GW - 17

PERMITS, RENEWALS, & MODS

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2008 JUL 30 PM 12 21

July 21, 2008

CERTIFIED MAIL NO. 7007 0710 0003 8375 2659
RETURN RECEIPT REQUESTED

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

RE: GW-017 Discharge Permit
Special Condition 16 Follow-up Report
BJ Services Company, U.S.A.
11211 FM 2920
Tomball, TX 77375

Dear Mr. Lowe:

The BJ Services Company, U.S.A. (BJ Services) 5514 Carlsbad Highway, Hobbs District was inspected on May 16 2008, as a part of New Mexico Oil Conservation Division's (NMOCD) Discharge Permitting process. The final permit was issued on May 19, 2008 and a signed copy was sent to the NMOCD via UPS on June 10, 2008. As required by Special Condition 16 BJ Services is submitting this follow-up report to confirm that the following items have been addressed:

1. The schematic submitted with the discharge plan application does not appear to be correct. (Photo 1) shows a containment area that does not appear on the schematic. The "Chemical Storage Building" appears to be a storage area only;
2. Two containers full of soil are not labeled; and
3. Empty container storage area needs to have proper impermeable pad with curbing.

1. Photo 1 from the OCD's inspection report indicated a containment area that was not included on the schematic of the discharge plan. This containment has been included on the schematic and a revised copy is enclosed with this submittal. The "Chemical Storage Building" does house chemicals in 5-gallon containers as well as items that are not chemicals and BJ Services will maintain the "Chemical Storage Building" nomenclature for this structure.

2. The unlabeled containers have been labeled as shown in the enclosed Photo A.

July 21, 2008

3. As shown in the enclosed Photo B, the empty containers are now kept in an appropriate containment.

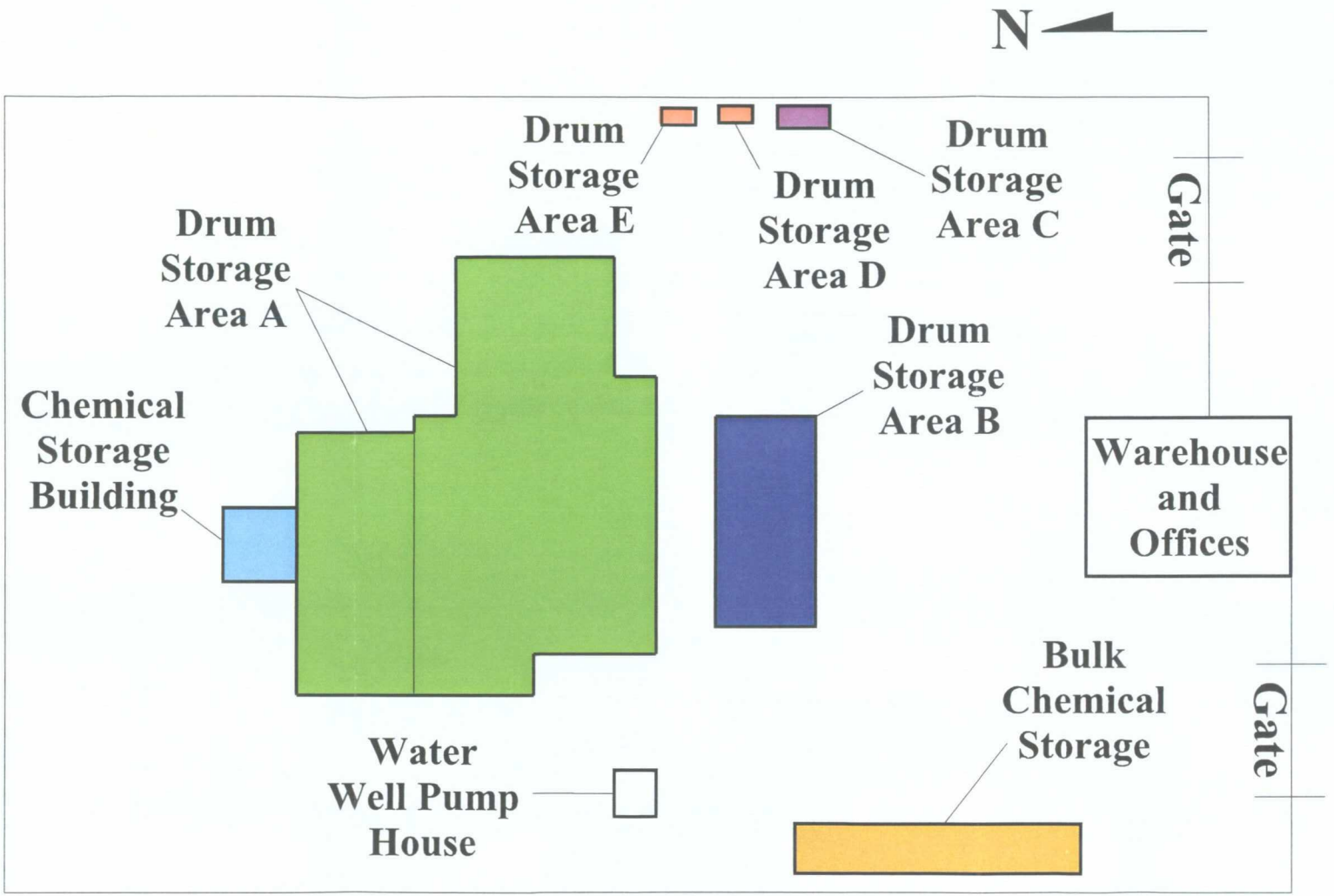
BJ Services appreciates your time and if there are any questions or comments, please contact me at (281) 357-2573.

Thank You.

Josh Morrissette
HSE Specialist

Cc: Jeff Day – BJ Chemical Services, Hobbs
Blake Cox – BJ Services, Odessa Tool Services
Jason Goodwin – BJ Chemical Services, Houston
File – BJ Services, Tomball

