GW - 75

PERMITS, RENEWALS, & MODS Application

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

John Bemis Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



AUGUST 28, 2012

Mr. Cecil Jacobson Weatherford U.S. L.P. 735 East 1400 N Mapleton, UT 84664

Dear Mr. Jacobson:

Based on your responses given in the "Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit" and a file review, the Oil Conservation Division (OCD) has determined that four of your facilities with an expired or soon to be expired permit do not require a Water Quality Control Commission (WQCC) Discharge Permit. This means that the WQCC Discharge Permit **GW** - **126** (Weatherford Farmington), **GW** – **281**(Weatherford Drilling Services - Farmington), **GW** – **347** (Weatherford Completions - Farmington), and **GW** - **075** (Weatherford Completions and Construction Services – Hobbs) are hereby rescinded and you are not required to proceed with the renewal of this expired or soon to expire WQCC Discharge Permit. OCD will close this permit in its database.

Because this WQCC Discharge Permit is no longer valid, you may be required to obtain a separate permit(s) for other processes at your facility, such as: pits, ponds, impoundments, below-grade tanks; waste treatment, storage and disposal operations; and landfarms and landfills. OCD will make an inspection of your facility to determine if any of these existing processes may require a separate permit under OCD's Oil, Gas, and Geothermal regulations. If OCD determines that a separate permit(s) is required, then a letter will be sent to you indicating what type of permit is required.

Please keep in mind, if your facility has any discharges that would require a WQCC Discharge Permit now or in the future, then you will be required to renew or obtain a WQCC Discharge Permit. If you have any questions regarding this matter, please contact Glenn von Gonten at 505-476-3488.

Thank you for your cooperation.

Jami Bailey Director

JB/gvg

1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

Thereby actinowledge receipt of check (No. $\frac{7/31/10}{200}$
Irom Wentherford
lor GW-75 Submitted by: <u>LAWECNEE</u> FONEDO Date: \$130/10
Submitted to ASD by: Neuver Ronner Date: 8/30/0
Received in ASD by: Date:
Filing Fee New Facility Renewal
Modification Other Discharge Product
Organization Code521.07 Applicable FY200@
To be deposited in the Water Quality Management Fund.
Full Payment or Annual Increment



RECEIVED OCD

2010 AUG 30 A 11: 02 -

Don Dunbar Environmental Project Manager

August 12, 2010

New Mexico Oil Conservation Division 1120 South St. Francis Drive Santa Fe, NM 87505

Re: Discharge Permit Renewal (GW-075) Weatherford Completions & Cementation (Oil & Gas Service Company) 3000 West County Road, Hobbs NE/4 SW/4 Section 20, T 18 S, R38 E, NMPM Lea, County, NM

Permit Renewal Group:

Attached is the signed original renewal for the above referenced permit and enclosed is the \$1700 permit fee. We appreciate your assistance in getting this site permit reactivated. Please call me at 713-693-7740 if you have any questions.

Sincerely,

Don Dunbar, PG Environmental Project Manager don.dunbar@weatherford.com

www.weatherford.com

₩. 09588	-				
ŀ					
	IS DUALITY	1220 S ST FRANC			
1	COC	SANTA FE NM '8' UNITED STATES			
χ	Start 12				
	a de la compañía de l Transmissión de la compañía de la com				
:					
WEATHEREORD U.S.	L.P.				
P O BOX 27608					
P O BOX 27608 HOUSTON TX 77227-7	7608			CK NO	018301
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10	VENDOR NAME: N	IEW MEXICO WATER QUALITY		CK NO. Vendor no.	018391 1012600
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10	7608 VENDOR NAME: N INV DATE:		GROSS	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10	7608 VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET AMOU
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICE:NO 010610CHQ	7608 VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NE1 AMOU
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10	7608 VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET AMOU 1,7
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10	VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET AMOU 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10	VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET AMOU 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 010610CHQ	7608 VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	01839 ⁻ 1012600 NET AMOU 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICEINO 010610CHQ	VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	01839 ⁻ 1012600 NEI AMOU 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICE:NO 010610CHQ	7608 VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	01839 ⁻ 1012600 NET AMOU 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICE:NO 010610CHQ	VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	01839 ⁻ 1012600 NET AMOU 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICEINO 010610CHQ	7608 VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	01839 ⁻ 1012600 NET AMOU 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 010610CHQ	7608 VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET АМОU 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICEINO 010610CHQ	VENDOR NAME: N NV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET AMOU 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICE:NO 010610CHQ	7608 VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET AMOU 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICE:NO 010610CHQ	7608 VENDOR NAME:N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET AMOU 1,7
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICEINO 010610CHQ	7608 VENDOR NAME: N NV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET AMOU 1,7
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICE:NO 010610CHQ	7608 VENDOR NAME: N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 №1 АМО 1,
P O BOX 27608 HOUSTON TX 77227-7 UNITED STATES DATE:07/21/10 INVOICEINO 010610CHQ	7608 VENDOR NAME:N INV DATE 01/06/10	IEW MEXICO WATER QUALITY DESCRIPTION permit renewal @ 3000 W.County	GROSS 1,700.00	CK NO. VENDOR NO. DISCOUNT	018391 1012600 NET АМОЦ 1,

.

l

WEATHERFORD U.S., L.P. P O BOX 27608 HOUSTON TX 77227-7608 UNITED STATES

۰. نار

1

FORM 804CS04 REV. (10-08)

÷

÷

NDARD REGISTER U.S.A.

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 once issued. 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 10, 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 September 2008 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 OCDapproved 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 OCDapproved 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.

έ.

1.1

15. Spill Reporting: The owner/operator shall report all unauthorized discharges, spills, leaks and releases and conduct corrective action pursuant to WQCC Regulation 20.6.2.1203 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 performed a closure inspection of this facility on July 15, 2008. Mr. Don Dunbar and Weatherford employees were in attendance throughout the walk-through. After evaluating the site the OCD has determined to keep the discharge plan open for reasons stated in the Inspection Letter sent on August 18, 2008. The renewed permit shall have the following conditions:

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.

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. <u>An</u> <u>unauthorized discharge is a violation of this permit.</u>

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.

20. Additional Site Specific Conditions: <u>N/A</u>

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."

Weather Ford Company Name-print name above

<u>Tommy</u> <u>Temp/c</u> Company Representative- print name

Company Representative- Signature

Title District Managur

Date: 8-7-10



Bill Richardson Governor John Goldstein Cabinet Secretary Jim Noel Deputy Cabinet Secretary

Mark Fesmire Division Director Oil Conservation Division



June 30, 2010 ·

Mr. Don Dunbar Weatherford USLP 515 Post Oak Boulevard, Ste 600 Houston, TX 77027

Re: Discharge Permit Renewal 3000 County Road, Hobbs, Oil and Gas Service Company (GW-075) NE/4 SW/4 Section 20, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico

Dear Mr. Dunbar:

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 **Weatherford U.S., L.P.,** (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 Leonard Lowe of my staff at (505-476-3492) or E-mail leonard.lowe@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

Gterin von Gonten \searrow Acting Environmental Bureau Chief

Attachments-1 xc: OCD District Office



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 once issued. 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 10, 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 September 2008 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 OCDapproved 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 OCDapproved 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 20.6.2.1203 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 performed a closure inspection of this facility on July 15, 2008. Mr. Don Dunbar and Weatherford employees were in attendance throughout the walk-through. After evaluating the site the OCD has determined to keep the discharge plan open for reasons stated in the Inspection Letter sent on August 18, 2008. The renewed permit shall have the following conditions:

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.

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. <u>An</u> <u>unauthorized discharge is a violation of this permit.</u>

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.

20. Additional Site Specific Conditions: <u>N/A</u>

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

<u>Conditions accepted by</u>: "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:

Lowe, Leonard, EMNRD

From:	Lowe, Leonard, EMNRD
Sent:	Tuesday, October 07, 2008 3:00 PM
То:	'Dunbar, Don G'
Cc:	Johnson, Larry, EMNRD
Subject:	GW-075 Admin Complete

Attachments: GW-075, Admin Complete Letter.pdf; GW-075, Draft Permit.pdf; GW-075 OCD PN.pdf

Mr. Don Dunbar,

GW-075 has been determined to be administratively complete.

Attached is the Admin. Complete letter, Draft Permit and OCD public notice for your records.

Please submit to the OCD your public notice for review.

Thank you for your attention.

llowe

ż

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: <u>leonard.lowe@state.nm.us</u> Website: <u>http://www.emnrd.state.nm.us/ocd/</u> 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



October 7, 2008

Mr. Don Dunbar

Re: Discharge Plan Renewal Permit GW-075 Weatherford U.S. Limited Partnership 3000 W. County Road Oil and Gas Service Company Lea County, New Mexico

Dear Mr. Dunbar:

The New Mexico Oil Conservation Division (NMOCD) has received Weatherford U.S., Limited Partnership's request and initial fee, dated September 16, 2008, to renew GW-075 for their oil and gas service company, 3000 West County Road, Hobbs N.M., located in the NE/4 SW/4 of Section 20, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico. The initial submittal provided the required information in order to deem the application "administratively" complete.

Therefore, the New Mexico Water Quality Control Commission regulations (WQCC) notice requirements of 20.6.2.3108 NMAC must be satisfied and demonstrated to the NMOCD. NMOCD will provide public notice pursuant to the WQCC notice requirements of 20.6.2.3108 NMAC to determine if there is any public interest.

If there are any questions regarding this matter, please do not hesitate to contact me at (505) 476-3492 or <u>leonard.lowe@state.nm.us</u>. On behalf of the staff of the NMOCD, I wish to thank you and your staff for your cooperation during this discharge permit review.

Sincerely,

Leonard Lowe Environmental Engineer

LRL/lrl

xc: OCD District I, Hobbs Office



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



October 7, 2008

Mr. Don Dunbar Weatherford USLP 515 Post Oak Boulevard, Ste 600 Houston, TX 77027

Re: **DRAFT** Discharge Permit Renewal 3000 County Road, Hobbs, Oil and Gas Service Company (GW-075) NE/4 SW/4 Section 20, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico

Dear Mr. Dunbar:

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 **Weatherford U.S., L.P.,** (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 45 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.

The final permit should be issued in approximately 45 days. If you have any questions, please contact Leonard Lowe of my staff at (505-476-3492) or E-mail leonard.lowe@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

Attachments-1 xc: OCD District Office

Mr. Don Dunbar Weatherford U.S., L.P. GW-075 **DRAFT** October 7, 2008 Page 2

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 once issued. 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 10, 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 September 2008 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 OCDapproved 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 OCDapproved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste Mr. Don Dunbar Weatherford U.S., L.P. GW -075 **DRAFT** October 7, 2008 Page 3

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

11.8

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.

Mr. Don Dunbar Weatherford U.S., L.P. GW -075 **DRAFT** October 7, 2008 Page 4

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).

Mr. Don Dunbar Weatherford U.S., L.P. GW -075 **DRAFT** October 7, 2008 Page 5

v. 🔸

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 20.6.2.1203 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 performed a closure inspection of this facility on July 15, 2008. Mr. Don Dunbar and Weatherford employees were in attendance throughout the walk-through. After evaluating the site the OCD has determined to keep the discharge plan open for reasons stated in the Inspection Letter sent on August 18, 2008. The renewed permit shall have the following conditions:

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.

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. <u>An</u> 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.

20. Additional Site Specific Conditions: <u>N/A</u>

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.

Mr. Don Dunbar Weatherford U.S., L.P. GW-075 **DRAFT** October 7, 2008 Page 6

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

<u>Conditions accepted by</u>: "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."

