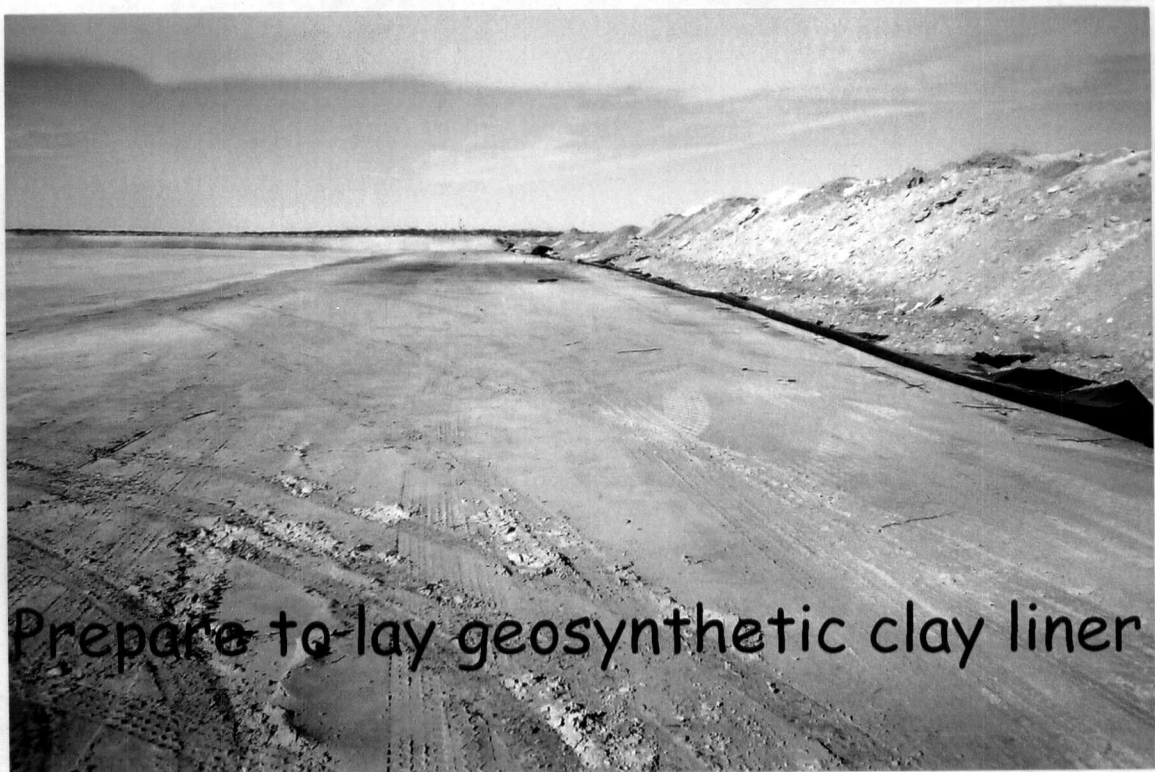
Very truly yours,

A handwritten signature in black ink, appearing to read "Robert G. Hall", written in a cursive style.

Robert G. Hall
Managing Partner









District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 March 1, 2007

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: Lea Land, LLC

Address: 1300 W. Main St., Oklahoma City, Oklahoma 73106

Contact Person: Robert G. Hall Phone: 405-236-4257

5. Location: --- /4 --- /4 Section 32 Township 20 South Range 32 East

6. Is this an existing facility? ☒ Yes ☐ No If yes, provide permit number NM-1 0035

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.

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: Saralyn Hall

Title: Marketing Manager

Signature: 

Date: May 8, 2009

E-mail Address: Shall119@cox.net

**MINOR PERMIT MODIFICATION
LEA LAND, LLC
SUPPLEMENT TO FORM C-137**

Attachment 7

Robert G. Hall is the Managing Partner of Lea Land, LLC.

Attachment 8

Refer to Figure 1.

Attachment 9

Lea Land, LLC and the Bureau of Land Management are the only surface owners of the real property for the landfill facility and within 1 mile of the site's perimeter.

Attachment 10

Refer to Attachment 6 of the original permit and Figures 1 & 2.

Attachment 11

Refer to Figure 2.

Attachment 12

Management of approved oil field wastes is as described in Attachment 9 of Lea Land's original permit application (January 2000) and in the current permit dated April 27, 2001. Waste acceptance procedures and waste manifesting are also described in Attachment 9 of the original permit.

Attachment 13

Refer to Attachment 9 of the original permit.

Attachment 14

Not applicable – no liquids accepted.

Attachment 15

Refer to Attachment 10 of the original permit and the supplemental information of February 6, 2001.

Attachment 16

Refer to Attachment 8 of the original permit.

Attachment 17

Refer to Appendix A (Stormwater Discharge Pollution Prevention Plan) of the original permit and Figure 2.

Attachment 18

Not applicable – no change in leachate management procedures.

Attachment 19

Not applicable – no liquids accepted.

Attachment 20

Refer to Attachment 9 of the original permit.

Attachment 21

Lea Land complies with the siting requirements of 19.15.36.13 NMAC A & B (refer to Figure 1). Lea Land is:

- not located where ground water is less than 100 feet below the top of the oil field waste;
- not located within 200 feet of a watercourse, lakebed, sinkhole or playa lake;
- not located within or within 500 feet of a wetland;
- not located overlying a subsurface mine;
- not located within 500 feet of any commercial or residential property;
- and,
- the permitted area does not exceed 500 acres.

Attachment 22

Refer to Attachment 11 of the original permit.

Attachment 23

Proposed changes to the Lea Land, LLC permit are as described above. Additional cells were constructed as described in Attachment 7 of the original permit (see attached Installation Certification) and in the supplemental information dated February 6, 2001. Updated design and placement plans are found in Figures 1 & 2 of this submittal.

INSTALLATION CERTIFICATION

LEA LAND, LLC LANDFILL

I hereby certify that the construction of the 2nd, 3rd, 4th and 5th stages (or cells) of the active area of the Lea Land, LLC Landfill was performed in compliance with the attached Design and Placement Plan (Figures 1 and 2). I certify that the composite liner and leachate collection systems are as described in Attachment 7 of Lea Land's original permit application (January 2000) and in Lea Land's permit (April 27, 2001).

Signature: *Emily Hall*

Date: *5/8/09*

Title: *Marketing Manager*

Hansen, Edward J., EMNRD

From: Saralyn Hall [shall119@cox.net]
Sent: Thursday, December 17, 2009 9:18 AM
To: Hansen, Edward J., EMNRD
Subject: Lea Land, LLC - Down drain details
Attachments: FIGURE-4.pdf; FIGURE-3.pdf

Hi Ed,

I have attached the details for the riprap channel (Fig. 3) and the down drain tie-in section (Fig. 4). If you have questions, I can be reached at 405-519-1187.

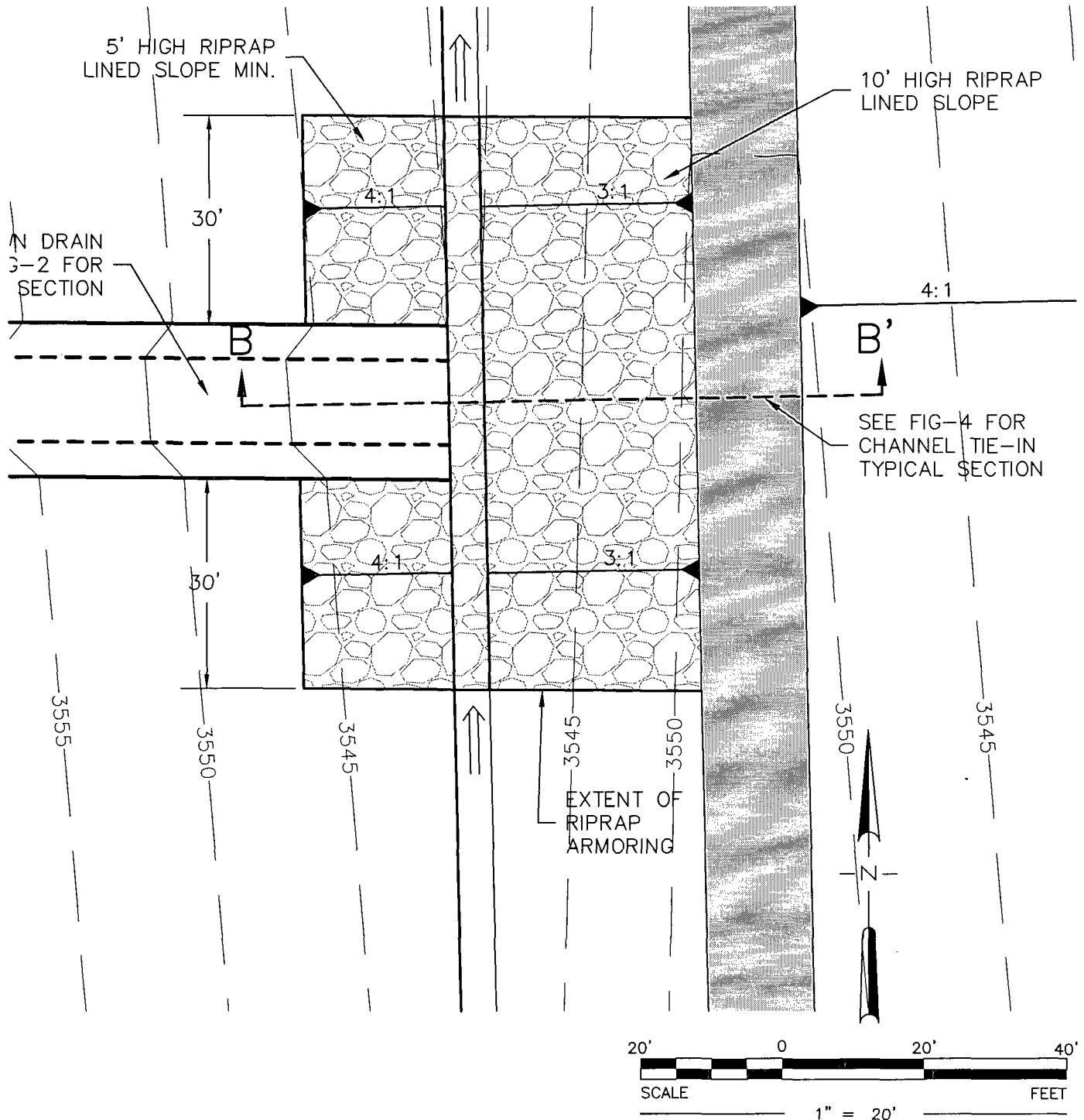
Have a wonderful and safe holiday!

