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ENVIRONMENT DEPARTMENT
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**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

GRC
Red/95

July 13, 1995

John Stokes, Refinery Manager
Giant Refining Company
Ciniza Refinery
Route 3, Box 7
Gallup, New Mexico 87301

Dear Mr. Stokes,

RE: Part A Permit Revision

On March 10, 1995, the New Mexico Environment Department (NMED) Hazardous and Radioactive Materials Bureau (HRMB) received a copy of the Giant Refining Company-Ciniza (Giant) Part A Permit Modification request dated March 6, 1995, and sent to the Environmental Protection Agency (EPA). Giant is hereby notified that because the Permit Modification request concerns RCRA units, NMED and not EPA has the lead. The modification requested is a 337% increase in both API tank treatment capacity (API) and benzene stripping capacity.

The API and benzene stripping units appear on Giant's Part A Permit. However, they should not have been included on the Part A Permit as they are part of the process wastewater treatment system and are exempt from RCRA regulation. Also, evidence shows that the API and benzene strippers are regulated by the Oil Conservation Division (OCD) of the New Mexico Energy, Minerals and Natural Resources Department (EMNRD). OCD's Groundwater Discharge Permit #32 (GW 32) covers all discharges by the facility, including the API, benzene strippers and the aeration lagoons into which they discharge.

Required by the OCD is biennial groundwater monitoring which includes all approved RCRA constituents, to the standards of the New Mexico Water Quality Control Commission. Also required is annual monitoring of the API, benzene stripper and aeration lagoon effluents. Although the API and benzene stripper effluents are not monitored for RCRA constituents, the aeration lagoon into which they discharge are monitored for RCRA metals, and volatile and semi-volatile organics.

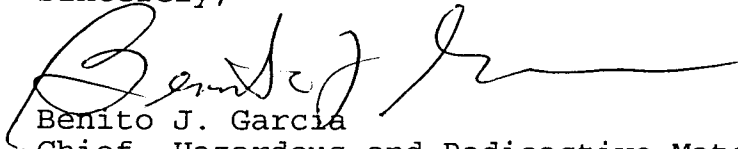
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Further, Giant has submitted to OCD a modification request identical to the March 6, 1995 request for modification of their RCRA Part A Permit. As per OCD's March 15, 1995 letter to Giant, approval of this modification request is conditional upon Giant's submittal of a closure plan for the existing API. This is analogous to RCRA requirements and further demonstrates that OCD requirements for the API and benzene strippers are protective of human health and the environment.

Therefore, HRMB requests that Giant submit a request for removal of the aforementioned units from Giant's Part A Permit to the Director of NMED Water and Waste Management Division (WWD) for his approval. If the Director approves the request, Giant will be required to submit a revised Part A Permit which excludes the API oil/water separator and the benzene strippers.

If there are any questions on this matter, you may contact Mr. Michael Chacón at (505) 827-4308.

Sincerely,



Benito J. Garcia
Chief, Hazardous and Radioactive Materials Bureau

cc: Roger Anderson, OCD
Ron Kern, HRMB Program Manager
Michael Chacón, RCRA Permits
David Neleigh, EPA
File-Red 95
File-Reading