

GW - 72

**PERMITS,
RENEWALS,
& MODS**

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, July 14, 2010 11:37 AM
To: 'Joshua.Morrisette@bjservices.com'
Cc: Johnson, Larry, EMNRD
Subject: RE: Minor Modification Request for GW-72

OCD approves your modification to GW-072. Please annotate this in your next renewal application for GW-072.

Leonard Lowe

Environmental Engineer
Oil Conservation Division/EMNRD
1220 S. St. Francis Drive
Santa Fe, N.M. 87505
Office: 505-476-3492
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>

From: Joshua.Morrisette@bjservices.com [mailto:Joshua.Morrisette@bjservices.com]
Sent: Wednesday, July 14, 2010 10:03 AM
To: Lowe, Leonard, EMNRD
Subject: Fw: Minor Modification Request for GW-72

----- Forwarded by Joshua Morrisette/QUALITY/BJ/BJSERVICES on 07/14/2010 11:03 AM -----

Joshua Morrisette/QUALITY/BJ/BJSERVICES

To Leonard Lowe

cc

06/14/2010 04:14 PM

Subject Minor Modification Request for GW-72

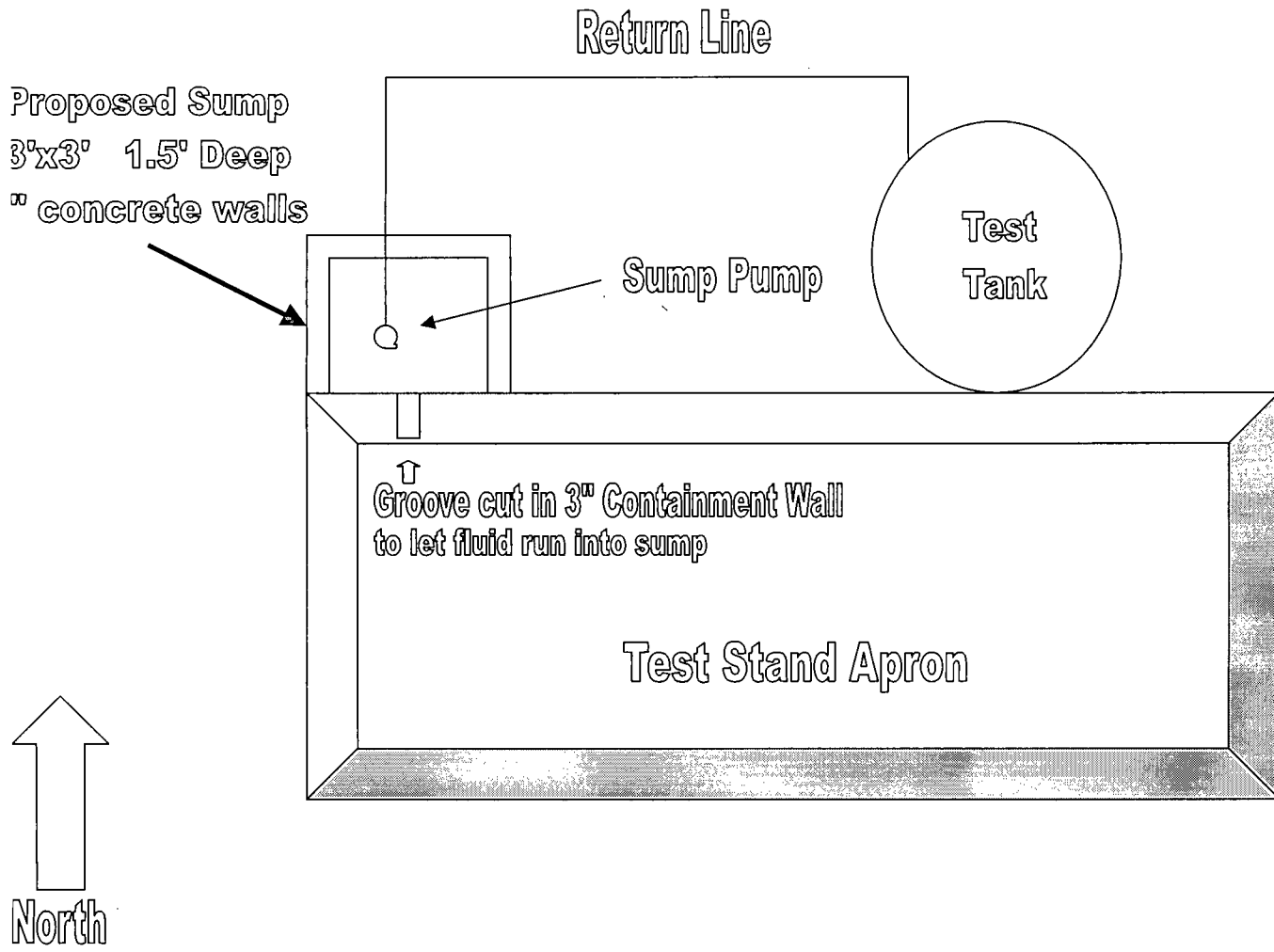
Leonard - The Hobbs District, GW-72, is requesting approval of a minor modification to the hydrostatic test stand used to circulate brine water during pump testing. The current layout is comprised of a AST, which holds the brine water, a manifold, which the pumping equipment connects to during testing and a containment pad that the equipment sets up on during testing.

The proposed minor modification would be installation of a 3' x 3' x 1.5' deep concrete sump with 4-inch walls that would allow drainage from the existing containment pad into the sump, which would be equipped with a pump that would move the fluids into the brine AST. I have attached a sketch of the proposed modification. Please let me know if there are any questions. Thanks.

Josh

BJ Services Company, USA
J. Morrisette
HSE Specialist
11211 FM 2920
Tomball, TX 77375
Office: 281.357.2573

Mobile: 713.705.4875
Fax: 281.357.2585



Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, July 06, 2009 9:58 AM
To: 'Joshua.Morrisette@bjservices.com'
Subject: RE: Minor Modification Request for GW-72

Mr. Morrisette,

The OCD approves your modification.

The OCD recognizes the small volume difference in the design and will reply on BJ Services monitoring system to ensure a release from the tanks on to the ground.

llowe

Leonard Lowe

Environmental Engineer
Oil Conservation Division/EMNRD
1220 S. St. Francis Drive
Santa Fe, N.M. 87505
Office: 505-476-3492
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>

From: Joshua.Morrisette@bjservices.com [mailto:Joshua.Morrisette@bjservices.com]
Sent: Wednesday, June 24, 2009 7:06 AM
To: Lowe, Leonard, EMNRD
Subject: RE: Minor Modification Request for GW-72

Leonard - Just following-up to see if this will work to correct our noncompliance. Thanks.

Josh

BJ Services Company, USA
J. Morrisette
HSE Specialist
11211 FM 2920
Tomball, TX 77375
Office: 281.357.2573
Mobile: 713.705.4875
Fax: 281.357.2585

Joshua Morrisette/QUALITY/BJ/BJSERVICES

06/15/2009 04:45 PM

To "Lowe, Leonard, EMNRD" <Leonard.Lowe@state.nm.us>
cc "Leking, Geoffrey R, EMNRD" <GeoffreyR.Leking@state.nm.us>, "Johnson, Larry, EMNRD" <larry.johnson@state.nm.us>
Subject RE: Minor Modification Request for GW-72 Link

Leonard - We have come up with a plan to address the containment on our GW-4LDF tank, which has a containment capacity less than the 133% requirement.

In the attached file, **GW-4LDF Tank Specs 1**, the current tank is shown, which has a capacity of 15,941-gallons, this includes a dished volume (149-gallons) that starts approximately 20" from the floor. The 20' x 40' x 37" containment holds 116% of storage tank volume or 18,450-gallons.

Shown in the attached file, **GW-4LDF Tank Specs 2**, is the modification to the tank that BJ Services proposes to install. This modification would be an overflow tube at a mark of 192" above the bottom ring. This would give an effective tank volume of 13,685-gallons. Installing the overflow tube at this point gives the containment a capacity of 135% of the tank volume. This overflow tube will discharge directly into the containment itself or into a small, no greater than 150-gallon, poly tank that is translucent, which will allow an operator to see fluid discharging into the tank. Using a small poly tank would be preferable because we would still be able to use the overfilled product. Plus a tank that is equal to or less than 150-gallons would not put us out of compliance with the 133% containment requirement.

By installing the 2" overflow tube there will be 4 ways to ensure that we will be in compliance with the 133% volume requirement:

1. Personnel on-site have access to a volume display online;
2. The vendor has several employees that have access to the tank volume online, which will ensure that no loads will be shipped to the site if it would fill tank above the 13,685-gallon capacity;
3. There is a site glass by the load line so that as the volume increases the operator could shut off the fill line to prevent overfilling tank above the 13,685-gallon capacity; and
4. If by some means the tank does get filled above the 13,685-gallon capacity it would overflow down into the containment pad or a small holding tank and at that point the operator would shutdown the filling operation.

Additionally our vendor is looking into the possibility of installing a audio high level alarm on the storage tank to be audible at the 13,685-gallon mark.

Leonard please let me know if completing this modification will bring us into compliance with our discharge plan permit, GW-72.

Thanks.

Josh

BJ Services Company, USA
J. Morrisette
HSE Specialist
11211 FM 2920
Tomball, TX 77375
Office: 281.357.2573
Mobile: 713.705.4875
Fax: 281.357.2585

"Lowe, Leonard, EMNRD" <Leonard.Lowe@state.nm.us>

05/28/2009 11:27 AM

To <Joshua.Morrisette@bjservices.com>

cc "Johnson, Larry, EMNRD" <larry.johnson@state.nm.us>, "Leking, Geoffrey R, EMNRD" <GeoffreyR.Leking@state.nm.us>

Subject RE: Minor Modification Request for GW-72

Mr. Morrisette,

The issue of the secondary volume capacity for the new tank is still a concern with the OCD discharge permit.

BJ Services will need to modify their current secondary containment to meet the permit conditions before the discharge permit, GW-072, is renewed on **October 2, 2011**.

As of now BJ Services is not in compliant with its discharge plan permit GW-072.

llowe

Leonard Lowe

Environmental Engineer
Oil Conservation Division/EMNRD
1220 S. St. Francis Drive
Santa Fe, N.M. 87505
Office: 505-476-3492
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/oed/>

From: Joshua.Morrisette@bjservices.com [mailto:Joshua.Morrisette@bjservices.com]

Sent: Tuesday, May 19, 2009 3:07 PM

To: Lowe, Leonard, EMNRD

Subject: RE: Minor Modification Request for GW-72

Leonard - See responses in bold text:

What is GW-4DLF? **It is a petroleum distillates blend mixed with guar gum. Or purpose? It is used in fracturing operations at the well site.**

Secondary containment DOES NOT meet the 133% capacity. You're short ~2568 gallons. What does BJ Services intend to do? **BJ has a procedural control that will ensure that this containment will not have standing water in it. The quarterly inspections that are required to be conducted by on-site personnel will act as our procedural control. The quarterly inspections are to ensure compliance with regulatory agencies and internal policy. BJ Services has an internal inspection standard that requires secondary containments to be clean and free of spills. If standing water is identified during the inspection it will be removed from the containment. If this water has been impacted and is not just rainwater or snow melt then it will be properly disposed of.**

Given that Hobbs' average annual rainfall is approximately 18.1-inches per year and the wettest month is typically September, which on average has a rainfall of 3.13-inches, BJ Services is confident that the current containment and the procedural control will prevent a release from impacting the environment. The containment has enough freeboard to hold a catastrophic release and a rain event of 5.25-inches, well above the average rainfall for the wettest month. If a catastrophic release did occur and was released outside of containment there are several spill kits in the area that will minimize the impact that this type of release could have.

Let me know if this is acceptable. Thanks Leonard.

Josh

BJ Services Company, USA
J. Morrisette
HSE Specialist
11211 FM 2920
Tomball, TX 77375
Office: 281.357.2573
Mobile: 713.705.4875
Fax: 281.357.2585

"Lowe, Leonard, EMNRD" <Leonard.Lowe@state.nm.us>

05/19/2009 12:37 PM

To <Joshua.Morrisette@bjsservices.com>

cc

Subject RE: Minor Modification Request for GW-72

Please reply to my inquiry below.

From: Joshua.Morrisette@bjsservices.com [mailto:Joshua.Morrisette@bjsservices.com]

Sent: Tuesday, May 19, 2009 11:11 AM

To: Lowe, Leonard, EMNRD

Subject: Minor Modification Request for GW-72

Leonard - Here is the information for the tank installations at the Hobbs location, GW-72:

Material Stored - Mineral Oil

Capacity - 3,000 gallons

Tank Type - Vertical, poly, aboveground

Containment - 12' x 15' x 3' (540 cu. Ft. or 4,039 gallon), 1/4 " carbon steel coated with an epoxy paint Sufficient Secondary containment.

Location - 6' west of the lube rack (See Attached Figure)

Material Stored - GW-4LDF What is GW-4DLF? Or purpose?

Capacity - 15,750 gallons

Tank Type - Vertical, steel, aboveground

Containment - 20' x 40' x 3.08' (2,464 cu. Ft. or 18,432 gallon), 1/4 " carbon steel coated with an epoxy paint Secondary containment DOES NOT meet the 133% capacity. You're short ~2568 gallons. What does BJ Services intend to do?

Location - 6' east of the LFC Area (See Attached Figure)

The Discharge Plan and the SPCC will be updated accordingly. This tank and containment will be inspected on a quarterly basis, at a minimum.

Let me know if any other information is needed. Please let me know if this minor modification is approved. Thanks Leonard.

