



**CERTIFIED MAIL - RETURN RECEIPT REQUIRED**

July 30, 2024

Elisa Navarette  
EHS Manager  
HF Sinclair Asphalt, LLC.  
20860 N. Tatum Blvd, #150  
Phoenix, AZ 85050

**RE: NOTICE OF VIOLATION WITH PROPOSED PENALTIES  
HOLLY FRONTIER ASPHALT, LLC.  
EPA ID# NMR000010595**

Dear Elisa Navarette:

On April 1, 2021, the New Mexico Environment Department (“NMED”) conducted a hazardous waste Compliance Evaluation Inspection (“Inspection”) at Holly Frontier Asphalt, LLC, (“Holly”), located at 4949 Edith Blvd NE, Albuquerque, New Mexico (“Facility”). Holly is a petroleum refinery that produces crude oil, lubricants, asphalts, and other refined products. Holly generates hazardous waste flammable liquids, waste flammable solids, and used oil.

Based on observations and review of the information obtained, NMED has determined that Holly was a Large Quantity Generator of hazardous waste as defined in 40 Code of Federal Regulations (“CFR”) 262.13 at the time of the Inspection. Furthermore, NMED has determined that Holly has violated the New Mexico Hazardous Waste Management Regulations (“HWMR”) 20.4.1 New Mexico Administrative Code (“NMAC”) as specified below.

NMED inspector observed the following violations:

1. Failure to keep satellite containers of hazardous waste closed during accumulation, except when adding or removing waste. Specifically, NMED observed one open 55-gallon container of hazardous waste flammable solids in Satellite Accumulation Area (“SAA”) 2, labeled “Abatement Oil”. This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.15(a)(4)(i).

Civil Penalty

As a result of Violation 1, NMED is assessing a civil penalty of \$2,000.00

Corrective Action

Email communication received from Holly on June 1, 2021, demonstrates that this violation has been corrected.

2. Failure to operate the Facility to minimize the possibility of fire, explosion, or sudden or non-sudden releases of hazardous waste constituents. Specifically, NMED observed spills of hazardous waste flammable liquids in SAA 2 resulting from overflow of open containers. This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.251.

Civil Penalty

As a result of Violation 2, NMED is assessing a civil penalty of \$3,600.00

Corrective Action

Email communication received from Holly on June 1, 2021, demonstrates that this violation has been corrected.

3. Failure to conduct weekly inspections of the hazardous waste Central Accumulation Area ("CAA"). Specifically, Holly did not conduct weekly inspections of containers stored in the CAA during the month of May 2020. This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.17(a)(1)(v).

Civil Penalty

As a result of Violation 3, NMED is assessing a civil penalty of \$3,600.00

Corrective Action

Email communication received from Holly on June 1, 2021, demonstrates that this violation has been corrected.

4. Failure to label satellite containers of hazardous waste with the words "hazardous waste". Specifically, NMED observed one 55-gallon white poly container, and four 5-gallon buckets of hazardous waste flammable solids in SAA #6 that were not labeled with the words "hazardous waste". This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.15(a)(5)(i).

Civil Penalty

As a result of Violation 4, NMED is assessing a civil penalty of \$3,560.00

Corrective Action

Email communication received from Holly on June 1, 2021, demonstrates that this violation has been corrected.

5. Failure to label containers of hazardous waste with an indication of the hazard(s) presented by the waste. Specifically, NMED observed one 55-gallon container of ignitable hazardous waste in the CAA that did not have an ignitable hazard indicator label. This is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.17(a)(5)(i)(B).

Civil Penalty

As a result of Violation 5, NMED is assessing a civil penalty of \$1,160.00

Corrective Action

Email communication received from Holly on June 1, 2021, demonstrates that this violation has been corrected.

6. Storage of hazardous waste for greater than 90 days without a permit. Specifically, Holly was storing hazardous waste on-site for longer than 90 days. On May 27, 2020, Holly received a delivery of two chemicals, which were accidentally mixed together in one tank. The resulting mixture was characterized as a corrosive hazardous waste (D002). A frac-tank was used to store the waste and the first shipment of this waste stream was transported off site on August 25, 2020. The resulting corrosive waste created the necessity to clean and flush the tanks and pipelines in the facility; therefore, creating additional waste. Due to the amount of waste generated from this accident, Holly transported waste off-site for the next 4 months until December 1, 2020. NMED assesses that the waste was stored a total of 189 days on-site. This is a violation of 20.4.1.900 NMAC, incorporating 40 CFR § 270.1(c).

Civil Penalty

As a result of Violation 6, NMED is assessing a civil penalty of \$20,000.00

Corrective Action

Email communication received from Holly on June 1, 2021, demonstrates that this violation has been corrected.

7. Failure to meet tank requirements. Specifically, Holly was storing hazardous waste in frac-tanks after the split load incident that occurred on May 27, 2020. The frac-tanks did not meet any storage tank requirements and NMED assesses that the waste was

stored a total of 189 days on-site via frac-tank trucks. This is a violation of 20.4.1.600 NMAC, incorporating 40 CFR 265.195.

Civil Penalty

As a result of Violation 7, NMED is assessing a civil penalty of \$69,000.00

Corrective Action

Email communication received from Holly on June 1, 2021, demonstrates that this violation has been corrected.

Regarding the Corrective Actions described above, Holly shall provide to NMED within thirty (30) days of receipt of this letter a written description of the actions taken by Holly to address the violations described above or a schedule for implementation of corrective actions not yet completed.

In accordance with NMSA 1978, Section 74-4-10, NMED may: (1) issue a Compliance Order requiring compliance immediately or within a specified time period or assess a civil penalty for any past or current violations of up to \$10,000 per day of non-compliance for each violation, or both; or (2) commence a civil action in District Court for appropriate relief, including a temporary or permanent injunction. Any such order may include a suspension or revocation of any permit issued by NMED. Pursuant to the New Mexico Hazardous Waste Act ("HWA"), NMSA 1978, §§ 74-4-1 to 14, NMED is assessing a total civil penalty of \$102,920.00 to settle the violations of the HWA and the Hazardous Waste Management Regulations set forth in the NOV.

Please note that your facility will appear on the Department's Enforcement Watch as a result of this NOV (see: <https://www.env.nm.gov/enforcement-watch/>). Further, the Department will issue a press release to local media highlighting your facility as appearing on this webpage. Your facility will remain on the Enforcement Watch website as an active matter until this matter is fully resolved, including the payment of the assessed civil penalty.

Pursuant to the NMED Delegation Order dated February 19, 2024, the Cabinet Secretary has delegated the authority to issue Notices of Violation under the Hazardous Waste Act and HWMRs to the Chief of the Hazardous Waste Bureau. If you have any questions regarding this letter, please contact Tyre Jameson of my staff at (505) 690-4884 or by email at [tyre.jameson@env.nm.gov](mailto:tyre.jameson@env.nm.gov) within 30 days of the date of this notice to schedule an informal conference concerning resolution of this matter. If no response is received from you within 30 days of the date of this notice, then a Stipulated Final Order will be mailed for your signature, within 30 days of the date of this notice to schedule an informal conference concerning resolution of this matter. If no response is received from you within 30 days of the date of this notice, then a Stipulated Final Order will be mailed for your signature.

Elisa Navarette

July 30, 2024

Page 5 of 5

Sincerely,

JohnDavid Nance

Chief

Hazardous Waste Bureau

JDN: tj:ac:tj

cc: Tyre Jameson, NMED HWB  
Aaron Coffman, CTAP Manager, NMED HWB  
Levi Cole, NMED District I Manager  
Andrew Knight, NMED OGC

file: Library #3365