Saralyn

Saralyn Hall
Lea Land, LLC
405-519-1187
405-285-4645 (f)
shall119@cox.net

This inbound email has been scanned for malicious software and transmitted safely to you using Webroot Email Security.

H:\99404\CEI-DATA\SUBMITTED\091006\FIGURE 3 DOWN DRAIN TIE-IN.dwg Nov 16, 2009 - 2:26pm



CARDINAL
ENGINEERING
1015 N. Broadway Avenue, Suite 300
Oklahoma City, OK 73102
Phone 405.842.1066 Fax 405.843.4687
3226 Bart Conner Drive Norman, OK 73072
Phone 405.579.0655 Fax 405.366.8540
<http://www.cardinalengineers.com>
CA# 2054, expiration date 06.30.2010

DRAWING TITLE
**EXTENT OF RIPRAP
CHANNEL ARMORING**

Project
**OIL CONSERVATION DIVISION
DISPOSAL AREA**

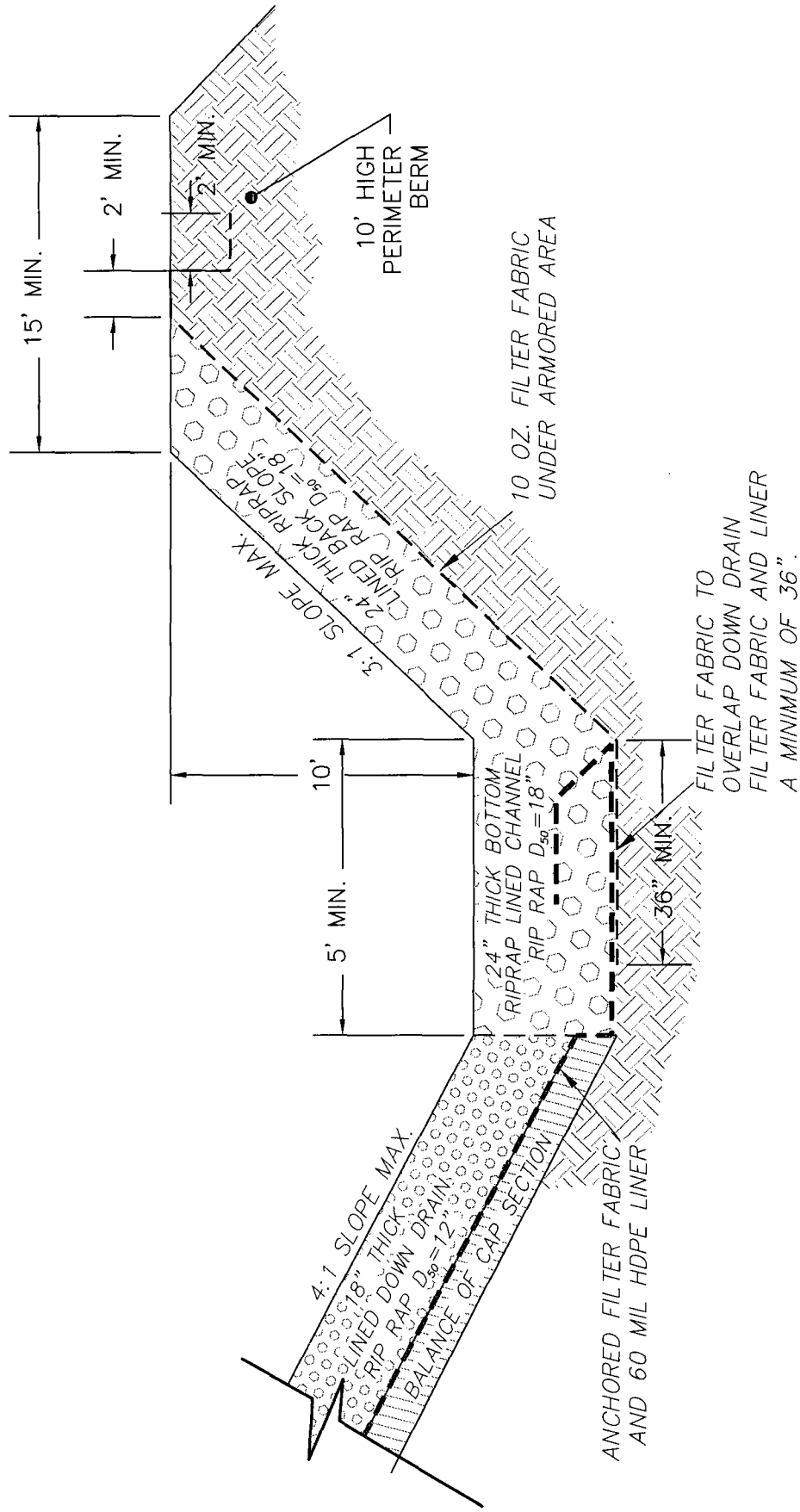
Location
**LEA COUNTY
NEW MEXICO**

Prepared For
LEA LAND, LLC

SIGNATURE/SEAL:

Project No.	99404
Drawn By	JRA
Checked By	SM
Date	09.11.2009
Scale	1" = 20'
Issued For	PERMIT
Drawing No.	

FIG-3



DOWN DRAIN TIE-IN DETAIL SECTION

NOT TO SCALE

SIGNATURE/SEAL:

Project No. 99404
 Drawn By JRA
 Checked By SM
 Date 09.11.2009
 Scale NTS
 Issued For PERMIT
 Drawing No.

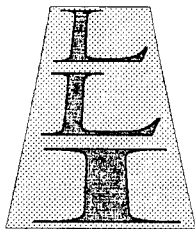
FIG-4

DRAWING TITLE
 DOWN DRAIN TIE-IN SECTION

Project
 OIL CONSERVATION DIVISION
 DISPOSAL AREA

Location
 LEA COUNTY
 NEW MEXICO
 Prepared for
 LEA LAND, LLC

CARDINAL
 ENGINEERING
 1015 N. Broadway Avenue, Suite 300
 Oklahoma City, OK 73102
 Phone 405.842.1066 Fax 405.843.4687
 3226 Bart Conner Drive Norman, OK 73072
 Phone 405.579.0655 Fax 405.366.8540
 http://www.cardinalengineers.com
 CA# 2054, expiration date 06.30.2010



Lea Land, LLC

Corporate Office

1300 West Main Street

Oklahoma City, OK 73106

Phone: (405) 236-4257 – Fax: (405) 236-4261

May 20, 2008

Mr. Brad Jones
Environmental Engineer
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Transfer of Permit NM-1-0035 from Lea Land, Inc. to Lea Land, LLC

Dear Mr. Jones,

Enclosed is the signed Attachment to OCD 711 Permit Approval, Permit WM-01-035 Lea Land, LLC.

We appreciate your help with the transfer.