Josh

BJ Services Company, USA

J. Morrisette

HSE Specialist

11211 FM 2920

Tomball, TX 77375

Office: 281.357.2573

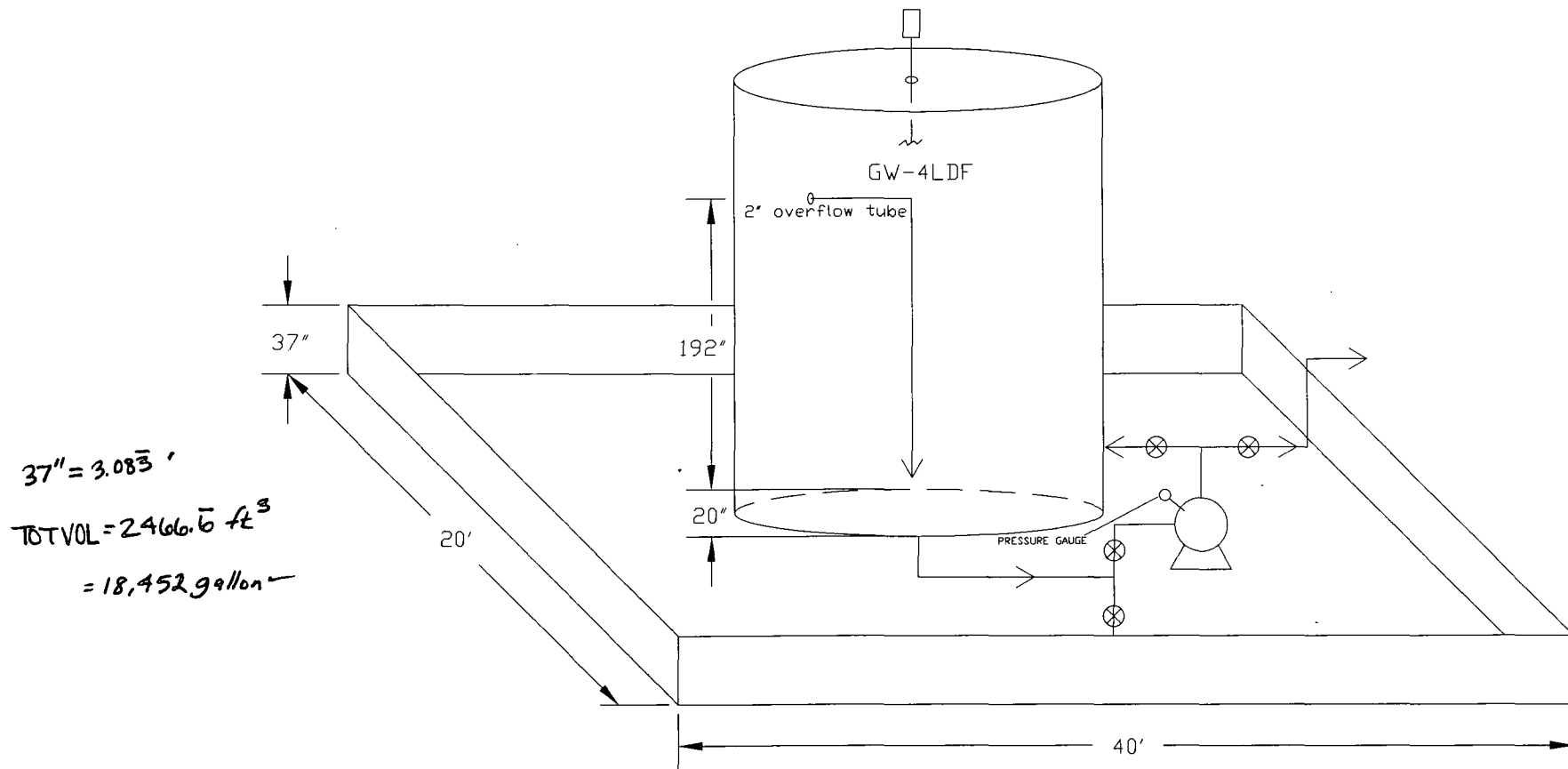
Mobile: 713.705.4875

Fax: 281.357.2585

BJ HOBBS -GW-4LDF

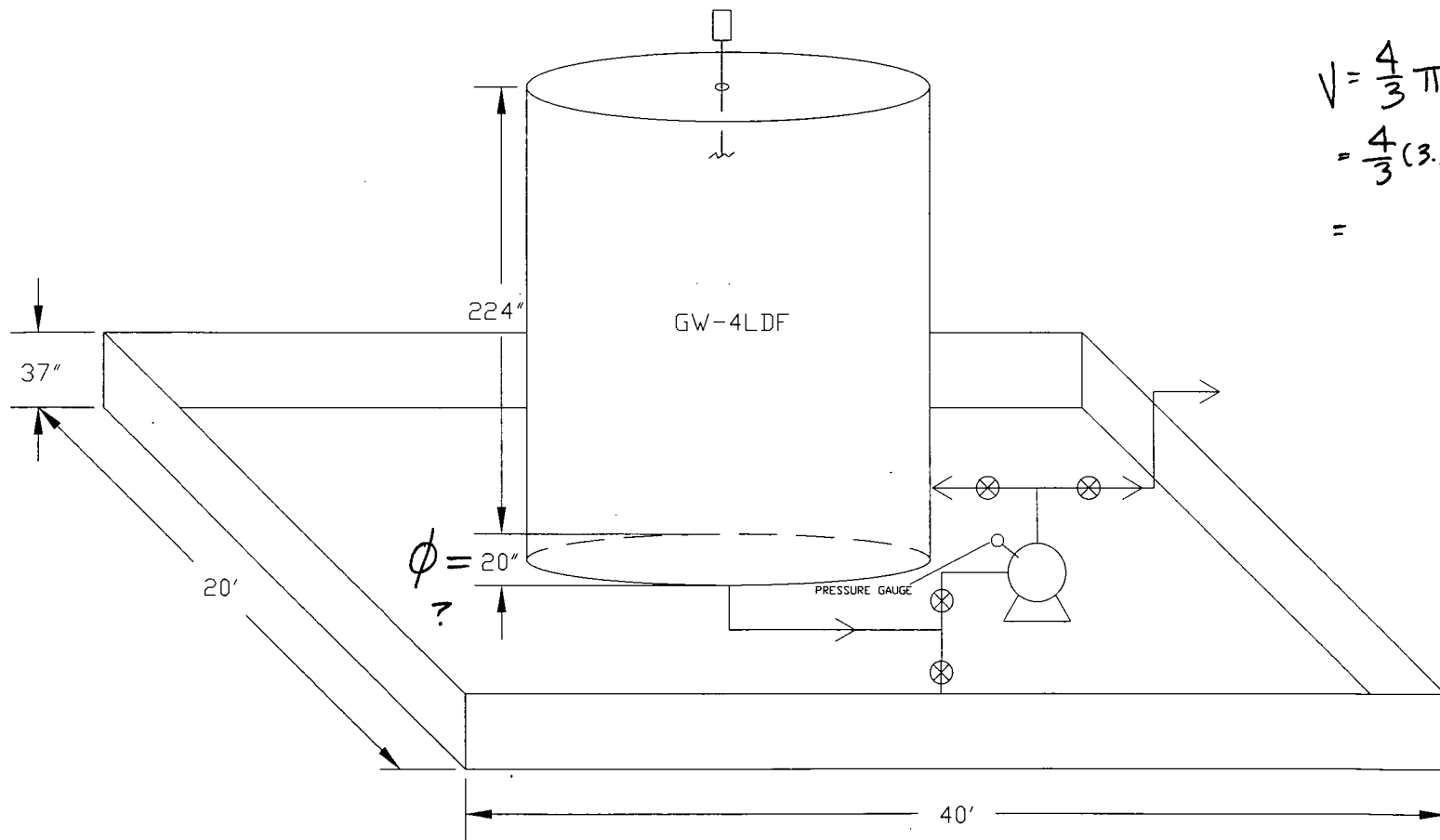
SPEC 2

1. Tank capacity = 13,685 gals. + 150 gal = 13,835g
2. Containment capacity = 18,450 gals. ✓
3. Containment capacity = 135% of tank



BJ HOBBS - GW-4LDF SPEC 1

1. Tank capacity = 15,941 gals.
2. Containment capacity = 18,450 gals.
3. Containment capacity = 116% of tank



$$V = \frac{4}{3} \pi r^3$$

$$= \frac{4}{3} (3.14) (10)^3$$

$$=$$



RECEIVED

September 26, 2008

2008 SEP 29 PM 2 07

UPS Overnight

New Mexico Environmental Department
Oil Conservation Division
Attn: Glen Von Gonten
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Discharge Plan Application Public Notice Confirmation
Discharge Permit – GW-072
BJ Services Company, U.S.A.
11211 FM 2920
Tomball, TX 77375

Dear Mr. Von Gonten:

Enclosed with this letter is the Affidavit of Publication, which confirms BJ Services Company, U.S.A. has appropriately completed the required public notice process for the Discharge Plan Application renewal associated with our located at 2708 West County Road, Hobbs, NM.

If there are any questions or comments, please contact me at (281) 357-2573.

Thank You.

Josh Morrisette
HSE Specialist

Cc: File – BJ Services, Tomball

Enclosures

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, KATHI BEARDEN

PUBLISHER

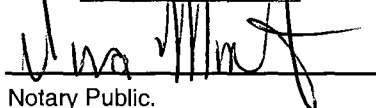
of the Hobbs News-Sun, a news-
paper published at Hobbs, New
Mexico, do solemnly swear that
the clipping attached hereto was
published in the regular and
entire issue of said paper, and not
a supplement thereof for a period

of 1 issue(s).

Beginning with the issue dated
SEPTEMBER 12, 2008
and ending with the issue dated
SEPTEMBER 12, 2008


PUBLISHER

Sworn and subscribed to before
me this 12TH day of
SEPTEMBER, 2008


Notary Public.

My Commission expires
February 07, 2009
(Seal)

This newspaper is duly qualified to
publish legal notices or advertise-
ments within the meaning of
Section 3, Chapter 167, Laws of
1937, and payment of fees for said
publication has been made.

NOTICE OF PUBLICATION

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control
Commission Regulations (20.6.2.3106 NMAC), the following discharge per-
mit application(s) has been submitted to the Director of the New Mexico
Oil Conservation Division (OCD), 1220 S. Saint Francis Drive, Santa Fe,
New Mexico 87505, Telephone (505) 476-3440:

(GW-072) Mr. Joshua Morrisette, BJ Services, 2708 West County
Road, Hobbs, NM 88240, has submitted a renewal application
for the previously approved discharge plan for its oil field serv-
ices facility, located in the NW/4 of the NE/4 of Section 20,
Township 18 North, Range 38 West, NMPM, Lea County, New
Mexico, located at 2708 West County Road, Hobbs, New Mexico.
Groundwater most likely to be affected by an accidental dis-
charge is at a depth of approximately 52 feet below ground sur-
face with a total dissolved solids concentration of approximate-
ly 657 mg/l. The discharge plan consists of a waste management
plan and specifies how spills, leaks, and other accidental dis-
charges to the surface will be managed in order to protect fresh
water. The discharge plan also addresses how chloride contam-
inated ground water will be remediated and disposed of until
the ground water meets standards pursuant to 20.6.2.3103
NMAC of the New Mexico Water Quality Control Commission
(WQCC) Regulations.

The NMOCD has determined that the application is administratively com-
plete. The NMOCD will accept comments and statements of interest
regarding this application and will create a facility specific mailing list for
persons who wish to receive future notices. Persons interested in obtaining
further information, submitting comments or requesting to be on a facility-
specific mailing list for future notices may contact the Environmental
Bureau Chief of the Oil Conservation Division at the address given above.
The administrative completeness determination may be viewed at the
above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, or
may also be viewed at the NMOCD web site <http://www.emnrd.state.nm.us/ocd/>.

Para obtener más información sobre esta solicitud en español, sirvase
comunicarse por favor: New Mexico Energy, Minerals and Natural
Resources Department (Depto. Del Energia, Minerals y Recursos Naturales
de Nuevo México), Oil Conservation Division (Depto. Conservación Del
Petróleo), 1220 South St. Francis Drive, Santa Fe, New México (Contacto:
Dorothy Phillips, 505-476-3461).
GIVEN under the Seal of New Mexico Oil Conservation Commission at
Santa Fe, New Mexico, on this 5th day of February 2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

SEAL

Mark Fesmire, Director

49100629 00016910
BJ SERVICES COMPANY USA
11211 FM 2920
TOMBALL, TX 77375

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, KATHI BEARDEN

PUBLISHER

of the Hobbs News-Sun, a news-
paper published at Hobbs, New
Mexico, do solemnly swear that
the clipping attached hereto was
published in the regular and
entire issue of said paper, and not
a supplement thereof for a period

of 1 issue(s).

Beginning with the issue dated

SEPTEMBER 12, 2008

and ending with the issue dated

SEPTEMBER 12, 2008

Kathi Bearden

PUBLISHER

Sworn and subscribed to before
me this 12TH day of

SEPTEMBER, 2008

Dora Montz

Notary Public.

My Commission expires
February 07, 2009

(Seal)



OFFICIAL SEAL
DORA MONTZ
NOTARY PUBLIC
STATE OF NEW MEXICO

My Commission Expires: _____

This newspaper is duly qualified to
publish legal notices or advertise-
ments within the meaning of
Section 3, Chapter 167, Laws of
1937, and payment of fees for said
publication has been made.

49100629 00016909
BJ SERVICES COMPANY USA
11211 FM 2920
TOMBALL, TX 77375

Aviso de Publicación

Estado de Nuevo México

Departamento de Energía, Minerales y Recursos Naturales
División de Conservación del Petróleo (OCD - Siglas en Ingles)

Aviso aquí que según las Normas de la de Control de Calidad de Agua de
Nuevo Mexico (20.6.2.3106 NMAC), la siguiente(s) aplicación(es) para
permiso de descarga(s) han sido entregadas al director de la División de
Conservación del Petróleo en New Mexico con dirección en 1220 S. Saint
Francis Drive, Santa Fe, New Mexico, 87505, Teléfono (505) 476-3440:

(GW-072) El Sr. Joshua Morrisette de BJ Services con
direccion en 2708 West County Road, Hobbs, NM, 88240,
ha entregado una aplicación para la renovación del
previamente aprobado plan de descargas para sus instala-
ciones de campo al servicio petrolero, el cual se localiza en
NW/4 of the NE/4 of Sección 20, Township 18 North,
Range 38 West NMPM, Lea County, New Mexico. El agua
subterránea mas expuesta a ser afectada o contaminada por
descargas accidentales están aproximadamente a una profun-
didad menor a 52 pies con una concentración aproximada a
657 mg/l del total de sólidos disueltos. El plan de descargas
consiste en un plan de manejo de residuos y a su vez especi-
fica el procedimiento a seguir en caso de fugas, derrames y
descargas accidentales a la superficie para proteger el agua
dulce. El plan de descargas también dirige como agua subter-
ránea contaminada con cloruros debe de ser tratada, corregida
y desechada hasta cumplir con los estándares establecidos
según 20.6.2.3103 NMAC de la Comisión de Control de
Calidad de Agua de Nuevo Mexico.

La OCD (por sus siglas en ingles) de Nuevo Mexico ha determinado que
la aplicación esta completa administrativamente. La OCD de Nuevo
Mexico aceptara comentarios y declaraciones de interés respecto a esta
aplicación y creara una lista de correo especifica para quien desee recibir
avisos a futuro. Las personas interesadas en obtener mas información,
enviar comentarios o solicitar ser parte de dicha lista de correo especifica
a esta aplicación y deseen recibir avisos pueden contactar a la Agencia
Principal Ambiental de la División de la Conservación del Petróleo a la
direccion proporcionada arriba. La completa determinación administrati-
va puede ser vista en la direccion de arriba entre 8:00 a.m. y 4:00 p.m., de
Lunes a Viernes, o puede ser vista en la pagina web de OCD de Nuevo
Mexico <http://www.emnrd.state.nm.us/ocd/>.

Dado bajo el Sello de la Comisión de la Conservación del Petróleo del
estado de Nuevo Mexico en Santa Fe, Nuevo Mexico, a 5 de Febrero del
2008.