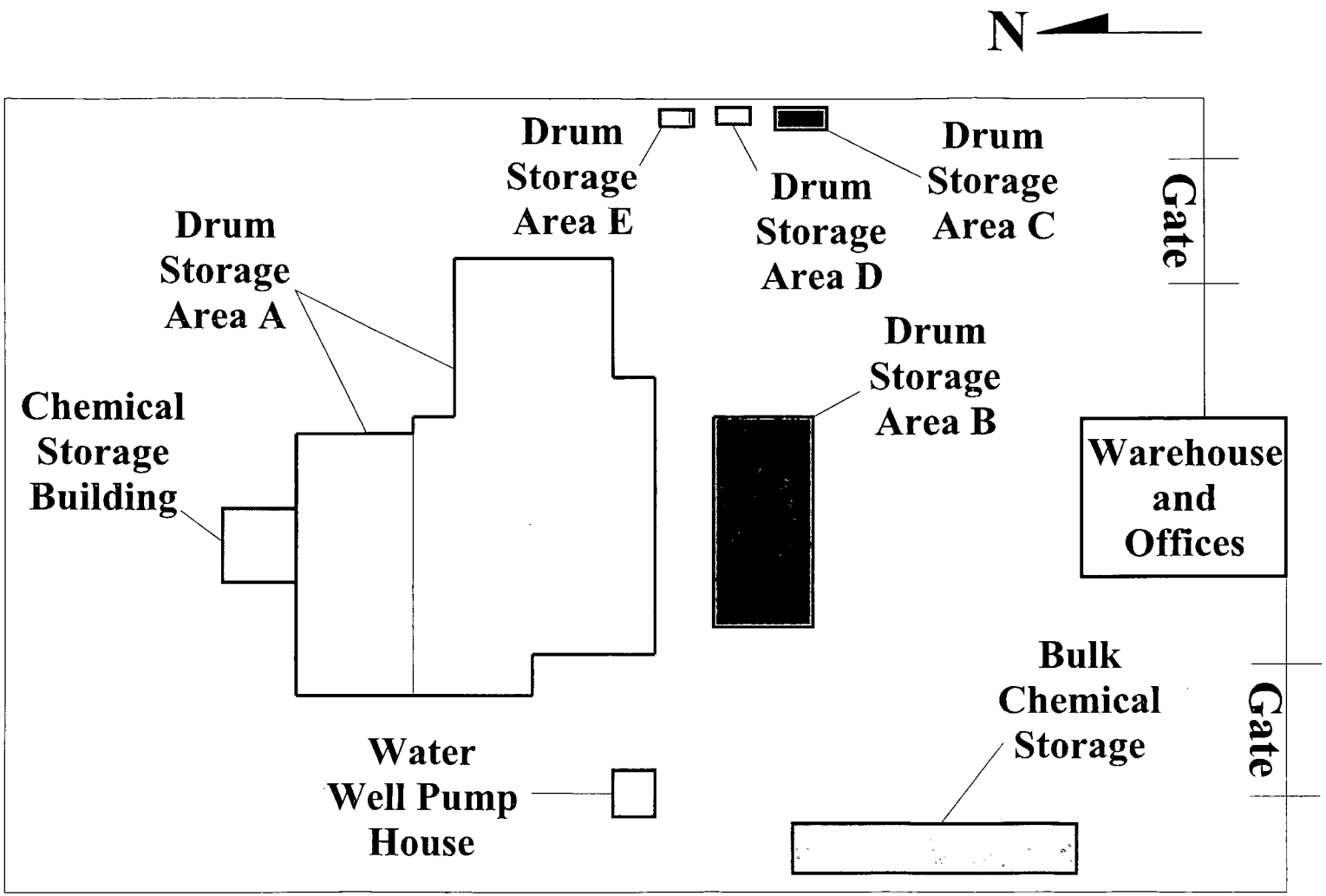
Enclosures (2)



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

Figure 2: Facility Layout

Hobbs Tools 5514 Carlsbad Highway Hobbs, NM 88240	Not To Scale	REVISION DATE: 7/21/08	DRAWN BY: JSG



BJ Services Company, USA
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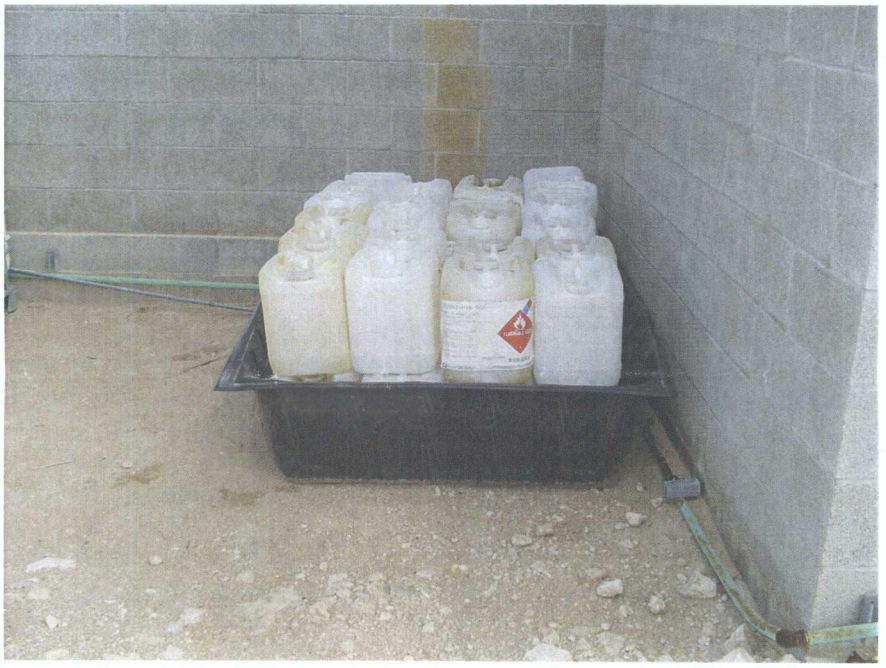
Figure 2: Facility Layout

Hobbs Tools 5514 Carlsbad Highway Hobbs, NM 88240	Not To Scale	REVISION DATE: 7/21/08	DRAWN BY: JSG

Photo A: Labeled Containers

Photo B: Empty Container Containment



June 10, 2008

UPS Overnight

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

RE: Discharge Permit
GW-017
BJ Services Company, USA
11211 FM 2920
Tomball, TX 77375

Dear Mr. Lowe:

Enclosed is the signed Discharge Permit for a new BJ Services Company, USA Facility located at 5514 Carlsbad Highway, Hobbs, NM.

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

Thank You.

Josh Morrissette
HSE Specialist

RECEIVED
2008 JUN 11 PM 2 01

Cc: Jim Britton – BJ Chemical Services, Hobbs
Jason Goodwin – BJ Chemical Services, Houston
Blake Cox – BJ Services, Odessa Tool Services
File – BJ Services, Tomball

Enclosure

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. This fee was received along with your application and was processed on March 12, 2008. Please submit the signed certification item 23 of this document to the OCD office.

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 April 18, 2013** 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 March 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 OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

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

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

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

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

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

16. OCD Inspections: The OCD performed an inspection on May 16, 2008 of this facility. The condition of the facility was in good standing. Below are concerns that need to be addressed.

1. The schematic submitted with the discharge plan application does not appear to be correct. (Photo 1) shows a containment area that does not appear on the schematic. The "Chemical Storage Building" appears to be a storage area only. BJ Services personnel on location were made aware of this inconsistency.
2. (Photo 2) Two containers full of soil are not labeled.
3. (Photo 3) Empty container storage area needs to have proper impermeable pad with curbing.

BJ Services has **90 days** to address these concerns and shall submit to the Santa Fe OCD office a report, with photos, the resolution to these items.

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. ***An unauthorized discharge is a violation of this permit.***

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

20. Additional Site Specific Conditions: N/A

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."

BJ Services Company, U.S.A.
Company Name-print name above

Jo Ann Cobb
Company Representative- print name

Jo Ann Cobb
Company Representative- Signature

Title Mgr. Env. Services

Date: 6-6-08

OCD Inspection: BJ Services GW - 017

Inspectors: Leonard Lowe

Company Rep: Mr. Jeff Day and Mr. Dean Duarte

Date: 05.14.08 Time: 07:10 – 07:40

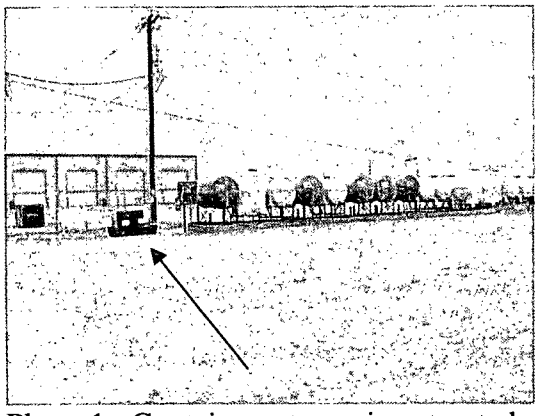


Photo 1: Containment area is not noted on facility schematic.