Very truly yours,

Robert G. Hall
Manager

Enclosure

RECEIVED
2008 MAY 23 PM 12:11

Landfill:

P.O. Box 3247

Mile Marker 64, US Highway 62/180 East

Carlsbad, NM 88220

Phone: (505) 887-4048 Fax: (505) 885-7640

**ATTACHMENT TO OCD 711 PERMIT APPROVAL
PERMIT WM-01-035**

LEA LAND, LLC

**Section 32, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico
(April 27, 2001)**

RECEIVED
2008 MAY 20 PM 12:11

LANDFILL CONSTRUCTION

1. Construction must commence on the landfill facility within one (1) year of the permit approval date. If construction does not commence within one (1) year of the permit approval date, this permit will be of no effect.
2. The facility must be fenced and have a sign at the entrance. The sign must be legible from at least fifty (50) feet and contain the following information: a) name of the facility; b) permit number; c) location by section, township and range; and c) emergency phone number.
3. Landfill waste cells may not be constructed within one hundred (100) feet of the boundary of the facility.
4. Landfill cells may not be constructed within twenty (20) feet of any pipeline crossing the facility. In addition, no equipment will be operated within ten (10) feet of a pipeline. All pipelines crossing the facility must have surface markers identifying the location of the pipelines.
5. The landfill waste cells, storm water runoff collection system and leachate collection pond must be constructed according to Attachment 7, "Facility Design and Construction," of the Lea Land application proposal dated December 20, 1999, the corrected application proposal dated November 20, 2000, and the supplemental information dated February 06, 2001.
6. The leachate collection system within Waste Cell 1 will consist of four (4) inch slotted pipes sloped 2% north and 2% east to form a sump in the northeast corner. A four (4) inch riser pipe will extend from the sump to above the lined berm. Nested within the four (4) inch riser pipe will be a two (2) inch pipe. The exterior four (4) inch pipe will have a locking cover and cap. The riser will allow for a measuring devise to be lowered to check for the presene of leachate and for a pump to be inserted to drain any leachate that collects. Additional cells will be constructed to these specifications.
7. All above-ground tanks, saddle tanks, drums, buckets or containers located at the facility and containing materials other than fresh water must be placed on an impermeable pad with curb containment. The pad and curb containment must be able to hold one and one-third the volume of the largest tank or all interconnected tanks. The tanks and containers must be labeled as to contents and hazards.

OVERALL FACILITY OPERATION

1. Disposal may occur only when an attendant is on duty. The facility must be secured to prevent unauthorized disposal when no attendant is present.
2. The facility must be maintained such that there will be no contaminated storm water runoff beyond the boundaries of the facility.
3. No more than two, two and three quarter ($2 \frac{3}{4}$) acre landfill cells will be constructed and open at any given time.
4. The OCD must be notified prior to the construction of a new cell. Lea Land must submit the design and placement plan for the cell to the OCD.
5. The OCD must be notified when final closure of a cell has been attained.
6. The landfill cells may not contain any free liquid. Any ponding of precipitation must be removed within 24 hours of discovery.
7. Landfill cell inspection and maintenance must be conducted on at least a daily basis and immediately following each consequential rainstorm or windstorm. If any defect is noted, repairs must be made as soon as possible. If the defect will jeopardize the integrity of the landfill, the OCD Hobbs office must be notified within 24 hours and the landfill may not be operated until repairs have been completed. Records of such inspections must be made available to the OCD upon request.
8. Cover material must be applied to the working face of the landfill at the end of each day to control odors, vectors, and blowing litter.
9. The facility must be inspected on a regular basis for litter that may have blown out of the landfill. Stray litter including trapped litter in vegetation or fencing, must be picked up and returned to the landfill cell.
10. To prevent over-topping all ponds that contain liquids must have a minimum freeboard of one and a half ($1 \frac{1}{2}$) feet. A device or mark must be installed in the ponds to accurately measure freeboard.
11. Pond inspections must be conducted on a weekly basis or immediately following a consequential rainstorm or windstorm. If any defect is noted, repairs must be made as soon as possible. If the defect will jeopardize the integrity of the pond, the OCD Santa Fe and Hobbs office must be notified within 24 hours and additional wastes may not be placed into the pond until repairs have been completed. Records of such inspections must be made available to the OCD upon request.

12. The leachate collection sump of each cell must be inspected on a weekly basis and fluid must be removed when detected to prevent overflow. Records of such inspections must be made available to the OCD upon request.
13. Analytical results regarding leachate collection pond solids or liquids must be submitted to the OCD Santa Fe office, with a copy to the Hobbs District office, along with any request to remove the liquids or solids.
14. Free oil within the ponds must be removed daily. Per Division Rule 310, oil shall not be stored or retained in earthen reservoirs or in open receptacles.
15. To protect migratory birds, all tanks exceeding 16 feet in diameter and exposed pits and ponds shall be screened, netted or covered. An exception may be granted upon showing through written application that an alternative method will protect migratory birds or that the facility is not hazardous to migratory birds. OCD application Form C-134 must be used.
16. Within 24 hours of receiving notification from the OCD that an objectionable odor has been detected or reported, the facility must implement the following response procedure:
 - a. log date and approximate time of notice that an odor exists;
 - b. log investigative steps taken, including date and time, and conclusions reached; and
 - c. log actions taken to alleviate the odor, which may include covering, landfarming, adjusting chemical treatment, air sparging or other similar responses.

A copy of the log, signed and dated by the facility manager, must be maintained for OCD review.
17. Any major design changes to the surface waste management facility must be submitted to the OCD Santa Fe office for approval.
18. The OCD must be notified prior to the installation of any pipelines or wells or other construction within the boundaries of the facility.

LANDFARMING OPERATION

1. Treatment of petroleum contaminated soils by landfarming may be done inside the landfill cells.
2. All petroleum contaminated soils received at the facility with greater than 1500 ppm total petroleum hydrocarbons (TPH), 50 ppm benzene, toluene, ethylbenzene and xylene (BTEX), and 10 ppm benzene must be spread for treatment within 72 hours of receipt.

3. Soils must be spread on the surface in lifts of six inches or less.
4. Soils must be disked or turned a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
5. Landfarmed petroleum contaminated soils may be used as daily cover within the landfill when a laboratory measurement of TPH is less than or equal to 1500 ppm, BTEX is less than or equal to 50 ppm, and benzene is less than or equal to 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained at the facility for OCD review.
6. The soil samples must be analyzed using EPA-approved methods TPH and BTEX.
7. Authorization from the OCD must be obtained prior to removal of the remediated soils for beneficial use outside of the landfill cell.

REPORTING AND RECORD KEEPING

1. Lea Land must notify the **OCD Santa Fe and Hobbs offices within 24 hours** of any fire, break, leak, spill, blowout or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.
2. Records of facility, landfill cell and pond inspections and any maintenance must be kept and maintained for OCD review.
3. Records of leachate collection system inspection and any maintenance must be kept and maintained for OCD review.
4. Lea Land must submit a yearly report regarding the leachate collection system and collection pond. The report must include the volume of leachate removed from the system, dates fluid was removed, and any maintenance or repairs on the system.
5. Records of the landfarm soil laboratory analyses and the sampling locations must be maintained at the facility for OCD review.
6. The Attachment 9, "Routine Inspection and Maintenance Plan," of the Lea Land corrected application proposal dated November 20, 2000 must be followed.
7. Comprehensive records of all material disposed of at the facility must be maintained at the facility. Lea Land must maintain for inspection the records for each calendar month on the generator, location, volume and type of waste, date of disposal, and hauling company that disposes of material in the facility. Records shall be maintained for a period of not less than five years.

WASTE ACCEPTANCE CRITERIA

1. The facility is authorized to accept only:
 - a. Oilfield wastes that are exempt from RCRA Subtitle C regulations and that do not contain Naturally Occurring Radioactive Material regulated pursuant to 20 NMAC 3.1 Subpart 1403 (NORM). All loads of these wastes other than wastes returned from the well bore in the normal course of well operations, such as produced water and spent treating fluids, received at the facility shall be accompanied by a "Generator Certificate of Waste Status" signed by the generator.
 - b. "Non-hazardous" non-exempt oilfield wastes that do not contain NORM. These wastes may be accepted on a case-by-case basis after a hazardous waste determination is made. Samples, if required, must be obtained from the wastes prior to removal from the generator's facility and without dilution in accordance with EPA SW-846 sampling procedures. All "non-hazardous" non-exempt wastes received at the facility must be accompanied by:
 - i. An approved OCD Form C-138 "Request For Approval To Accept Solid Waste."
 - ii. A "Generator Certificate of Waste Status" signed by the generator.
 - iii. A verification of waste status issued by the appropriate agency, for wastes generated outside OCD jurisdiction. The agency verification is based on specific information on the subject waste submitted by the generator and demonstrating the exempt or non-hazardous classification of the waste.
 - c. Non-oilfield wastes that are non-hazardous if ordered by the Department of Public Safety in a public health emergency. OCD approval must be obtained prior to accepting the wastes.
2. At no time may any OCD-permitted surface waste management facility accept wastes that are hazardous by either listing or characteristic testing.
3. Waste containing mercaptans (Thiols) must be treated to eliminate odor prior to receipt into the facility.
4. No free liquids or waste with free liquids may be accepted into the landfill. Materials that may be accepted into the landfill facility must pass a paint filter test by EPA Method 9095A prior to disposal.