ESTADO DE NUEVO MEXICO
DIVISION DE CONSERVACION
DEL PETROLEO

SELLO

Mark Fesmire, Director



RECEIVED

August 25, 2008

2008 AUG 26 PM 1 38

UPS Overnight

New Mexico Environmental Department
Oil Conservation Division
Attn: Glen Von Gonten
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Discharge Permit
GW-072
BJ Services Company, USA
11211 FM 2920
Tomball, TX 77375

Dear Mr. Von Gonten:

Enclosed is the signed Discharge Permit for a new BJ Services Company, U.S.A. Facility located at 2708 West County Road, Hobbs, NM.

If there are any questions or comments, please contact me at (281) 357-2573.

Thank You.

Josh Morrisette
HSE Specialist

Cc: Terry Smyers – BJ Services, Hobbs
File – BJ Services, Tomball

Enclosure



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



July 15, 2008

Mr. Joshua Morrisette
BJ Services
2708 West County Road
Hobbs, NM 88240

RE: Discharge Plan Renewal Permit - BJ Services Hobbs Facility (GW-072)
NW/4 of the NE/4 of Section 20, Township 18 North, Range 38 West, NMPM
Lea County, New Mexico

Dear Mr. Morrisette:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for **the BJ Services** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter including permit fees.**

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Glenn von Gonten of my staff at (505-476-3488) or via email at glenn.vongonten@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price
Environmental Bureau Chief

LWP/gvg
Attachments-1
xc: OCD District I

Oil Conservation Division * 1220 South St. Francis Drive
* Santa Fe, New Mexico 87505

* Phone: (505) 476-3440 * Fax (505) 476-3462* <http://www.emnrd.state.nm.us>



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. **Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (see WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. The flat fee for an oil and gas service company is \$1700.00. Please submit this amount along with the signed permit. Checks should be made out to the New Mexico Water Quality Management Fund.
2. **Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on October 2, 2011** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. Expired permits are a violation of the Water Quality Act [Chapter 74, Article 6, NMSA 1978] and civil penalties may be assessed accordingly.
3. **Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its February 2007 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
5. **Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
6. **Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an

OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

B. Waste Storage: The owner/operator shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

7. Drum Storage: The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

8. Process, Maintenance, and Yard Areas: The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.

9. Above Ground Tanks: The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.

10. Labeling: The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans.

11. Below-Grade Tanks/Sumps and Pits/Ponds.

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or

depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

C. The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

D. The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

12. Underground Process/Wastewater Lines:

A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

B. The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at

OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

14. Housekeeping: The owner/operator shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The owner/operator shall maintain all records at the facility and available for OCD inspection.

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD may place additional requirements on the facility and modify the permit conditions based on OCD inspections.

17. Storm Water: The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any stormwater runoff. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

Special Condition: Due to a complaint from Mr. Gary M. Schubert (adjacent landowner) protesting the permit renewal dated February 21, 2008, the owner/operator shall submit a storm water discharge plan to OCD within 90 days of the permit renewal date to ensure that no water pollution will be allowed to discharge offsite onto Mr. Schubert's property.

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. An unauthorized discharge is a violation of this permit.

19. Vadose Zone and Water Pollution: The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000 - .4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit. The previously submitted investigation(s) and remediation plans (Stage 1 and Stage 2 Abatement Plans) were submitted pursuant to the discharge permit and all future discoveries of contamination will be addressed through the discharge permit. OCD will separately review and

approve or approve with conditions any pending or future investigation or remediation work plans or reports.

20. Additional Site Specific Conditions:

A. The owner/operator shall submit an annual ground water monitoring and abatement report to the OCD by April 15th of each year. The annual report shall contain the following information for all monitoring and remediation systems:

1. A description of the monitoring and remediation activities that occurred during the year, including conclusions and recommendations.
2. Summary tables listing laboratory analytic results of all ground water and soil samples. Any WQCC constituent found to exceed the groundwater standard shall be highlighted and noted in the annual report. Copies of the most recent years laboratory analytical data sheets shall also be submitted.
3. Annual water table potentiometric maps. A corrected water table elevation shall be determined for all wells containing phase-separated hydrocarbons. These maps shall show well locations, pertinent site features, and the direction and magnitude of the hydraulic gradient.
4. Semi-annual isopleth maps for the following constituents: total chromium (dissolved phase) and hexavalent chromium (dissolved phase); non-aqueous phase liquids; chlorides; TPH; and, BTEX.
5. Semi-annual geologic cross-sections (both dip and strike), using the geologic/lithologic logs from the monitor, recovery, and injection wells, depicting the concentrations for the following constituents: total chromium (dissolved phase) and hexavalent chromium (dissolved phase); non-aqueous phase liquids; chlorides; TPH; and, BTEX.
6. Estimate or measure of the volume of non-aqueous phase liquid recovered in the recovery wells during each quarter and the total recovered to date.

B. The owner/operator shall notify the OCD Santa Fe and local district office at least 2 weeks in advance of all scheduled activities so that the OCD has the opportunity to witness the events and split samples.

C. The owner/operator shall notify the NMOCD within 15 days of the discovery of separated-phase hydrocarbons or the exceedance of a WQCC standard in any monitor well where separate-phase hydrocarbons were not present or where contaminant concentrations did not exceed WQCC standards during the preceding monitoring event.

21. Transfer of Discharge Permit (WQCC 20.6.2.3111): Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such

Mr. Joshua Morrisette
BJ Services
GW-072
July 15, 2008
Page 7

written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

22. Closure Plan and Financial Assurance: Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

23. Certification: (Owner/Operator), by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. Owner/Operator further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively.

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

BJ Services Company, U.S.A.

Company Name - print name above

Jo Ann Cobb

Company Representative - print name


Company Representative - Signature

Title **Manager, Environmental Services**

Date: **August 15, 2008**

GW072

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop

Cabinet Secretary

Reese Fullerton

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



July 15, 2008

Mr. Joshua Morrisette
BJ Services
2708 West County Road
Hobbs, NM 88240

RE: Discharge Plan Renewal Permit - BJ Services Hobbs Facility (GW-072)
NW/4 of the NE/4 of Section 20, Township 18 North, Range 38 West, NMPM
Lea County, New Mexico

Dear Mr. Morrisette:

Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for **the BJ Services** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 days of receipt of this letter including permit fees.**

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Glenn von Gonten of my staff at (505-476-3488) or via email at glenn.vongonten@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,


Wayne Price

Environmental Bureau Chief

LWP/gvg

Attachments-1

xc: OCD District 1

Oil Conservation Division * 1220 South St. Francis Drive

* Santa Fe, New Mexico 87505

* Phone: (505) 476-3440 * Fax (505) 476-3462* <http://www.emnrd.state.nm.us>



ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

- 1. Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (see WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. The flat fee for an oil and gas service company is \$1700.00. Please submit this amount along with the signed permit. Checks should be made out to the New Mexico Water Quality Management Fund.
- 2. Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on October 2, 2011** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.
- 3. Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
- 4. Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its February 2007 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
- 5. Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
- 6. Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an

OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

B. Waste Storage: The owner/operator shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

7. Drum Storage: The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

8. Process, Maintenance, and Yard Areas: The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.

9. Above Ground Tanks: The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.

10. Labeling: The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans.

11. Below-Grade Tanks/Sumps and Pits/Ponds.

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or

depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

C. The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

D. The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

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A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

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13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at

OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

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Special Condition: Due to a complaint from Mr. Gary M. Schubert (adjacent landowner) protesting the permit renewal dated February 21, 2008, the owner/operator shall submit a storm water discharge plan to OCD within 90 days of the permit renewal date to ensure that no water pollution will be allowed to discharge offsite onto Mr. Schubert's property.

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. An unauthorized discharge is a violation of this permit.

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approve or approve with conditions any pending or future investigation or remediation work plans or reports.

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A. The owner/operator shall submit an annual ground water monitoring and abatement report to the OCD by April 15th of each year. The annual report shall contain the following information for all monitoring and remediation systems:

1. A description of the monitoring and remediation activities that occurred during the year, including conclusions and recommendations.
2. Summary tables listing laboratory analytic results of all ground water and soil samples. Any WQCC constituent found to exceed the groundwater standard shall be highlighted and noted in the annual report. Copies of the most recent years laboratory analytical data sheets shall also be submitted.
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4. Semi-annual isopleth maps for the following constituents: total chromium (dissolved phase) and hexavalent chromium (dissolved phase); non-aqueous phase liquids; chlorides; TPH; and, BTEX.
5. Semi-annual geologic cross-sections (both dip and strike), using the geologic/lithologic logs from the monitor, recovery, and injection wells, depicting the concentrations for the following constituents: total chromium (dissolved phase) and hexavalent chromium (dissolved phase); non-aqueous phase liquids; chlorides; TPH; and, BTEX.
6. Estimate or measure of the volume of non-aqueous phase liquid recovered in the recovery wells during each quarter and the total recovered to date.

B. The owner/operator shall notify the OCD Santa Fe and local district office at least 2 weeks in advance of all scheduled activities so that the OCD has the opportunity to witness the events and split samples.

C. The owner/operator shall notify the NMOCD within 15 days of the discovery of separated-phase hydrocarbons or the exceedance of a WQCC standard in any monitor well where separate-phase hydrocarbons were not present or where contaminant concentrations did not exceed WQCC standards during the preceding monitoring event.

21. Transfer of Discharge Permit (WQCC 20.6.2.3111): Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such

written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

22. Closure Plan and Financial Assurance: Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

23. Certification: (Owner/Operator), by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. Owner/Operator further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively.

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

Company Name - print name above

Company Representative - print name

Company Representative - Signature

Title _____

Date: _____

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop

Cabinet Secretary

Reese Fullerton

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



May 21, 2008

Mr. Joshua Morrisette

BJ Services

11211 FM 2920

Tomball, TX 77373

RE: **DRAFT** Discharge Plan Renewal Permit
BJ Services Hobbs Facility (GW-072)
NW/4 of the NE/4 of Section 20, Township 18 North, Range 38 West, NMPM
Lea County, New Mexico

Mr. Morrisette:

As I discussed with Ms. Cobb on May 21, 2008, OCD provided public notification of BJ Services Company's discharge permit renewal in February 2008, but did not provide a copy of the draft discharge permit to BJ Services for its review. I am attaching a copy of the draft for your review. Please review and provide me with comments by June 6, 2008.

Because Mr. Gary Schubert has submitted a formal protect to the reissuance of BJ's discharge permit, OCD has added additional requirements to Condition 17 requiring BJ to address the storm water runoff onto Mr. Schubert's property.

If you have any questions, please contact me at 505-476-3488 or via email at glenn.vongonten@state.nm.us.

Sincerely,

Glenn von Gonten
Senior Hydrologist

GvG/gvg

xc: Mr. Gary Schubert





RECEIVED July 14, 2008

2008 JUL 15 PM 3 48S Overnight

New Mexico Environmental Department
Oil Conservation Division
Attn: Jim Griswold
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Discharge Plan Application Public Notice Confirmation for GW-097 &
Discharge Plan Fees for GW-097 & GW-072
BJ Services Company, U.S.A.
11211 FM 2920
Tomball, TX 77375

Dear Mr. Griswold:

Enclosed with this letter is the Affidavit of Publication, which confirms BJ Services Company, U.S.A. has appropriately completed the required public notice process for the Discharge Plan Application renewal associated with our located at 3250 Southside River Road, Farmington, NM.

Also enclosed is check number 3309431 in the amount of \$3,400.00 for payment of the filling fees associated with GW-097 and GW-072, which overseen by Mr. Glen von Gonten and is located at 2708 West County Road, Hobbs, NM. BJ Services owed these filling fees for each discharge permit renewal and consolidated the payment into one check.

If there are any questions or comments, please contact me at (281) 357-2573.

Thank You.

Josh Morrisette
HSE Specialist

Glenn,

FYI

I will give check to Lawrence
& have him scan into both files.



BJ SERVICES COMPANY

BJ Services Company U.S.A.
P.O. BOX 4442
HOUSTON, TX 77210
713/462-4239

JPMorgan Chase Bank, N.A.
North Syracuse, NY 13212-4710

VENDOR NO.

CHECK NO.
3309431

CHECK DATE

CHECK AMOUNT

07/10/08

*****3,400.00

THREE THOUSAND FOUR HUNDRED AND 00/100 *****

PAY
TO
THE
ORDER
OF

NEW MEXICO ENVIRONMENTAL DEPT
WATER QUALITY MANAGEMENT FUND
OIL CONSERVATION DIVISION
1220 SOUTH ST FRANCIS DR
SANTA FE NM 87505

VOID AFTER 90 DAYS
AS AN AUTHORIZED SIGNER OF BJ SERVICES COMPANY, U.S.A.



RECEIVED

July 14, 2008

UPS Overnight

2008 JUL 15 PM 3 48

New Mexico Environmental Department
Oil Conservation Division
Attn: Jim Griswold
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Discharge Plan Application Public Notice Confirmation for GW-097 &
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If there are any questions or comments, please contact me at (281) 357-2573.

Thank You.


Josh Morrisette
HSE Specialist

Cc: Glen von Gonten – NM OCD, Santa Fe
File – BJ Services, Tomball

Enclosures

Ad No.588180

STATE OF NEW MEXICO County of San Juan:

CONNIE PRUITT, being duly sworn
That she is the ADVERTISING DIRECTOR
THE DAILY TIMES, a daily newspaper
general circulation published in English
Farmington, said county and state, and
the hereto attached Legal Notice
published in a regular and entire issue
said DAILY TIMES, a daily newspaper
qualified for the purpose within the meaning
Chapter 167 of the 1937 Session Laws
State of New Mexico for publication
appeared in The Daily Times on the following
June 27, 2008

And the cost of the publication is \$ 4

ON 6/30/08 CONNIE PRUITT
appeared before me, whom I know personally
to be the person who signed the
document.

Christine Sellers
My Commission Expires 11/05/14

ANUNCIO AL PUBLICO EN GENERAL

LA COMPAÑIA DE SERVICIOS U.S.A. 11211 FM TOMBALL, TX 77382, HA INICIADO UNA APLICACION AL DEPARTAMENTO DE ENERGIA, MINERALES Y RECURSOS NATURALES, DIVISION DE CONSERVACION DEL PETROLEO, DEL PLAN DE DESCARGAS PREVIA MENTE APROBADO (GW-97) PARA SU DISTRITO DE FARMINGTON LOCALIZADO EN 13250 "SOUTH SIDE RIVER ROAD" (SECCIONES PARCELES 13 Y 14 TOWNSHIP 29 NORTH RANGO 13 WEST EN FARMINGTON, NUEVO MEXICO (CONDADO SAN JUAN).