Photo 2: Two unidentified containers.

Photo 3: Empty container storage area without proper containment.

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division

May 19, 2008

Mr. Josh Morrissette
BJ Services Co. USA
11211 FM 2920
Tomball, TX 77375

Re: Discharge Permit Renewal
Hobbs Tooling Gas and Oil service company (GW-017)
Section 36, Township 18 South, Range 37 East, NMPM,
Lea County, New Mexico,

Dear Mr. Morrissette:

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

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

If you have any questions, please contact 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

ATTACHMENT- DISCHARGE PERMIT APPROVAL CONDITIONS

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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. ***An unauthorized discharge is a violation of this permit.***

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

20. Additional Site Specific Conditions: N/A

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

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

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

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

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

_____
Company Name-print name above

_____
Company Representative- print name

_____
Company Representative- Signature

Title_____

Date:_____

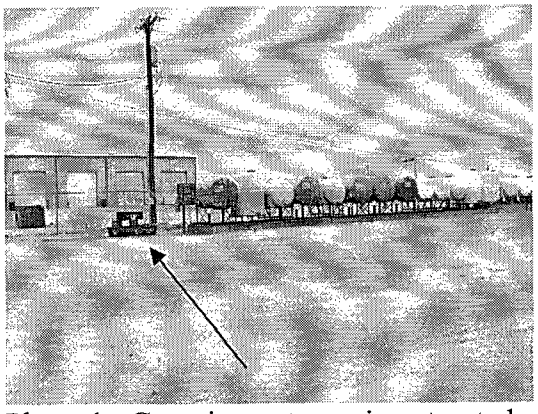


Photo 1: Containment area is not noted on facility schematic.

Photo 2: Two unidentified containers.

Photo 3: Empty container storage area without proper containment.

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Tuesday, April 01, 2008 8:49 AM
To: Mr. Josh Morrissette
Cc: Johnson, Larry, EMNRD
Subject: GW-017, Administratively Complete
Attachments: GW-017, Admin Complete Letter.pdf; GW-017, Draft Permit.pdf; GW-017 OCD PN.pdf

Mr. Josh Morrissette,

Your submitted renewal application for the BJ Services Hobbs Oil and Gas Service Company, GW-017 has been deemed **administratively complete**.

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

The department will now receive your version of public notice for review.

If you have any questions please call or e-mail me.

Thank you for your attention.

llowe

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

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

April 1, 2008

Mr. Josh Morrissette,

Re: Discharge Plan Renewal Permit GW-017
BJ Services CO, USA
Hobbs Tools Oil and Gas Service Facility
Lea County, New Mexico

Dear Mr. Morrissette:

The New Mexico Oil Conservation Division (NMOCD) has received BJ Services CO, USA's request and initial facility fee, dated March 7th, 2008, to renew GW-017 for the Hobbs Tools Oil and Gas service company, 5514 Carlsbad Highway, Hobbs, N.M. located in Section 36, Township 18 South, Range 37 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 leonard.lowe@state.nm.us. 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

xc: OCD District I Office, Hobbs

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

April 1, 2008

Mr. Josh Morrissette
BJ Services Co. USA
11211 FM 2920
Tomball, TX 77375

Re: **DRAFT** Discharge Permit Renewal
Hobbs Tooling Gas and Oil service company (GW-017)
Section 36, Township 18 South, Range 37 East, NMPM,
Lea County, New Mexico,

Dear Mr. Morrissette:

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

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

If you have any questions, please contact 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

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. This fee was received along with your application and was processed on March 12, 2008. Please submit the signed certification item 23 of this document after the final permit is issued in approximately 45 days.***

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 April 18, 2013** 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 March 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 OCD-approved facility. Only oil field RCRA-exempt wastes may be disposed of by injection in a Class II well. RCRA non-hazardous, non-exempt oil field wastes may be disposed of at an OCD-approved facility upon proper waste determination pursuant to 40 CFR Part 261. Any waste

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

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

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

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

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

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

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

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

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

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

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

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

12. Underground Process/Wastewater Lines:

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

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

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

inject domestic waste only, must be permitted by the New Mexico Environment Department (NMED).

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

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

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

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

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

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

20. Additional Site Specific Conditions: N/A

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

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

_____
Company Name-print name above

_____
Company Representative- print name

_____
Company Representative- Signature

Title_____

Date:_____

NOTICE OF PUBLICATION

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

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations (20.6.2.3106 NMAC), the following discharge 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-017) BJ Services CO, USA, 11211 FM 2920, Tomball, TX 77375 has submitted a renewal application for their previously approved discharge plan permit for their Hobbs Tooling Oil and Gas Service Company, 5514 Carlsbad Highway, Hobbs N.M. 88240 , located in Section 36, Township 18 South, Range 37 East, NMPM, Lea County, New Mexico. The facility provides cementing, acidizing, and fracturing services at oil and gas well sites. Approximately 100 gallons of residual tank clean out, 100 gallons of off-spec chemicals and several barrels (thousands of gallons) of corrosion inhibitor/Biocides/Paraffin's will be stored onsite within a bermed padded area. Groundwater most likely to be affected by a spill, leak or accidental discharge is at a depth of approximately 20 feet, with a total dissolved solids concentration of approximately 300 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 español, sirvase comunicarse por favor: New Mexico Energy, Minerals and Natural Resources Department (Depto. Del Energia, Minerals y Recursos Naturales de Nuevo México), Oil Conservation Division (Depto. 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 1th day of April

2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

S E A L

Mark Fesmire, Director

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No _____ dated 3/6/08

or cash received on _____ in the amount of $ 1700 00

from BJ Services Co.

for GW-17

Submitted by: Laurence Romero Date: 3/12/08

Submitted to ASD by: Laurence Romero Date: 3/12/08

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment ✓ or Annual Increment _____

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. _____ dated 3/6/08

or cash received on _____ in the amount of $ 100 00

from BJ Services Co.

for GW-17

Submitted by: Laurence Romero Date: 3/12/08

Submitted to ASD by: Laurence Romero Date: 3/12/08

Received in ASD by: _____ Date: _____

Filing Fee ✓ New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

March 7, 2008

UPS OVERNIGHT

New Mexico Oil Conservation Division
Attn: Mr. Leonard Lowe
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Discharge Plan Renewal & Associated Filing Fee
Discharge Permit - GW-17
BJ Services Company, USA
11211 FM 2920
Tomball, TX 77375

Dear Mr. Lowe:

Enclosed is the discharge plan renewal application for the BJ Services Company, USA (BJ Services) Hobbs Facility operating under Discharge Permit No. GW-17 located at 5514 Carlsbad Highway, Hobbs, NM. Also enclosed is check number 3234511 in the amount of $1,800.00 for payment of the associated filing fee.

In accordance with NMAC Subsection C of 20.6.2.3108, relating to discharge plan renewal notifications, BJ Services will place public notification in the Hobbs News-Sun newspaper once the application has been approved.

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

Thank You.