A		<u>Y</u>		<u> </u>
	Company	Name-print n	ame above	
			<u> </u>	
	Company	Representativ	e- print name	
		D		
	Company	Representativ	e- Signature	
	Title			
	Date:		<u></u>	
	Company Title	Representativ	e- Signature	

NOTICE OF PUBLICATION

. . .

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCE'S 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 permit application(s) has been submitted to the Director of the New Mexico Oil Conservation Division ("NMOCD"), 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(GW-075) Mr. Don Dunbar, Environmental Project Manager, Weatherford International, Inc., 515 Post Oak Blvd, Houston, TX 77027, has submitted a renewal application for the previously approved discharge plan for their Oil and Gas Service Company at 3000 West County Road, Hobbs, located in the NE/4 SW/4 of Section 20, Township 18 South, Range 38 East, NMPM, Lea County. The facility is an oilfield tool rental company that provides on and off-site support to the oil and natural gas industry. Approximately 700 bbls/month of waste water, 100 gal/month of waste oil, 200 gallons of hydraulic oil, and 200 gallons of lubrication oil are generated and stored in onsite. These fluids are not to be intentionally discharged to the ground. If accidental discharge occurs immediate recovery/reclamation shall be implemented. Fluids, other then clean water, including dry chemicals, shall be stored within secondary containment and properly bermed. Waste shall be properly maintained and manifested. A copy of the discharge permit once renewed shall be on location at all times and made familiar to all facility personal. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 63 feet, with a total dissolved solids concentration of approximately 1323 mg/L. The discharge plan addresses how oilfield products and waste will be properly handled, stored, and disposed of, including how spills, leaks, and other accidental discharges to the surface will be managed in order to protect fresh water.

The NMOCD has determined that the application is administratively complete and has prepared a draft permit. 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 and draft permit 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/. Persons interested in obtaining a copy of the application and draft permit may contact the NMOCD at the address given above. Prior to ruling on any proposed discharge permit or major modification, the Director shall allow a period of at least thirty (30) days after the date of publication of this notice, during which interested persons may submit comments or request that NMOCD hold a public hearing. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed permit based on information available, including all comments received. If a public hearing is held, the director will approve or disapprove the proposed permit based on information in the permit application and information submitted at the hearing.

Para obtener más información sobre esta solicitud en espan@l, 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. Conservacio'n 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 7th day of October 2008.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

. .

SEAL

Mark Fesmire, Director

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of che	ck Nodateddated
or cash received on in t	he amount of \$
from WeatherFord	· · · · · · · · · · · · · · · · · · ·
for GW-75	
Submitted by: Letwice oce	Remerco Date: 10/1/08
Submitted to ASD by:	Forenes Date: 10/, 108
Received in ASD by:	Date:
Filing Fee New Fa	cility Renewal
Modification Other	
Organization Code <u>521.07</u>	Applicable FY <u>2004</u>
To be deposited in the Water Quality	Management Fund.
Full Payment or Annu	al Increment

Weatherford International Inc. 515 Post Oak Blvd., Suite 600 Houston, TX 77027



September 19, 2008

Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

Re: OCD Discharge Plan Applications Weatherford International Service Company Facilities Artesia & Hobbs, NM

To Whom It May Concern:

Weatherford International operates a number of Oil Field Service Company Facilities in New Mexico. Enclosed are permit applications (and copies) for four of those facilities and a renewal application for an existing permit (GW-075). These facilities are:

Weatherford Wellhead $\omega - 38^{-1}$ 1802 W Marland, HobbsWeatherford Completions $\omega - 386$ 2117 N French Dr, HobbsWeatherford Completions $\omega - 388$ 2404 N Parkland, ArtesiaWeatherford Fishing & Rental (renewal) $\omega - 75$ 3000 West County Road, HobbsWeatherford Fishing & Rental (new location) $\omega - 733215$ N. Enterprise, Hobbs

Additional copies have been submitted to the district offices in Hobbs and Artesia. There is also a single check attached in the amount of \$500 which represents the \$100 per site application fee.

An additional application will be submitted shortly for Weatherford Wireline in Hobbs. Please contact me at 713-693-7740 with any questions

Sincerely:

Don Dunbar Environmental Project Manager 515 Post Oak Boulevard Houston, TX 77027

Direct: 713-693-7740 Mobile: 713-416-4975 Fax: 713-693-4498

don.dunbar@weatherford.com

<u>District 1</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District III</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New M Energy Minerals and Na Oil Conservation 1220 South St. Fr Santa Fe, NM	Mexico atural Resources Division rancis Dr. 87505	1 (Revised June 10, 2003 Submit Original Plus 1 Copy to Santa Fe Copy to Appropriate District Office
DISCHARGE PLAN APPL REFINERIES, C AND (Refer to the OCI	ICATION FOR SER OMPRESSOR, GEO CRUDE OIL PUM D Guidelines for assistance i	VICE COMPAN OTHERMAL FAC P STATIONS n completing the applic	IES,GAS CILITES eation)	PLANTS,
I. Type: <u>Service Company</u>	ew ⊠ Renewal <i>GW-075</i>	Modification		
2. Operator: <u>Weatherford Fishing & Re</u>	ental Services, Weatherford	International, Inc.		
Address: <u>3000 West County Road</u> ,	, Hobbs, NM			
Contact Person: <u>Mr. John Mitchell</u>	Phone: <u>575-392-</u>	2626		
3. Location:NE/4SWSubmit 1	_/4 Section20T large scale topographic map	ownship18S showing exact location	_Range?	38E
4. Attach the name, telephone number a	and address of the landowner	r of the facility site.		
5. Attach the description of the facility	with a diagram indicating lo	cation of fences, pits, di	ikes and tank	s on the facility.
6. Attach a description of all materials s	stored or used at the facility.			
 Attach a description of present source must be included. 	es of effluent and waste solid	ds. Average quality and	l daily volun	ne of waste water
8. Attach a description of current liquid	and solid waste collection/t	reatment/disposal proce	dures.	
9. Attach a description of proposed mod	difications to existing collect	tion/treatment/disposal	systems.	
10. Attach a routine inspection and main	ntenance plan to ensure perm	it compliance.		
11. Attach a contingency plan for report	ing and clean-up of spills or	releases.		
12. Attach geological/hydrological infor	mation for the facility. Dep	th to and quality of grou	ind water mi	ist be included.
 Attach a facility closure plan, and ot rules, regulations and/or orders. 	her information as is necessa	ary to demonstrate com	oliance with	any other OCD
14. CERTIFICATIONI hereby certify best of my knowledge and belief.	that the information submitt	ed with this application	is true and c	correct to the
Name: <u>Dom Punbar</u>	т	itle: <u>Environmental</u>	Project Mana	iger
Signature: And Mm	[Date: <u>9-16-08</u>		

E-mail Address: <u>don.dunbar@weatherford.com</u>

Environmental Contractors Incorporated Engineeing/EnvironmentalWastewater/Consuling/Services 2000 SEP 23 PM 3 05

Weatherford U.S., Limited Partnership

9

New Mexico Oil Conservation Division Discharge Plan Gw-075 Weatherford Fishing & Rental 3000 West County Road Hobbs, New Mexico

Updated August 18, 2008

TABLE OF CONTENTS

- 1.0 TYPE OF OPERATION
- 2.0 NAME OF OPERATOR OR LEGALLY RESPONSIBLE PARTY AND LOCAL REPRESENTATIVE
- 3.0 LOCATION OF DISCHARGE
- 4.0 LANDOWNERS
- 5.0 FACILITY DESCRIPTION
- 6.0 LIST OFMATERIALS STORED OR USED AT FACILITY
- 7.0 PRESENT SOURCE OF EFFLUENT AND WASTE SOLIDS
- 8.0 CURRENT LIQUID AND SOLIDS COLLECTION TREATMNENT/ DISPOSAL PROCEDURES
- 9.0 PROPOSED MODIFICATIONS TO EXISTING COLLECTION / TREATMENT / DISPOSAL SYSTEMS
- 10.0 INSPECTION MAINTENANCE AND REPORTING
- 11.0 SPILL/ LEAK PREVENTION AND REPORTING PROCEEDURES (CONTINGENCY PLANS)
- 12.0 SITE CHARACTERISTICS
- 13.0 NM-OCD COMPLIANCE INFORMATION
- 14.0 CERTIFICATION

FIGURES

FIGURE I - Location Map FIGURE 2 - Site Details

TABLES

- TABLE 6-1 Material Stored or Used at the Facility
- TABLE 7-1 Source and Quantities of Effluent and Waste Solids Generated at the Facility
- TABLE 8-1 Summary Description of Existing Liquid and Solid Waste Collection and Disposal
- TABLE 8-2- Description of Current Liquid and Solid Waste Collection, Storage and Disposal Procedures

APPENDICES

APPENDIX A - Spill Contingency Plan APPENDIX B - Water Well Data

1.0 Type of Oilfield Service Facility

Weatherford U.S., Limited Partnership, is preparing this Discharge Plan for their oilfield service facility located at, 3000 West County Road in Hobbs, New Mexico in compliance with the New Mexico Oil and Gas Act and the Water Quality Act. The New Mexico Oil Conservation Division (OCD) administers these regulations with approval of the New Mexico Water Quality Control Commission (WQCC). This Discharge Plan sets forth the details of the methods and techniques to be used at the facility to prevent unauthorized discharge of liquids and ensure compliance with WQCC and OCD regulations. The following sections provide the Discharge Plan information required by the ODC for Oilfield Service Facilities.

Weatherford USLP (Weatherford) is an oilfield tool rental company that provides onand off-site support to the oil and natural gas industry, On-site services include the maintenance and storage of a variety of rental equipment including fishing and cutting tools. Weatherford's inventory of rental tools includes, but is not limited to: blowout preventers, drill pipe, drill collars, wash over pipe, kelleys, slips, elevators, jars, pumping units, accumulator tanks and reverse units.

On-site high pressure steam cleaning, minor servicing and repairs, paint removing and painting activities are performed on the tools after each rental. Onsite inspection and coating services are performed on drill pipe, drill collars, tubing and other drilling equipment.

2.0 Facility Operator

The operator of the facility is:

Weatherford U.S., L. P. 515 Post Oak Boulevard, Suite 600 Houston, Texas 77027 (713) 693-4000

The Weatherford Wellhead Services, Hobbs location facility contact person is:

Mr. Johnny Mitchell 3215 N. Enterprise Drive Hobbs, New Mexico 88240 (575) 392-2626

8/18/08

3.0 Facility Location

6

The facility is located at, 3000 West County Road, Hobbs, New Mexico. The site is located in the NE ¼, of the SW ¼, of Section 20, Township 18 S, Range 38 E in Lea County, New Mexico. A USGS topographic map showing the approximate location of the facility is provided as Figure 1. The 1969 USGS map (Hobbs West, NM, 7.5 Minute Series, Topographic) was photo-revised in 1979. Figure 2 is a 1997 USGS Aerial Photograph of north Hobbs illustrating the approximate location of the facility.

4.0 Landowner of Facility

The landowner is:

Weatherford U.S., L. P. 515 Post Oak Boulevard, Suite 600 Houston, Texas 77027 (713) 693-4000

5.0 Facility Description

<u>Building/ Site Layout</u>: A 120,000 square foot, two-story metal building is situated on site and oriented in a northwest-southeast direction. The building is partitioned into three main sections: administrative offices (20%), storage for small rental tools (40%), and a cleaning and maintenance area (40%).