5. Petroleum contaminated soils may be accepted for disposal or cover material without treatment by landfarming if the TPH is less than 1500 parts per million (ppm), the sum of all BTEX is less than 50 ppm, and benzene is less than 10 ppm.
6. The transporter of any wastes to the facility must supply a certification that wastes delivered are those wastes received from the generator and that no additional materials have been added.

FINANCIAL ASSURANCE

1. Financial assurance in the amount of **\$66,447** in the form of a surety or cash bond or a letter of credit, which is approved by the Division, is required from Lea Land, LLC for the commercial surface waste management facility.

By May 27, 2001 Lea Land, Inc. must submit financial assurance in the amount of **\$25,000**.

By May 27, 2002 or when the facility is filled to 50% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$33,223**.

By May 27, 2003 or when the facility is filled to 75% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$49,835**.

By May 27, 2003 or when the facility is filled to 100% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$66,447**.

2. The facility is subject to periodic inspections by the OCD. The conditions of this permit and the facility will be reviewed no later than five (5) years from the date of this approval. In addition, the closure cost estimate will be reviewed according to prices and remedial work estimates at the time of review. The financial assurance may be adjusted to incorporate any closure cost changes.

CLOSURE

1. The OCD Santa Fe and Hobbs offices must be notified when operation of the facility is to be discontinued for a period in excess of six (6) months or when the facility is to be dismantled. Within six (6) months after discontinuing use or within 30 days of deciding to dismantle the facility, the operator must submit a closure plan to the OCD Santa Fe office for approval. The operator must complete cleanup of constructed facilities and restoration of the facility site within six (6) months of receiving the closure plan

approval, unless an extension of time is granted by the Director.

2. The closure plan to be submitted must include the following procedures:

- a. When the facility is to be closed no new material may be accepted.
- b. The storm water and leachate collection ponds must be allowed to evaporate and must be closed according to an approved closure plan. Any leachate water not evaporated will be hauled to an OCD-approved facility. Any storm water not evaporated may be used beneficially to close the facility.
- c. The ponds must be surveyed for NORM.
- d. The landfill cells must be closed according to an approved closure plan that includes a post closure care period.
- e. Contaminated soils exceeding 1500 parts per million (ppm) total petroleum hydrocarbons (TPH), 50 ppm benzene, toluene, ethylbenzene and xylene (BTEX) and 10 ppm benzene must be landfarmed prior to closure of the landfill or removed to an OCD-approved facility.
- f. The area must be contoured, seeded with a native seed mix and allowed to return to its natural state. If the landowner desires to keep existing structures, berms, and fences for future alternative uses the structures may be left in place.
- g. Closure must be pursuant to all OCD requirements in effect at the time of closure, and any other applicable local, state and/or federal regulations.

CERTIFICATION

Lea Land, LLC by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Lea Land, LLC further acknowledges 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, public health and the environment.

Accepted:

LEA LAND, LLC

Signature  Title MANAGER Date 5-20-05



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



May 15, 2008

Mr. Robert G. Hall
Lea Land, LLC
1300 W. Main Street
Oklahoma City, OK 73106

**RE: Transfer of Permit NM-1-0035 from Lea Land, Inc. to Lea Land, LLC
Lea Land LLC Commercial Surface Waste Management Facility
Section 32, Township 20 South, Range 32 East, NMPM
Lea County, New Mexico**

Dear Mr. Hall,

The New Mexico Oil Conservation Division (OCD) has received a request from Lea Land, LLC to transfer the Lea Land Commercial Surfaced Waste Management Facility, Permit NM-1-0035, from Lea Land, Inc. to Lea Land, LLC. The facility is located in Section 32, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. The OCD has received the replacement financial assurance mechanism, Letter of Credit No. 1543, for sixty-six thousand four hundred forty-seven dollars and no/dollars (\$66,447.00) for the above-referenced facility. The request for transfer is hereby approved in accordance with the 19.15.36 NMAC.

All modifications and alternatives to the existing permit must be submitted to OCD for review and receive OCD approval prior to implementation. Also, in accordance with the transitional provisions of Section 20 of 19.15.36 NMAC, "existing surface waste management facilities shall comply with the operational, waste acceptance and closure requirements provided in 19.15.36 NMAC, except as otherwise specifically provided in the applicable permit or order, or in a specific waiver, exception or agreement that the division has granted in writing to the particular surface waste management facility."

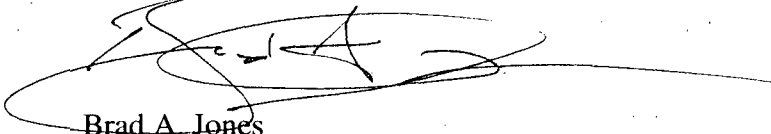
Please be advised that approval of this request does not relieve the Lea Land, LLC of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve Lea Land, LLC of its responsibility to comply with any other applicable governmental authority's rules and regulations.



Mr. Hall
Permit NM1-0035
May 15, 2008
Page 2 of 2

Enclosed are two copies of the conditions of approval. Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter. 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,

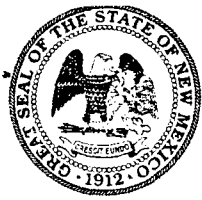
A handwritten signature in black ink, appearing to read 'Brad A. Jones', is written over a horizontal line.

Brad A. Jones
Environmental Engineer

BAJ/baj

Attachment: 2 Copies of Conditions regarding Permit NM1-0035

cc: OCD District I Office, Hobbs



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

April 27, 2001

CERTIFIED MAIL

RETURN RECEIPT NO. 7099-3220-0000-5051-2061

Mr. Robert G. Hall
Lea Land, Inc.
1300 West Main St.
Oklahoma City, OK 73106

**RE: OCD Rule 711 Permit Approval WM-1-035
 Lea Land, Inc. Commercial Surface Waste Management Facility
 Section 32, Township 20 South, Range 32 East, NMPM,
 Lea County, New Mexico**

Dear Mr. Hall:

The permit application for the Lea Land, Inc. (Lea Land) commercial surface waste management facility located Section 32, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico is hereby approved in accordance with New Mexico Oil Conservation Division (OCD) Rule 711 under the conditions contained in the enclosed attachment. According to the schedule outlined in the financial assurance section of the enclosed attachment, 25% of the \$59,478 bond but not less than \$25,000 is required within thirty (30) days of the date of this permit approval letter. The application consists of the permit application Form C-137 dated December 20, 1999, corrected permit application information dated November 20, 2000, and supplemental information dated February 6, 2001.

The operation, monitoring and reporting shall be as specified in the enclosed attachment. All modifications and alternatives to the approved Landfill methods must receive prior OCD approval. Lea Land is 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 permit does not relieve Lea Land of liability should your operation result in pollution of surface water, ground water, or the environment. In addition, OCD approval does not relieve Lea Land of responsibility for compliance with other federal, state or local laws and/or regulations.

The facility is subject to periodic inspections by the OCD. The conditions of this permit will be reviewed by the OCD no later than five (5) years from the date of this approval and the facility will be inspected at least once a year. In addition, the closure cost estimate will be reviewed according to prices and remedial work estimates at the time of the five (5) year review. The financial assurance may be adjusted to incorporate any closure cost changes.

Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the OCD Santa Fe Office within five working days of receipt of this letter.**

If you have any questions please do not hesitate to contact Martyne J. Kieling at (505) 476-3488.