LA BASE OFRECE SERVICIOS A LA INDUSTRIA PETROLERA DE CEMENTACION, ACIDIFICACION, Y FRACTURAS EN POZOS DE PETROLEO Y GAS MATERIALES GENERADOS Y ALMACENADOS EN LA FACILIDAD INCLUYEN PERO NO ESTAN LIMITADOS A CEMENTO, ACIDOS, DETERGENTES, SALES, BIOCIDAS, SOLVENTES, ANTICONGELANTES, Y AGUA DE DESECHO EN VARIAS CANTIDADES. LA MAYORIA DE LA FACILIDAD ALACUIFERO EN CASO DE UN DERRAME ACCIDENTAL DE ESTA FACILIDAD ES APROXIMADAMENTE 25 FT. LA CONCENTRACION TOTAL DE SOLIDOS EN EL TOS ES APROXIMADAMENTE DE 1,500 A 2,000 MILIGRAMOS POR LITRO. LA SUPERFICIE DE AGUA MAS CERCANA ES EL RIO ANIMAS LOCALIZADO APROXIMADAMENTE UNA MILLA HACIA EL NOROESTE DEL RIO SAN JUAN. ESTA SITUADO APROXIMADAMENTE 1.5 MILES HACIA EL SUR.

CUAQUIER PERSONA(S) INTERESADA(S) QUE DESEE OBTENER INFORMACION PARA OBTENER VARIAS COMENTARIOS O Peticiones A LA DIRECCION DEPARTAMENTO DE CONSERVACION DEL PETROLEO EN NUEVO MEXICO 1220 SOUTH ST. FRANCIS DRIVE, SANTA FE, NEW MEXICO 87505, TEL. (505) 476-3492, CON ATENCION A JIM GRISWOLD, O COLOCARLOS EN EL BUZON DE SUGERENCIAS DE LA BASE EL DEPARTAMENTO DE CONSERVACION DEL PETROLEO APTARCOMENTARIOS Y PETICIONES DE RENOVACION Y CREAR UNA LISTA DE CORREO ESPECIFICA DE LA BASE PARA LAS PERSONAS QUE DESEEN RECIBIR NOTICIAS EN EL FUTURO.

PUBLIC NOTICE

BUJ Services Company U.S.A. 11211 FM 2920, Tomball, TX 77382, has submitted an application to the New Mexico Energy, Minerals and Natural Resources Department, Oil Conservation Division of the previously approved discharge plan (GW-97) for their Farmington District located at 13250 Southside River Road (partial Sections 13 and 14, Township 29 North, Range 13 West) in Farmington, New Mexico (San Juan County).

The facility provides services for oil field services including cementing, acidizing, and fracturing services at oil and gas well sites. Materials generated and/or stored at the facility include, but are not limited to: cement, acids, detergents, salts, biocides, solvents, used oil, scrap metal, tires, batteries, antifreeze, and wastewater in various quantities. The aquifer most likely to be affected by an accidental leak from this facility is approximately 25 feet in depth, and the total dissolved solids concentration of this aquifer is approximately 1,500 to 2,000 milligrams per liter. The nearest surface watercourse is the Animas River located approximately one mile to the northwest. The San Juan River is situated approximately 1.5 miles to the south.

Any interested person, or persons may obtain information, submit comments or request to be placed on a facility specific mailing list for future notices by contacting Jim Griswold at the New Mexico OGD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3465. The OGD will accept comments and statements of interest regarding the renewal and will create a facility specific mailing list for persons who wish to receive future notices.



RECEIVED

2008 JUN 20 AM 11 39

June 19, 2008

UPS Overnight

New Mexico Environmental Department
Oil Conservation Division
Attn: Glen von Gonten
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: GW-072 Discharge Permit
Special Condition 17 Follow-up Report
BJ Services Company, U.S.A.
11211 FM 2920
Tomball, TX 77375

Dear Mr. Von Gonten:

Enclosed is a Storm Water Pollution Prevention Plan developed for the BJ Services Company, U.S.A. (BJ Services) 2708 West County Road location in Hobbs, NM. As a part of New Mexico Oil Conservation Division's (NMOCD) Discharge Permitting renewal process, BJ Services was required by the permit's Special Condition 17 to develop this plan as a result of a formal complaint from Mr. Gary Schubert.

This Storm Water Pollution Prevention Plan has been incorporated into the Discharge Plan as Appendix E. This plan addresses each operational area and identifies the Best Management Practices that are implemented to protect storm water quality. It further addresses Mr. Schubert's concern about storm water quality by specifically requiring an absorbent boom to be put in place at the property's outfall.

BJ Services appreciates your time and if there are any questions or comments, please contact me at (281) 357-2573.

Thank You.

Josh Morrisette
HSE Specialist

Cc: Terry Smyers – BJ Services, Hobbs (via e-mail)
David Winkles – BJ Services, Midland (via e-mail)
File – BJ Services, Tomball

Enclosure

STORM WATER POLLUTION PREVENTION PLAN

Hobbs, New Mexico



BJ SERVICES COMPANY, U.S.A.

June 2008

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STORM WATER POLLUTION PREVENTION PLAN

BJ Services Company, USA

**2708 W. County Road
Hobbs, NM 88240**

1.0 INTRODUCTION

1.1 Purpose

The purpose of the Storm Water Pollution Prevention Plan (SWPPP) is to identify sources of potential storm water contamination, develop Best Management Practices (BMPs) intended to prevent storm water from becoming polluted, and to install a system by which these BMPs are inspected and maintained.

1.2 Other Related Facility Plans and Permits

The Hobbs District has also prepared a Spill Prevention, Control, and Countermeasures (SPCC) Plan, which includes the Contingency Plan, to address other potential pollution problems at the district.

The purpose of the SPCC Plan is to prevent the discharge of petroleum products into the waters of the United States. This is accomplished by preventing spills and detailing clean up and recovery measures by focusing on prevention, point source control, emergency spill control, and secondary containment. The SPCC also contains the facility's Contingency Plan. The spill response procedures contained in the SPCC Plan and the spill response reporting requirements contained in the Contingency Plan are incorporated into this plan by reference and is available at the district for review.

The district also has obtained air permits for the cement bulk plant and acid aboveground storage tanks. These permits require emission controls, thereby minimizing applicable emissions from these sources.

2.0 FACILITY OPERATIONS

2.1 Description of Facility Operations

The Hobbs District is an oil field service facility that operates 24 hours a day, 7 days a week. It engages in oil field services (off-site), truck maintenance, truck washing, cement storage and dispensing, acid storage and dispensing, lube oil storage and dispensing, chemical storage and dispensing and bulk oil storage. The Hobbs District is classified by Standard Industrial Classification (SIC 1389) and North American Industrial Classification System (NAICS 213112) "Oil and Gas Field Services".

The facility consists of an office building, shop building, lube island, warehouses, aboveground storage tanks, truck wash rack, bulk cement facility, acid dock, outdoor chemical storage areas, and yard for truck parking and equipment storage. Figure 1 shows the general layout of the facility and the storm water drainage pattern.

Site Data:

- A. Name of Facility:** BJ Services Company, USA
- B. Type of Facility:** Oil and Gas Services Company
- C. Date of Initial Operation:** April 1995 (as BJ Services)
- D. Facility Location:** 2708 W. County Road
Hobbs, NM 88240
- E. Pollution Prevention Team:**

In accordance with requirements of the General Permit, a Stormwater Pollution Prevention Team has been organized at the Hobbs District to assist in development, implementation, and revision of this SWPPP and to conduct all monitoring program activities required by the General Permit. The positions, their responsibilities, and contact info are shown and described in Table 1.

2.2 Facility Drainage

Facility drainage consists of two distinct drainage areas, which as shown on Figure 1 both drain to Outfall 001. The storm water drainage from both areas is characterized by sheet flow from the front of the property to the southeastern most extent where it drains into a vacant field via Outfall 001. This outfall will be equipped with an absorbent boom to ensure that storm water discharging from the property is free of any potential pollutants. This absorbent boom will be inspected during the routine district inspections and will be changed out as needed.

2.3 Description of Potential Pollutant Sources

In order to effectively implement Best Management Practices at the district a table summarizing the potential pollutant sources has been developed. This table is included as Table 2.

2.4 Soil Erosion

The district does not have any significant signs of erosion. Should the facility undergo modifications in the future that will involve a high potential for significant soil erosion, appropriate measures to limit erosion will be identified and implemented in accordance with the principles presented in this plan.

3.0 STORM WATER BEST MANAGEMENT PRACTICES

BMPs must be implemented in the areas identified in Table 2 of this report to ensure that storm water runoff is not impacted when it is discharged from the facility. Table 3 outlines all of the BMPs that are in-place and being implemented at the facility.

4.0 GENERAL STORM WATER MANAGEMENT PROCEDURES

4.1 Good Housekeeping

Proper traditional “housekeeping” practices will be performed by the staff so the facility will be kept clean and orderly condition. This element of the stormwater pollution prevention program is an ongoing task and is continually implemented to minimize the exposure of significant materials to stormwater. Proper housekeeping practices include:

- Sweeping of impervious surfaces
 - Maintenance of spill kits in areas of potential spillage.
 - Proper storage and rainfall protection techniques for potential contaminants.
-
- inspections and visual observations and stormwater discharge visual observation records;
 - The records of any corrective actions and follow-up activities that resulted from the visual observations.

4.2 Inspections

Qualified personnel, who are familiar with the industrial activities performed at the facility, shall conduct facility HSE inspections to determine the effectiveness of the Good Housekeeping, Spill Prevention, Erosion Control, Maintenance Program for Structural Controls, and Best Management Practices. Inspections must be conducted on a frequency of once per quarter. Inspections must be documented and made readily available for inspection and review by the NMOCD. Facility HSE Inspections are documented and retained in Lotus Notes.

4.3 Soil Control and Site Stabilization

Erosion control devices will be implemented in areas to control erosion when necessary. This may include planting and maintenance of vegetation, diversion of run-on and run-off, placement of sandbags, silt screens, or other sediment control devices.

4.4 Sampling Requirements

The district is not required to collect storm water samples for laboratory submittal.

Tables

Table 1
Pollution Prevention Team

Name	Title	Contact Information	Responsibilities
Terry Smyers	District Manager	2708 West County Road Hobbs, New Mexico 505-392-5556	Overall program implementation and management; Review and approve SWPPP
David Woolsey	Environmental Coordinator	2708 West County Road Hobbs, New Mexico 505-392-5556	Implementation and documentation of BMPs and regular inspections; assist in development of SWPPP; storm water sampling and monitoring
David Winkles	Region Safety and Training Manager	6 Desta Drive Midland, Texas 432-683-2781	Technical assistance; semi-annual inspections of the facility
Varies	Corporate Safety and Environmental	11211 FM 2920 Tomball, TX 77375 281-351-8131	Permit interpretation; BMP recommendations; technical assistance; develop SWPPP; conducts periodic site inspection

Table 2
Potential Pollutant Sources/Industrial Processes

Location/Areas	Industrial Processes	Source of Potential Pollutant	Material Handling and Storage Areas	Potential Pollutant
Bulk Plant /Area A	Storage and Handling of Dry Bulk Cement and Other Dry Additives	Dust Release; Product Spill	Cement is pneumatically transferred from air tight trucks into silos. Dry additives are delivered by truck and stored under covered building.	Particulate Matter
Wash Bay /Area B	Washing of vehicles and equipment using soap and degreaser in the washing area to remove dirt, grime, grease, and residue oil.	Overspray; Washwater release	Washing is done in wash bay with curbs, sumps, and walls	Total Organic Carbon; Oil and Grease; Particulate Matter
Acid and Liquid Chemical Storage Area /Area C	Storage and Handling of Hydrochloric Acid and other oilfield chemicals	Tank or piping release; Spill	Acid is loaded within a closed pipe system and stored within secondary containment.	Total Organic Carbon; Chlorides; Dissolved Solids; pH
Truck/Equipment Parking/ Storage Area /Area D	Storage of tractor/trailer fleet and other equipment	Leaks from trucks and equipment	Trucks are stored on the yard and maintenance is monitored	Oil and Grease; Particulate Matter
Chemical Warehouse /Area E	Storage of dry (bagged) and liquid chemicals	Spill	Chemical warehouse is an enclosed building. Chemicals are loaded using forklifts.	Oil and Grease; Particulate Matter; Total Organic Carbon; pH
Maintenance Shop / Area F	Maintenance and repair of fleet vehicles	Spill	Maintenance Shop is an enclosed building.	Oil and Grease
Lubrication Oils Storage Area / Area G	Storage and dispensing of liquid lubrication oils	Overfill of tank, spill	Lubrication oils are stored within secondary containment and spill kit is located nearby. Lubrication oils are stored within an enclosed building.	Oil and Grease
LFC Blending Area / Area H	Storage, blending, and dispensing of LFC	Overfill of tank, spill	LFC Blending area consists of a diesel tank along with blending tanks in a contained area.	Oil and Grease
Outdoor Chemical Storage / Area I	Storage of liquid chemicals for off-site use.	Spill	Chemicals are stored in totes and drums for off-site use. Chemicals are loaded using forklifts.	Various