Josh Morrissette
HSE Specialist

Cc: File – BJ Services, Tomball
District I – OCD, Hobbs

Enclosures

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Revised June 10, 2003

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

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

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

☐ New ☒ Renewal ☐ Modification

1. Type: OIL FIELD SERVICES
2. Operator: BJ SERVICES COMPANY, U.S.A.

   Address: 5514 Carlsbad Highway, HOBBS, NM 88240

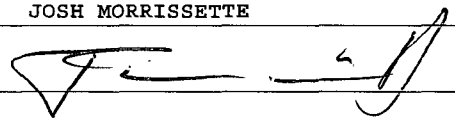
   Contact Person: JOSH MORRISSETTE Phone: 281.357.2573

3. Location: /4 /4 Section 36 Township 18 SOUTH Range 37 EAST
   Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

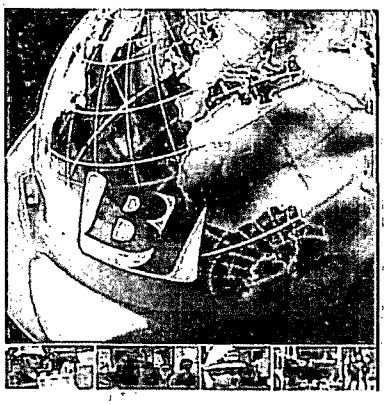
14. CERTIFICATIONI hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: JOSH MORRISSETTE Title: HSE SPECIALIST

Signature:  Date: 3-4-2008

E-mail Address: joshua.morrissette@bjservices.com

Hobbs Tools
Discharge Plan



BJ Services Company, USA
5514 Carlsbad Hwy.
Hobbs, NM 88240

BJ Services Company, U.S.A.
Discharge Plan
Hobbs, New Mexico

March 2008

I. Type of Operation

BJ Services Company, U.S.A. provides oilfield services, including cementing, acidizing, and fracturing services at oil and gas well sites.

II. Operator

BJ Services Company, U.S.A. (ServicesTools)
5514 Carlsbad Hwy
Hobbs, NM 88240
Contact: Blake Cox
432-530-0016

BJ Services Company, U.S.A. (Chemical Services)
707 N. Leech
Hobbs, NM 88240
Contact: Jeff Day
505-393-7751

III. Location

See attachment 1, Figure 1 – Site Location Map

IV. Landowner of Facility Site

BJ Services Company, U.S.A.
11211 FM 2920
Tomball, TX 77375
Contact: Jo Ann Cobb, R.E.M.
281-357-2572

V. Facility Description

See attachment 1, Figure 2 – Facility Layout

VI. Materials Stored or Used at the Facility

Material	General Makeup (includes additives)	Form	Type of Container	Estimated Volume Stored	Location
Degreaser	various	Liquid	Drum	55 - gal	Shop
Spray Paint	various	Liquid	Cans	5 - gal	Shop
AL-133	Biocide	Liquid	Storage Tank	80 - gal	Bulk Chemical Storage
AL-160	Biocide	Liquid	Storage Tank	220 - gal	Bulk Chemical Storage
KTL-22W	Water Based Scale Inhibitor	Liquid	Storage Tank	180 - gal	Bulk Chemical Storage
RPD-02211	Aromatic/Aliphatic Paraffin Solvent	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TC-410	Water Based Cleaning Agent	Liquid	Storage Tank	220 - gal	Bulk Chemical Storage
TCX-3125	Aromatic/Aliphatic Corrosion Inhibitor	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TCX-3740	Alcohol Based Corrosion Inhibitor	Liquid	Storage Tank	180 - gal	Bulk Chemical Storage
TH-302	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TH-3036	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TH-3113	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	400 - gal	Bulk Chemical Storage
TH-315	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TH-324	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	400 - gal	Bulk Chemical Storage
TH-369W	Water/Alcohol Based Corrosion Inhibitor	Liquid	Storage Tanks	1,500 - gal	Bulk Chemical Storage
TH-5324	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	400 - gal	Bulk Chemical Storage
TS-161	Aromatic/Aliphatic Paraffin Solvent	Liquid	Storage Tank	400 - gal	Bulk Chemical Storage
TS-164	Aromatic Paraffin Solvent	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TW-4273	Water Based Cleaning Agent	Liquid	Storage Tank	80 - gal	Bulk Chemical Storage
TW-447	Water Based Cleaning Agent	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TW-467	Water Based Cleaning Agent	Liquid	Storage Tank	180 - gal	Bulk Chemical Storage
AL-133	Biocide	Liquid	5 - gal pail	20 -gal	Chemical Storage Building
AL-160	Biocide	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
METHANOL	Methanol	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
RPD-03085	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TB-100	Oil Based Demulsifier	Liquid	5 - gal pail	100 - gal	Chemical Storage Building
TB-4314	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TC-410	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TC-420	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TC-436	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TCX-3220	Aromatic Corrosion Inhibitor	Liquid	5 - gal pail	30 - gal	Chemical Storage Building

Material	General Makeup (includes additives)	Form	Type of Container	Estimated Volume Stored	Location
TH-369W	Water/Alcohol Based Corrosion Inhibitor	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TH-370	Water/Alcohol Based Corrosion Inhibitor	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TH-5324	Aromatic Corrosion Inhibitor	Liquid	5 - gal pail	110 - gal	Chemical Storage Building
TH-606	Water/Alcohol Based Corrosion Inhibitor	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TH-756	Water Based Scale Inhibitor	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TS-161	Aromatic/Aliphatic Paraffin Solvent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TS-163	Aromatic/Aliphatic Paraffin Solvent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TS-164	Aromatic Paraffin Solvent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TS-175	Aromatic/Aliphatic Paraffin Solvent	Liquid	5 - gal pail	10 - gal	Chemical Storage Building
TS-270	Aromatic/Aliphatic Paraffin Solvent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TS-2817	Aromatic/Aliphatic Paraffin Solvent	Liquid	5 - gal pail	55 - gal	Chemical Storage Building
TW-4222	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TW-425	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TW-4273	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TW-438	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TW-447	Water Based Cleaning Agent	Liquid	5 - gal pail	110 - gal	Chemical Storage Building
TW-467	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
KTL-22W	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
Methanol	Methanol	Liquid	Drum	550 - gal	Drum Storage Area A
NH7003	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
RCI-05125	Aromatic Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
RCI-05234	Aromatic Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
REB-02125	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
REB-04327	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
REB-05315	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
REB-06167	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
RIS-03297	Water Based Scale Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area A
RPD-02211	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	550 - gal	Drum Storage Area A
RPD-03085	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	550 - gal	Drum Storage Area A
RPI-03071	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	55 - gal	Drum Storage Area A

Material	General Makeup (includes additives)	Form	Type of Container	Estimated Volume Stored	Location
TB-100	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-104	Oil Based Demulsifier	Liquid	Drum	55 -gal	Drum Storage Area A
TB-5902	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-5916	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-5942	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-5979	Oil Based Demulsifier	Liquid	Drum	330 -gal	Drum Storage Area A
TB-5986	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-832	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-8811	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-916	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-917	Oil Based Demulsifier	Liquid	Drum	330 -gal	Drum Storage Area A
TB-9421	Oil Based Demulsifier	Liquid	Drum	55 - gal	Drum Storage Area A
TB-9551	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-9614	Oil Based Demulsifier	Liquid	Drum	55 - gal	Drum Storage Area A
TB-974	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-976	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-979	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-986	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TC-405	Water Based Scale Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area A
TC-410	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area A
TC-4402	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area A
TCX-3220	Aromatic Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area A
TEG	Triethylene Glycol	Liquid	Drum	220 - gal	Drum Storage Area A
TH-302	Aromatic Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
TH-315	Aromatic Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
TH-324	Aromatic Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area A
TS-159	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	550 - gal	Drum Storage Area A
TS-161	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	220 - gal	Drum Storage Area A
TS-163	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	220 - gal	Drum Storage Area A
TS-164	Aromatic Paraffin Solvent	Liquid	Drum	550 - gal	Drum Storage Area A
TS-175	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	110 - gal	Drum Storage Area A
TS-253	Water Based Paraffin Dispersant	Liquid	Drum	110 - gal	Drum Storage Area A
TS-270	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	550 - gal	Drum Storage Area A
TS-2710	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	220 - gal	Drum Storage Area A
TS-275	Water Based Paraffin Dispersant	Liquid	Drum	220 - gal	Drum Storage Area A