Sincerely,



Lori Wrotenberg
Director

LW/mjk

xc with attachments:
Hobbs OCD Office

**ATTACHMENT TO OCD 711 PERMIT APPROVAL
PERMIT WM-01-035
LEA LAND, INC.**

**Section 32, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico
(April 27, 2001)**

LANDFILL CONSTRUCTION

1. Construction must commence on the landfill facility within one (1) year of the permit approval date. If construction does not commence within one (1) year of the permit approval date, this permit will be of no effect.
2. The facility must be fenced and have a sign at the entrance. The sign must be legible from at least fifty (50) feet and contain the following information: a) name of the facility; b) permit number; c) location by section, township and range; and c) emergency phone number.
3. Landfill waste cells may not be constructed within one hundred (100) feet of the boundary of the facility.
4. Landfill cells may not be constructed within twenty (20) feet of any pipeline crossing the facility. In addition, no equipment will be operated within ten (10) feet of a pipeline. All pipelines crossing the facility must have surface markers identifying the location of the pipelines.
5. The landfill waste cells, storm water runoff collection system and leachate collection pond must be constructed according to Attachment 7, "Facility Design and Construction," of the Lea Land application proposal dated December 20, 1999, the corrected application proposal dated November 20, 2000, and the supplemental information dated February 06, 2001.
6. The leachate collection system within Waste Cell 1 will consist of four (4) inch slotted pipes sloped 2% north and 2% east to form a sump in the northeast corner. A four (4) inch riser pipe will extend from the sump to above the lined berm. Nested within the four (4) inch riser pipe will be a two (2) inch pipe. The exterior four (4) inch pipe will have a locking cover and cap. The riser will allow for a measuring devise to be lowered to check for the presence of leachate and for a pump to be inserted to drain any leachate that collects. Additional cells will be constructed to these specifications.
7. All above-ground tanks, saddle tanks, drums, buckets or containers located at the facility and containing materials other than fresh water must be placed on an impermeable pad with curb containment. The pad and curb containment must be able to hold one and one-third the volume of the largest tank or all interconnected tanks. The tanks and containers must be labeled as to contents and hazards.

OVERALL FACILITY OPERATION

1. Disposal may occur only when an attendant is on duty. The facility must be secured to prevent unauthorized disposal when no attendant is present.
2. The facility must be maintained such that there will be no contaminated storm water runoff beyond the boundaries of the facility.
3. No more than two, two and three quarter ($2 \frac{3}{4}$) acre landfill cells will be constructed and open at any given time.
4. The OCD must be notified prior to the construction of a new cell. Lea Land must submit the design and placement plan for the cell to the OCD.
5. The OCD must be notified when final closure of a cell has been attained.
6. The landfill cells may not contain any free liquid. Any ponding of precipitation must be removed within 24 hours of discovery.
7. Landfill cell inspection and maintenance must be conducted on at least a daily basis and immediately following each consequential rainstorm or windstorm. If any defect is noted, repairs must be made as soon as possible. If the defect will jeopardize the integrity of the landfill, the OCD Hobbs office must be notified within 24 hours and the landfill may not be operated until repairs have been completed. Records of such inspections must be made available to the OCD upon request.
8. Cover material must be applied to the working face of the landfill at the end of each day to control odors, vectors, and blowing litter.
9. The facility must be inspected on a regular basis for litter that may have blown out of the landfill. Stray litter including trapped litter in vegetation or fencing, must be picked up and returned to the landfill cell.
10. To prevent over-topping all ponds that contain liquids must have a minimum freeboard of one and a half ($1 \frac{1}{2}$) feet. A device or mark must be installed in the ponds to accurately measure freeboard.
11. Pond inspections must be conducted on a weekly basis or immediately following a consequential rainstorm or windstorm. If any defect is noted, repairs must be made as soon as possible. If the defect will jeopardize the integrity of the pond, the OCD Santa Fe and Hobbs office must be notified within 24 hours and additional wastes may not be placed into the pond until repairs have been completed. Records of such inspections must be made available to the OCD upon request.

12. The leachate collection sump of each cell must be inspected on a weekly basis and fluid must be removed when detected to prevent overflow. Records of such inspections must be made available to the OCD upon request.
13. Analytical results regarding leachate collection pond solids or liquids must be submitted to the OCD Santa Fe office, with a copy to the Hobbs District office, along with any request to remove the liquids or solids.
14. Free oil within the ponds must be removed daily. Per Division Rule 310, oil shall not be stored or retained in earthen reservoirs or in open receptacles.
15. To protect migratory birds, all tanks exceeding 16 feet in diameter and exposed pits and ponds shall be screened, netted or covered. An exception may be granted upon showing through written application that an alternative method will protect migratory birds or that the facility is not hazardous to migratory birds. OCD application Form C-134 must be used.
16. Within 24 hours of receiving notification from the OCD that an objectionable odor has been detected or reported, the facility must implement the following response procedure:
 - a. log date and approximate time of notice that an odor exists;
 - b. log investigative steps taken, including date and time, and conclusions reached; and
 - c. log actions taken to alleviate the odor, which may include covering, landfarming, adjusting chemical treatment, air sparging or other similar responses.

A copy of the log, signed and dated by the facility manager, must be maintained for OCD review.
17. Any major design changes to the surface waste management facility must be submitted to the OCD Santa Fe office for approval.
18. The OCD must be notified prior to the installation of any pipelines or wells or other construction within the boundaries of the facility.

LANDFARMING OPERATION

1. Treatment of petroleum contaminated soils by landfarming may be done inside the landfill cells.
2. All petroleum contaminated soils received at the facility with greater than 1500 ppm total petroleum hydrocarbons (TPH), 50 ppm benzene, toluene, ethylbenzene and xylene (BTEX), and 10 ppm benzene must be spread for treatment within 72 hours of receipt.

3. Soils must be spread on the surface in lifts of six inches or less.
4. Soils must be disked or turned a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
5. Landfarmed petroleum contaminated soils may be used as daily cover within the landfill when a laboratory measurement of TPH is less than or equal to 1500 ppm, BTEX is less than or equal to 50 ppm, and benzene is less than or equal to 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained at the facility for OCD review.
6. The soil samples must be analyzed using EPA-approved methods TPH and BTEX.
7. Authorization from the OCD must be obtained prior to removal of the remediated soils for beneficial use outside of the landfill cell.

REPORTING AND RECORD KEEPING

1. Lea Land must notify the **OCD Santa Fe and Hobbs offices within 24 hours** of any fire, break, leak, spill, blowout or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.
2. Records of facility, landfill cell and pond inspections and any maintenance must be kept and maintained for OCD review.
3. Records of leachate collection system inspection and any maintenance must be kept and maintained for OCD review.
4. Lea Land must submit a yearly report regarding the leachate collection system and collection pond. The report must include the volume of leachate removed from the system, dates fluid was removed, and any maintenance or repairs on the system.
5. Records of the landfarm soil laboratory analyses and the sampling locations must be maintained at the facility for OCD review.
6. The Attachment 9, "Routine Inspection and Maintenance Plan," of the Lea Land corrected application proposal dated November 20, 2000 must be followed.
7. Comprehensive records of all material disposed of at the facility must be maintained at the facility. Lea Land must maintain for inspection the records for each calendar month on the generator, location, volume and type of waste, date of disposal, and hauling company that disposes of material in the facility. Records shall be maintained for a period of not less than five years.

WASTE ACCEPTANCE CRITERIA

1. The facility is authorized to accept only:
 - a. Oilfield wastes that are exempt from RCRA Subtitle C regulations and that do not contain Naturally Occurring Radioactive Material regulated pursuant to 20 NMAC 3.1 Subpart 1403 (NORM). All loads of these wastes other than wastes returned from the well bore in the normal course of well operations, such as produced water and spent treating fluids, received at the facility shall be accompanied by a "Generator Certificate of Waste Status" signed by the generator.
 - b. "Non-hazardous" non-exempt oilfield wastes that do not contain NORM. These wastes may be accepted on a case-by-case basis after a hazardous waste determination is made. Samples, if required, must be obtained from the wastes prior to removal from the generator's facility and without dilution in accordance with EPA SW-846 sampling procedures. All "non-hazardous" non-exempt wastes received at the facility must be accompanied by:
 - i. An approved OCD Form C-138 "Request For Approval To Accept Solid Waste."
 - ii. A "Generator Certificate of Waste Status" signed by the generator.
 - iii. A verification of waste status issued by the appropriate agency, for wastes generated outside OCD jurisdiction. The agency verification is based on specific information on the subject waste submitted by the generator and demonstrating the exempt or non-hazardous classification of the waste.
 - c. Non-oilfield wastes that are non-hazardous if ordered by the Department of Public Safety in a public health emergency. OCD approval must be obtained prior to accepting the wastes.
2. At no time may any OCD-permitted surface waste management facility accept wastes that are hazardous by either listing or characteristic testing.
3. Waste containing mercaptans (Thiols) must be treated to eliminate odor prior to receipt into the facility.
4. No free liquids or waste with free liquids may be accepted into the landfill. Materials that may be accepted into the landfill facility must pass a paint filter test by EPA Method 9095A prior to disposal.

5. Petroleum contaminated soils may be accepted for disposal or cover material without treatment by landfarming if the TPH is less than 1500 parts per million (ppm), the sum of all BTEX is less than 50 ppm, and benzene is less than 10 ppm.
6. The transporter of any wastes to the facility must supply a certification that wastes delivered are those wastes received from the generator and that no additional materials have been added.