Table 3
BMP Identification

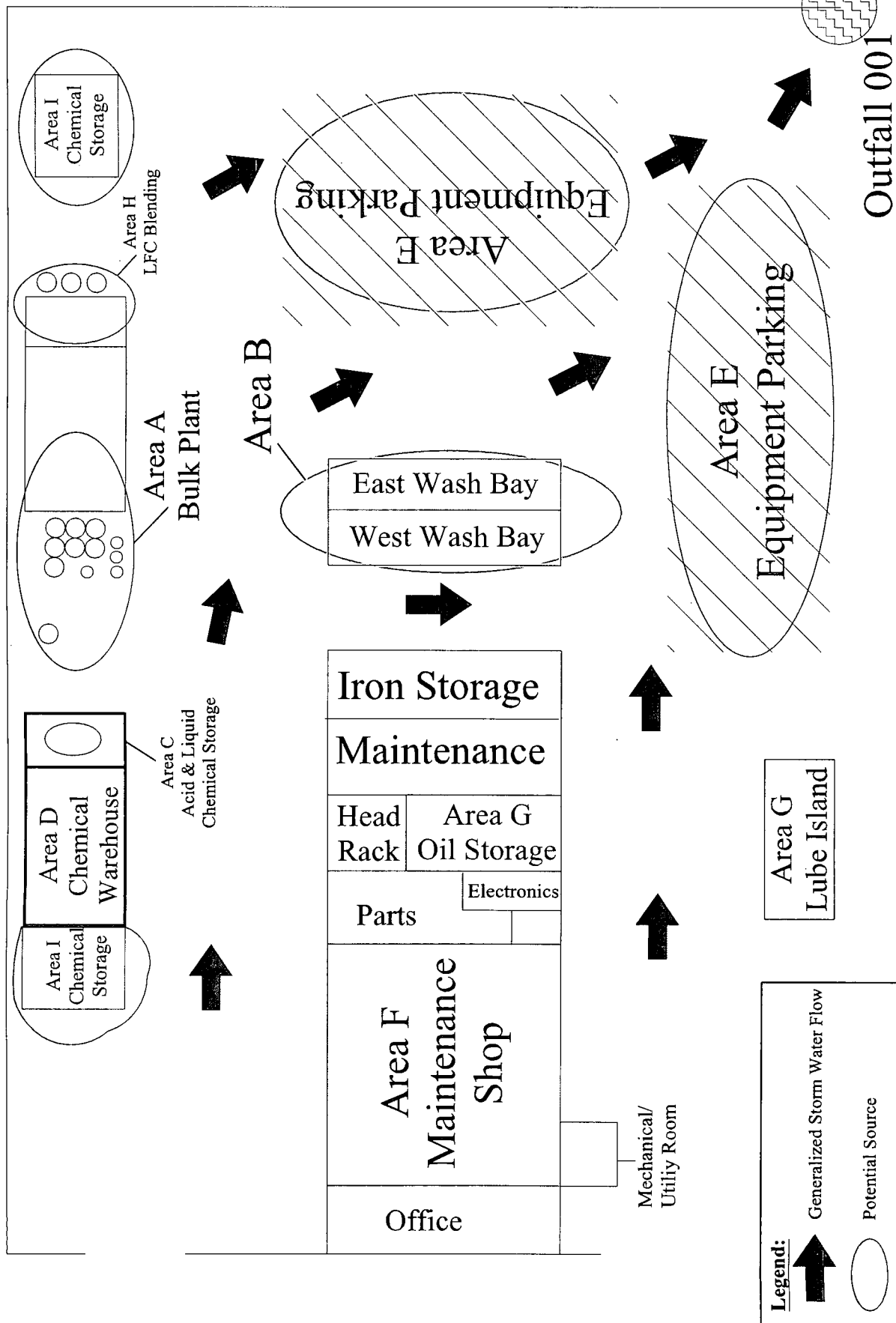
Location/Area	BMPs and Description
Bulk Plant / Area A	<p><i>Structural</i></p> <ul style="list-style-type: none"> ▪ Dust Control – The bulk plant is a completely enclosed pneumatic system. A dust collector is in place and maintained to control dust emissions from the system (see permit). <p><i>Non-Structural</i></p> <ul style="list-style-type: none"> ▪ Spill Clean-up – Spills of dry material will be swept up immediately and either reused or disposed of properly. ▪ Good Housekeeping – The bulk plant area will be kept clean and orderly. ▪ Inspection – The bulk plant is inspected regularly during facility reviews. Any visible dust emissions will be corrected immediately.
Wash Bay / Area B	<p><i>Structural</i></p> <ul style="list-style-type: none"> ▪ Sump - The wash bay is sloped towards an in-ground sump that collects all wastewater. ▪ Curbs - A surrounding curb prevents water from escaping the wash bay and impacting storm water. ▪ Covered Wash Bay – The west wash bay is covered by a permanent roof structure. This greatly minimizes the potential for impacting storm water runoff. ▪ Walls – The west wash bay is a completely enclosed building to prevent any potential impact of wash waters to storm water. <p><i>Non-Structural</i></p> <ul style="list-style-type: none"> ▪ Overspray Control – Overspray of washwater will be minimized by the wash bay operator. Operators will be sufficiently trained to prevent overspray from leaving the confines of the wash bay. ▪ Good Housekeeping – The wash bay area will be kept clean and orderly. ▪ Inspections – The wash bay is inspected regularly during facility reviews. Any overspray or evidence of washwater releases from the wash bay area will be corrected immediately.

<p>Acid and Liquid Chemical Storage Area / Area C</p>	<p><i>Structural</i></p> <ul style="list-style-type: none"> ▪ Secondary Containment – The acid tank is contained in an impervious concrete containment area. If a release did occur from this tank, the berm will provide sufficient containment. ▪ Loading area – There is a concrete catch basin directly below the acid/chemical loading area. If chemicals are released during loading, all fluids will enter this catch basin. ▪ Containment Berm – The liquid chemical storage area is surrounded by a containment berm that will prevent any spills or leaks from leaving the area and impacting storm water. <p><i>Non-Structural</i></p> <ul style="list-style-type: none"> ▪ Good Housekeeping – The acid storage area will be kept clean and orderly. ▪ Inspections – The acid tank, associated piping, secondary containment, loading area, and drum storage area are all inspected regularly during facility reviews. Any problems with this equipment will be corrected immediately. ▪ Drum Storage – Drums are stored on racks to allow easy inspection of the surface below the drum for any leaks. Drums are stored on an impervious surface.
<p>Chemical Warehouse / Area D</p>	<p><i>Structural</i></p> <ul style="list-style-type: none"> ▪ Covered Building – The chemical warehouse is a covered building which greatly minimizes any products exposure to storm water. <p><i>Non-Structural</i></p> <ul style="list-style-type: none"> ▪ Spill Clean-up – Spills inside and outside the building will be cleaned-up immediately to prevent the spill from migrating out of the building and impacting storm water runoff. ▪ Good Housekeeping – The chemical warehouse area will be kept clean and orderly. ▪ Inspections – This area is regularly inspected during facility reviews. Any spills or other problems identified will be addressed immediately.

Truck/Equipment Parking/ Storage Area / Area E	<p><i>Non-Structural</i></p> <ul style="list-style-type: none"> ▪ Area Maintenance – The soil and/or pavement in this area will be spot treated as necessary to address any leaks from equipment. ▪ Preventative Maintenance – The facility has a preventative maintenance program in place to keep equipment in good working order. This program will help keep equipment from leaking. ▪ Absorbent material – Employees will place absorbent pads or catchment pans under equipment that leak. The leak should be reported to the Maintenance Supervisor. ▪ Absorbent material - Absorbent socks will be placed inside the fence at the facilities two discharge points to prevent oil from leaving the property if the district deems it necessary. ▪ Good Housekeeping – The truck parking area will be kept clean and orderly. ▪ Inspections – This area is regularly inspected during facility reviews. Any areas, which need attention, will receive it immediately.
Maintenance Shop / Area F	<p><i>Structural</i></p> <ul style="list-style-type: none"> ▪ Covered Building – The maintenance shop is a covered building which greatly minimizes any exposure to storm water. ▪ Sump System – contains leaks, spills, or wash down fluids. <p><i>Non-Structural</i></p> <ul style="list-style-type: none"> ▪ Spill Clean-up – Spills inside and outside the shop will be cleaned-up immediately to prevent the spill from migrating out of the shop and impacting storm water runoff. ▪ Good Housekeeping – The maintenance shop will be kept clean and orderly. ▪ Inspections – This area is regularly inspected during facility reviews. Any spills or other problems identified will be addressed immediately.
Lubrication Oils Storage Area / Area G	<p><i>Structural</i></p> <ul style="list-style-type: none"> ▪ Secondary Containment - All lube oil storage tanks have secondary containment sufficient to contain a catastrophic failure of the largest tank plus adequate freeboard for precipitation. ▪ Cover – Lube oils are stored within a completely enclosed building which greatly minimizes impact to storm water. <p><i>Non-Structural</i></p> <ul style="list-style-type: none"> ▪ Spill Clean-up – Spills will be cleaned up with absorbent material immediately and disposed of properly. ▪ Good Housekeeping – The lubrication oils storage area will be kept clean and orderly. ▪ Inspection – The lubrication oils storage area is inspected regularly during facility reviews. Any spills or other problems identified will be addressed immediately.

<p>LFC Blending Area / Area H</p>	<p><i>Structural</i></p> <ul style="list-style-type: none"> ▪ Secondary Containment - Diesel tank is placed in a secondary containment sufficient to contain a catastrophic failure plus adequate freeboard for precipitation. <p><i>Non-Structural</i></p> <ul style="list-style-type: none"> ▪ Spill Clean-up – Spills will be cleaned up with absorbent material immediately and disposed of properly. ▪ Good Housekeeping – The LFC blending area will be kept clean and orderly. ▪ Inspection – The LFC blending area is inspected regularly during facility reviews. Any spills or other problems identified will be addressed immediately.
<p>Outdoor Storage Area / Area I</p>	<p><i>Structural</i></p> <ul style="list-style-type: none"> ▪ Secondary Containment – Chemicals are placed within a secondary containment sufficient to contain a catastrophic failure plus adequate freeboard for precipitation. <p><i>Non-Structural</i></p> <ul style="list-style-type: none"> ▪ Spill Clean-up – Spills will be cleaned up with absorbent material immediately and disposed of properly. ▪ Good Housekeeping – The chemical storage area will be kept clean and orderly. ▪ Inspection – The chemical storage area is inspected regularly during facility reviews. Any spills or other problems identified will be addressed immediately.

FIGURES



BJ Services Company, USA
11211 FM 2920
Tomball, Texas 77375

Figure 1: Facility Layout

Hobbs District
2708 West County Road
Hobbs, NM 88240

Not To Scale

REVISION DATE:
6/16/08

DRAWN BY:
JSG



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop

Cabinet Secretary

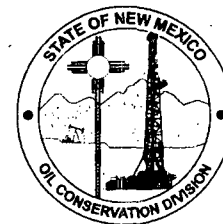
Reese Fullerton

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



May 21, 2008

Mr. Joshua Morrisette
BJ Services
11211 FM 2920
Tomball, TX 77373

RE: **DRAFT** Discharge Plan Renewal Permit
BJ Services Hobbs Facility (GW-072)
NW/4 of the NE/4 of Section 20, Township 18 North, Range 38 West, NMPM
Lea County, New Mexico

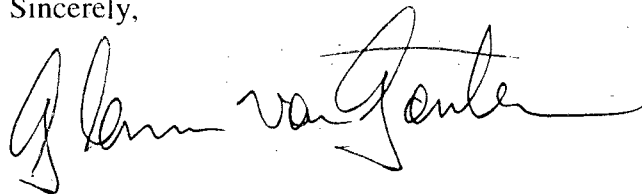
Mr. Morrisette:

As I discussed with Ms. Cobb on May 21, 2008, OCD provided public notification of BJ Services Company's discharge permit renewal in February 2008, but did not provide a copy of the draft discharge permit to BJ Services for its review. I am attaching a copy of the draft for your review. Please review and provide me with comments by June 6, 2008.

Because Mr. Gary Schubert has submitted a formal protect to the reissuance of BJ's discharge permit, OCD has added additional requirements to Condition 17 requiring BJ to address the storm water runoff onto Mr. Schubert's property.

If you have any questions, please contact me at 505-476-3488 or via email at glenn.vongonten@state.nm.us.

Sincerely,



Glenn von Gonten
Senior Hydrologist

GvG/gvg

xc: Mr. Gary Schubert





NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

May 21, 2008

Mr. Joshua Morrisette
BJ Services
11211 FM 2920
Tomball, TX 77373

RE: **DRAFT** Discharge Plan Renewal Permit
BJ Services Hobbs Facility (GW-072)
NW/4 of the NE/4 of Section 20, Township 18 North, Range 38 West, NMPM
Lea County, New Mexico

Dear Mr. Morrisette:

As I-discussed with Ms. Cobb on Pursuant to Water Quality Control Commission (WQCC) Regulations 20.6.2.3104 - 20.6.2.3114 NMAC, the Oil Conservation Division (OCD) hereby approves the discharge permit for the **BJ Services** (owner/operator) for the above referenced site contingent upon the conditions specified in the enclosed **Attachment to the Discharge Permit**. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter including permit fees.**

Please be advised that approval of this permit does not relieve the owner/operator of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does approval of the permit relieve the owner/operator of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If you have any questions, please contact Glenn von Gonten of my staff at (505-476-3488) or via email at glenn.vongonten@state.nm.us. On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Wayne Price
Environmental Bureau Chief

LWP/gvg
Attachments-1
xc: OCD District 1

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

1. **Payment of Discharge Plan Fees:** All discharge permits are subject to WQCC Regulations. Every billable facility that submits a discharge permit application will be assessed a filing fee of \$100.00, plus a flat fee (see WQCC Regulation 20.6.2.3114 NMAC). The Oil Conservation Division ("OCD") has received the required \$100.00 filing fee. **The flat fee for oil and gas service companies is \$1,700.00. Please submit this amount along with the signed certification item 23 of this document after the final permit is issued in approximately 45 days. Checks should be made out to the New Mexico Water Quality Management Fund.**
2. **Permit Expiration, Renewal Conditions and Penalties:** Pursuant to WQCC Regulation 20.6.2.3109.H.4 NMAC, this permit is valid for a period of five years. **The permit will expire on December 9, 2008** and an application for renewal should be submitted no later than 120 days before that expiration date. Pursuant to WQCC Regulation 20.6.2.3106.F NMAC, if a discharger submits a discharge permit renewal application at least 120 days before the discharge permit expires and is in compliance with the approved permit, then the existing discharge permit will not expire until the application for renewal has been approved or disapproved. **Expired permits are a violation of the Water Quality Act {Chapter 74, Article 6, NMSA 1978} and civil penalties may be assessed accordingly.**
3. **Permit Terms and Conditions:** Pursuant to WQCC Regulation 20.6.2.3104 NMAC, when a permit has been issued, the owner/operator must ensure that all discharges shall be consistent with the terms and conditions of the permit. In addition, all facilities shall abide by the applicable rules and regulations administered by the OCD pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38.
4. **Owner/Operator Commitments:** The owner/operator shall abide by all commitments submitted in its February 2007 discharge plan application, including attachments and subsequent amendments and these conditions for approval. Permit applications that reference previously approved plans on file with the division shall be incorporated in this permit and the owner/operator shall abide by all previous commitments of such plans and these conditions for approval.
5. **Modifications:** WQCC Regulation 20.6.2.3107.C and 20.6.2.3109 NMAC addresses possible future modifications of a permit. The owner/operator (discharger) shall notify the OCD of any facility expansion, production increase or process modification that would result in any significant modification in the discharge of water contaminants. The Division Director may require a permit modification if any water quality standard specified at 20.6.2.3103 NMAC is being or will be exceeded, or if a toxic pollutant as defined in WQCC Regulation 20.6.2.7 NMAC is present in ground water at any place of withdrawal for present or reasonably foreseeable future use, or that the Water Quality Standards for Interstate and Intrastate streams as specified in 20.6.4 NMAC are being or may be violated in surface water in New Mexico.
6. **Waste Disposal and Storage:** The owner/operator shall dispose of all wastes at an OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

stream that is not listed in the discharge permit application must be approved by the OCD on a case-by-case basis.

A. OCD Rule 712 Waste: Pursuant to OCD Rule 712 (19.15.9.712 NMAC) disposal of certain non-domestic waste without notification to the OCD is allowed at NMED permitted solid waste facilities if the waste stream has been identified in the discharge permit and existing process knowledge of the waste stream does not change.

B. Waste Storage: The owner/operator shall store all waste in an impermeable bermed area, except waste generated during emergency response operations for up to 72 hours. All waste storage areas shall be identified in the discharge permit application. Any waste storage area not identified in the permit shall be approved on a case-by-case basis only. The owner/operator shall not store oil field waste on-site for more than 180 days unless approved by the OCD.

7. Drum Storage: The owner/operator must store all drums, including empty drums, containing materials other than fresh water on an impermeable pad with curbing. The owner/operator must store empty drums on their sides with the bungs in place and lined up on a horizontal plane. The owner/operator must store chemicals in other containers, such as tote tanks, sacks, or buckets on an impermeable pad with curbing.