The Weatherford yard is primarily used to store oilfield pipe, blowout preventers (BOPs) and large Weatherford rental units. Oilfield pipe is stored on racks located on the southeastern half ~of the subject site. BOPs are stored on a narrow concrete slab adjacent to the northernmost, northeast and northwest perimeters of the subject site.

Large rental units are stored along the southern and southwestern perimeters of the subject property.

Pipe coating and pipe inspection activities are performed approximately 100 to 200 feet southeast of the building in the middle of the yard. A constructed inspection area that prevents drips and spills from impacting the soil. These concrete slabs run parallel to the outside edges of all pipe racks in the inspection area.

• Fencing: An 8-foot chain-link fence is present along the perimeter of the subject site.

• <u>Aboveground Storage Tanks</u>: Two 500-gallon steel tanks are used at the subject facility to provide for bulk storage and dispensing of diesel and hydraulic product. The tanks are located in a recently constructed concrete secondary containment area located adjacent to the northeast property fence line.

• <u>Process Wastewater Treatment and Disposal System</u>: On-site steam cleaning of rental tools, drill pipe and vehicles generates an oily waste stream that collects in a concrete-lined sump in the main building. The sump contents are pumped to a 100

gallon plastic aboveground holding tank (AHT #1) for further. solids settling. The wastewater is then processed and recycled by a water filtration system and returned to the steam cleaners for reuse. The 1000-gallon plastic tank and the water filtration system are contained in a secondary containment (15' X 2.1' x 2') area inside the building to prevent releases or overflows from impacting surface soils.

Existing Containment Structures include:

- Enclosure of the curbed concrete outdoor wash area with the main sump to prevent flooding during rain events and to prevent the malfunctioning of the closed-loop wastewater system. This was completed by extending the building and relocating the existing overhead door was placed on the southeast end of the building. This allowed for streamlined operations associated with the BOP servicing process. This modification also allowed for waste minimization as rainwater would no longer mix with the wastewater requiring subsequent disposal.
- Concrete slabs were constructed to place equipment returned from the field until it should be cleaned. Three concrete slabs measuring approximately 50'x12' were constructed. Incidental spills and drips on the concrete pad are picked up with absorbent and placed in 55-gallon drums for disposal at CR1.
- A secondary containment area (Figure 2 bermed drum area) 15' x 11' with 14 inch walls was constructed to store drums of liquid products and waste to contain drips and overflows during operations. Products include Safety Kleen solvent, motor oil, used motor oil and used hydraulic fluid.
- An inspection area consisting of two 30' x 80' concrete pads and one curbed 15' x 7' pad were constructed to prevent drips and overspray of wash water from impacting the ground surfaces.

• A secondary containment area (15' x 11' x 14' high) was constructed for storage of two 500-gallon tanks for diesel and hydraulic oil (Figure 2).

• <u>Miscellaneous Discharges</u>: The subject facility stores oilfield equipment at various locations on the subject site. The storage of this equipment results in oily spills and drips from the hydraulic lines, valves, etc. associated with Weatherford rental equipment onto surface soils. Oily spills are responded to by Weatherford Facility personnel, contained, and placed into DOT-approved containers, or stockpiled for future disposal at Controlled Recovery, Inc. (CR1).

6.0 List of Materials Stored or Used at the Facility

Table 6-1 lists materials stored or used at the facility, provides information on the general composition of the material (whether in solid, liquid or aerosol form) and describes type of container used for storage, estimated volume stored and location. Material Safety Data Sheets (MSDSs) can be provided when requested by the New Mexico Oil Conservation Division (NM-OCD).

7.0 Present Sources of Effluent and Waste Solids

9

Table 7-1 provides types of effluent related to each source and estimates of the quantity of effluent generated. Types and volumes of major additives associated with the effluent are also listed.

8.0 Current Liquid and solids Collection / Treatment / Disposal Procedures

A description of the waste collection, treatment and disposal for each of the waste streams described in the previous section is provided below.

8.1 Wash Water Collection/Treatment

• <u>Wastewater System</u>: Table 8-2 summarizes information concerning on-site wastewater collection, storage and disposal systems. Figure 2 shows existing on-site wastewater flow schematics.

On-site steam cleaning of rental tools, drill pipe and vehicles creates approximately 23 to 25 bbls (42 gallons/bbl) per day of oily wastewater which collects in concrete-lined 200-gallon below-grade sump ($11' \times 3' \times 5$;) located inside the main building. Oily wastewater is pumped via hosing to. an aboveground 1000-gallon tank and wastewater filtration system. For disposal, the wastes are transferred via vacuum truck to CR1 for disposal upon NM-OCD approval.

Tankage and Chemical Storage Areas: Table 6-1 and Table 8-2 summarize the tankage and chemical storage areas.

- <u>Bulk Fuel Dispensing Area</u>: Two 500-gallon steel aboveground bulk storage tanks are used for the on-site dispensing of diesel fuel and hydraulic oil. The aboveground tanks are presently stored inside a secondary containment area adjacent to the northeast fence line.
- Solvent Degreaser Storage: Weatherford presently stores solvent and

degreaser products inside a secondary containment area in ringed 55gallon drums until used. Wastes are captured in spill trays and are drummed by Weatherford for future pickup and recycling.

- Paint and Paint Thinner Storage: Weatherford stores five gallon-sized and smaller containers of paint in a metal building that has been designated as the flammable material storage area. The flammable material storage area is located outside of the main building of the facility. Paint thinner (xylenes) and hardener are also stored in the flammable storage area adjacent to the main building.
- <u>Waste Oil Storage</u>: Any waste oils are collected, stored in 55-gallon drums in the secondary containment drum storage and identified at the Weatherford Facility (Figure 2). Lubricating oils are currently changed off site.

- <u>Compressed Gas Storage</u>: Cylinders of acetylene, oxygen and nitrogen are chained to the southeast corner inside the Weatherford shop.
- <u>Lubricating</u>, <u>Hydraulic and Transmission Oil Storage</u>: Lubricating oil is stored in a 250-gallon tank in the main shop area. Hydraulic oil is stored
- in a 500-gallon steel tank in the secondary containment area. Its contents are removed using compressed air. Secondary containment is planned for this 250-gallon tank inside the main shop.
- Integrity of Buried Pipelines in Facilities Greater Than 25 Years of Age: The subject facility was constructed in 1982 according to the City of Hobbs Building Department records and is not required to demonstrate the integrity of on-site buried piping.
- Existing Effluent and Solids Disposal

Õ

 <u>On-Site Facilities</u>: Figure 2 shows the location of the on-site effluent and solids storage area prior to offsite disposal. No surface impoundments exist at the subject facility.

A wastewater treatment and recycling system (Figure 2) is used to process wash water for reuse. This system feeds from the wash area sumps. The water passes through approximately five stages of mechanical separation and filtration before the wash water is reused. This filtration unit is manufactured by Landa, Inc. The system is monitored and maintained by Weatherford Facility personnel. Washwater is generally recycled for approximately four months at that point, the equipment and sumps are drained and cleaned. This waste produced by cleaning the system is manifested and shipped as non-hazardous industrial waste for disposal to CR1 in Halfway, New Mexico with approval from NM-OCD.

- <u>Injection Wells</u>: There are no permitted or non-permitted injection wells at the subject facility, as defined by the NM-OCD.
- <u>Leachfield/ Leachpit</u>: There are no leachfield / leachpits at the subject facility as defined by the NM-OCD.
- <u>Drying Beds or Other Pits</u>: There is no drying beds or other pits at the subject facility, as defined by the NM-OCD.
- <u>Solids Disposal</u>: Currently, all mud tank cleaning is performed at the production well site location before the tanks are brought to the Weatherford Facility.
- <u>Off-Site Disposal</u>: Weatherford's oily wastewaters and sludges are pumped from the facility's sumps by a CR1-approved transporter and into a vacuum truck and transported for disposal at CR1 in Halfway, New Mexico with the NM-OCD approval. CR1 is a NM-OCD permitted non-hazardous oilfield waste disposal facility.

Waste oils from forklifts stored onsite are held in 55-gallon drums in the secondary containment area (Figure 2 – concrete containment drum area).
Oils in motor vehicles are changed off-site at OS Quick Change in Hobbs, New Mexico. E&E Enterprises, Inc. picks up and recycles the waste oil at their facility in Brownfield, Texas.

Special wastes such as used paint booth filters and oily rags are disposed of as "special waste" by Waste Management of S.E. New Mexico at their Hobbs, New Mexico Facility.

9.0 PROPOSED MODIFICATIONS TO EXISTING COLLECTION, TREATMENT AND DISPOSAL SYSTEMS

None at this time are proposed.

10.0 INSPECTION MAINTENANCE AND REPORTING

Inspections are completed biweekly by facility personnel, specifically the environmental coordinator or facility/shop manager. Inspections include a site walkover review of all waste management units, bulk storage tanks and wastewater filtration system. Maintenance is completed as needed by facility personnel.

11.0 SPILL / LEAK PREVENTION AND REPORTING PROCEDURES

(SPILL CONTIGENC PLANS)

As part of the Weatherford Hobbs Facility Discharge Plan, Weatherford submits a Spill Contingency Plan (Appendix A) to conform to the requirements of Section 11.0 Spill/Leak Prevention and Reporting Procedures.

12.0 SITE CHARACTERISTICS

Hydrologic/Geologic Information

- <u>Water Bodies</u>: Green Meadowlake is approximately 5000 feet northeast of the site.
- <u>Water Wells</u>: BJ Services, Inc. on-site water well; industrial/drinking water well. BJ Services, Inc. is adjacent to the southern side of Weatherford's site. Appendix B includes data from the New Mexico Office of the State Engineer demonstrating the average depth to groundwater for wells in the area.
- <u>Monitoring Wells</u>: There are a number of monitoring wells on site of which one was installed and monitored by Brown and Caldwell Consultants for BJ Services.
- <u>Total Dissolved Solids (TDS) Concentration in Groundwater</u>: Analytical data collected by Brown and Caldwell Consultants from the above referenced monitoring well on-site showed TDS at 1323 mg/l (ppm).
- <u>Water Well Data</u>: Mr. Donald Urbina with the State Engineers office in Roswell, New Mexico, was contacted for groundwater quality data. He indicated there was one well that is located in the NE 1/4 of the NW ¼ of the NW 1/4, Section 20, T 8

S, R38 E that was sampled on November 24, 1976. The well's depth is 63 feet and. contains chlorides at 121 ppm. Specific conductance at 1038 mho and a temperature of 64° F.

• <u>Flood Potential</u>: The potential for flooding at the subject facility, with respect to major precipitation, appears to be minimal. Annual precipitation ranges from 12 to 14 inches. The subject site is located outside of the City of Hobbs Flood Zone.

13.0 NM-OCD COMPLIANCE INFORMATION

B

0

0

8

0

0

0

Õ

Correspondence between Weatherford and the NM-OCD for disposal of waste, which were submitted through CR1, was located in on-site files at the Weatherford Facility and other disposal facilities.