Material	General Makeup (includes additives)	Form	Type of Container	Estimated Volume Stored	Location
TS-2817	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	330 -gal	Drum Storage Area A
TS-2917	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	110 - gal	Drum Storage Area A
UI-3141	Water Based Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
WCX-5121	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	220 - gal	Drum Storage Area A
AL-125	Biocide	Liquid	Drum	220 - gal	Drum Storage Area B
AL-133	Biocide	Liquid	Drum	220 - gal	Drum Storage Area B
AL-137	Biocide	Liquid	Drum	110 - gal	Drum Storage Area B
AL-160	Biocide	Liquid	Drum	220 - gal	Drum Storage Area B
PSI-720	Water Based Scale Inhibitor	Liquid	Drum	330 -gal	Drum Storage Area B
RDF-03266	Water Based Foamer	Liquid	Drum	220 - gal	Drum Storage Area B
RFO-02238	Water Based Foamer	Liquid	Drum	220 - gal	Drum Storage Area B
RFO-03311	Water Based Foamer	Liquid	Drum	220 - gal	Drum Storage Area B
RFO-04142	Water Based Foamer	Liquid	Drum	660 - gal	Drum Storage Area B
RFO-06209	Water Based Foamer	Liquid	Drum	44 - gal	Drum Storage Area B
TC-2420	Water Based Cleaning Agent	Liquid	Drum	110 - gal	Drum Storage Area B
TC-420	Water Based Cleaning Agent	Liquid	Drum	550 - gal	Drum Storage Area B
TC-436	Water Based Cleaning Agent	Liquid	Drum	550 - gal	Drum Storage Area B
TCX-3700	Water Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TCX-3740	Water Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TF-5550	Water Based Foamer	Liquid	Drum	220 - gal	Drum Storage Area B
TF-5561	Water Based Foamer	Liquid	Drum	330 -gal	Drum Storage Area B
TF-570	Water Based Foamer	Liquid	Drum	220 - gal	Drum Storage Area B
TF-578	Water Based Foamer	Sticks	Box	1	Drum Storage Area B
TF-579	Water Based Foamer	Sticks	Box	1	Drum Storage Area B
TH-356	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-366	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-368	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	440 - gal	Drum Storage Area B
TH-370	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-3743	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-377	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-3921	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-5798	Water Based Scale Inhibitor	Liquid	Drum	330 -gal	Drum Storage Area B

Material	General Makeup (includes additives)	Form	Type of Container	Estimated Volume Stored	Location
TH-604	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-606	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	550 - gal	Drum Storage Area B
TH-6316	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-6389	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-701	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	550 - gal	Drum Storage Area B
TH-704	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-756	Water Based Scale Inhibitor	Liquid	Drum	660 - gal	Drum Storage Area B
TH-758W	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-760	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-765	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-767	Water Based Scale Inhibitor	Liquid	Drum	550 - gal	Drum Storage Area B
TH-781	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-790W	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-793	Water Based Scale Inhibitor	Liquid	Drum	550 - gal	Drum Storage Area B
TH-794	Water Based Scale Inhibitor	Liquid	Drum	330 -gal	Drum Storage Area B
TH-798	Water Based Scale Inhibitor	Liquid	Drum	550 - gal	Drum Storage Area B
TW-401	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area B
TW-425	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area B
TW-430	Water Based Cleaning Agent	Liquid	Drum	550 - gal	Drum Storage Area B
TW-438	Water Based Cleaning Agent	Liquid	Drum	110 - gal	Drum Storage Area B
TW-447	Water Based Cleaning Agent	Liquid	Drum	1,100 - gal	Drum Storage Area B
TW-4471	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area B
TW-467	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area B
Uniklor B	Bleach	Liquid	Drums	165 - gal	Drum Storage Area C
Uniklor C	Sodium Chlorite	Liquid	Drums	220 - gal	Drum Storage Area C
Uniklor A	Hydrochloric Acid	Liquid	Drums	110 - gal	Drum Storage Area D

VII. Sources of Effluent and Waste Solids

Waste Type	Source and Composition	Volume per Month	Major Additives
Tank Residual from Clean-outs	Storage Tank	100 gallons	Varies by product
Off-Spec Chemical	Storage Tank	100 gallons	Varies by product
Gloves, Absorbent socks, and rags	Operations	50-lbs	Varies by product

VIII. Current Liquid and Solid Waste Collection/Treatment/Disposal Procedures

Waste Type	On Site Handling	Disposal	Disposal Facilities
Tank Residual from Clean-outs	Stored in drums	Offsite Disposal	Univar 311 Lark Ave Odessa, TX 79760
Off-Spec Chemical	Stored in drums	Offsite Disposal	Univar 311 Lark Ave Odessa, TX 79760
Gloves, Absorbent socks, and rags	Stored in drums	Offsite Disposal	Univar 311 Lark Ave Odessa, TX 79760

IX. Proposed Modifications

Currently there are no proposed modifications scheduled.

X. Inspection and Maintenance

See Attachment 2, Base/District HSE Inspection Report

XI. Contingency Plan

See Attachment 3, Facility Emergency Response Contingency Plan

XII. Site Characteristics

Bodies of Water: None

Arroyos: None

Groundwater Characteristics: Depth to Groundwater (bgs): 20 feet (see Attachment 4 for boring log.). Total Dissolved Solids concentration of approximately 300 mg/L.

Flooding Potential: None

XIII. Closure Plans

BJ Services submitted a letter to the OCD on July 11, 1997 outlining the closure activities that had been performed to date and planned closure activities. As a result of some of the items in the letter, BJ Services retained Brown and Caldwell to perform some closure and assessment activities. Brown and Caldwell have submitted two closure plans related to these activities to the OCD. Additional closure plans will be submitted throughout the closure procedure.