8. Process, Maintenance, and Yard Areas: The owner/operator shall either pave and curb or have some type of spill collection device incorporated into the design at all process, maintenance, and yard areas which show evidence that water contaminants from releases, leaks and spills have reached the ground surface.

9. Above Ground Tanks: The owner/operator shall ensure that all aboveground tanks have impermeable secondary containment (e.g., liners and berms), which will contain a volume of at least one-third greater than the total volume of the largest tank or all interconnected tanks. The owner/operator shall retrofit all existing tanks before discharge permit renewal. Tanks that contain fresh water or fluids that are gases at atmospheric temperature and pressure are exempt from this condition.

10. Labeling: The owner/operator shall clearly label all tanks, drums, and containers to identify their contents and other emergency notification information. The owner/operator may use a tank code numbering system, which is incorporated into their emergency response plans.

11. Below-Grade Tanks/Sumps and Pits/Ponds.

A. All below-grade tanks and sumps must be approved by the OCD prior to installation and must incorporate secondary containment with leak detection into the design. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal. All existing below-grade tanks and sumps without secondary containment and leak detection must be tested annually or as specified herein. Systems that have secondary containment with leak detection shall have a monthly inspection of the leak detection system to determine if the primary containment is leaking. Small sumps or depressions in secondary containment systems used to facilitate fluid removal are exempt from these requirements if fluids are removed within 72 hours.

B. All pits and ponds, including modifications and retrofits, shall be designed by a certified registered professional engineer and approved by the OCD prior to installation. In general, all pits or ponds shall have approved hydrologic and geologic reports, location, foundation, liners, and secondary containment with leak detection, monitoring and closure plans. All pits or ponds shall be designed, constructed and operated so as to contain liquids and solids in a manner that will protect fresh water, public health, safety and the environment for the foreseeable future. The owner/operator shall retrofit all existing systems without secondary containment and leak detection before discharge permit renewal.

C. The owner/operator shall ensure that all exposed pits, including lined pits and open top tanks (8 feet in diameter or larger) shall be fenced, screened, netted, or otherwise rendered non-hazardous to wildlife, including migratory birds.

D. The owner/operator shall maintain the results of tests and inspections at the facility covered by this discharge permit and available for OCD inspection. The owner/operator shall report the discovery of any system which is found to be leaking or has lost integrity to the OCD within 15 days. The owner/operator may propose various methods for testing such as pressure testing to 3 pounds per square inch greater than normal operating pressure and/or visual inspection of cleaned tanks and/or sumps, or other OCD-approved methods. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

12. Underground Process/Wastewater Lines:

A. The owner/operator shall test all underground process/wastewater pipelines at least once every five (5) years to demonstrate their mechanical integrity, except lines containing fresh water or fluids that are gases at atmospheric temperature and pressure. Pressure rated pipe shall be tested by pressuring up to one and one-half times the normal operating pressure, if possible, or for atmospheric drain systems, to 3 pounds per square inch greater than normal operating pressure, and pressure held for a minimum of 30 minutes with no more than a 1% loss/gain in pressure. The owner/operator may use other methods for testing if approved by the OCD.

B. The owner/operator shall maintain underground process and wastewater pipeline schematic diagrams or plans showing all drains, vents, risers, valves, underground piping, pipe type, rating, size, and approximate location. All new underground piping must be approved by the OCD prior to installation. The owner/operator shall report any leaks or loss of integrity to the OCD within 15 days of discovery. The owner/operator shall maintain the results of all tests at the facility covered by this discharge permit and they shall be available for OCD inspection. The owner/operator shall notify the OCD at least 72 hours prior to all testing.

13. Class V Wells: The owner/operator shall close all Class V wells (e.g., septic systems, leach fields, dry wells, etc.) that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes unless it can be demonstrated that ground water will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD-regulated facilities that inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

14. Housekeeping: The owner/operator shall inspect all systems designed for spill collection/prevention and leak detection at least monthly to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices shall be emptied of fluids within 72 hours of discovery. The owner/operator shall maintain all records at the facility and available for OCD inspection.

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.5.12.1203 NMAC and OCD Rule 116 (19.15.3.116 NMAC). The owner/operator shall notify both the OCD District Office and the Santa Fe Office within 24 hours and file a written report within 15 days.

16. OCD Inspections: The OCD may place additional requirements on the facility and modify the permit conditions based on OCD inspections.

17. Storm Water: The owner/operator shall implement and maintain run-on and runoff plans and controls. The owner/operator shall not discharge any water contaminant that exceeds the WQCC standards specified in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) including any oil sheen in any stormwater run-off. The owner/operator shall notify the OCD within 24 hours of discovery of any releases and shall take immediate corrective action(s) to stop the discharge.

Special Condition: Due to a complaint from Mr. Gary M. Schubert (adjacent landowner) protesting the permit renewal dated February 21, 2008, the owner/operator shall submit a storm water discharge plan to OCD within 90 days of the permit renewal date to ensure that no water pollution will be allowed to discharge offsite onto Mr. Schubert's property.

18. Unauthorized Discharges: The owner/operator shall not allow or cause water pollution, discharge or release of any water contaminant that exceeds the WQCC standards listed in 20.6.2.3101 NMAC or 20.6.4 NMAC (Water Quality Standards for Interstate and Intrastate Streams) unless specifically listed in the permit application and approved herein. **An unauthorized discharge is a violation of this permit.**

19. Vadose Zone and Water Pollution: The owner/operator shall address any contamination through the discharge permit process or pursuant to WQCC 20.6.2.4000 - .4116 NMAC (Prevention and Abatement of Water Pollution). The OCD may require the owner/operator to modify its permit for investigation, remediation, abatement, and monitoring requirements for any vadose zone or water pollution. Failure to perform any required investigation, remediation, abatement and submit subsequent reports will be a violation of the permit. The previously submitted investigation(s) and remediation plans (Stage 1 and Stage 2 Abatement Plans) were submitted pursuant to the discharge permit and all future discoveries of contamination will be addressed through the discharge permit. OCD will separately review and approve or approve with conditions any pending or future investigation or remediation work plans or reports.

20. Additional Site Specific Conditions:

A. The owner/operator shall submit an annual ground water monitoring and abatement report to the OCD by April 15th of each year. The annual report shall contain the following information for all monitoring and remediation systems:

1. A description of the monitoring and remediation activities that occurred during the year, including conclusions and recommendations.
 2. Summary tables listing laboratory analytic results of all ground water and soil samples. Any WQCC constituent found to exceed the groundwater standard shall be highlighted and noted in the annual report. Copies of the most recent years laboratory analytical data sheets shall also be submitted.
 3. Annual water table potentiometric maps. A corrected water table elevation shall be determined for all wells containing phase-separated hydrocarbons. These maps shall show well locations, pertinent site features, and the direction and magnitude of the hydraulic gradient.
 4. Semi-annual isopleth maps for the following constituents: total chromium (dissolved phase) and hexavalent chromium (dissolved phase); non-aqueous phase liquids; chlorides; TPH; and, BTEX.
 5. Semi-annual geologic cross-sections (both dip and strike), using the geologic/lithologic logs from the monitor, recovery, and injection wells, depicting the concentrations for the following constituents: total chromium (dissolved phase) and hexavalent chromium (dissolved phase); non-aqueous phase liquids; chlorides; TPH; and, BTEX.
 6. Estimate or measure of the volume of non-aqueous phase liquid recovered in the recovery wells during each quarter and the total recovered to date.
- B.** The owner/operator shall notify the OCD Santa Fe and local district office at least 2 weeks in advance of all scheduled activities so that the OCD has the opportunity to witness the events and split samples.
- C.** The owner/operator shall notify the NMOCD within 15 days of the discovery of separated-phase hydrocarbons or the exceedance of a WQCC standard in any monitor well where separate-phase hydrocarbons were not present or where contaminant concentrations did not exceed WQCC standards during the preceding monitoring event.

21. Transfer of Discharge Permit (WQCC 20.6.2.3111) Prior to any transfer of ownership, control, or possession (whether by lease, conveyance or otherwise) of a facility with a discharge permit, the transferor shall notify the transferee in writing of the existence of the discharge permit, and shall deliver or send by certified mail to the department a copy of such written notification, together with a certification or other proof that such notification has in fact been received by the transferee.

Upon receipt of such notification, the transferee shall have the duty to inquire into all of the provisions and requirements contained in such discharge permit, and the transferee shall be charged with notice of all such provisions and requirements as they appear of record in the department's file or files concerning such discharge permit. The transferee (new owner/operator) shall sign and return an original copy of these permit conditions and provide a written commitment to comply with the terms and conditions of the previously approved discharge permit.

22. Closure Plan and Financial Assurance: Pursuant to 20.6.2.3107 NMAC an owner/operator shall notify the OCD when any operations of the facility are to be discontinued for a period in excess of six months. Prior to closure, or as a condition of this permit, or request from the OCD, the operator will submit an approved closure plan, modified plan, and/or provide adequate financial assurance.

23. Certification: (Owner/Operator), by the officer whose signature appears below, accepts this permit and agrees to comply with all submitted commitments, including these terms and conditions contained here. **Owner/Operator** further acknowledges that the OCD may, for good cause shown, as necessary to protect fresh water, public health, safety, and the environment, change the conditions and requirements of this permit administratively.

Conditions accepted by: "I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment."

Company Name-print name above

Company Representative- print name

Company Representative- Signature

Title

Date:

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 7/10/08

or cash received on _____ in the amount of \$ 1700⁰⁰

from BS Services Co.

for GW-72

Submitted by: Lawrence Romero Date: 7/16/08

Submitted to ASD by: Lawrence Romero Date: 7/16/08

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment ☒ or Annual Increment _____

ATTACHMENT TO THE DISCHARGE PLAN GW-072 APPROVAL
BJ Services Company , Hobbs Facility
DISCHARGE PLAN APPROVAL CONDITIONS
October 25, 2001

RECEIVED
JAN 10 2002
Environmental Bureau
Oil Conservation Division

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a required flat fee of \$1700.00 for oilfield service companies. The flat fee required for this facility may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.
2. Commitments: BJ Services Company will abide by all commitments submitted in the discharge plan renewal application dated July 09, 2001 and subsequent submittal dated September 13, 2001, including attachments, and these conditions for approval.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
7. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

8. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must be tested to demonstrate their mechanical integrity no later than December 15, 2001 and every year from tested date, thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by December 31 of each year.
9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than December 15, 2001 and every 5 years, from tested date, thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by December 31, 2001.
10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery. A record of inspections will be retained on site for a period of five years.
12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. And WQCC 1203. to the OCD Hobbs District Office.
13. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.
14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections.

15. Storm Water Plan: BJ Services Company shall submit a copy of the EPA Federal Stormwater Plan by December 31, 2001.
16. Vadose Zone and Water Pollution: The previously submitted investigation and remediation plans were submitted pursuant to the discharge plan and all future discoveries of contamination will be addressed through the discharge plan process.
17. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
18. Closure: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
19. Certification: **BJ Services Company** by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. **BJ Services Company** further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Conditions accepted by: **BJ Services Company**

ROGER SULLIVAN
Company Representative- print name

 Date 12/2/01
Company Representative- Sign

Title DISTRICT MANAGER



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

October 25, 2001

Lori Wrotenberg
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 5357 7423

Ms. Jo Ann Cobb
BJ Services Company
11211 FM 2920
Tomball, Texas 77375

Re: Renewal of Discharge Plan GW-072
Hobbs, NM Facility

Dear Ms.Cobb:

The groundwater discharge plan GW-072 for the BJ Services Company , Hobbs Facility, located in the NE/4, Section 20, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within 30 working days of receipt of this letter.**

The original discharge plan application was submitted on June 18, 1991 and approved on October 02, 1991 with an expiration date of October 02, 1996. The discharge plan renewal application dated July 09, 2001 and subsequent submittal dated September 13, 2001, including attachments, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals.

The discharge plan is renewed pursuant to Section 3109.C. Please note Section 3109.G., which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve BJ Services Company of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve BJ Services Company of its responsibility to comply with any other governmental authority's rules and regulations.

Please be advised that all exposed pits, including lined pits and open top tanks (exceeding 16 feet in diameter) shall be screened, netted, or otherwise rendered nonhazardous to wildlife including migratory birds.

Please note that Section 3104. of the regulations requires that "when a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C., BJ Services Company is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

Pursuant to Section 3109.H.4., this approval is for a period of five years. **This approval will expire October 02, 2006** and an application for renewal should be submitted in ample time before that date. Pursuant to Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved.

The discharge plan application for the BJ Services Company , Hobbs Facility, is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of \$100.00 plus a flat fee of \$1700.00 for oilfield service companies. The OCD has not received the \$1700.00 flat fee. The flat fee may be paid in a single payment due on the date of the discharge plan approval or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval and subsequent installments due on this date of each calendar year.

Please make all checks payable to: Water Quality Management Fund
C/o: Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505.

If you have any questions, please contact Wayne Price of my staff at (505-476-3487). On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

RCA/lwp
Attachment-1
Xc: OCD Hobbs Office

ATTACHMENT TO THE DISCHARGE PLAN GW-072 APPROVAL
BJ Services Company , Hobbs Facility
DISCHARGE PLAN APPROVAL CONDITIONS
October 25, 2001

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the OCD. There is a required flat fee of \$1700.00 for oilfield service companies. The flat fee required for this facility may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.
2. Commitments: BJ Services Company will abide by all commitments submitted in the discharge plan renewal application dated July 09, 2001 and subsequent submittal dated September 13, 2001, including attachments, and these conditions for approval.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.
4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
7. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

8. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must be tested to demonstrate their mechanical integrity no later than December 15, 2001 and every year from tested date, thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by December 31 of each year.
9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than December 15, 2001 and every 5 years, from tested date, thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD by December 31, 2001.
10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.
11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery. A record of inspections will be retained on site for a period of five years.
12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. And WQCC 1203. to the OCD Hobbs District Office.
13. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.
14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections.

15. Storm Water Plan: BJ Services Company shall submit a copy of the EPA Federal Stormwater Plan by December 31, 2001.
16. Vadose Zone and Water Pollution: The previously submitted investigation and remediation plans were submitted pursuant to the discharge plan and all future discoveries of contamination will be addressed through the discharge plan process.
17. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
18. Closure: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
19. Certification: **BJ Services Company** by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. **BJ Services Company** further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Conditions accepted by: **BJ Services Company**

Company Representative- print name

Company Representative- Sign

Title

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 5/29/01
or cash received on _____ in the amount of \$ 100⁰⁰
from BJ SERVICES COMPANY
for HOBBS YARD GW-072
Submitted by: WAYNE PRICE (Family Name) Date: 6/1/01 (CP No.)
Submitted to ASD by: Wayne Price Date: "
Received in ASD by: _____ Date: _____
Filing Fee ☒ New Facility _____ Renewal _____
Modification _____ Other _____ (Signature)
Organization Code 521.07 Applicable FY 2001
To be deposited in the Water Quality Management Fund.
Full Payment _____ or Annual Increment _____



BJ SERVICES COMPANY

BJ Services Company U.S.A.
P.O. BOX 4442
HOUSTON, TX 77210
713/462-4239

The Chase Manhattan Bank, N.A.
Syracuse, New York

VENDOR NO.
126792

CHECK NO. [REDACTED]

58-937
213

CHECK DATE	CHECK AMOUNT
05/29/01	*****100.00

PAY ONE HUNDRED AND 00/100 *****

STATE OF NEW MEXICO
ENERGY MINERALS & NATURAL
RESOURCES DEPT OIL CONSER DIV
1220 SOUTH ST FRANCIS DR
SANTA FE NM 87504

VOID AFTER 90 DAYS
AS AN AUTHORIZED SIGNER OF BJ SERVICES COMPANY, U.S.A.