FINANCIAL ASSURANCE

1. Financial assurance in the amount of **\$66,447** in the form of a surety or cash bond or a letter of credit, which is approved by the Division, is required from Lea Land, Inc. for the commercial surface waste management facility.

By May 27, 2001 Lea Land, Inc. must submit financial assurance in the amount of **\$25,000**.

By May 27, 2002 or when the facility is filled to 50% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$33,223**.

By May 27, 2003 or when the facility is filled to 75% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$49,835**.

By May 27, 2003 or when the facility is filled to 100% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$66,447**.

2. The facility is subject to periodic inspections by the OCD. The conditions of this permit and the facility will be reviewed no later than five (5) years from the date of this approval. In addition, the closure cost estimate will be reviewed according to prices and remedial work estimates at the time of review. The financial assurance may be adjusted to incorporate any closure cost changes.

CLOSURE

1. The OCD Santa Fe and Hobbs offices must be notified when operation of the facility is to be discontinued for a period in excess of six (6) months or when the facility is to be dismantled. Within six (6) months after discontinuing use or within 30 days of deciding to dismantle the facility, the operator must submit a closure plan to the OCD Santa Fe office for approval. The operator must complete cleanup of constructed facilities and restoration of the facility site within six (6) months of receiving the closure plan

approval, unless an extension of time is granted by the Director.

2. The closure plan to be submitted must include the following procedures:
 - a. When the facility is to be closed no new material may be accepted.
 - b. The storm water and leachate collection ponds must be allowed to evaporate and must be closed according to an approved closure plan. Any leachate water not evaporated will be hauled to an OCD-approved facility. Any storm water not evaporated may be used beneficially to close the facility.
 - c. The ponds must be surveyed for NORM.
 - d. The landfill cells must be closed according to an approved closure plan that includes a post closure care period.
 - e. Contaminated soils exceeding 1500 parts per million (ppm) total petroleum hydrocarbons (TPH), 50 ppm benzene, toluene, ethylbenzene and xylene (BTEX) and 10 ppm benzene must be landfarmed prior to closure of the landfill or removed to an OCD-approved facility.
 - f. The area must be contoured, seeded with a native seed mix and allowed to return to its natural state. If the landowner desires to keep existing structures, berms, and fences for future alternative uses the structures may be left in place.
 - g. Closure must be pursuant to all OCD requirements in effect at the time of closure, and any other applicable local, state and/or federal regulations.

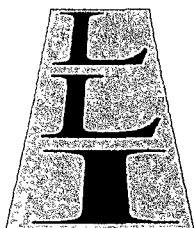
CERTIFICATION

Lea Land, Inc. by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Lea Land, Inc. further acknowledges 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, public health and the environment.

Accepted:

LEA LAND, INC.

Signature _____ Title _____ Date _____



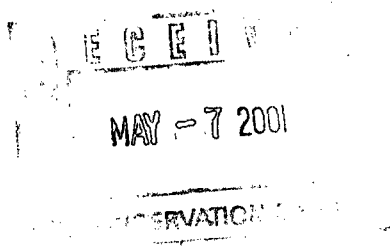
Lea Land Inc.

Non-Hazardous Industrial
Waste Only Landfill

Mile Marker 64 U.S. Highway 62/180 East
Carlsbad, New Mexico 88220

☎ Phone: (505) 887-4048 ☎ Fax: (505) 885-7640

May 04, 2001



Martyne J. Kieling
New Mexico Energy, Minerals & Natural Resources Dep
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Dear Martyne:

Enclosed is an executed copy of OCD Permit WM-1-035 dated May 4, 2001. I have also received approval of the financial assurance Letter of Credit so I assume we are now authorized to accept waste in accordance with permit terms.

I want to thank you for your assistance in this matter and if you have any questions please call me.

Very truly yours,

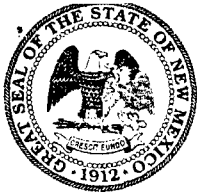
Robert G. Hall
President

O F F I C E S

5100 Westheimer, #200
Houston, TX 77056
Phone: (713) 968-6511
Fax: (713) 968-6513

6070 Gateway East, #500C
El Paso, TX 79905
Phone: (915) 783-0114
Fax: (915) 775-9899

1300 West Main Street
Oklahoma City, OK 73106
Phone: (405) 236-4257
Fax: (405) 236-4261



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
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Lori Wrotenbery
Director
Oil Conservation Division

April 27, 2001

CERTIFIED MAIL
RETURN RECEIPT NO. 7099-3220-0000-5051-2061

Mr. Robert G. Hall
Lea Land, Inc.
1300 West Main St.
Oklahoma City, OK 73106

RE: OCD Rule 711 Permit Approval WM-1-035
Lea Land, Inc. Commercial Surface Waste Management Facility
Section 32, Township 20 South, Range 32 East, NMPM,
Lea County, New Mexico

Dear Mr. Hall:

The permit application for the Lea Land, Inc. (Lea Land) commercial surface waste management facility located Section 32, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico is hereby approved in accordance with New Mexico Oil Conservation Division (OCD) Rule 711 under the conditions contained in the enclosed attachment. According to the schedule outlined in the financial assurance section of the enclosed attachment, 25% of the \$59,478 bond but not less than \$25,000 is required within thirty (30) days of the date of this permit approval letter. The application consists of the permit application Form C-137 dated December 20, 1999, corrected permit application information dated November 20, 2000, and supplemental information dated February 6, 2001.

The operation, monitoring and reporting shall be as specified in the enclosed attachment. All modifications and alternatives to the approved Landfill methods must receive prior OCD approval. Lea Land is 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 permit does not relieve Lea Land of liability should your operation result in pollution of surface water, ground water, or the environment. In addition, OCD approval does not relieve Lea Land of responsibility for compliance with other federal, state or local laws and/or regulations.

The facility is subject to periodic inspections by the OCD. The conditions of this permit will be reviewed by the OCD no later than five (5) years from the date of this approval and the facility will be inspected at least once a year. In addition, the closure cost estimate will be reviewed according to prices and remedial work estimates at the time of the five (5) year review. The financial assurance may be adjusted to incorporate any closure cost changes.

Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the OCD Santa Fe Office within five working days of receipt of this letter.**

If you have any questions please do not hesitate to contact Martyne J. Kieling at (505) 476-3488.

Sincerely,



Lori Wrotenberg
Director

LW/mjk

xc with attachments:
Hobbs OCD Office

**ATTACHMENT TO OCD 711 PERMIT APPROVAL
PERMIT WM-01-035
LEA LAND, INC.**

**Section 32, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico
(April 27, 2001)**

LANDFILL CONSTRUCTION

1. Construction must commence on the landfill facility within one (1) year of the permit approval date. If construction does not commence within one (1) year of the permit approval date, this permit will be of no effect.
2. The facility must be fenced and have a sign at the entrance. The sign must be legible from at least fifty (50) feet and contain the following information: a) name of the facility; b) permit number; c) location by section, township and range; and c) emergency phone number.
3. Landfill waste cells may not be constructed within one hundred (100) feet of the boundary of the facility.
4. Landfill cells may not be constructed within twenty (20) feet of any pipeline crossing the facility. In addition, no equipment will be operated within ten (10) feet of a pipeline. All pipelines crossing the facility must have surface markers identifying the location of the pipelines.
5. The landfill waste cells, storm water runoff collection system and leachate collection pond must be constructed according to Attachment 7, "Facility Design and Construction," of the Lea Land application proposal dated December 20, 1999, the corrected application proposal dated November 20, 2000, and the supplemental information dated February 06, 2001.
6. The leachate collection system within Waste Cell 1 will consist of four (4) inch slotted pipes sloped 2% north and 2% east to form a sump in the northeast corner. A four (4) inch riser pipe will extend from the sump to above the lined berm. Nested within the four (4) inch riser pipe will be a two (2) inch pipe. The exterior four (4) inch pipe will have a locking cover and cap. The riser will allow for a measuring devise to be lowered to check for the presence of leachate and for a pump to be inserted to drain any leachate that collects. Additional cells will be constructed to these specifications.
7. All above-ground tanks, saddle tanks, drums, buckets or containers located at the facility and containing materials other than fresh water must be placed on an impermeable pad with curb containment. The pad and curb containment must be able to hold one and one-third the volume of the largest tank or all interconnected tanks. The tanks and containers must be labeled as to contents and hazards.