ATTACHMENT 1

SITE PLANS

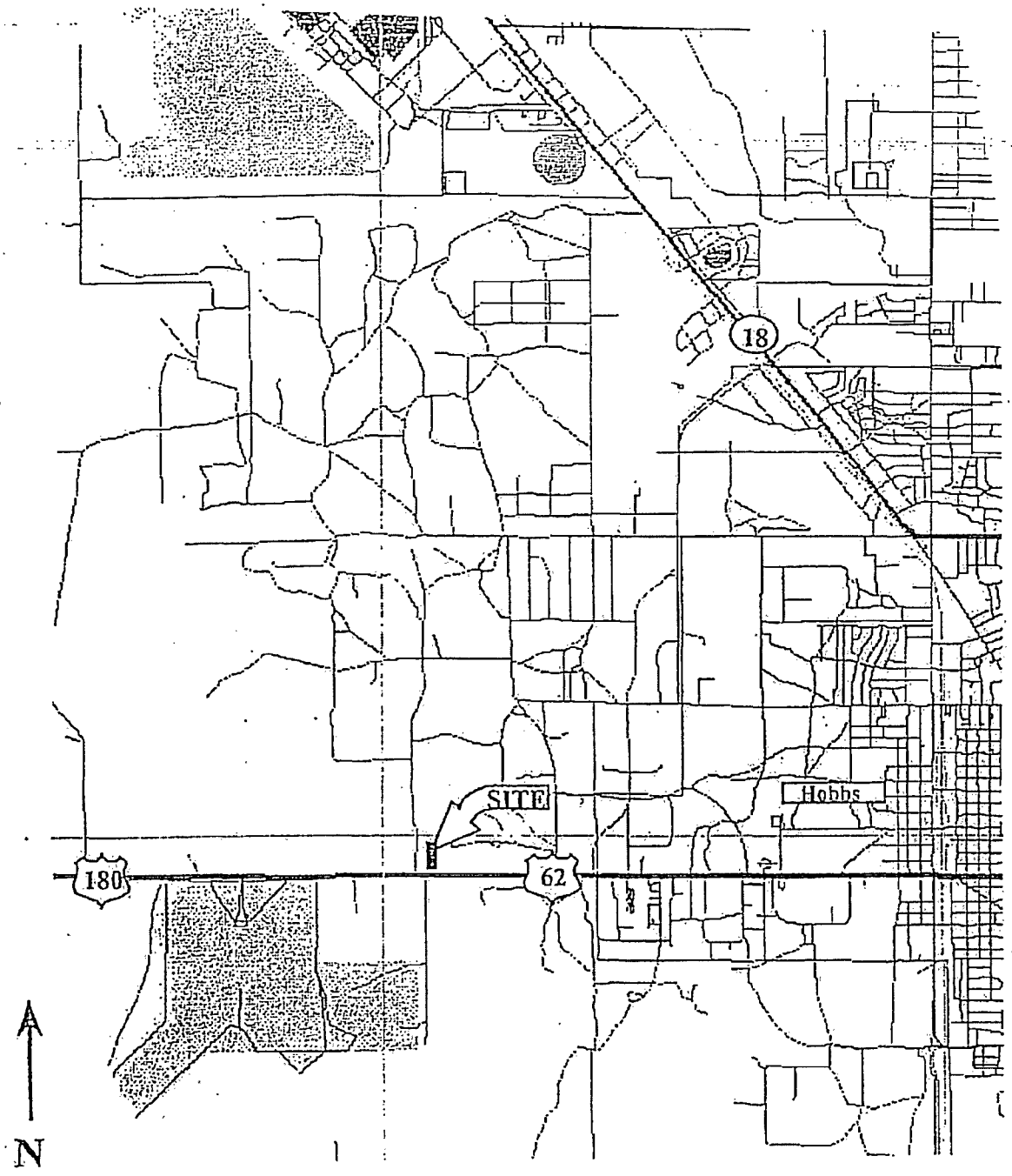
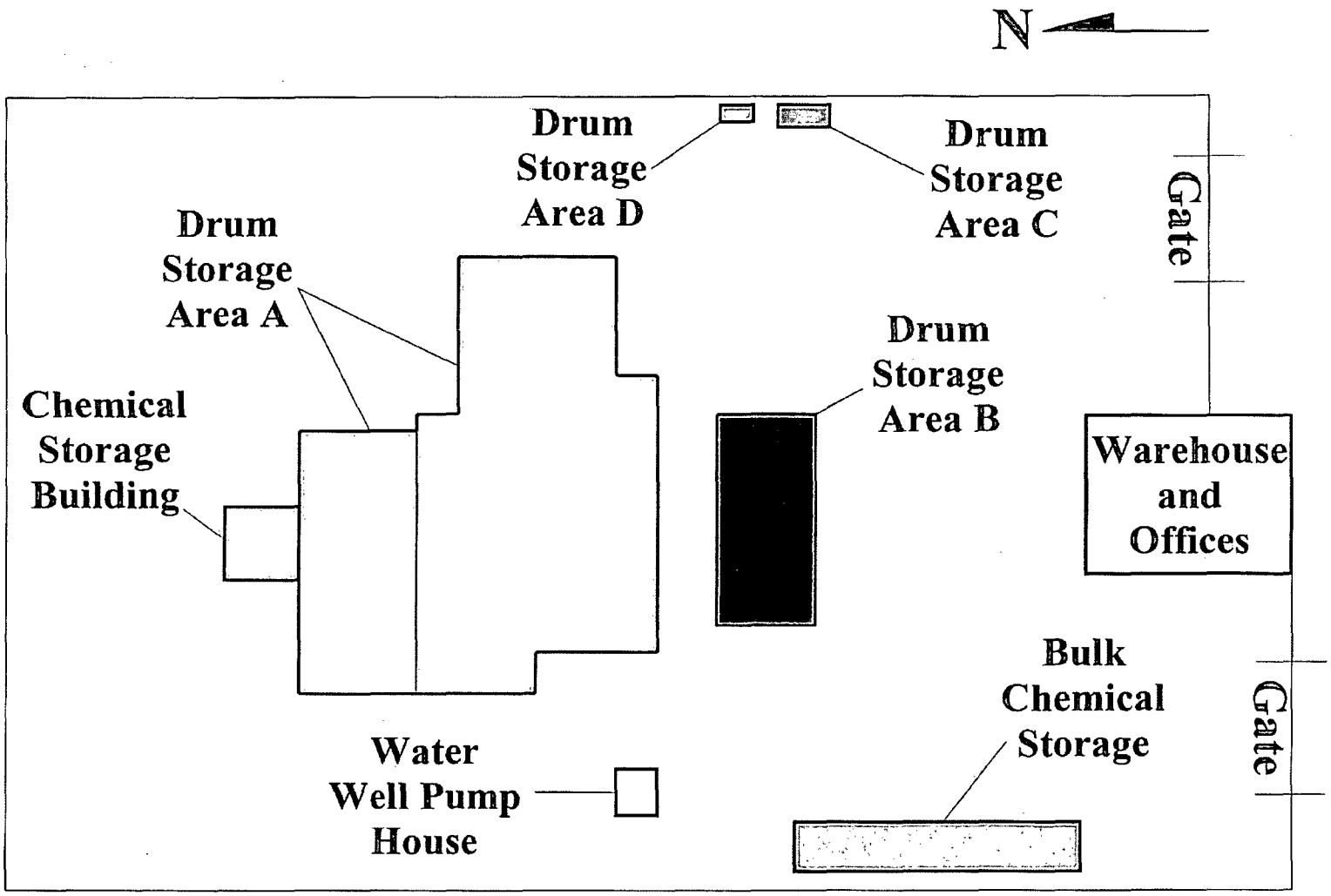


	Figure 1: Site Location Map Last Revised: 3/12/98
BJ Services Company, U.S.A. 8701 New Trails Drive The Woodlands, TX 77381	Facility Name: BJ Services Company, U.S.A. Facility Address: 5514 Carlsbad Highway Hobbs, NM 88240



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

Figure 2: Facility Layout

Hobbs Tools 5514 Carlsbad Highway Hobbs, NM 88240	Not To Scale	REVISION DATE: 10/18/06	DRAWN BY JSG

ATTACHMENT 2

BASE/DISTRICT HSE INSPECTION REPORT

US Inspection - 2006
Base/District HSE Inspection Report

Region: BJ Chemical Services
District/Base: Support - Hobbs Warehouse - Chemical Services
Inspector: _____

