



BRUCE KING
GOVERNOR

State of New Mexico

ENVIRONMENT DEPARTMENT

Harold Runnels Building
1190 St. Francis Drive, P.O. Box 26110
Santa Fe, New Mexico 87502
(505) 827-2850

JUDITH M. ESPINOSA
SECRETARY

RON CURRY
DEPUTY SECRETARY

February 9, 1993

Mr. John J. Stokes, Manager
Giant Industries, Inc.
Ciniza Refinery
Route 3 Box 7
Gallup, New Mexico 87301

**RE: Notice of Noncompliance and Permit Modification Application
NMD000333211**

Dear Mr. Stokes:

On January 22, 1993, the Hazardous and Radioactive Materials Bureau (HRMB) received a notification from Giant Refining, Inc. (Giant) regarding potential noncompliance with the groundwater monitoring reporting conditions in Giant's RCRA permit. Notification requirements are found in Attachment G, Part 2 of the permit. The permit noncompliance is that Giant failed to notify the Director within specified time frames regarding statistically significant changes for 1992 monitoring events.

We understand that Giant proposes that past monitoring results, based on the statistical test required in the permit, may have given false-positive indications of groundwater contamination. However, under currently effective permit conditions Giant must continue to report all such statistically significant changes in indicator parameters under the permit condition time frames. The HRMB will review each instance on a case-by-case basis to determine if false-positives are in fact the reasons for the changes. Please forward a copy of the statistics to Edward Horst of the HRMB Compliance Program Manager when they are completed.

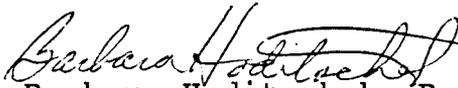
As required by our letter to you dated January 25, 1993, and as we discussed in the meeting held in Santa Fe on January 29, 1993, Giant must submit a permit modification application by April 28, 1993, to address the contamination recently discovered under the treatment zone. Giant may also wish to officially request modification of the statistical test in the permit, and other modifications needed. All modifications should be submitted by the April 28, 1993 due date. The modifications application must give reasons for each modification requested and the specific wording changes requested in the permit conditions and permit attachments. Also Giant should propose whether each modification requested is a Class I, II, or III modification as described in HWMR-7, Part IX, Section 40 CFR 270.42. Enclosed is a copy of the fee regulations for your information.

February 9, 1993
John J. Stokes
Page #2

Lastly, during the Santa Fe meeting we discussed the permitting schedule for the benzene air-stripper recently installed at Giant to treat characteristic hazardous waste. Enclosed are our comments on the Part A application which was submitted by Giant to the HRMB on September 25, 1990. We will notify you if the addition of the air-stripper qualifies as an approved change under Interim Status when the enclosed comments are addressed. Please submit your response to Barbara Hoditschek, Permit Program Manager of the HRMB within 5 days.

Please contact Marc Sides at (505) 827-4308 if you have any questions.

Sincerely,



Barbara Hoditschek, Permit Program Manager
Hazardous and Radioactive Materials Bureau

Enclosure

cc: David Neleigh, U.S. EPA Region 6 (6H-PN)
Barbara Hoditschek, HRMB
Steve Alexander, HRMB
Marc Sides, HRMB

DEFICIENCY COMMENTS

**Giant Refining, Inc. Part A Application
for the
Ciniza Refinery
dated September 25, 1990**

1. Form 3, Section III.C.: The units of measurement for the air-stripper is listed in gallons per minute. The unit of measure needs to be converted into gallons per day or liters per day.
2. Form 3, Section IV.: The T04 process code and the S01 process codes and estimated annual quantities need to be converted from gallons (G) to pounds (P) or to tons (T). This conversion should be based on the density or specific gravity of the waste stream.
3. Form 3, Section V.: The facility drawing needs to include the air-stripper location.
4. Form 3, Section VI.: The facility photograph needs to clearly delineate the air-stripper area.