Tables

/

TABLE 6-1 Materials Stored or Used at the Facility Weatherford USLP Hobbs, New Mexico

6

Õ

6 0 e • • 0 **()** 0 0 0 ₿ • Ø 0 0 • 0 • 0 0 0 • ₿ • 0 P 0 0 0 0 0 0 • 0

Name	General Makeup or Specific Brand Name (if requested)	Solids or Liquids	Type of Container (tank, drums, etc.)	Estimated Volume Stored	Location (yard, shop, drum storage, etc.
Drilling fluids (includes general makeup and special additives - e.g. oil, chrome, etc.)	N/A	N/A	N/A	N/A	N/A
Brines - (KCL, NaCl, etc.)	N/A	N/A	N/A .	N/A	N/A
Acids/Caustsics (provide names and MSDS)	N/A	N/A	N/A	N/A .	N/A .
Detergent/ Soaps	N/A	N/A	N/A	N/A	N/A
Solvents & Degreasers, Cougar concentrate (provide names and MSDS)	Safety Kleen 105 parts washing solvent	Liquid	Metal drums with ringed lids	3 35 gallon drums	Secondary Containment Area (Figure 2)
Paraffin Treatment/ Emulsion Breakers (provide names and MSDS)	N/A	N/A	N/A	N/A	N/A
Biocides (provide names and MSDS)	N/A	N/A	N/A	N/A	N/A
Others - (include other liquids and solids, eg, cement, etc.)	Isocyante (paint hardener)	Liquid	Pint Cans	1 gallon	Flammable Storage Area Next to Main Shop Building
Others - (include other liquids and solids, eg, cement, etc.)	ZEP Dry Moly	Aerosol	Cans	24 - 16 oz.	East side of shop - wooden cabinet/ metal cabinet - south shop
Others - (include other liquids and solids, eg, cement, etc.)	Marvel mystery oil	Liquid	Cans	2 gallons	Flammable Storage Area Next to Main Shop Building
Others - (include other liquids and solids, eg, cement, etc.)	Paints	Liquid and Aerosols	Gallon cans and 16 oz. Cans	60 gallons, 24 cans	Flammable Storage Area Next to Main Shop Building
Others - (include other liquids and solids, eg, cement, etc.)	Antifreeze	Liquid	Drum	55 gallon	Secondary Containment Area (Figure 2)
Others - (include other liquids and solids, eg, cement, etc.)	Motor Oil	Liquid	Drum	55 gallon	Secondary Containment Area (Figure 2)

TABLE 6-1 (cont'd) Materials Stored or Used at the Facility Weatherford USLP Hobbs, New Mexico

0

ß

Ð ₽ A ß Ø 0 0 0 0 0 0 0 Ġ 0 • 0 ß Z 1

	•	110503, Ne			and a second
Name	General Makeup or Specific Brand Name (if requested)	Solids or Liquids	Type of Container (tank, drums, etc.)	Estimated Volume Stored	Location (yard, shop drum storage, etc.
Others - (include other liquids and solids, eg, cement, etc.)	TLC Gear Oil B5W/ 140	Liquid	Metal Drum Metal Cans	35 gallon 20 gallons four 5 gal cans	Secondary Containmen Area Flammable Material Storage Area
Others - (include other liquids and solids, eg, cement, etc.)	WD-40	Pump Liquid Aerosol	Metal Cans	2 1-gal cans 20 12 oz cans	Flammable Storage Are Next, Metal cabinet sour end of shop
Others - (include other liquids and solids, eg, cement, etc.)	Starting Fluid	Aerosol	Cans	12 42 oz cans (or 1 case)	Flammable Storage Are
Others - (include other liquids and solids, eg, cement, etc.)	Acetylene (oxygen welding)	Gas	Metal Cylinders	2 - oxygen 2 - Acetylene 3 - Nitrogen	Southwest End of Shop Chained to Wall
Others - (include other liquids and solids, eg, cement, etc.)	Zn-50 (petroleum grease, zinc and additives)	Solid	Plastic Buckets	5 gallons	Southeast Corner of Shop
Others - (include other liquids and solids, eg, cement, etc.)	Hydraulic Oil	Liquid	500 Tank	200 gallons	Secondary Containmen Area
Others	Lubrication Oil	Liquid	250-gallon Tank	200 gallons	In Main Shop

TABLE 7-1 Source and Quantities of Effluent and Waste Solids Generated at the Facility Weatherford USLP Hobbs, New Mexico

.

ed.

6 0

0

0

Waste Type	General Composition and Source (solvents from small parts cleaning, oil filters from trucks, etc.)	Volume Per Month (bbl or gal)	Major Additives (e.g., degreaser fluids from truck washing, soap in steam cleaners)
Truck Wastes (e.g. brine, produced water, drilling fluids, oil wastes, etc.)	N/A	N/A	N/A
Washing/ Steam Cleaning of Parts Equipment, Tanks	Oil, Wastewater, Oily Sludges	Approximately 700 bbls	- Soap in steam cleaner - Degrease fluids
Solvent/ Degreaser Use	- Small Parts Cleaning - Residues	Approximately 55 gallons	Degreaser fluids from tool cleaning
Waste Oil	Forklifts	Approximately 100 gallons	Spent Oil
Waste Lubrication and Motor Oils, (not changed on-site)	N/A	N/A	N/A
Oil Filters (not changed on- site)	Trucks and Power Equipment	N/A	N/A
Solids and Sludges from Tanks (describe types of materials - e.g., crude oil tank bottoms, sand, etc.)	Cleaned out on location and not at Weatherford Facility	N/A	N/A
Painting Wastes: Xylene (Paint Thinner)	- Painting Equipment - Cleaning Solution	One to two gallons	xylenes, paraffins
Sewage (indicate if other wastes mixed with sewage; if no commingling, domestic sewage under jurisdiction of the NMEID)	Sanitary New Mexico Environmental Improvement Division (NMEID)	N/A	N/A
Other Waste Solids (cement, construction materials, used drums)	- Paint Cans - Aerosol Cans - Hydraulic Oil Drums	(30 - 50 gallons) - dumpster per week (24 cans) - air dried and crushed (35 gallons) - recycled	N/A

TABLE 8-1

Summary Description of Existing Liquid and Solids Waste Collection and Disposal Weatherford USLP Hobbs, New Mexico

			Pits Lined (L)			
			or	Unsite injection		
Waste Type	Tank Drum	Sumps (S)	Unlined (U)	Weil	Leachfield/ Pit	Offsite Disposal
Truck Wastes (None)					NI/A	
Truck, Tank Washing, Drum	N/A	N/A	N/A	N/A	N/A	Off-site Collection/ Disposal
Washing	N/A	N/A	N/A	N/A	N/A	N/A
Steam Cleaning of Parts,	Mud Tank	F/S	N/A	N/A	N/A	Controlled Recovery, Inc. (CRI)
Equipment, Tanks	(Temporary System)					Halfway, New Mexico
Solvent/ Safety Kleen	Drums	N/A	N/A	N/A	N/A	Safety Kleen Recycling
Degreaser					vywatilia y an	
Spent Acids or Completion Fluids (None)	N/A	N/A	N/A .	N/A	N/A	NIA
Caustics	N/A	N/A	N/A	N/A	N/A	N/A
Waste Slop Oil (None)	N/A	N/A	N/A	N/A	N/A	N/A
Waste Lubrication and Motor	Drums	N/A	N/A	N/A	N/A	OS Quick Change and E&E Enterprise
Oil Filters	N/A	N/A	N/A .	N/A	N/A	OS Quick Change - PJ's Car Wash
Solids and Sludges	Drums (5)	N/A	N/A	N/A	N/A	Controlled Recovery, Inc. (CRI) Halfway, New Mexico
Painting Wastes	N/A	N/A	N/A	N/A	N/A	N/A
Painting Waste Empty Cans	Painting Equipment	N/A	N/A	N/A	N/A	Gallon Can - Evaporation Waste Management of E. New Mexico
Sewage (Sanitary)	N/A	N/A	N/A	N/A	N/A	NA
Other Waste Liquids	N/A	N/A	N/A	N/A	N/A	N/A
Other Waste Solids						
- Contruction Material	N/A	N/A	N/A	N/A	N/A	Waste Control of New Mexico
- Municipal Solid Waste	Dumpster	N/A	N/A	N/A	N/A	Waste Control of New Mexico
- Used Pipe Dope Cont.s	Dumpster	N/A	N/A	N/A	N/A	Waste Mgmt of SE New Mexico
- Used Xylene Containers	N/A	N/A	N/A	N/A	N/A	Evaporation - Reuse of Cans
- Used Aerosol Cans	N/A	N/A	N/A	N/A	N/A	Waste Control of New Mexico
- Scrap Metal	N/A	N/A	N/A	N/A	N/A	Hobbs Iron & Metal (recycling)
- Paint Booth Paint Filters	N/A	N/A	N/A	N/A	N/A	Waste Mgmt of SE New Mexico

TABLE 8-2

Description of Current Liquid and Solid Waste Collection Storage Disposal Procedures

Weatherford USLP Hobbs, New Mexico

		-		Collection/Stora	ige Mechanisms		
	Potential Surface/	Sur	san	Tanks/ Vats Pressurized (P)	Pipes/Pipelines Pressurized (P)		
	Subsurface Contaminants in			NonPressuriszed (NP)	NonPressuriszed (NP)		
Waste Type	Wastestream	Size	Composition	Belowground (BG)	Belowground (BG)	Drums	Cover
Truck Wastes	None	N/A	N/A	N/A	N/A	N/A	N/A
Large Equipment Truck, Tank and Drum Washing	Oily Wash Water and Sludge	200 gallon	Concrete	AG 1000 Tank Prior to Filtration System	Pressurized via Pump/ hose hookup to 1000 gallon Tank	N/A	Plastic
Steam Cleaning of Parts and Equipment	Oily Wash Water and Sludge	200 gallon	Concrete	AG 1000 Tank Prior to Filtration System	Pressurized via Pump/ hose hookup to 1000 gallon Tank	N/A	Plastic
Solvent Degreaser	None (Safety Kleen trays used to catch de minimus spills and drips).	NIA	NIA	N/A	N/A	30-gallon	Ringed Lid
Waste Slop Oil	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Waste Lubrication and Motor Oils	Oil	N/A	N/A	N/A	A/N	55-gallon	Ringed Lid
Oil Filters	Oil	N/A	N/A	N/A	N/A	N/A	N/A
Solids and Sludges	Oily Sludge	N/A	N/A	A/A	N/A	55-gallon	Ringed Lid
Painting Wastes	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sewege (Sanitary)	Sanitary Wastes Only	N/A	N/A	N/A	N/A	N/A	N/A
Other Waste Liquids	N/A	N/A .	N/A	N/A	N/A	N/A	N/A
Other Waste Solids	Municipal Trash	N/A	N/A	Dumpster	N/A	N/A	Metal Lid

G 1

Figures

. . . .

8/18/08

. .



•

•

-

•

Image courtesy of the U.S. Geological Survey



EUSGS5 km NE of Hobbs, New Mexico, United States 01 Nov 1997

Image courtesy of the U.S. Geological Survey







0

Ó

0 0

TABLE OF Contents

1.0	INTR	ODUCTION	1
	1.1	Introduction and Keys to Reporting Spills and Releases	1
	111	Purpose of the Manual	· 1
	112	Definition of Spills and Releases	1
	1.1.3	Spills of Oil or Hazardous Substances	1
	1.2	Description of Weatherford USLP Facilities	2
2.0	OIL S	PILLS	2
	2.1	Definition	2
	2.2	Specific Applications to Weatherford USLP	4
	2.3	Potential Spills - Prevention and Control	4
3.0	SPILL	S AND RELEASES OF HAZARDOUS SUBSTANCES	5
	3.1	Weatherford Notification List	5
	3.2	Reporting Spills or Releases of Hazardous Substances	6
	3.3	Evacuation Plans -	6
	3.4	Personnel Training	67
	3.5	Record Reeping	/
4.0	SPILL	. CLEANUP	9
	4.1	Weatherford USLP _Spill Cleanup	9
	4.2	Licenses Chemical or Liquid Waste spill Removal Contractors	10
	4.3	Advice from Chemtrec	10
5.0	SPILL	RESPONSE PROCEDURES	11
	5.1 A	Action to Take in Case of Oil or Solvent Spill or Spillage of	
	Fla	mmable Wastes	11
	5	1.1 First Action	11
	C 6	5.1.2 Second Action: Contain the Spill	11
		Persone Listed Below	11
	F	14 Fourth Action: Cleanup Efforts after Release -	11
		5.1.4.1 Spill Control Equipment On-Site	12
	5	5.1.5 Fifth Action: Notification	12
	5.2	Personnel Training	13
	5.3	Licensed Chemical or Liquid Hazardous Waste Spill	
		Removal Contractors	13
	5.4	Potential Spills - Prevention and Control	13

6 h.

