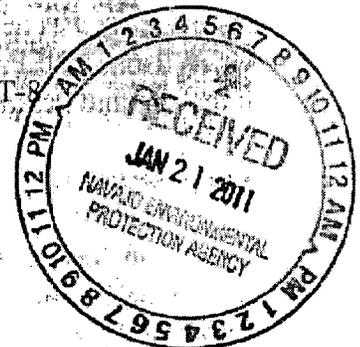




UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 9

75 Hawthorne Street
San Francisco, CA 94105-3901

In reply, refer to: WST-8



January 10, 2011

Ms. Diane Malone
Environmental Department Manager
Waste Regulatory and Compliance Department
Navajo Nation Environmental Protection Agency
P.O. Box 339
Window Rock, AZ 86515

Subject: No Further Action Required at Two Grey Hills Trading Post, Underground Storage Tank (UST) Site (NAV-205) in Greyhills, NM

Dear Ms. Malone:

The United States Environmental Protection Agency (USEPA) Region 9, Underground Storage Tank Program Office (USTPO) has completed our review of the November 2010 report "*Underground Storage Tank Closure Report Two Grey Hills Trading Post (NAV #205) Two Grey Hills, New Mexico*" prepared by iina'ba. The report described the activities undertaken on August 23, 2010, at Two Grey Hills Trading Post in Two Grey Hills, NM. The work was managed by the Navajo Nation Environmental Protection Agency (NNEPA) and was funded with the NNEPA's FY 2010 LUST Grant.

Site Background

The subject site is located at the end of paved Navajo Route 5000, just southeast of the Toadlena/Two Grey Hills Chapter House, and is further accessed by a graded road. The site lies within the Two Grey Hills/Toadlena Chapter of the Shiprock Agency in San Juan County. The Two Grey Hills community was established in the late 1800s and by 1890 at least two trading posts were operating at this site.

The UST system was previously located southeast of the Trading Post beneath the unpaved parking area in front of the building. It was originally believed that there were only two USTs, however three USTs were uncovered during this site characterization. The USTs were installed at the property sometime between 1950 and 1983 by Marie Leighton, who was the lessee at that time and the original owner. Ms. Leighton passed away sometime in the 1980's and Mr. Leslie Wilson took over operation at the site, even though the lease was not transferred over to his name. Mr. Wilson continued to operate the tanks after Ms. Leighton's lease expired in 1987 until 1993. The UST system has not been operated by Mr. Wilson since 1993.

Several UST operational compliance inspections have been conducted by EPA Region 9 and NNEPA during the beginning of the century. Following a July 17, 2008 UST operational compliance inspection and investigation conducted by NNEPA and EPA Region 9, a letter was provided to Mr. Wilson indicating the regulatory requirement for proper closure and site assessment at the site. Mr. Wilson has never accepted ownership of the UST system at the site since a lease was never put in place by the Navajo Nation RBDO. Due to a lack of response by Mr. Wilson, NNEPA raised concerns regarding the potentially leaking out-of-service UST system at the site and determined that the USTs were to be permanently closed by removal.

Site Assessment

On July 1, 2010 iina' ba was awarded the contract to remove three USTs at the former *Two Grey Hills Trading Post* in Two Grey Hills, New Mexico. As summarized in the November 2010 report, during August 23-24, 2010, iina' ba conducted field activities at the site which included removal of residual product/water from within each tank, properly removing and disposing of 3 1,000-gallon USTs; collecting soil samples, and backfilling the excavation area.

Field observations indicated significant oxidation and surface corrosion and holes on the two 1,000-gallon USTs. The soil screening photoionization detector (PID) measured 139 parts per million (ppm) and moderate odor of petroleum at the base of the UST system. In addition, no staining or free-phase product was observed underneath the USTs and with the associated debris and piping. Confirmatory soil samples were taken from the former UST location. Soil samples were taken at the bottom of the USTs and an in-situ treatment using enhanced bio-chemical solution was applied to the bottom of the excavation.

Minor evidence of a petroleum release was confirmed by the presence of select compounds in a soil sample taken underneath Tank 3, however, results from the soil samples did not detect hydrocarbon contamination exceeding the NNEPA screening levels. The slightly elevated lead concentrations in the soils samples beneath this UST may allude to the fact that leaded gasoline may have been dispensed or may be naturally occurring in the local geology.

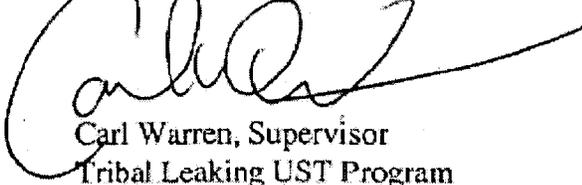
Groundwater was not encountered during this investigation. The excavated soil and clean imported fill was used to completely backfill the excavation. The USTs and associated piping and debris were removed from the site and disposed at an approved facility.

Conclusion

Based on the findings presented in the report and a meeting held in December 2010, Henry Haven of NNEPA and EPA Region 9 agreed that no further action (NFA) was required at the site. If additional information becomes available in the future regarding hydrocarbon contamination in soil and/or groundwater at this site resulting from a release from a petroleum UST system, EPA or the NNEPA may reopen this site and require additional site assessment and/or corrective action.

If you have any questions regarding the information contained in this letter, please contact S. Bobby Ojha of my staff at (415) 972-3374 or you can contact me directly at (415)-972-3355.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carl Warren', written over a horizontal line.

Carl Warren, Supervisor
Tribal Leaking UST Program

cc: Henry Haven, NNEPA
Warren Roan, NNEPA
File copy NAV-205