State of New Mexico
ENVIRONMENT DEPARTMENT

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CERTIFIED MAIL – RETURN RECEIPT REQUESTED

June 1, 2017

Mr. William Bailey
Environmental Supervisor
Western Refining Southwest Inc., Gallup Refinery
92 Giant Crossing Road
Gallup, New Mexico 87301

RE: DISAPPROVAL
RESPONSE ACTION REPORT
BAKER TANK – ASO CAUSTIC RELEASE APRIL 3, 2016
WESTERN REFINING SOUTHWEST INC., GALLUP REFINERY
EPA ID # NMD000333211
WRG-17-002

Dear Mr. Bailey:

The New Mexico Environment Department (NMED) is in receipt of Western Refining Southwest, Inc. Gallup Refinery's (Western) submittal *Response Action Report Baker Tank – ASO Caustic Release April 3, 2016* (Report), dated January 2017. NMED hereby issues this Disapproval with the following comments.

The Permittee reported the release on April 4, 2016 reporting that approximately 3 barrels (126 gallons) of spent caustic and acid soluble oil (ASO) overflowed from a Baker Tank onto the ground in the Portable Tank Storage Area just south of the Hot Oil/Asphalt Tank Farm (AOC 18, listed on the pending Consent Order).

Comment 1

For NMED to understand the use of the Portable Tank Storage Area, the Permittee must provide additional information regarding the area and the materials that are stored in the tanks:

a) In Section 1.2 (Discussion of the Release) the Permittee states, "[a]t 11:45 AM on April 3, 2016 a load of caustic material from the API knock out drum was off loaded into a Baker Tank that was storing ASO. A chemical reaction occurred due to the mixing of incompatible wastes. The Baker Tank overflowed causing approximately four barrels of the material to be spilled onto the ground. The spilled material flowed south to the East Gate Road and then westward along the road. A C-141 was not initiated for this release since the total volume was less than five barrels. Four personal H2S monitors were activated during the incident. The personnel left the area immediately. The area was immediately blocked off to traffic. The refinery fire department began monitoring the area with LEL/H2S monitors. Using supplied air, the spill response personnel vacuumed the spill material from the ground and from within the Baker Tank secondary containment. The environmental department was notified of the incident." Describe whether tanks holding incompatible wastes are stored next to each other or are separated; provide the separation distance. Describe how the tanks are labeled so that that operators can differentiate between the tank contents. In addition, provide the pH ranges for the ASO and spent caustic.

b) The Permittee does not specify whether the tanks in the Portable Tank Storage Area are used for materials that are being stored for use or for materials that are stored for disposal, the Permittee states in Section 1.4 (Discussion of Portable Tank Storage Area) that the tanks are used to store "oily water". It does not seem that ASO or spent caustic can be categorized as "oily water". NMED requested additional information by email on March 10, 2017 stating "Is the portable tank storage area used for storing materials that are going to be used or for materials that are going to be shipped off? Was the ASO in the baker tank used?" Western replied in an email dated March 14, 2017, "[t]he tanks normally store materials that are going to be shipped off. When ASO is produced, it is put into the baker tank, oil is removed and recycled onsite and the ASO is shipped off." NMED requires further information, including a material safety data sheet (MSDS) for the caustic that was mixed with the ASO, a description of the ASO, and if the Baker Tanks hold materials that are discarded.

Comment 2

In Section 1.4 (Discussion of the Portable Tank Storage Area) the Permittee states, "[t]he tanks are constructed of carbon steel and have a v-bottom or round bottom. The interiors of the tanks are coated with a chemical resistant coating. Fluids are transported to and from the tanks using vacuum trucks." The Permittee does not discuss secondary containment; however, photos included in the Report demonstrate that there are what appear to be flexible containment around the Baker Tanks in the Portable Storage Tank Area. Because the Permittee uses vacuum trucks to transfer liquids to and from the tanks, there is a high risk for small releases over time in the area. Appropriate secondary containment should be installed if the Permittee continues to use the area

for storage, so that spills and releases can be contained and kept from contacting the ground surface. In addition, if the material in the tanks is stored for disposal, the tanks are subject to RCRA Subpart J and must meet all requirements for construction and operation.

Comment 3
Appendix D (Field Methods) is written like a work plan in future tense. The information describing field methods must include what has been conducted in the field. The information provided in Appendix D is not useful. Section 2.2.1 (Soil Sampling) states "[a] copy of the field methods used to collect the soil samples is included as Appendix D." Either include descriptions of the actual field procedures performed in the field in Section 2.2.1 or revise Appendix D to reflect the soil sampling that was conducted.

Comment 4
The photographs presented in Appendix E are not labeled. Provide descriptions of what is depicted in the photographs and the cardinal directions the photographs are taken from (or an additional figure depicting the direction of the photographs).

Comment 5
The photographs in Appendix E show that the Baker Tanks are labeled "FLOAT" "K.O.D." "KCC CAUSTIC" "ASO". Provide a description of what materials are held in the tanks. For example, provide information regarding the source of "Float". See also Comment 1b.

Comment 6
NMED does not consider this area to be an AOC or a SWMU at this time. However, the Permittee must take measures to ensure that this storage area is properly contained and that small spills and releases are not occurring during the transfer of materials to and from the tanks. See also Comment 2.

The Permittee must address the comments above and provide additional information regarding the release in a revised Report. The revised Report must be submitted to NMED no later than **July 31, 2017**.

If you have questions regarding this letter, please contact Kristen Van Horn at 505-476-4046.

Sincerely,

John E. Kieling
Chief
Hazardous Waste Bureau

cc: K. Van Horn, NMED HWB
C. Chavez, EMNRD OCD
A. Hains, WRG
L. King, EPA

File: Reading File 2017 and WRG-17-002