1.0 INTRODUCTION

8 8

24

()

(Brat)

iping th

As part of the Weatherford USLP (Weatherford) Hobbs Facility Discharge Plan, Weatherford submits this Spill Contingency Plan (SCP) to conform to the requirements of Section 11.0, Spill / Leak Prevention and Reporting Procedures.

1.1 Introduction and Keys to Reporting Spills and Releases of Oil or Other Chemicals

1.1.1 Purpose of the Manual

This SCP was prepared in accordance with federal and state requirements on prevention and control of spills of oil products and waste chemicals.

The SCP was prepared in compliance with the following federal and state regulations:

<u>Title 40</u> Code of Federal Regulations Part 112 (40 CFR 112), entitled "Oil Pollution Prevention, Non-Transportation Related Onshore and Offshore Related Facilities'

<u>Title 33</u> Code of Federal Regulations Part 153 (33 CFR 153), entitled "Coast Guard Regulations on Oil Spills, Control of Pollution by Oil and Hazardous Substances, Discharge Removal"~

<u>Title 40</u> Code of Federal Regulations Part 302 (40 CFR 302), entitled "Notification Requirements; Reportable Quantity Adjustments'~

<u>Section 3-104 and 3-106</u> of the State of New Mexico Water Quality Control Commission (WQCC) Regulations enforced by the New Mexico Oil Conservation Division Rule 116 of the New Mexico Oil Conservation Division's Rules and Regulations entitled *Notification, of Fire*₁*Breaks, Leaks, Spills and B!owouts*"

As required by Federal and State Regulations, this SCP will be reviewed and revised as needed each time there is any change in plant equipment or materials that effect oil or chemical substance spill potential, or reviewed at least every three years. This SCP describes the Weatherford USLP facility in Hobbs, New Mexico. It also documents procedures and facilities for the release of oil and chemical substances.

1.1.2 Definition of Spills and Release

The federal and state regulations deal with <u>releases</u> into the environment in any of many forms including spills, leaks, emissions, discharges, dumpings, injections, etc. In this manual, the term spill has the same meaning as the broader term <u>release</u> and <u>refers to</u> <u>releases of any type</u>.

1.1.3 Spills of Oil or Hazardous Substances

Different regulations deal with oil spills and with chemical substances spills. The requirements are similar enough for both types of spills, however, that the authorities(both federal and state) recommend a single contingency plan be prepared for both types of spills. Thus, this SCP deals with both oil and chemical substance spills. For the sake of clarity, each subject is handled separately where appropriate.

8/18/08

1.2 Description of Weatherford USLP Facilities

Weatherford USLP is located at 3000 West County Road, Hobbs, New Mexico, in Lea County. The facility covers approximately 6.262 acres. Approximately 20% of the site is covered by buildings. The site is currently used for oilfield fishing tool rental, storage and maintenance, Maintenance activities include steam cleaning, painting, machining, welding, pipe testing and pipe coating. -

Tubular goods and fishing tools are stored in the exterior storage yard. The east portion of the facility is used for pipe storage. Blowout preventer (BOP) storage and recalculation unit storage is situated along the north-northwest property boundary.

2.0 OIL SPILLS

2.1 Definition

Oil in this document includes diesel, hydraulic oil, sludges and oil mixed with other wastes.

Federal authorities define a reportable oil spill as any release of oil into public waters sufficient to:

- Produce a sheen or a. discoloration of the surface of the water. Cause discoloration of a shoreline.
- Cause a sludge or an emulsion to form in or under the water.
- Exceed the permit limits on any drainage or wastewater stream. -

A detailed definition of an oil or chemical substance spill is found in Rule 116 of the NMOCD Rules and Regulations" as summarized below.

Rule 116. Notification of Fire, Breaks. Leaks. Spills and Blowouts

The Division shall be notified of any fire, break, leak, spill or blowout occurring at any injection or disposal facility or at any oil or gas drilling, producing, transporting or processing facility in the State of New Mexico by the person operating or controlling such facility. -

Facility, for the purpose of this rule, shall include:

- · Any oil or gas well, any injection or disposal well and any drilling or workover well.
 - Any pipeline through which crude oil, condensate, casinghead or natural gas, or injection or disposal fluid (gaseous or liquid) is gathered, piped, or transported (including field flow-lines and lead-lines, but not including natural gas distribution systems).
 - Any receiving tank, holding tank, or storage tank, or receiving and storage receptacle into which crude oil, condensate, injection or disposal fluid, or

8/18/08

casinghead or natural gas is produced, received or stored.

- Any injection or disposal pumping or compression station including related equipment.
- Any processing or refining plant in which crude oil, condensate, casinghead or natural gas is processed or refined.
- Any tank, drilling pit or slush pit associated with oil, gas injection or disposal well drilling operations; or any tank, storage pit or pond associated with oil or gas production or processing operations; or with injection or disposal operations containing hydrocarbons or hydrocarbon waste or residue, salt water, strong caustics or strong acids; or other deleterious chemicals or harmful contaminants.

Notification of such fire, break, lead, spill or blowout shall be in accordance with the provisions set forth below:

- "Major" Breaks, Spills or -Leaks: Notification of breaks, spills or leaks of 25 or more barrels of crude oil or condensate, or 100 barrels or more of salt water, none of which reaches a watercourse or enters a stream or lake; breaks, spills or leaks in which one or more barrels of crude oil or condensate or 25 barrels or more of salt water does reach a watercourse or enters a stream or lake; and breaks, spills or leaks of hydrocarbons or hydrocarbon waste or residue, salt water, strong caustics or strong acids, gases, other deleterious chemicals - or harmful contaminants of any magnitude which may with reasonable probability endanger human health or resulting substantial damage to property, shall be "immediate notification" described below.
- "Minor" Breaks, Spills or Leaks: Notification of breaks, spills or leaks of five barrels or more, but less than 25 barrels of crude oil or condensate, or 25 barrels or more, but less than 100 "subsequent notification" described below.

<u>IMMEDIATE NOTIFICATION</u>: "Immediate Notification" shall be as soon as possible after discovery and shall be either in person or by telephone to the district office of the Division district in which the incident occurs, or if the incident occurs after normal business hours, to the District Supervisor, the Oil and Gas Inspector, or- the Deputy Oil and Gas Inspector. A complete written report ("Subsequent Notification") of the incident shall also be submitted in duplicate to the appropriate district office of the Division within 10 days after discovery of the incident.

<u>SUBSEQUENT Notification</u>: "Subsequent Notification" shall be a complete written report of the incident and shall be submitted in duplicate to the district office of the Division district in which the incident occurred within 10 days after discovery of the incident.

<u>CONTENT OF NOTIFICATION</u>: All reports of fires, breaks, leaks, spills or blowouts, whether verbal or written, shall identify the location of the incident by quarter-quarter, section, township and range, and by distance and direction from the nearest town or prominent landmark so that the exact site of the incident can be readily located on the ground. The report shall specify the nature and quantity of the loss and also the general conditions prevailing in the area including precipitation, temperature, and soil conditions. The report shall also detail the measures that have been taken and are being taken to

remedy the situation,

9

<u>WATERCOURSE</u>: For the purpose of this rule, watercourse is defined as any lake-bed or gully, draw, stream bed, wash, arroyo or natural or man-made channel through which water flows or has flowed.

2.2 Specific Applications to Weatherford USLP

An oil spill within Weatherford's plant limits is a reportable oil or chemical substance spill if the spill meets the definition of a spill as outlined in Rule 116 of the NM-OCD Rules and Regulations.

A spill of oil outside Weatherford's property is reportable by Weatherford only if:

- It is caused by personnel or equipment related to Weatherford.
- It is into public waters.

Conversely, an oil spill outside Weatherford's property onto dry ground is not a reportable "spill into public waters" if it is completely cleaned up before rain can wash It into ditches draining to public waters. (If not completely cleaned up before rain washes it away, it is reportable by Weatherford if caused by Weatherford related personnel or equipment. Also, if slippery oil is spilled onto a highway it may be reportable to New Mexico authorities as a road hazard, even though the oil does not enter public waters).

2.3 Potential Spill Prevention and Control

There is very low probability that a spill of oil into navigable waters could occur at the Weatherford Facility for the following reasons:

- The storage tanks are located within a containment area.
- Drainage of the property is such that spills would be unlikely to migrate into navigable waters. -
- Routine maintenance will include draining rainwater and melted snow from the
 - containment area and running through the proposed oil/water separator.
- Minor .oil spills resulting from normal operations will be contained immediately -with absorbent materials by the following:
 - Impervious containment area of sufficient volume to hold the entire contents of the largest tank plus 50%. --
 - Curbing is used to confine accidental spill with operation units. Concrete slabs are sloped to provide effective confinement and drainage.

In the unlikely event of an appreciable oil spill during a rainstorm, oil could evade all these barriers; cleanup actions would be required and are described in Section 4.0.

• Visual inspection of aboveground tanks and "grand fathered" sumps shall be performed biannually after removal of waste material and cleaning.

• Underground tanks (new or proposed) should be designed per NM-OCD requirements and monitored for leakage biannually.

For Weatherford the facility these regulations will apply to the following:

- Spills and releases associated with the 500-gallon diesel or hydraulic oil storage tanks.
- Spills and releases associated with -the hydraulic transmission or lubrication oil storage drums.
- Spills and releases of oily waste from steam cleaning operations.
- Spills and releases of solvents associated with Safety Kleen equipment.
- Spills or releases of any hazardous substance outside of a closed building are reportable if the quantity is equal to or in excess of the reportable quantity.

Volatile fuels (gasoline, etc.) pose significant threats to people, equipment and facilities. Anyone near a spill is in danger if the spill ignites. Buildings and equipment are also at risk.

NOTE: If uncertain about the need to report, contact the Director of Environmental for Weatherford.

3.0 SPILLS AND RELEASES OF HAZARDOUS SUBSTANCES

3.1 Weatherford Notification List

Don Dunbar Environmental Project Manager Weatherford USLP 515 Post Oak Boulevard, Suite 600 Houston, Texas 77027 713-693-7740

Johnny Mitchell Weatherford USLP — Facility Manager 3000 West County Road Hobbs, New Mexico 88240 -575-392-2626

Should fire or explosion be involved:

City of Hobbs Fire Department Hobbs, New Mexico 88240 911 575-397-93081

3.2 Reporting Spills or Releases of-Hazardous Substances

8/18/08

Ø

After the initial notification of a spill by telephone, use the Release or Spill Form to document all facts relating to the following:

United States Coast Guard (USCG) National Response Center (NRC) 2100 Second Street, Room 2611 Washington, DC 20593 (only if surface waters are involved)

<u>and to</u> -

New Mexico Oil Conservation Division 1220 South St. Francis Drive

Santa Fe, New Mexico 87505

Mark E. Fesmire, P.E. - Director (505) Daniel Sanchez - Enforcement & Compliance Manager (505)

(505) 476-3460 (505) 476-3493

and to

Don Dunbar Weatherford USLP 515 Post Oak Boulevard, Ste 600 Houston, Texas 77027 713-693-4922

3.3 Evacuation Plans

Should an emergency arise (fire, structural failure, explosion) that cannot be controlled by normal procedures, the on-scene coordinator, identified by Weatherford will announce, via the internal paging system or other methods, to evacuate the building via the nearest exit. The exits are- marked by EXIT signs.