GW-252





Jo Ann Cobb, REM
Manager, Environmental Services
281-357-2572 FAX 281-357-2585

RECEIVED
JUN 01 2001
Environmental Bureau
Oil Conservation Division

May 25, 2001

Wayne Price
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87504

RE: Discharge Plan for BJ Services Company, U.S.A. Facility – GW-072

Dear Mr. Price,

BJ Services Company, U.S.A. would like to submit the enclosed application for the renewal of the Discharge Plan for the Hobbs facility. The plan will be basically the same as the one on file in your office. Later I will submit an updated site plan, an updated emergency response plan and any other changes that are needed.

Also enclosed is a check for \$100 to cover the application fee.

Regards,

A handwritten signature in cursive script, reading 'Jo Ann Cobb'.

Jo Ann Cobb, REM

C: Roger Sullivan, BJ, Hobbs

**BJ SERVICES COMPANY**

BJ Services Company U.

P.O. BOX 4442

HOUSTON, TX 77210

PLOPEZ

Stub 1 1

Check Date - 05/29/01

Check No. - [REDACTED]

Vendor No. - 126792

INVOICE NO.	DATE	DESCRIPTION	GROSS	DEDUCTIONS	AMOUNT PAID
52301	052501	JAC/GW-072 FEE	100.00		100.00
			-----	-----	-----
			100.00		100.00
000226 015980					

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised January 24, 2001

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES, GAS PLANTS,
REFINERIES, COMPRESSOR, GEOTHERMAL FACILITIES
AND CRUDE OIL PUMP STATIONS**

(Refer to the OCD Guidelines for assistance in completing the application)

☐ New

☒ Renewal

☐ Modification

RECEIVED
JUN 01 2001
Environmental Bureau
Oil Conservation Division

1. Type: Oilfield Service Facility
2. Operator: BJS USA
- Address: 2708 West County Road, Hobbs, NM 88240
- Contact Person: Chon Rivas Phone: _____
3. Location: _____ /4 Northeast Section 20 Township 18 South Range 38 East
Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

14. CERTIFICATION: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Jo Ann Cobb

Title: Mgr. Environmental Services

Signature: Jo Ann Cobb

Date: 5-25-01



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

November 17, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 4744

Ms. Jo Ann Cobb
BJ Services Company
11211 FM 2920
Tomball, Texas 77375

Re: BJ Hobbs Facility GW-072
Work Plan for Delineation of Chloride Plume

Dear Ms. Cobb:

The New Mexico Oil Conservation Division (OCD) is in receipt of the Brown and Caldwell's Work Plan for Delineation of Chloride Plume dated September 20, 2000. **The plan is hereby approved.**

Please be advised that NMOCD approval of this work plan does not relieve BJ Services Company of responsibility should their activities have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve BJ Services Company of responsibility for compliance with any other federal, state, or local laws and/or regulations.

If you have any questions please call me at 505-827-7155.

Sincerely;

Wayne Price-Pet. Engr. Spec.

Cc: OCD Hobbs Office

Attachments-



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

June 13, 1997

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-933

Ms. Jo Ann Cobb
BJ Services Company, U.S.A.
8701 New Trails
Woodlands, Texas 77381

**RE: Discharge Plan GW-72 Modification
Hobbs Facility
Lea County, New Mexico**

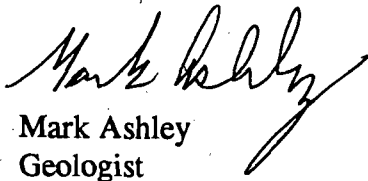
Dear Ms. Cobb:

The New Mexico Oil Conservation Division (OCD) has reviewed BJ Service's (BJ) request dated April 15, 1996 for the addition of a water and dilute hydrochloric acid reclaim tank at the acid dock area in the NE/4 of Section 20, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico. Based on the information provided, BJ's request is hereby approved.

Please be advised that OCD approval does not relieve BJ of liability should operations result in pollution of surface water, ground water, or the environment.

If you have any questions, please feel free to call me at (505) 827-7155.

Sincerely,


Mark Ashley
Geologist

xc: OCD Hobbs Office

P 288 258 933

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 10/17/96,

or cash received on _____ in the amount of \$ 690.00

from B.J. Services

for Hobbs GW-072

Submitted by: _____ Date: _____

Submitted to ASD by: R. C. Anderson Date: 12/11/96

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal X

Modification _____ Other _____

Organization Code 521.07 Applicable FY 97

To be deposited in the Water Quality Management Fund.

Full Payment X or Annual Increment _____



BJ SERVICES COMPANY

P.O. BOX 4442
HOUSTON, TX 77210
713-462-4239

The Chase Manhattan Bank, N.A.
Syracuse, New York

VENDOR NO.
142197

CHECK NO.
[REDACTED]

50-937
213

CHECK DATE	CHECK AMOUNT
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10/17/96	*****690.00
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PAY SIX HUNDRED NINETY AND 00/100 *****

NMED-WATER QUALITY MGMT.
ENERGY, MINERALS & NATURAL
RESOURCES DEPT.
OIL CONSERVATION DIV.
2040 S. PACHECO
SANTA FE, NM 87505

VOID AFTER 90 DAYS
AS AN AUTHORIZED SIGNER OF BJ SERVICES COMPANY, U.S.A.

ATTACHMENT TO THE DISCHARGE PLAN GW-072 RENEWAL
BJ SERVICES COMPANY, U.S.A.
HOBBS FACILITY
DISCHARGE PLAN REQUIREMENTS

1. Payment of Discharge Plan Fees: The \$690 flat fee shall be submitted upon receipt of this approval. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. BJ Commitments: BJ will abide by all commitments submitted in the discharge plan application dated June 3, 1996.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad and curb type containment.
4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
7. Labeling: All tanks, drums and containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
8. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing

to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps. The OCD will be notified at least 72 hours prior to all testing so that an OCD representative may witness the testing.

9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing so that an OCD representative may witness the testing.
10. Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject fluid other than sewage below the surface are considered Class V injection wells under the EPA UIC program. All class V wells will be closed unless, it can be demonstrated that protectable groundwater will not be impacted in the reasonably foreseeable future. Class V wells must be closed through the Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, environment and groundwater as defined by the WQCC, and are cost effective.
11. Housekeeping: All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.

Any contaminated soils that are collected at the facility will be tested for hazardous constituents, and after receiving OCD approval, will be disposed of at an OCD approved site.
12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Hobbs District Office.
13. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
14. Closure: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

Ms. Jo Ann Cobb

October 2, 1996

Page 5

15. Certification: BJ, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. BJ further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted: Jo Ann Cobb

BJ SERVICES COMPANY, U.S.A.

by Mgr. Env. Services



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

October 2, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. P-288-258-855

Ms. Jo Ann Cobb
BJ Services
11211 W. FM 2920
Tomball, Texas 77375

**RE: Discharge Plan GW-072
Hobbs Facility
Lea County, New Mexico**

Dear Ms. Cobb:

The groundwater discharge plan renewal, GW-072, for the BJ Services Company, U.S.A. (BJ) Hobbs Facility located in the NE/4, Section 20, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the original application dated June 18, 1991, the discharge plan as approved October 2, 1991, and the discharge plan renewal application dated June 3, 1996. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within five working days of receipt of this letter.**

The discharge plan was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations. It is approved pursuant to Section 3109.A. Please note Sections 3109.E and 3109.F., which provide for possible future amendments or modifications of the plan. Please be advised that approval of this plan does not relieve BJ of liability should operations result in pollution of surface water, ground water, or the environment.

Please be advised that all exposed pits, including lined pits and open tanks (tanks exceeding 16 feet in diameter), shall be screened, netted, or otherwise rendered nonhazardous to wildlife including migratory birds.

Ms. Jo Ann Cobb
October 2, 1996
Page 2

Please note that Section 3104 of the regulations require "When a facility has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C. BJ is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

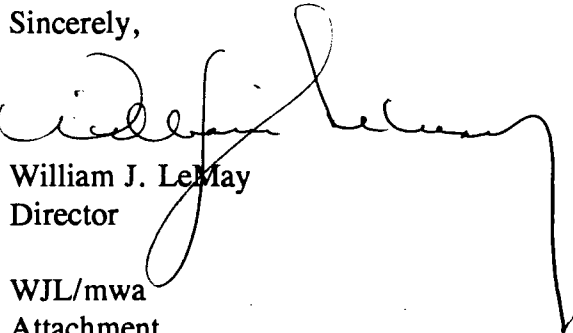
Pursuant to Section 3109.G.4., this plan is for a period of five years. This approval will expire on October 2, 2001, and BJ should submit an application in ample time before this date. Note that under Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit plans for, or the results of, an underground drainage testing program as a requirement for discharge plan renewal.

The discharge plan renewal application for the BJ Services Company, U.S.A. Hobbs Facility is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of \$50 plus one half of the flat fee or \$690 for oil field service companies. The \$50 filing fee was received by the OCD on May 24, 1996. The OCD has not received the \$690 flat fee. The flat fee of \$690 may be paid in a single payment due on the date of the discharge plan approval or in five equal installments over the expected duration of the discharge plan. Installment payments shall be remitted yearly, with the first installment due on the date of the discharge plan approval and subsequent installments due on this date of each calendar year.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,



William J. LeMay
Director

WJL/mwa
Attachment

xc: OCD Hobbs Office

ATTACHMENT TO THE DISCHARGE PLAN GW-072 RENEWAL
BJ SERVICES COMPANY, U.S.A.
HOBBS FACILITY
DISCHARGE PLAN REQUIREMENTS

1. Payment of Discharge Plan Fees: The \$690 flat fee shall be submitted upon receipt of this approval. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. BJ Commitments: BJ will abide by all commitments submitted in the discharge plan application dated June 3, 1996.
3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad and curb type containment.
4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
7. Labeling: All tanks, drums and containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
8. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing

to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps. The OCD will be notified at least 72 hours prior to all testing so that an OCD representative may witness the testing.

9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years there after. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing so that an OCD representative may witness the testing.
10. Class V Wells: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject fluid other than sewage below the surface are considered Class V injection wells under the EPA UIC program. All class V wells will be closed unless, it can be demonstrated that protectable groundwater will not be impacted in the reasonably foreseeable future. Class V wells must be closed through the Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, environment and groundwater as defined by the WQCC, and are cost effective.
11. Housekeeping: All systems designed for spill collection/prevention should be inspected to ensure proper operation and to prevent overtopping or system failure.

Any contaminated soils that are collected at the facility will be tested for hazardous constituents, and after receiving OCD approval, will be disposed of at an OCD approved site.
12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Hobbs District Office.
13. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.
14. Closure: The OCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility a closure plan will be submitted for approval by the Director. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.

Ms. Jo Ann Cobb
October 2, 1996
Page 5

15. **Certification:** BJ, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. BJ further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

Accepted:

BJ SERVICES COMPANY, U.S.A.

by _____
Title

P 288 258 855

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Street & Number	
Post Office, State, & ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

July 25, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-971

Ms. Jo Ann Cobb
BJ Services Company, U.S.A.
8701 New Trails
Woodlands, Texas 77381

RE: Discharge Plan GW-72 Modification
Hobbs Facility
Lea County, New Mexico

Dear Ms. Cobb:

The discharge plan modification, GW-72, for the BJ Services Company, U.S.A. (BJ) Hobbs yard truck wash facility located in the NE/4 of Section 20, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan modification consists of the request dated July 20, 1996. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within five working days of receipt of this letter.**

The discharge plan modification was submitted pursuant to Sections 3106 and 3107.C of the New Mexico Water Quality Control Commission (WQCC) Regulations. Based on the information provided in the modification request and in the approved discharge plan, it is approved pursuant to Sections 3109.A. Please be advised the approval of this plan does not relieve BJ of liability should operations result in pollution of surface water, ground water, or the environment.

Please note that Section 3104 of the regulations require "When a facility has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section

Ms. Jo Ann Cobb
July 25, 1996
Page 2

3107.C., BJ is required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

The discharge plan modification for the BJ Services Hobbs Facility is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan modification will be assessed a fee equal to the filing fee of \$50 plus the flat rate \$690 for oil field service companies. The OCD considers this modification to be minor in nature, therefore the flat fee has been waived. The OCD has not received the \$50 filing fee which is due upon receipt of this letter.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan modification review.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

RCA/mwa

xc: OCD Hobbs Office
 Brad Brooks, BJ, Hobbs, New Mexico

ATTACHMENT TO THE DISCHARGE PLAN GW-72 MODIFICATION APPROVAL
BJ SERVICES COMPANY, U.S.A.
HOBBS FACILITY
DISCHARGE PLAN MODIFICATION REQUIREMENTS

1. Payment of Discharge Plan Fees: The \$50 filing fee is due upon receipt of this approval.
2. BJ Commitments: BJ will abide by all commitments submitted in the discharge plan modification application dated July 20, 1996.
3. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.
4. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.
5. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable type pad and curb containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.
6. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.
7. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps.
8. Underground Process/Wastewater Lines: All underground process/wastewater lines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter. Permittees may propose various methods for testing such as pressure testing

Ms. Jo Ann Cobb
July 25, 1996
Page 4

to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD.

9. Housekeeping: All systems designed for spill collection/prevention should be inspected frequently to ensure proper operation and to prevent overtopping or system failure.
10. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Hobbs District Office.
11. OCD Inspections: Additional requirements may be imposed on the facility based upon OCD inspections.
12. Conditions accepted by:

Company Representative

Date

Title

Z 765 962 971



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to	
Street and No.	
P.O., State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. dated 8/15/96
or cash received on in the amount of \$ 50.00
from Western Co
for B.T. - Hobbs Inc GW-072
(Facility Name) (OP No.)
Submitted by: Date:
Submitted to ASD by: R. Anderson Date: 8/22/96
Received in ASD by: Date:
Filing Fee ☒ New Facility ☐ Renewal ☐
Modification ☐ Other ☐
(Specify)
Organization Code 521.07 Applicable FY 97

To be deposited in the Water Quality Management Fund.