OVERALL FACILITY OPERATION

1. Disposal may occur only when an attendant is on duty. The facility must be secured to prevent unauthorized disposal when no attendant is present.
2. The facility must be maintained such that there will be no contaminated storm water runoff beyond the boundaries of the facility.
3. No more than two, two and three quarter ($2 \frac{3}{4}$) acre landfill cells will be constructed and open at any given time.
4. The OCD must be notified prior to the construction of a new cell. Lea Land must submit the design and placement plan for the cell to the OCD.
5. The OCD must be notified when final closure of a cell has been attained.
6. The landfill cells may not contain any free liquid. Any ponding of precipitation must be removed within 24 hours of discovery.
7. Landfill cell inspection and maintenance must be conducted on at least a daily basis and immediately following each consequential rainstorm or windstorm. If any defect is noted, repairs must be made as soon as possible. If the defect will jeopardize the integrity of the landfill, the OCD Hobbs office must be notified within 24 hours and the landfill may not be operated until repairs have been completed. Records of such inspections must be made available to the OCD upon request.
8. Cover material must be applied to the working face of the landfill at the end of each day to control odors, vectors, and blowing litter.
9. The facility must be inspected on a regular basis for litter that may have blown out of the landfill. Stray litter including trapped litter in vegetation or fencing, must be picked up and returned to the landfill cell.
10. To prevent over-topping all ponds that contain liquids must have a minimum freeboard of one and a half ($1 \frac{1}{2}$) feet. A device or mark must be installed in the ponds to accurately measure freeboard.
11. Pond inspections must be conducted on a weekly basis or immediately following a consequential rainstorm or windstorm. If any defect is noted, repairs must be made as soon as possible. If the defect will jeopardize the integrity of the pond, the OCD Santa Fe and Hobbs office must be notified within 24 hours and additional wastes may not be placed into the pond until repairs have been completed. Records of such inspections must be made available to the OCD upon request.

12. The leachate collection sump of each cell must be inspected on a weekly basis and fluid must be removed when detected to prevent overflow. Records of such inspections must be made available to the OCD upon request.
13. Analytical results regarding leachate collection pond solids or liquids must be submitted to the OCD Santa Fe office, with a copy to the Hobbs District office, along with any request to remove the liquids or solids.
14. Free oil within the ponds must be removed daily. Per Division Rule 310, oil shall not be stored or retained in earthen reservoirs or in open receptacles.
15. To protect migratory birds, all tanks exceeding 16 feet in diameter and exposed pits and ponds shall be screened, netted or covered. An exception may be granted upon showing through written application that an alternative method will protect migratory birds or that the facility is not hazardous to migratory birds. OCD application Form C-134 must be used.
16. Within 24 hours of receiving notification from the OCD that an objectionable odor has been detected or reported, the facility must implement the following response procedure:
 - a. log date and approximate time of notice that an odor exists;
 - b. log investigative steps taken, including date and time, and conclusions reached; and
 - c. log actions taken to alleviate the odor, which may include covering, landfarming, adjusting chemical treatment, air sparging or other similar responses.

A copy of the log, signed and dated by the facility manager, must be maintained for OCD review.
17. Any major design changes to the surface waste management facility must be submitted to the OCD Santa Fe office for approval.
18. The OCD must be notified prior to the installation of any pipelines or wells or other construction within the boundaries of the facility.

LANDFARMING OPERATION

1. Treatment of petroleum contaminated soils by landfarming may be done inside the landfill cells.
2. All petroleum contaminated soils received at the facility with greater than 1500 ppm total petroleum hydrocarbons (TPH), 50 ppm benzene, toluene, ethylbenzene and xylene (BTEX), and 10 ppm benzene must be spread for treatment within 72 hours of receipt.

3. Soils must be spread on the surface in lifts of six inches or less.
4. Soils must be disked or turned a minimum of one time every two weeks (biweekly) to enhance biodegradation of contaminants.
5. Landfarmed petroleum contaminated soils may be used as daily cover within the landfill when a laboratory measurement of TPH is less than or equal to 1500 ppm, BTEX is less than or equal to 50 ppm, and benzene is less than or equal to 10 ppm. Comprehensive records of the laboratory analyses and the sampling locations must be maintained at the facility for OCD review.
6. The soil samples must be analyzed using EPA-approved methods TPH and BTEX.
7. Authorization from the OCD must be obtained prior to removal of the remediated soils for beneficial use outside of the landfill cell.

REPORTING AND RECORD KEEPING

1. Lea Land must notify the **OCD Santa Fe and Hobbs offices within 24 hours** of any fire, break, leak, spill, blowout or any other circumstance that could constitute a hazard or contamination in accordance with OCD Rule 116.
2. Records of facility, landfill cell and pond inspections and any maintenance must be kept and maintained for OCD review.
3. Records of leachate collection system inspection and any maintenance must be kept and maintained for OCD review.
4. Lea Land must submit a yearly report regarding the leachate collection system and collection pond. The report must include the volume of leachate removed from the system, dates fluid was removed, and any maintenance or repairs on the system.
5. Records of the landfarm soil laboratory analyses and the sampling locations must be maintained at the facility for OCD review.
6. The Attachment 9, "Routine Inspection and Maintenance Plan," of the Lea Land corrected application proposal dated November 20, 2000 must be followed.
7. Comprehensive records of all material disposed of at the facility must be maintained at the facility. Lea Land must maintain for inspection the records for each calendar month on the generator, location, volume and type of waste, date of disposal, and hauling company that disposes of material in the facility. Records shall be maintained for a period of not less than five years.

WASTE ACCEPTANCE CRITERIA

1. The facility is authorized to accept only:
 - a. Oilfield wastes that are exempt from RCRA Subtitle C regulations and that do not contain Naturally Occurring Radioactive Material regulated pursuant to 20 NMAC 3.1 Subpart 1403 (NORM). All loads of these wastes other than wastes returned from the well bore in the normal course of well operations, such as produced water and spent treating fluids, received at the facility shall be accompanied by a "Generator Certificate of Waste Status" signed by the generator.
 - b. "Non-hazardous" non-exempt oilfield wastes that do not contain NORM. These wastes may be accepted on a case-by-case basis after a hazardous waste determination is made. Samples, if required, must be obtained from the wastes prior to removal from the generator's facility and without dilution in accordance with EPA SW-846 sampling procedures. All "non-hazardous" non-exempt wastes received at the facility must be accompanied by:
 - i. An approved OCD Form C-138 "Request For Approval To Accept Solid Waste."
 - ii. A "Generator Certificate of Waste Status" signed by the generator.
 - iii. A verification of waste status issued by the appropriate agency, for wastes generated outside OCD jurisdiction. The agency verification is based on specific information on the subject waste submitted by the generator and demonstrating the exempt or non-hazardous classification of the waste.
 - c. Non-oilfield wastes that are non-hazardous if ordered by the Department of Public Safety in a public health emergency. OCD approval must be obtained prior to accepting the wastes.
2. At no time may any OCD-permitted surface waste management facility accept wastes that are hazardous by either listing or characteristic testing.
3. Waste containing mercaptans (Thiols) must be treated to eliminate odor prior to receipt into the facility.
4. No free liquids or waste with free liquids may be accepted into the landfill. Materials that may be accepted into the landfill facility must pass a paint filter test by EPA Method 9095A prior to disposal.

5. Petroleum contaminated soils may be accepted for disposal or cover material without treatment by landfarming if the TPH is less than 1500 parts per million (ppm), the sum of all BTEX is less than 50 ppm, and benzene is less than 10 ppm.
6. The transporter of any wastes to the facility must supply a certification that wastes delivered are those wastes received from the generator and that no additional materials have been added.

FINANCIAL ASSURANCE

1. Financial assurance in the amount of **\$66,447** in the form of a surety or cash bond or a letter of credit, which is approved by the Division, is required from Lea Land, Inc. for the commercial surface waste management facility.

By May 27, 2001 Lea Land, Inc. must submit financial assurance in the amount of **\$25,000**.

By May 27, 2002 or when the facility is filled to 50% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$33,223**.

By May 27, 2003 or when the facility is filled to 75% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$49,835**.

By May 27, 2003 or when the facility is filled to 100% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$66,447**.

2. The facility is subject to periodic inspections by the OCD. The conditions of this permit and the facility will be reviewed no later than five (5) years from the date of this approval. In addition, the closure cost estimate will be reviewed according to prices and remedial work estimates at the time of review. The financial assurance may be adjusted to incorporate any closure cost changes.

CLOSURE

1. The OCD Santa Fe and Hobbs offices must be notified when operation of the facility is to be discontinued for a period in excess of six (6) months or when the facility is to be dismantled. Within six (6) months after discontinuing use or within 30 days of deciding to dismantle the facility, the operator must submit a closure plan to the OCD Santa Fe office for approval. The operator must complete cleanup of constructed facilities and restoration of the facility site within six (6) months of receiving the closure plan

approval, unless an extension of time is granted by the Director.