3.4 Personnel Training

Personnel will be trained on a semi-annual basis in Emergency Response Action. The Plant Manager will be responsible for the design, implementation and updating of a training program.

The program will include chain of command, action to be taken and equipment use should an emergency incident arise. It will also include possible types of emergencies and appropriate actions for each.

A log of the names of those receiving the training and the dates of the training sessions will be kept with the training file.

3.5 Record Keeping

Use the following form for recording information about the spill.

8/18/08

WEATHERFORD SPILL REPORT FORM

FACILITY ADDRESS: 3000 West County Road, Hobbs, NM 88241

00

0

æ

FACILITY ID NUMBER:______PHONE NO. (575) 392-2626

WEATHERFORD CORPORATE EMPLOYEE CONTACTED:______

*Report any spill, release or environmental hazard immediately to the Health, Safety & Environmental Dept. - Houston, Texas or call the ENVIRONMENTAL HELP LINE - (713) 439-9595.

DATE AND TIME OF RELEASE:
*SPILL REPORTED TO AGENCY:
*NAME OF AGENCY REPORTED TO:
*AGENCY REPRESENTATIVE CONTACTED:

TYPE OF MATERIAL SPILLED:
AMOUNT OF MATERIAL SPILLED:
AREA COVERED BY SPILL:
·
ACTIONS TAKEN TO IMMEDIATELY ABATE HAZARDOUS SITUATION:

SUMMARY OF SPILL - INCLUDE DETAILS OF ALL ACTIVITIES:

* Spills are to be reported to the HSE&R Department who will notify the appropriate agency.

4.0 SPILL CLEANUP Oil or Hazardous Substance Spill

Proceed immediately to cut off source, to prevent spill from spreading and to clean up.

- The most immediate available help is that which is on-site,
 - Available personnel from Mechanical and Operations
 - Available equipment (drums, shovels, etc.) from Storehouse

4.1 Weatherford - Spill Cleanup

Ø

69

0

4

6

4

0

0

A

8

0

9

1

9

<u>Do not wash down the spill area with water</u>. A wash-down has limited effectiveness and only moves the spill somewhere else, such as groundwater or a drainage system.

There are only two acceptable methods for dealing with a spill of the type most likely to occur at a Weatherford facility.

- Absorb the spill and remove the material from the area.
- · Chemically emulsify the spilled material.

The most common method and the recommended method for Weatherford is to absorb -the spilled material by applying dry granulated kitty litter" or other absorbent material. This should involve diking the spill with the absorbent material and sweeping the spill with additional absorbent to the center of the spill for removal. Fiberglass or non-metallic shovels should be used to pick up the material.

The contaminated absorbent should be placed in 55-gallon drums or other suitable container for appropriate testing and analysis prior to disposal. Absorbing a flowable or chemical material will not render it inert.

Three things make a fuel spill a fire hazard:

- The size of the spill
- The type of fuel involved
- Amount of oxygen

The exposed surface of a spill is important in that a larger surface area provides a greater vapor surface and a greater potential for ignition.

Gasoline grade spills should be considered extremely dangerous and may require notification of the local Fire Department. -Diesel grade spills can also be very dangerous.

Diesel spills are sometimes considered stable because of their relatively high flash point (95 to 145 degrees Fahrenheit). In summer months, however, concrete and asphalt surfaces can hold sufficient heat to vaporize diesel creating an extremely dangerous situation for breathing or creating a fire hazard.

4.2 Licensed Chemical or Liquid Waste Spill Removal Contractors

Safety Kleen Corporation 3899 Wolf Road Saginaw, MI 48601 517-753-3261

(6

æ

Ø

æ

6

(B

0

P

ß

()

ß

0

()

•

6

4

() ()

đ

Additional contractors can be located through NM-EID.

- ENVIRONMENTAL CONSULTING FIRMS -

Environmental Contractors Incorporated 931 East 800 North Mapleton, Utah 84664 Voice: (801) 491-3455 Fax: (801) 491-3456

4.3 Advice from Chemtrec

An unlikely, but possible, event is the spill of some chemical material inside or near Weatherford's property. An example would be the spill of a truck delivering or transferring chemicals by another facility located near Weatherford. -

If needed, advice on how to handle the spill can be obtained at any time from:

CHEMTREC

(800) 424-9300

CHEMTREC is the name for the Chemical Manufacturers Association's Chemical Transportation Emergency Center. The telephone number is a tool-free 24-hour a day "hot line".

When calling CHEMTREC, provide the pertinent information:

- · Name and phone number of person and plant calling. -
- Nature and -location of the problem.
- Chemical name and ID number (should be on the truck: front, back & both sides).
- Local conditions (weather, etc.)
- Cleanup actions taken thus far.
- Any shipping information, such as
 - Shipper or manufacturer of chemical
 - · Carrier name and truck number or other identification
 - Consignee

8/18/08

5.0 SPILL RESPONSE PROCEDURES - -

5.1 Actions to Take in Case of Oil or Solvent Spill or Spillage of Flammable Wastes

5.1.1 First Action

0000

æ

8

() ()

6 0

() () ()

4

æ

6

() () ()

0

(

(

0

0

()

(1)

Treat all spill materials as flammable and hazardous until proven otherwise.

- Consider it explosive or flammable prevent any source from possibly igniting the liquid or vapors (e.g., smoking, electrical motor sparks, electrical equipment).
- Consider all spills as hazardous avoid contact with skin and eyes. Avoid breathing fumes. Avoid walking in the spill unless absolutely necessary.

5.1.2 Second Action: Contain the Spill

- Use shovels or absorbent materials to dam the area.
- · Use materials to absorb spilled oil, solvent or flammable waste. -
- Pre-approved vacuum truck service may be useful to collect and transfer spilled material to drums until analysis and chemical characteristics have been determined. -
- · Prevent spillage from contaminating other materials.
- Recover the absorbent material for proper analysis and disposal as potentially solid hazardous waste (55-gallon drum).

5.1.3 Third Action: Immediately Notify One of the Weatherford Persons Listed Below:

Don Dunbar 515 Post Oak Boulevard, Ste 600 Houston, Texas 7027 713-693-7740

Johnny Mitchell Facility Manager Weatherford USLP 575-392-2626

5.1.4 Fourth Action: Cleanup Efforts after Release

- · Check all areas of site for damage or leaks.
- Begin cleanup operations if possible.

0

4

() ()

a

0

() ()

0

() ()

6)

9

A

(

0

6

- Obtain vacuum trucks after approval from Weatherford facility manager.
- Utilize absorbent materials.
- · Clean all safety and protective equipment and replace in working order.
- File all necessary reports and complete log describing the event.

The Emergency Coordinator for the facility is Johnny Mitchell, Facility Manager. - He is familiar with all aspects of the operations at the site and necessary emergency procedures thereof. He has the authority to enact the provisions of this Contingency Plan.

5.1.4.1 Spill Control Equipment On-Site

Absorbent materials (granular) and miscellaneous tools shall be available at the plant for immediate deployment should a spill occur. New, clean, empty and previously non-used 55-gallon metal drums shall be available for disposing of all used absorbent material and may be purchased from Permian Drum and Container in Odessa, Texas.

Granular absorbents can be spread on small spills, then shoveled up and into regular solid waste bins or 55-gallon drums for disposal.

Granular absorbents should be kept on hand at all times. -

5.1.5 Fifth Action: Notification

Don Dunbar 515 Post Oak Boulevard, Ste 600 Houston, Texas 77027 713-693-7740

Should fire and/ or explosion be involved:

City of Hobbs Fire Department Hobbs, New Mexico 88240 575-397-9380

Should soil and/or groundwater contamination be involved: Mark E. Fesmire, P.E. Director New Mexico Oil Conservation Division P0 Box 2088 State Land Office Building Santa Fe, New Mexico 87504 505-476-3460

8/18/08

5.2 Personnel Training

0

0

A

0

0

Ð

0

€

() ()

₿

@

đ

0

0

0

0

 Personnel will be trained on a semi-annual basis in Emergency Response Action. The Facility Manager will be responsible for the design, implementation and updating of a training program.

The program will include chain of command, action to be taken and equipment use should an emergency incident arise, It will also include possible types of emergencies and appropriate actions for each.

A log of the names of those receiving the training and the dates of the training sessions will be kept with the training file.

5.3 Licensed Chemical or Liquid Hazardous Waste- Spill Removal Contractors

Safety Kleen Corp. 3899 Wolf Road Saginaw, Michigan 48601 517 753-3261

Additional contractors can be located through NM-EID.

5.4 Potential spills — Prevention and Control

Facility Manager Weatherford USLP 3000 West County Road Hobbs, New Mexico 88240

575-392-2626

DISTRIBUTION

Copy 1:.	Don Dunbar Weatherford USLP 515 Post Oak Boulevard, Ste 600 Houston, Texas 77027
Copy 2:	New Mexico Oil Conservation Division Post Office Box 1980 Hobbs, New Mexico 88241
Copies 3 & 4:	New Mexico Energy Minerals and Natural Resources Department 2040 S. Pacheco Street Santa Fe, New Mexico 87505 505-827-7156
Copy 5:	Environmental Contractors Incorporated 931 East 800 North Mapleton, Utah 84664

8/18/08

Appendix	В

.

.

₿

Ø ₿ 0 Ø 0 8 • Ð Ō • 0 0 **(**) () ❹ € 0 0 6 Õ 0 P 0 0 Ō Ó Ø 0 Đ Ē

₿

(quarters are 1=NW 2=NE

T18S, R38E, Section 20

Rng Sec Depth Depth (in 20 20 20 38E 20 20 38E 20 20 20 20 20 38E 20 20 20 38E 20 20 18S 38E 20 4 38E 38E 38E 38E に 20 つ 38E 38E 38E 38E 38E 38E (quarters are biggest 45 42 65 45 40 60 50 Tws 18S Water 18S 18S18S 100 100 170 100 61 8 2 2 8 20 20 Well Shallow Source Shallow Shallow Shallow Shallow Shallow Shallow 02/19/1958 05/22/1958 05/14/1963 04/07/2007 05/07/1968 08/21/1968 09/07/1953 Finish EXP 02733 APPRO APPRO 03863 APPRO 03867 APPRO Date 05607 POD2 ЕХР EXP 05437 EXP 05607 EXP 06374 EXP 06264 EXP POD Number 03785 01213 L 01213 09/06/1951 02733 05371 06127 06317 06329 05107 02/18/1958 05/20/1958 05/13/1963 04/01/2007 08/20/1968 05/07/1968 Start Date Ы ч 니 ч 리 н 니 Ч 니 Ч Ч Ы H ч 50 3623849 3622743 BY H.R. YOUNGS MOBILE HOMES Northing 3623468 3622648 3622648 3622757 3622743 3622743 3622448 3622743 3622743 3622743 3622757 3622743 3622441 100 UTM are in Meters) LEONARD P. TREVINO 671022 UTM_Zone Easting 671914 671323 671323 670698 671022 WILLIAM C. GRIMES 671828 670720 671022 ROWLAND 671022 671123 671022 671022 671022 671.828 HORACE A. ROHLOFF 05/17/1958 LEONARD TREVINO WILLIE C. OATES BARNIE FREEMAN T.M. CAMPBELL PERSHING LANE O. L. HARRIS W.M. JACKSON CARL DENSON ROY RASCON GEORGE R. 13 13 13 1 3 13 13 1 1 13 13 -1 13 ~ ~ 13 13 13 Owner 05/16/1958 (acre ft per annum) m Diversion m m m m m \sim 0 0 0 0 m m 0 ₽ X Y are in Feet 3623145 DOM MUL Use DOM DOM DOM × DOM DOM DOM DOM DOM DOM DOM DOM DOM 671424 Zone DB File Nbr qqq zo L 01213 3=SW 4=SE) 03785 03863 06127 02733 05107 06329 06374 03867 05371 05437 05607 06264 06317 smallest m \sim \sim \sim -2 4 1 feet) 4 4 4 m ь Ч m പിന 4 -1 Ы ч 4