Job Title of Inspector(s): _____

Date of Inspection: _____

Product Line : BJ Chemical Services - Manufacturing

Key
N/A - Not Applicable (Default Value)
0 - Needs Immediate Attention
1 - Needs Attention
2 - Meets Standards

Housekeeping Key
N/A - Note Applicable (Default Value)
0 - Needs Immediate Attention
1 - Poor
2 - Needs some attention
4 - Good - Meets Standards

SUMMARY - AREAS

QUESTIONS

HSE Management Standards	
1	Managers and Supervisors demonstrate ability to navigate QHSE Standards and other HSE system databases
2	Managers and Supervisors are knowledgable of the QHSE Standards that apply to their area of responsibility (have read the standards)
3	HSE Plan for facility, region, or country in place per standard (QHSE Standard - Health & Safety 3.8)
4	All Trainers are competent (demonstrated by CAP participation, certifications, education, or Training Plan in place)
5	Field personnel oriented per standards prior to field assignment (QHSE Standard - Health & Safety 6.3 plus Region Req'd orientation)
6	Facility APT in place per standard (QHSE Standards - Health & Safety 5.2)
7	HSE Facility and Jobsite Inspections by region/district staff are current for previous quarter
8	Corrective actions from previous inspections (30 days and older) are closed out

9	Journey Management guidelines followed (QHSE Standard - Health & Safety Section 14._)
10	Quality of accident reports - complete, corrective action taken, and closed out

General Facility Conditions

1	Emergency plans for fire, injury or chemical spill (posted, current)
2	Fire extinguishers - (operable, inspected, proper location, proper type)
3	Personal protective equipment (used as required)
4	PPE available for visitors or vendors
5	Trained first aiders at facility (sufficient number, identified, posted)
6	Safety signs and notices (sufficient number, all hazards, current)
7	Safety bulletin board (current)
8	Entryway/gateway (signed, unobstructed)
9	Parking (sufficient, unobstructed, signed)
10	Road surfaces (safe, maintained)
11	Lighting (sufficient, working, assess both internal and external)
12	Heating and cooling system (radiators free/clear, system checked annually, adequate records)
13	Electrical panels and wiring (labeled, secure, maintained)
14	Landscape (presentable, maintained)
15	Safety signs for LTI free days (up to date, visible)
16	Notice to visitors and vendors (where to go, posted)
17	Speed limit signs (posted, visible, adhered to)
18	Security fence (sufficient, maintained)
19	Fixed stairs, ladders, walkways, handrails, gates and doors (maintained, clear, safe)
20	Material safety data sheets (accessible locally, current) Dispatch?
21	Containers (appropriate, stacked, labeled)
22	Pallets (adequate, maintained, safe)
23	Noise levels (signage, measured)
24	Flammable gas (caged, signed, segregated)
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services

Manufacturing - General Conditions

1	Current mandatory safety legislation posters
2	Local legislative accident log (e.g: OSA 300 or equivalent)
3	Emergency evacuation assembly point (posted, visible, unobstructed)
4	Emergency plans for fire, injury or chemical spill (posted, current)
5	Emergency phone numbers posted (fire, ambulance, police, doctor, chemical spills, injuries)
6	Fire extinguishers (operable, inspected, proper location, proper type)
7	Personal protective equipment (available, provided, and used as required)
8	PPE available for visitors or vendors)
9	First aid kit (adequate number of, adequately stocked, highly visible)
10	Trained first aiders at facility (sufficient number, identified, posted)
11	Safety signs and notices (sufficient number, all hazards, current)
12	Safety bulletin board (current)
13	Entryway/gateway (signed, unobstructed)
14	Parking (sufficient, obstructed, signed)
15	Road surfaces (safe, maintained)
16	Lighting (sufficient, working, assess both internal and external)
17	Heating and cooling system (radiators free/clear, system checked annually, adequate records)
18	Electrical panels and wiring (labeled, secure, maintained)
19	Landscape (presentable, maintained)
20	BJ Services company signs (visible, maintained)
21	Prohibited articles/substances sign (visible, maintained)
22	Safety signs for LTI free days (up to date, visible)
23	Notices to visitors and vendors (where to go, posted)
24	Speed limit signs (posted, visible, adhered to)
25	Security fence (sufficient, maintained)
26	Fixed stairs, ladders, walkways, handrails, gates, and doors (maintained, clear, safe)
27	Emergency exits/routes (signed, unobstructed, site plane of)
28	Hazardous chemicals inventory (held locally, current-6 Month Rule)
29	Material safety data sheets (accessible locally, current) Dispatch?
30	Spills or leaks visible
31	Spill control material (available, appropriate, utilized)
32	Knowledge of environmental and safety (HSE) manuals

33	Knowledge of emergency response plans (fire, injury, spillage)
34	No open containers outside collecting water
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services
Manufacturing - Office

1	Heating and cooling checked annually
2	Adequacy and cleanliness of toilet facilities
3	Floors clean and free of obstructions
4	Doorways and passageways free of obstructions
5	Exits clearly marked
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services
Manufacturing - Chemical
Storage Area

1	All chemicals (identified, labeled)
2	Proper stacking (drums and bag pallets-no more than three (3) high)
3	Safety shower and eyewash (maintained, tested)
4	Hoses, piping, and valves (clear, operable, stowed appropriately)
5	Proper chemical segregation (types, aisles, labeled)
6	Used spill material container (available, empty, clean, isolated)
7	Floors (flat, clean, impermeable)
8	Sump (empty, clean, isolated)
9	Racking (capacity signed, inspections)
10	Material safety data sheets (accessible locally, current)
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services
Manufacturing - Empty Drum
Storage Area

1	Empty drums and pails removed on a routine basis
2	Empty drums stored horizontally with bungs at 3 & 9
3	Empty drums and pails completely empty
4	No leakers
5	Empty drums stored without connections
6	Salvage drum available
7	Empty drums on pallets, cement or asphalt
8	No standing water, sump empty and clean

BJ Chemical Services
Manufacturing - Tank Farms

1	All tanks properly labeled (metal sign, NFPA diamond)
2	No visible leaks around tanks or header
3	Catch buckets (empty, properly labeled, and lid on container)
4	No chemical or water in sumps
5	Spill kits available and stocked
6	Bonding cables available, coiled, and in proper working condition
7	Connections properly stored in cabinet
8	Lids, PVVs closed, operable on all tanks
9	No leaking or damaged hoses, valves, or pumps
10	Safety shower/eyewash functioning, inspected, not obstructed, clean
11	Catwalks available and in working order
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services
Manufacturing - Yard/External
Equipment Storage Area

1	Pallets (adequate, maintained, safe)
2	Noise levels (signage, measured)
3	Road traffic signage (speed limits posted, warning signage for pedestrians)
4	Segregation of pedestrians/vehicles (walkways marked, railings)
5	PPE (signage, appropriate to risk assessed)

6	Washbay sump(s) clean (routinely maintained and emptied)
7	POTW (inspected, cleaned routinely, randomly sampled)
8	All drums labeled, stacked neatly
9	Inventory controlled (LIFO = taken monthly)

BJ Chemical Services - Chemical Storage Area

1	All chemicals (identified, labeled)
2	Proper stacking (drums and bag pallets-no more than three (3) high)
3	Pallets (adequate, maintained, safe)
4	Inventory controlled (LIFO - taken monthly)
5	Hoses, piping, and valves (clear, operable, stowed appropriately)
6	Proper chemical segregation (types, aisles, labeled)
7	Used spill material container (available, empty, clean, isolated)
8	Floors (flat, clean, impermeable)
9	Material safety data sheets (accessible locally, current)
10	Waste/surplus chemicals (routinely identified, correct storage, correct and regular disposal)
HK	*Housekeeping (Rating 0,1,2,4)*