Full Payment ☒ or Annual Increment ☐



THE WESTERN COMPANY
OF NORTH AMERICA

515 Post Oak Blvd. • Houston, Texas

CITIBANK DELAWARE, ONE PENN'S WAY NEW CASTLE, DE 19720

08-15- 19 96

62-20
311

PAY FIFTY DOLLARS NO CENTS DOLLARS \$50.00

NMED-WATER QUALITY MANAGEMENT

OIL CONSERVATION DIVISION
2040 SOUTH PACHECO STREET

SANTA FE NM 87505

TO
THE
ORDER
OF

NOT VALID SIX MONTHS AFTER DUE DATE OF ISSUE
NOT GOOD FOR MORE THAN \$200.00
AUTHORIZATION HOLDER

Melinda Sherman
NOT REDEEMABLE FOR CASH BY CRAWLER

THE WESTERN COMPANY
OF NORTH AMERICA

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

80012

VENDOR NO.	EMP. NO.	MO	DAY	YR
1 2 6 7 9 2	15184	08	15	96

INVOICE NUMBER DISCHARGE PLAN # GW-72	INVOICE DATE 07 25 96	COST CENTER OR AFE 1 1 0 1 0 1 1	OBJECT 6 4 7 0	SUBSIDIARY 0 0 0	DETAIL	AMOUNT \$50.00
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE	OBJECT	SUBSIDIARY	DETAIL	AMOUNT
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE	OBJECT	SUBSIDIARY	DETAIL	AMOUNT
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INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE	OBJECT	SUBSIDIARY	DETAIL	AMOUNT
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE	OBJECT	SUBSIDIARY	DETAIL	AMOUNT

RECEIVED

MAY 24 1996

Environmental Bureau
Oil Conservation Division



THE WESTERN COMPANY
OF NORTH AMERICA

515 Post Oak Blvd. • Houston, Texas

CITIBANK DELAWARE, ONE PENN'S WAY NEW CASTLE, DE 19720

05-22- 1996

62-20
311

PAY FIFTY DOLLARS AND NO CENTS DOLLARS \$ 50.00

TO
THE
ORDER
OF

NMED-WATER QUALITY MANAGEMENT
OIL CONSERVATION DIVISION
P O BOX 6429

SANTA FE NM 87505 6429

NOT VALID SIX MONTHS AFTER DUE DATE OF ISSUE

NOT GOOD FOR MORE THAN \$200.00

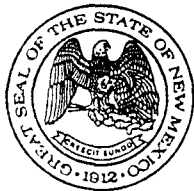
AUTHORIZATION HOLDER

Melinda Henman
NOT REDEEMABLE FOR CASH BY DRAWER

THE WESTERN COMPANY
OF NORTH AMERICA

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

VENDOR NO.		EMP. NO.		MO	DAY	YR
1 2 6 7 9 2		15184		05	22	96
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE	OBJECT	SUBSIDIARY	DETAIL	AMOUNT
GW-072	10 20 95	1 1 0 1 0 1 1	6 4 7 0	0 0 0		\$50.00
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE	OBJECT	SUBSIDIARY	DETAIL	AMOUNT
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE	OBJECT	SUBSIDIARY	DETAIL	AMOUNT
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE	OBJECT	SUBSIDIARY	DETAIL	AMOUNT
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE	OBJECT	SUBSIDIARY	DETAIL	AMOUNT
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE	OBJECT	SUBSIDIARY	DETAIL	AMOUNT



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

January 18, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-924

Ms. Jo Ann Cobb
BJ Services Company, U.S.A.
8701 New Trails
Woodlands, Texas 77381

RE: Discharge Plan GW-72 Modification
Hobbs Facility
Lea County, New Mexico

Dear Ms. Cobb:

The discharge plan modification GW-72 requesting the construction of a metal building with pad and curb containment for a Guar tank and a diesel tank, a curb and pad containment for a diesel storage tank, a curb and pad containment for drum storage, concrete pads for racks and an air compressor, and the demolition of an existing concrete drive area located in the NE/4 of Section 20, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico, **is hereby approved** subject to the conditions contained in the enclosed attachment. Please sign and return the attachment. The discharge plan modification consists of the request dated December 18, 1995.

The discharge plan modification was submitted pursuant to Sections 3106 and 3107.C of the New Mexico Water Quality Control Commission (WQCC) Regulations. Based on the information provided in the modification request and in the approved discharge plan, it is approved pursuant to Sections 3109 and 5101.A. Please be advised the approval of this plan does not relieve you of liability should your operation result in pollution of surface water, ground water, or the environment.

Please note that Section 3104 of the regulations require "When a facility has been approved,

Ms. Jo Ann Cobb
January 18, 1996
Page 2

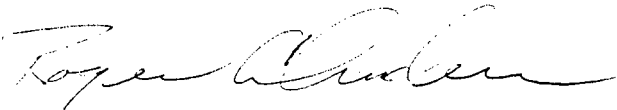
discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C. you are required to notify the Director of any facility expansion, production increase, or process modification that would result in any change in the discharge of water quality or volume.

The discharge plan modification for the BJ Services Hobbs Facility is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan modification will be assessed a fee equal to the filing fee of \$50 plus the flat rate \$690 for oil field service companies. The New Mexico Oil Conservation Division (OCD) considers this modification to be minor in nature, therefore the flat fee has been waived. As of this date the OCD has not received your \$50 filing fee which will be due upon receipt of this letter.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan modification review.

Sincerely,



Roger C. Anderson
Environmental Bureau Chief

RCA/mwa

xc: OCD Hobbs Office
Micheal M. McLain, BJ Services Consultant, Houston, Texas

ATTACHMENT TO THE DISCHARGE PLAN GW-72 MODIFICATION APPROVAL
BJ SERVICES COMPANY, U.S.A.
HOBBS FACILITY
DISCHARGE PLAN MODIFICATION REQUIREMENTS
(January 18, 1996)

1. Drum Storage: All full or partially used drums must be stored on an impermeable pad (i.e. concrete, asphalt, or other suitable containment) with curbing. All empty drums should be stored on their sides with the bungs lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad with curbing.
2. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device (i.e. drip pan) incorporated into the design.
3. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. Tanks must be placed on a impermeable pad.
4. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable type pad and curb containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure. No berms are required for saddle tanks.
5. Tank Labeling: All tanks should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.
6. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing and visual inspection of cleaned out tanks /or sumps.
7. Housekeeping: All systems designed for spill collection/prevention should be inspected frequently to ensure proper operation and to prevent overtopping or system failure.
8. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the appropriate OCD District Office.

9. Conditions accepted by:

Company Representative

Date

Title

Z 765 962 924



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
Street and No.	
P.O., State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, March 1993

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 2/29/96
or cash received on _____ in the amount of \$ 50.00
from BJ Services
for Habbs Service Fee GW 72
Submitted by: _____ Date: _____
Submitted to ASD by: B. C. [Signature] Date: 3/25/96
Received in ASD by: Angela Herrera Date: 3-29-96
Filing Fee ☒ New Facility _____ Renewal _____
Modification _____ Other _____
Organization Code 521.07 Applicable FY 96

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

THE BACK OF THIS CHECK CONTAINS A FACSIMILE WATERMARK—CAN BE SEEN AT AN ANGLE



BJ SERVICES COMPANY

P.O. BOX 4442
HOUSTON, TX 77210
713-462-4239

IN FULL PAYMENT OF ITEMS SET FORTH ON THE ACCOMPANYING REMITTANCE ADVICE

CITIBANK DELAWARE, ONE PENN'S WAY NEW

CHECK NO.

DATE	AMOUNT
02/29/96	\$*****50.00

142197

VOID IF NOT CASHED IN 60 DAYS

PAY
FIFTY AND 00/100 *****

TO THE
ORDER OF:

NMED-WATER QUALITY MGMT.
ENERGY, MINERALS & NATURAL
RESOURCES DEPT.
OIL CONSERVATION DIV.
2040 S. PACHECO
SANTA FE, NM 87505





BJ SERVICE COMPANY

Check No. [REDACTED]
Check Date - 02/29/96

Stub 1 of 1

INVOICE NUMBER	DATE	DESCRIPTION	GROSS	DEDUCTIONS	AMOUNT PAID
022696	02/26		50.00		50.00

DETACH STATEMENT BEFORE DEPOSITING

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. dated 5/22/96
or cash received on in the amount of \$ 50.00

from Western Co
for Hobbs 6207.2
(Facility Name) (CF No.)

Submitted by: Date:

Submitted to ASD by: R. Chandler Date: 6/21/96

Received in ASD by: Diane Salazar Date: 7/1/96

Filing Fee ☒ New Facility Renewal

Modification Other

Organization Code 521.07 Applicable FY 96

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment



THE WESTERN COMPANY
OF NORTH AMERICA

515 Post Oak Blvd. • Houston, Texas

CITIBANK DELAWARE, ONE PENN'S WAY NEW CASTLE, DE 19720

05-22- 1996

62-20
311

PAY FIFTY DOLLARS AND NO CENTS DOLLARS \$ 50.00

TO
THE
ORDER
OF

NMED-WATER QUALITY MANAGEMENT
OIL CONSERVATION DIVISION
P O BOX 6429

SANTA FE NM 87505 6429

NOT VALID SIX MONTHS AFTER DUE DATE OF ISSUE
NOT GOOD FOR MORE THAN \$200.00
AUTHORIZATION HOLDER

Melinda Herman

THE WESTERN COMPANY
OF NORTH AMERICA

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

75843

		VENDOR NO.				EMP. NO.		MO	DAY	YR		
		1 2 6 7 9 2				15184		05	22	96		
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE				OBJECT		SUBSIDIARY		DETAIL		AMOUNT
GW-072	10 20 95	1 1 0 1 0 1 1				6 4 7 0		0 0 0				\$50.00
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE				OBJECT		SUBSIDIARY		DETAIL		AMOUNT
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE				OBJECT		SUBSIDIARY		DETAIL		AMOUNT
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE				OBJECT		SUBSIDIARY		DETAIL		AMOUNT
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE				OBJECT		SUBSIDIARY		DETAIL		AMOUNT
INVOICE NUMBER	INVOICE DATE	COST CENTER OR AFE				OBJECT		SUBSIDIARY		DETAIL		AMOUNT



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

October 2, 1991

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

CERTIFIED MAIL
RETURN RECEIPT NO. P-327-278-260

Mr. Ron McKeel
The Western Company of North America
515 Post Oak Boulevard
Suite 915
Houston, Texas 77027

RE: Discharge Plan GW-72
Hobbs Service Facility
Lea County, New Mexico

Dear Mr. McKeel:

The groundwater discharge plan GW-72 for The Western Company of North America Hobbs Service Facility located in the NE/4, Section 20, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico is hereby approved. The discharge plan consists of the application dated June 18, 1991, and materials dated October 1, 1991, submitted as supplements to the application.

The discharge plan was submitted pursuant to Section 3-106 of the Water Quality Control Commission Regulations. It is approved pursuant to section 3-109.A. Please note Section 3-109.F., which provides for possible future amendments of the plan. Please be advised that approval of this plan does not relieve you of liability should your operation result in actual pollution of surface or ground waters or the environment which may be actionable under other laws and/or regulations.

Please be advised that all exposed pits, including lined pits and open top tanks (tanks exceeding 16 feet in diameter), shall be screened, netted or otherwise rendered nonhazardous to wildlife including migratory birds.

Please note that section 3-104 of the regulations requires that "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan". Pursuant to Section 3-107.C. you are required to notify the Director of any facility expansion or modification that would result in any change in the discharge of water quality or volume.

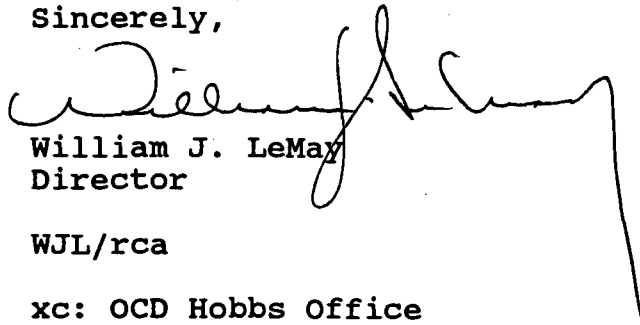
Pursuant to Section 3-109.G.4., this plan approval is for a period of five years. This approval will expire October 2, 1996, and

Mr. Ron McKeel
October 2, 1991
Page -2-

you should submit an application for renewal in ample time before that date.

On behalf of the staff of the Oil Conservation Division, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,

A handwritten signature in cursive script, appearing to read 'William J. LeMay', with a long vertical line extending downwards from the end of the signature.

William J. LeMay
Director

WJL/rca

xc: OCD Hobbs Office



RECEIVED

OCT 2 1991

October 1, 1991

OIL CONSERVATION DIV
SANTA FE

Mr. Roger Anderson
New Mexico Energy Minerals &
Natural Resources Department
Oil Conservation Division
Post Office Box 2088
State Land Office Building
Santa Fe, New Mexico 87504

FEDERAL EXPRESS

RE: Discharge Plan GW-72
Hobbs Service Facility
The Western Company of North America
Lea County, New Mexico

This is in response to your letter dated August 6, 1991.

1. Section IX: Proposed Modification

- a) Waste Water: The three buried fiberglass tanks used to store wastewater at the facility will be cleaned and inspected visually for integrity on an annual basis. If these tanks are repaired or replaced, either secondary containment will be incorporated or these tanks will be replaced by aboveground tanks. Construction designs will be submitted to the OCD for approval before construction begins.
- b) Drainage: The Western Company of North America has submitted a NPDES group permit application for Storm Water Discharges on March 18, 1991. The Western Hobbs facility was recommended to be one of the Western facility for which data for Part 2 of the application will be submitted. The Western Company will continue to pursue obtaining NPDES for its facilities.

2. Miscellaneous

- a) The notification of spills and leaks at the facility will be pursuant to OCD Rule 116. All spills will be cleaned up immediately with any wastes tested and disposed of at an OCD approved disposal facility.

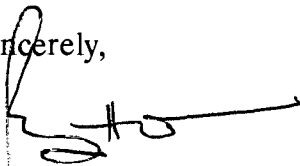
Mr. Roger Anderson
October 1, 1991
Page Two

- b) The waste liquid generated at the facility was sampled for full TCLP analysis. As soon as the analytical results are back, it will be submitted to the OCD for approval of disposal.
- c) All below grade sumps on the facility will be cleaned and visually inspected for integrity on an annual basis. If the sumps are repaired or replaced, leak detection will be incorporated in the design. Construction designs will be submitted to the OCD for approval prior to beginning construction.

3. Contamination Investigation:

- a & b) Western is performing assessment work with regard to possible diesel and gasoline tank leakages and possible ground water contamination. Western will remediate contamination caused by leakage of these tanks.

Sincerely,



Benny Ho
Environmental Specialist
THE WESTERN COMPANY OF NORTH AMERICA

BH:pm

**ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH**

I hereby acknowledge receipt of check No. _____ dated 2/6/07

or cash received on _____ in the amount of \$ 100⁰⁰

from BS Services Co.

for GW-072

Submitted by: Lawrence Rorrero Date: 2/9/07

Submitted to ASD by: Lawrence Rorrero Date: 2/9/07

Received in ASD by: _____ Date: _____

Filing Fee ☒ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____