7 00541				とりてくろと		07 300 COT
L 06645	DOM	ш m	ARNIE FREEMAN	01-1100	т. 06645	18S 38E 20
n			13 671022	3622743	03/05/1970 03/06/1970 120	60
L 07100	DOM	m	SILBERT P. FAGOT		L 07100 Shallow	185 38E 20
34 T 07516	MOL	<u>د</u>	TTTTAM F BOVD	702234 242234	U//23/19/3 U//24/19/3 120 T. A7546 RYD	ро 185 38F.20
		>	13 671022	3622743		
L 07777	SAN	м	JIM MARTIN		L 07777 Shallow	18S 38E 20
22			13 672008	3623772	11/01/1977 11/01/1977 120	60
L 07810	SAN	2 ന	AACK TRUCK DEALERSHI	പ	L 07810 Shallow	18S 38E 20
222			13 672107	3623871	11/25/1977 11/27/1977 120	60
L 07885	SAN	ς α	INC. BRAKES OF WHEEL	S	L 07885 Shallow	18S 38E 20
2 2 + 07000		ſ	13 672008	3623772	04/24/1978 04/24/1978 120 • • • • • • • • • • • • • • • • • • •	65 105 205 20
<u>л 0/903</u>		n	JONNIE BAKILEIT 13 672030	3622563	D5/25/1978 D5/28/1978 125	70 JOE 20
L 08024	DOM	I Ю	LOUIS SPANGLER)	L 08024 Shallow	18S 38E 20
344)	13 671323	3622448	12/28/1979 12/29/1979 90	52
L 08090	DOM	л М	WAYNE HUNNICUT		L 08090 Shallow	18S 38E 20
213	• . • .		13 671504	3623663	01/05/1980 01/07/1980 110	52
L 08193	SAN	ч м	N.L. MCCULLOUGH		L 08193 Shallow	18S 38E 20
23			13 671612	3623362	03/14/1980 03/18/1980 120	52
L 08313	МОД	м Ч	KENNY MESSENGER		L 08313 Shallow	18S 38E 20
334			13 670920	3622441	07/24/2002 07/24/2002 154	55
L 08379	SAN	m	THE SHAW CO.		L 08379 Shallow	18S 38E 20
2 2			13 672008	3623772	11/01/1980 11/04/1980 120	44
L 08408	DOM	3	A. A. AARON		L 08408 Shallow	18S 38E 20
4 2			13 672022	3622966	02/06/1981 02/07/1981 · 160	48
L 08516	SAN	ς Μ	JAMES RODGERS		L 08516 Shallow	18S 38E 20
224			13 672107	3623671	08/10/1981 08/11/1981 48	
L 08520	DOM -	т	SILL P. LANE		L 08520 Shallow	185 38E 20
. 	זע ג ט	с с	13 671022 בדדונידיד הידי	3622743	09/02/1981 09/08/1981 120 ∓ 08600 shallow	4.2 185 38F 20
ловоло С С	NIAC -) N	JENHANUI GO 13 672008	3623772	11/17/1981 11/18/1981 120	
L 08617	DOM	0	GREAT SOUTHWEST DEV.	CORP.	L 08617 EXP	18S 38E 20
2 1			13 671605	3623764		
L 08651	SAN	ς Γ	FONY GASSAWAY		L 08651 Shallow	18S 38E 20
241			13 671914	3623468	02/09/1982 02/10/1982 120	56
L 08716	SAN	m	DIL FIELD RENTAL SER	VICE CO.	L 08716 Shallow	18S 38E 20
2 1			13 671605	3623764	03/23/1982 03/24/1982 130	4.9
		•	· · · · ·			
		•	•			
		۰.	•			

-

.

20 20 20 20 20 20 20 20 20 20 20 20 20 20 18S 38E 20 20 20 20 20 38E 38Е 3 38E 18S 38E 38E 18S 38E 18S 38E 18S 38E 18S 38E 18S 38E 18S 38E 38E 38E 38E 38E 18S 38E 18S 38E 18S 38E 54 54 75 114 50 50 65 с С സ്റ 09 65 0 50 51 18S 18S 18S 18S 18S 18S 18S 18S 160 120 120 135 135 120 100 158 120 140 140 196 160 155102 Shallow 07/14/1994 03/27/1982 06/14/1990 05/27/1983 05/07/1984 04/30/1993 01/30/2002 09/13/1983 05/26/1998 07/18/2001 12/31/2002 01/31/2004 01/22/2008 05/18/1982 07/02/1982 12180 POD1 12100 POD1 12206 POD1 EXP 09789 01/22/2008 07/14/1994 L 11230 07/16/2001 09319 09364 10340 08728 09475 10133 10325 11293 09/13/1983 11230 11418 12/31/2002 11572 01/20/2004 08817 08851 09244 04/26/1993 10842 05/23/1998 05/27/1983 05/07/1984 01/26/2002 03/29/1982 05/18/1982 06/10/1990 07/01/1982 ч STOEHR WIRE ROPE OF TEXAS INC. L B & D SERVICES DBA E.L. FARMER L ц Ч ᆔ ч н Ч Ц 37 3623772 3622648 670920 3622441 3622743 3622448 3622448 3622441 3622542 3623856 3622542 3622599 3622909 3622851 3623065 3623671 3623261 3623871 3622462 156 13 671323 36 ROY OR SOCORRO RASCON BILL & BELINDA KAYS NOLEN CONSTRUCTION 670720 671315 671323 672008 671323 670821 672107 671022 671929 671413 671907 671301 671116 670821 672121 671511 02/03/1986 02/04/1986 BETTY J. AARON HOBB TEX CORP. A.A. OILFIELD SAMMY PENDLEY RONALD MARTIN HENRY TREVINO KRISTA MARTIN KATHLEEN OTT HAROLD SHAW WILMA BONDS BJ SERVICES JIM COLLINS RANDY SMITH JAMES KAYS 13 13 13 13 13 13 1 1 13 13 13 m m m m m m 0 Μ m m m m \sim m \sim m 3623145 DOM DOM SAN SAN SAN DOM SAN DOM SAN DOM DOM SAN DOM DOM DOM SAN STK SAN SAN 671424 10133 10325 09475 09789 12100 12180 12206 08728 08817 09244 09319 09364 10340 10842 11230 11293 11418 11572 08851 4 4 J \sim \sim 4 m \sim 4 4 m 4 \sim \sim \sim

A

0

1

1

Ø

0

0

() () ()

0

0

0

A

1

0

0

1

0

0

0

1

Ð

() () ()

() () ()

0

0

0

0

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-075 WEATHERFORD USLP HOBBS SERVICE FACILITY DISCHARGE PLAN APPROVAL CONDITIONS (January 11, 2002)

- 1. <u>Payment of Discharge Plan Fees:</u> The \$100.00 filing fee has been received by the OCD. There is a flat fee assessed for oil and gas service companies equal to \$1,700.00. 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. <u>Weatherford USLP Commitments:</u> Weatherford USLP will abide by all commitments submitted in the discharge plan renewal application dated October 8, 2001 and these conditions for approval.
- 3. <u>Waste Disposal</u>: 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.
- 4. <u>Drum Storage:</u> All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will 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 will also be stored on an impermeable pad and curb type containment.
- 5. <u>Process Areas:</u> 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.
- 6. <u>Above Ground Tanks</u>: 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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
- 7. <u>Above Ground Saddle Tanks</u>: 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.

Page 1 of 3

- 8. <u>Labeling:</u> All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
- 9. <u>Below Grade Tanks/Sumps:</u> 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, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
- 10. <u>Underground Process/Wastewater Lines:</u> All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every 5 years. The permittee 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.
- 11. <u>Class V Wells</u>: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed 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.
- 12. <u>Housekeeping:</u> All systems designed for spill collection/prevention will be inspected by a Weatherford USLP's representative on a regular basis and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained for a period of five years.
- Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Hobbs District Office.
- 14. <u>Transfer of Discharge Plan:</u> 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.
- 15. <u>Storm Water Plan:</u> The facility will have an approved storm water run-off plan.

Page 2 of 3

- 16. <u>Closure:</u> The OCD will be notified when operations of the Hobbs Service Facility are discontinued for a period in excess of six months. Prior to closure of the Hobbs Service 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.
- 17. <u>Certification:</u> Weatherford USLP, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Weatherford USLP 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:

WEATHERFORD US by Senior Vice President

Page 3 of 3



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

January 11, 2002

Lori Wrotenbery Director Oil Conservation Division

CERTIFIED MAIL RETURN RECEIPT NO. 3929 7426

Mr. Thomas C. Larson Weatherford USLP 3000 West County Road Hobbs, New Mexico 88240

RE: Discharge Plan Renewal Approval GW-075 Weatherford USLP Hobbs Service Facility Lea County, New Mexico

Dear Mr. Larson:

The ground water discharge plan renewal GW-075 for the Weatherford USLP Hobbs Service Facility located in the SW/4 NE/4 of Section 29, 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 days of receipt of this letter.

The original discharge plan application was submitted on June 24, 1991 and approved October 10, 1991. The discharge plan renewal application, dated October 8, 2001, was submitted pursuant to Sections 5101.B.3. of the New Mexico Water Quality Control Commission (WQCC) Regulations. The discharge plan is renewed pursuant to Sections 5101.A. and 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 Weatherford USLP 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.

Please note that Section 3104 of the regulations provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C., Weatherford USLP 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.



Mr. Thomas C. Larson GW-075 Hobbs Service Facility January 11, 2002 Page 2

Pursuant to Section 3109.H.4., this discharge plan is for a period of five years. This plan will expire on **October 10, 2006**, and Weatherford USLP 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 the results of an underground drainage testing program as a requirement for discharge plan.

Proposed modifications consisting of a new maintenance facility, office area and cement testing area is herewith approved.

The discharge plan application for the Weatherford USLP Hobbs Service Facility is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal application will be assessed a non-refundable fee equal to the filing fee of \$100. There is a flat fee assessed for oil and gas service companies equal to \$1,700.00. The OCD has received the filing fee.

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

If you have any questions please contact Mr. W. Jack Ford at (505) 476-3489. 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,		U.S. Postal Service CERTIFIED MA (Domestic Mail O		Cover	age Provided)
Roger C. Anderson Chief, Environmental Bureau Oil Conservation Division	7426	OFF			
RCA/wjf Attachment xc: OCD Hobbs Office	0004 3929	Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postade & Fees	\$	ANT I MAR	Postmark Here
:	046T T002	Sent To Street, Apt. No.; or PO Box No. City, State, ZIP+ 4 PSI Form \$300;25m	Ti 101 101	Lá pu fr GW SCOR	r5cm lerford -075 averestorinstrustous

. . .