2. The closure plan to be submitted must include the following procedures:

- a. When the facility is to be closed no new material may be accepted.
- b. The storm water and leachate collection ponds must be allowed to evaporate and must be closed according to an approved closure plan. Any leachate water not evaporated will be hauled to an OCD-approved facility. Any storm water not evaporated may be used beneficially to close the facility.
- c. The ponds must be surveyed for NORM.
- d. The landfill cells must be closed according to an approved closure plan that includes a post closure care period.
- e. Contaminated soils exceeding 1500 parts per million (ppm) total petroleum hydrocarbons (TPH), 50 ppm benzene, toluene, ethylbenzene and xylene (BTEX) and 10 ppm benzene must be landfarmed prior to closure of the landfill or removed to an OCD-approved facility.
- f. The area must be contoured, seeded with a native seed mix and allowed to return to its natural state. If the landowner desires to keep existing structures, berms, and fences for future alternative uses the structures may be left in place.
- g. Closure must be pursuant to all OCD requirements in effect at the time of closure, and any other applicable local, state and/or federal regulations.

CERTIFICATION

Lea Land, Inc. by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Lea Land, Inc. further acknowledges 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, public health and the environment.

Accepted:

LEA LAND, INC.

Signature

Wm S. Hall

Title

President

Date

5-4-01



06rid 195876

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

April 27, 2001

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Sincerely,


Lori Wrotenberg
Director

LW/mjk

xc with attachments:
Hobbs OCD Office

ATTACHMENT TO OCD 711 PERMIT APPROVAL
PERMIT WM-01-035
LEA LAND, INC.

Section 32, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico
(April 27, 2001)

LANDFILL CONSTRUCTION

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2. The facility must be fenced and have a sign at the entrance. The sign must be legible from at least fifty (50) feet and contain the following information: a) name of the facility; b) permit number; c) location by section, township and range; and c) emergency phone number.
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6. The soil samples must be analyzed using EPA-approved methods TPH and BTEX.
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WASTE ACCEPTANCE CRITERIA

1. The facility is authorized to accept only:
 - a. Oilfield wastes that are exempt from RCRA Subtitle C regulations and that do not contain Naturally Occurring Radioactive Material regulated pursuant to 20 NMAC 3.1 Subpart 1403 (NORM). All loads of these wastes other than wastes returned from the well bore in the normal course of well operations, such as produced water and spent treating fluids, received at the facility shall be accompanied by a "Generator Certificate of Waste Status" signed by the generator.
 - b. "Non-hazardous" non-exempt oilfield wastes that do not contain NORM. These wastes may be accepted on a case-by-case basis after a hazardous waste determination is made. Samples, if required, must be obtained from the wastes prior to removal from the generator's facility and without dilution in accordance with EPA SW-846 sampling procedures. All "non-hazardous" non-exempt wastes received at the facility must be accompanied by:
 - i. An approved OCD Form C-138 "Request For Approval To Accept Solid Waste."
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 - iii. A verification of waste status issued by the appropriate agency, for wastes generated outside OCD jurisdiction. The agency verification is based on specific information on the subject waste submitted by the generator and demonstrating the exempt or non-hazardous classification of the waste.
 - c. Non-oilfield wastes that are non-hazardous if ordered by the Department of Public Safety in a public health emergency. OCD approval must be obtained prior to accepting the wastes.
2. At no time may any OCD-permitted surface waste management facility accept wastes that are hazardous by either listing or characteristic testing.
3. Waste containing mercaptans (Thiols) must be treated to eliminate odor prior to receipt into the facility.
4. No free liquids or waste with free liquids may be accepted into the landfill. Materials that may be accepted into the landfill facility must pass a paint filter test by EPA Method 9095A prior to disposal.

5. Petroleum contaminated soils may be accepted for disposal or cover material without treatment by landfarming if the TPH is less than 1500 parts per million (ppm), the sum of all BTEX is less than 50 ppm, and benzene is less than 10 ppm.
6. The transporter of any wastes to the facility must supply a certification that wastes delivered are those wastes received from the generator and that no additional materials have been added.

FINANCIAL ASSURANCE

1. Financial assurance in the amount of **\$66,447** in the form of a surety or cash bond or a letter of credit, which is approved by the Division, is required from Lea Land, Inc. for the commercial surface waste management facility.

By May 27, 2001 Lea Land, Inc. must submit financial assurance in the amount of **\$25,000**.

By May 27, 2002 or when the facility is filled to 50% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$33,223**.

By May 27, 2003 or when the facility is filled to 75% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$49,835**.

By May 27, 2003 or when the facility is filled to 100% of the permitted capacity that is allowed to be open at any one time, whichever comes first, Lea Land, Inc. must submit financial assurance in the amount of **\$66,447**.

2. The facility is subject to periodic inspections by the OCD. The conditions of this permit and the facility will be reviewed no later than five (5) years from the date of this approval. In addition, the closure cost estimate will be reviewed according to prices and remedial work estimates at the time of review. The financial assurance may be adjusted to incorporate any closure cost changes.

CLOSURE

1. The OCD Santa Fe and Hobbs offices must be notified when operation of the facility is to be discontinued for a period in excess of six (6) months or when the facility is to be dismantled. Within six (6) months after discontinuing use or within 30 days of deciding to dismantle the facility, the operator must submit a closure plan to the OCD Santa Fe office for approval. The operator must complete cleanup of constructed facilities and restoration of the facility site within six (6) months of receiving the closure plan

approval, unless an extension of time is granted by the Director.

2. The closure plan to be submitted must include the following procedures:

- a. When the facility is to be closed no new material may be accepted.
- b. The storm water and leachate collection ponds must be allowed to evaporate and must be closed according to an approved closure plan. Any leachate water not evaporated will be hauled to an OCD-approved facility. Any storm water not evaporated may be used beneficially to close the facility.
- c. The ponds must be surveyed for NORM.
- d. The landfill cells must be closed according to an approved closure plan that includes a post closure care period.
- e. Contaminated soils exceeding 1500 parts per million (ppm) total petroleum hydrocarbons (TPH), 50 ppm benzene, toluene, ethylbenzene and xylene (BTEX) and 10 ppm benzene must be landfarmed prior to closure of the landfill or removed to an OCD-approved facility.
- f. The area must be contoured, seeded with a native seed mix and allowed to return to its natural state. If the landowner desires to keep existing structures, berms, and fences for future alternative uses the structures may be left in place.
- g. Closure must be pursuant to all OCD requirements in effect at the time of closure, and any other applicable local, state and/or federal regulations.

CERTIFICATION

Lea Land, Inc. by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Lea Land, Inc. further acknowledges 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, public health and the environment.

Accepted:

LEA LAND, INC.

Signature _____ Title _____ Date _____



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

May 9, 2001

Lori Wrotenbery

Director

Oil Conservation Division

CERTIFIED MAIL

RETURN RECEIPT NO. 7099-3220-0000-5051-2245

Mr. Robert G. Hall
Lea Land, Inc.
1300 West Main St.
Oklahoma City, OK 73106

RE: Lea Land, Inc., Permit WM-1-035
Section 32, Township 20 South, Range 32 East, NMPM
Lea County, New Mexico

Dear Mr. Hall:

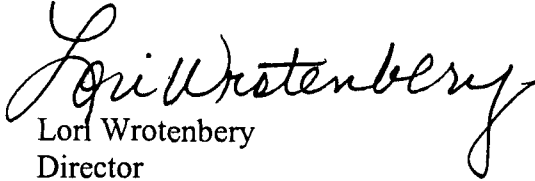
The New Mexico Oil Conservation Division (OCD) has determined that the following listed waste streams may be disposed of at Lea Land, Inc. (Lea Land) pursuant to Permit WM-1-035 without the necessity of prior written authorization of the Division:

- (a) Barrels, drums, 5-gallon buckets, 1-gallon containers so long as empty and EPA-clean.
- (b) Uncontaminated brush and vegetation arising from clearing operations.
- (c) Uncontaminated concrete.
- (d) Uncontaminated construction debris.
- (e) Detergent buckets, so long as completely empty.
- (f) Fiberglass tanks so long as the tank is empty, cut up or shredded, and EPA clean.
- (g) Grease buckets, so long as empty and EPA clean.
- (h) Uncontaminated ferrous sulfate or elemental sulfur so long as recovery and sale as a raw material is not possible.
- (i) Metal plate and metal cable.
- (j) Paper and paper bags, so long as empty (paper bags).
- (k) Plastic pit liners, so long as cleaned well.
- (l) Soiled rags or gloves. If wet, must pass Paint Filter Test prior to disposal.
- (m) Uncontaminated wood pallets.

Please be advised that approval to accept these wastes does not relieve Lea Land of liability should your operation result in pollution of surface water, ground water, or the environment. In addition, OCD approval does not relieve Lea Land of responsibility for compliance with other federal, state or local laws and/or regulations.

If you have any questions please do not hesitate to contact Roger Anderson at (505) 476-3490.

Sincerely,



Lori Wrotenberg
Director

LW/mjk

xc with attachments:
Hobbs OCD Office