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-075 WEATHERFORD USLP HOBBS SERVICE FACILITY DISCHARGE PLAN APPROVAL CONDITIONS (January 11, 2002)

- 1. <u>Payment of Discharge Plan Fees:</u> The \$100.00 filing fee has been received by the OCD. There is a flat fee assessed for oil and gas service companies equal to \$1,700.00. 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. <u>Weatherford USLP Commitments:</u> Weatherford USLP will abide by all commitments submitted in the discharge plan renewal application dated October 8, 2001 and these conditions for approval.
- 3. <u>Waste Disposal</u>: 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.
- 4. <u>Drum Storage:</u> All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will 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 will also be stored on an impermeable pad and curb type containment.
- 5. <u>Process Areas:</u> 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.
- 6. <u>Above Ground Tanks:</u> 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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
- 7. <u>Above Ground Saddle Tanks</u>: 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.

Page 1 of 3
- 8. <u>Labeling:</u> All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
- 9. <u>Below Grade Tanks/Sumps:</u> 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, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.
- 10. <u>Underground Process/Wastewater Lines:</u> All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every 5 years. The permittee 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.
- 11. <u>Class V Wells</u>: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed 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.
- 12. <u>Housekeeping:</u> All systems designed for spill collection/prevention will be inspected by a Weatherford USLP's representative on a regular basis and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained for a period of five years.
- 13. <u>Spill Reporting:</u> All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Hobbs District Office.
- 14. <u>Transfer of Discharge Plan:</u> 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.
- 15. <u>Storm Water Plan:</u> The facility will have an approved storm water run-off plan.

- 16. <u>Closure:</u> The OCD will be notified when operations of the Hobbs Service Facility are discontinued for a period in excess of six months. Prior to closure of the Hobbs Service 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.
- 17. <u>Certification:</u> Weatherford USLP, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Weatherford USLP 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:

WEATHERFORD USLP

by_

Title

Page 3 of 3

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to the New Mexico Water Quality Control Commission Regulations, the following discharge plan application has been submitted to the Director of the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3200:

(GW-075) – Weatherford USLP, Mr. Thomas C. Larson, 3000 West County Road, Hobbs, New Mexico 88240, has submitted a discharge plan renewal application for their Hobbs Service facility located in the SW/4 NE/4, Section 29, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico. Any potential discharge will be stored in a closed top receptacle prior to transport to an OCD approved off-site disposal facility. Groundwater most likely to be affected by an accidental discharge is at a depth of 55 feet with a total dissolved solids concentrations of approximately 1,323 mg/l. The discharge plan addresses how spill, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and public hearing may be requested by any interested person. Request for public hearing shall set forth the reasons why a hearing shall be held. A hearing will be held if the director determines that there is significant public interest.

If no hearing is held, the Director will approve or disapprove the plan based on the information available. If a public hearing is held, the Director will approve the plan based on the information in the plan and information presented at the hearing.

GIVEN under the Seal of New Mexico Conservation Commission at Santa Fe, New Mexico, on this 17th day of October, 2001.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

LORI WROTENBERY, Director

SEAL



Ms. Lesa Griffin Weatherford Enterra, Inc. GW-075 Page 3 October 7, 1996

Environmental Bureau Oil Conservation Division

ATTACHMENT TO DISCHARGE PLAN RENEWAL GW-075 Weatherford Enterra - Hobbs Facility DISCHARGE PLAN REQUIREMENTS (October 7, 1996)

1. <u>Payment of Discharge Plan Fees</u>: The \$50 filing fee has not been received by the OCD and is due upon receipt of this approval. The \$690 flat fee has not been received by the OCD and is due upon receipt of this approval. The flat fee may be paid in one lump sum or in five equal annual installments of \$138 over the term of the permit with the first payment due upon receipt of this approval.

2. <u>Weatherford Enterra Commitments</u>: Weatherford Enterra will abide by all commitments submitted in the discharge plan renewal application dated August 26, 1996, submitted by Nickell Environmental Corporation on behalf of Weatherford Enterra, the discharge plan approval letter from OCD dated October 10, 1991, and this approval letter with conditions of approval from OCD dated October 7, 1996.

3. **Drum Storage**: All drums containing materials other than fresh water must be stored on an impermeable pad and curb type containment. 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 should also be stored on an impermeable pad and curb type containment.

All drums and chemical containers shall be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.

4. <u>Process Areas</u>: 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. <u>Above Ground Tanks</u>: 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.

6. <u>Above Ground Saddle Tanks</u>: 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. **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.

8. <u>Below Grade Tanks/Sumps</u>: 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 that do not have secondary containment and leak detection 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 /or sumps.

Ms. Lesa Griffin Weatherford Enterra, Inc. GW-075 Page 4 October 7, 1996



Environmental Bureau Oil Conservation Division

9. <u>Underground Process/Wastewater Lines</u>: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years there after. Companies 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. **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.

11. **Spill Reporting**: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the Hobbs OCD District Office at (505)-393-6161.

12. <u>**Transfer of Discharge Plan:</u>** 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.</u>

13. **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.

14. <u>Monitor Well Sampling</u>: Groundwater monitor wells OW-1, OW-3, and OW-4 shall be sampled and analyzed for volatile aromatic hydrocarbons and semi-volatile organics at least 6 months prior to the next discharge plan renewal on October 10, 2001. The sampling results will be submitted to the OCD Santa Fe Office for review with a copy to the Hobbs OCD District Office.

15. <u>Certification:</u> Weatherford Enterra, Inc., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Weatherford Enterra, Inc., 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 groundwater, human health and the environment.

Accepted: Weatherford Enterra by OTVIEDNMENTAL MANager

WEATHERFORD

OCT 1⁶ 1996

ENVIRONMENTAL

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 7, 1996

CERTIFIED MAIL RETURN RECEIPT NO. P-288-258-657

Ms. Lesa Griffin Environmental Director Weatherford Enterra, Inc. 515 Post Oak Boulevard, Suite 600-Houston, TX 77027

RE: Renewal of Discharge Plan GW-075 Hobbs - Service Facility Lea County, New Mexico

Dear Ms. Griffin:

The discharge plan renewal for the Weatherford Enterra, Inc. Hobbs Facility GW-075 located in 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 renewal consists of the application dated August 26, 1996, submitted by Nickell Environmental Corporation on behalf of Weatherford Enterra, the discharge plan approval letter from OCD dated October 10, 1991, and this approval letter with conditions of approval from OCD dated October 7, 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 renewal application was submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission Regulations. Please note Sections 3109.E and 3109.F which provide for possible future amendments or modifications of the plan. Please be advised that the approval of this plan does not relieve Weatherford Enterra of liability should the operations associated with this facility result in pollution of surface water, ground water, or the environment.

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 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 Weatherford Enterra 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.

Ms. Lesa Griffin Weatherford Enterra, Inc. GW-075 Page 2 October 7, 1996

Pursuant to Section 3109.G.4, this plan is for a period of five (5) years. This approval will expire October 10, 2001, and an application for renewal should be submitted in ample time before that date. 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 approval.

The discharge plan renewal for the Weatherford Enterra Hobbs Facility GW-075 is subject to the WQCC Regulation 3114 discharge plan fee. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of fifty dollars (\$50) and a flat fee of six-hundred and ninety dollars (\$ 690) for service companies renewing discharge plans.

The \$50 filing fee has not been received by the OCD and is due upon receipt of this approval. The \$690 flat fee has not been received by the OCD and is due upon receipt of this approval. The flat fee may be paid in one lump sum or in five equal annual installments of \$ 138 over the term of the permit with the first payment due upon receipt of this approval.

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. William J. LeMay Director WJL/pws

Attachment

xc: Mr. Wayne Price - OCD Hobbs Mr. James Chenault - Weatherford Enterra, Hobbs Cert. Mail P-288-258-658

P 288 258 658

	IS Postal Service Receipt for Certified Mail to Insurance Coverage Provided. to not use for International Mail (See reverse) Sent to M. Chiller AMA Street & Number WEATHER FUED - GW-VT Post Office, State, & ZIP Code			
Į	Postage	\$		
PS Form 3800 , April 1995	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			

P 288 258 657

	US Postal Service. Receipt for Certified Mail No Insurance Coverage Provided. Do not use for International Mail (See reverse) Sent to Sent to Street & Number <u>LUMM</u> . Post Office, State, & ZIP Code		23
	Postage	\$	
	Certified Fee		
April 1995	Special Delivery Fee		
	Restricted Delivery Fee		
	Retum Receipt Showing to Whom & Date Delivered		
	Return Receipt Showing to Whom, Date, & Addressee's Address		
auu,	TOTAL Postage & Fees	\$	
LS FORM &	Postmark or Date		

Ms. Lesa Griffin Weatherford Enterra, Inc. GW-075 Page 3 October 7, 1996

ATTACHMENT TO DISCHARGE PLAN RENEWAL GW-075 Weatherford Enterra - Hobbs Facility DISCHARGE PLAN REQUIREMENTS (October 7, 1996)

1. <u>Payment of Discharge Plan Fees</u>: The \$50 filing fee has not been received by the OCD and is due upon receipt of this approval. The \$690 flat fee has not been received by the OCD and is due upon receipt of this approval. The flat fee may be paid in one lump sum or in five equal annual installments of \$138 over the term of the permit with the first payment due upon receipt of this approval.

2. <u>Weatherford Enterra Commitments</u>: Weatherford Enterra will abide by all commitments submitted in the discharge plan renewal application dated August 26, 1996, submitted by Nickell Environmental Corporation on behalf of Weatherford Enterra, the discharge plan approval letter from OCD dated October 10, 1991, and this approval letter with conditions of approval from OCD dated October 7, 1996.

3. **Drum Storage:** All drums containing materials other than fresh water must be stored on an impermeable pad and curb type containment. 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 should also be stored on an impermeable pad and curb type containment.

All drums and chemical containers shall be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.

4. <u>Process Areas</u>: 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. <u>Above Ground Tanks</u>: 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.

6. <u>Above Ground Saddle Tanks</u>: 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. <u>**Tank Labeling**</u>: All tanks should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

8. <u>Below Grade Tanks/Sumps</u>: 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 that do not have secondary containment and leak detection 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 /or sumps.

Ms. Lesa Griffin Weatherford Enterra, Inc. GW-075 Page 4 October 7, 1996

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. Companies 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. **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.

11. **Spill Reporting**: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to ⁻ the Hobbs OCD District Office at (505)-393-6161.

12. <u>Transfer of Discharge Plan</u>: 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.

13. **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.

14. <u>Monitor Well Sampling</u>: Groundwater monitor wells OW-1, OW-3, and OW-4 shall be sampled and analyzed for volatile aromatic hydrocarbons and semi-volatile organics at least 6 months prior to the next discharge plan renewal on October 10, 2001. The sampling results will be submitted to the OCD Santa Fe Office for review with a copy to the Hobbs OCD District Office.

15. <u>Certification:</u> Weatherford Enterra, Inc., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Weatherford Enterra, Inc., 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 groundwater, human health and the environment.

Accepted: Weatherford Enterra

»у__

Title

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR October 10, 1991

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

? Should be section 20 Jung 10-7-96.

CERTIFIED MAIL RETURN RECEIPT NO. P-327-278-270

Mr. Robert J. Medler HOMCO International P.O. Box 2442 Houston, TX 77252

RE: Discharge Plan GW-75 Hobbs Service Facility Lea County, New Mexico

Dear Mr. Medler:

The groundwater discharge plan GW-75 for the HOMCO International Hobbs Service Facility located in Section (29), Township 18 South, Range 38 East, NMPM, Lea County, New Mexico is hereby approved. The discharge plan consists of the application dated June 24, 1991, and materials dated October 7, 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 10, 1996, and





* * * *

Aztec

Mr. Robert J. Medler October 10, 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,

William J. LeMa Director

WJL/rca

xc: OCD Hobbs Office