BJ Chemical Services Manufacturing - Waste Management

1	Waste documents filed properly
2	Waste log sheets attached and properly completed
3	Lab waste properly labeled and handled
4	No chemically contaminated waste in ordinary waste containers
5	Parts cleaner waste being properly handled
6	Waste documents filed properly
7	Weekly inspection of hazardous waste area documented (SQG & LQG only)
8	Waste/surplus chemicals (routinely identified, correct storage, correct and regular disposal)
9	Hazardous Waste Satellite accumulation point(s) labeled properly and lid secured
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services Manufacturing - Laboratory	
1	Chemical containers identified (BJ Chemical Services policy)
2	Only required chemicals on hand
3	Vent hood installed and operating properly
4	Ground-fault interruption provided for electrical sockets near water
5	Waste containers (labeled, log sheets attached, lids secured, disposed of routinely)
6	MSDSs available
7	Sinks labeled "No Chemical Down Sink~
8	No excessive accumulation of samples
9	Hazardous Waste Satellite accumulation point(s) (labeled and lid secured)

BJ Chemical Services Manufacturing - Shop	
1	Condition of hand tools
2	Grinding equipment and signs
3	Welding and cutting equipment
4	Overhead storage posted for capacity
5	Oily rag container provided and labeled
6	Fixed stairs and railings
7	Paint, lubricants, cleaning agents and solvents properly stored and MSDSs available
8	Confined space permit system
9	Hot work permit system
10	Lockout/Tagout system
11	Ladders
12	Lighting
13	Signs
14	Air Compressors (belts guarded, PRV checked annually)

BJ Chemical Services
Manufacturing - Forklifts

1	Forks (condition, maintained, appropriate)
2	Pre-use daily check sheets (available, utilized)
3	Area FLT warning signage (visible)
4	Rated capacity shown on FLT
5	Backup alarm and/or flashing light (audible, working)
6	FLT Operators (trained, licensed, nominated)
7	Controls (operate properly, maintained)
8	Brakes (operate properly, maintained)
9	Horn (operates properly, maintained)
10	Seat condition (maintained, comfortable)
11	Headlights (sufficient, working)
12	Rollover protection fitted

BJ Chemical Services
Manufacturing - Vehicles

1	Documentation (shipping papers, placards, ERG, DOT, & Haz Material Guidebook; log book, trip inspections)
2	Tanks inspection markings
3	Safety items (1st aid kit, 32 oz. eye wash, water, triangle reflectors, fuses, bulbs, shovel)
4	PPE (gloves, goggles, cartridge respirator, tyvek, absorbents)
5	Fire extinguishers (monthly and yearly inspections)
6	Spill kit available

BJ Chemical Services
Manufacturing - Facility Files

1	Waste manifests, LDRs, profiles, analyses
2	EPA ID
3	Facility inspections
4	Safety meetings
5	Waste tracking reports
6	Annual and Biennial reports (SARA Tier II, SARA TRI, Hazardous Waste)
7	DOT and hazard communication labels

8	DOT Drivers qualification files
9	Spill reports
10	Injury/illness and vehicle accident reports
11	H2S monitors calibrations
12	Tank inspection certifications
13	Training records
14	Policies and procedures (HazComm, respiratory protection, LO/TO, ER, Drug Alcohol)

BJ Chemical Services
Maunfacturing - SCBA

1	Facepiece - Clean and sealed
2	Facepiece - Skirt flexible and clean
3	Facepiece - Headstraps and buckles adjusted out and ok
4	Facepiece - Exhalation valve
5	Rubber Hose - Fitting tight, O-rings, crack, cuts
6	Regulator - Bypass valve closed
7	Regulator -Main valve locked open
8	Regulator - regulator knob in DON position
9	Alarm Bell - Open cylinder valve, close cylinder valve, vent air slowly by opening bypass valve and bleed down to 500 psi on regulator, "bell rings",close bypass valve
10	Cylinder Valve - Leaks, excessive torque
11	Cylinder Valve - Leaves in close position
12	Pressure Gauges - Pressure above 1500 psi, check for cracks
13	Compressed Air Cylinder - Hydrostatic test date less than 5 years old for steel and 3 years old for composite
14	Compressed Air Cylinder -Rust, pits, dents and scratches
15	Back Pack - Broken, twisted or frayed straps
16	Back Pack - Buckles ok and adjusted out

BJ Chemical Services
Manufacturing - Locker Room -
Washrooms - Break Rooms

1	Ventilation (adequate)

2	Showers and sinks (adequate, clean, maintained)
3	Toilets (adequate, clean, maintained)
4	Lockers (sufficient size/number, accessible, lockable)
5	Drinking water (available)
6	Sufficient personal storage and changing space (clean, maintained, adequate)
7	Any required regulations/posters

Significant Facility Changes

1	Tank Change (N/A - No Change , 2 - if changed and made proper notification, 1 - if changed but did not notify)
2	Product Volume (N/A - No Change , 2 - if changed and made proper notification, 1 - if changed but did not notify)
3	Facility Moved (N/A - No Change , 2 - if changed and made proper notification, 1 - if changed but did not notify)
4	Number of Employees (N/A - No Change , 2 - if changed and made proper notification, 1 - if changed but did not notify)
5	Biocide Used (N/A - No Change , 2 - if changed and made proper notification, 1 - if changed but did not notify)

Additional Information Required
Please contact Bill Steiner if any of the above have significantly changed. If the facility has moved, please type in the date it was moved:

Environmental

1	Environmental recordkeeping systems established
2	Permits & registrations available & current when applicable
3	Waste records maintained (Bill of lading, manifests)
4	Waste disposed of by certified or Company approved vendor
5	Environmental plans current (storm water, spill prevention, emergency response)
6	Proper storage of waste mateials (segerated and labeled)
7	Spill control material (available, appropriate, utilized)
8	Surface-water/storm-water drains & discharge points free of oil, debris, etc
9	No open containers outside collecting water
10	Yard free of leaks and spills
11	Trash containers closed - Lids viable
12	Containers present to contain leaking drums, fluids or clean up materials
13	All fuel, oil and diesel tanks in good condition
14	All fuel and oil tanks have adequate containment and free of spills

CORRECTIVE ACTION RESPONSIBILITY

Corrective Actions Assigned to: _____

Due Date for Completion: _____

Corrective Action Status: _____

SIGNATURE SECTION

If you are the relevant District/Facility Manager, Region/Country/Area Manager, District/ HSE Officer or Other Relevant Manager you should sign the report when you have read it. To add your signature to the appropriate section, click the **Edit** button (to enter Edit mode), then click on the **Review and Sign Off** button. This will add your name and the current date to the Accident Report in the relevant section below.

Reviewed and Signed Off by the Following:-

District Safety/Training Supervisor _____

District Manager _____

Region Safety/Training Manager _____

Region Manager _____

Facility / Service Supervisor _____

Other Relevant Personnel _____

ATTACHMENT 3

SPILL HANDLING AND CONTINGENCY PLAN

BJ SERVICES COMPANY, U.S.A.
HOBBS CHEMICAL SERVICES WAREHOUSE / TOOLS
EMERGENCY RESPONSE PLAN

IN THE CASE OF ANY OIL OR CHEMICAL SPILLS

The Facility Supervisor will immediately notify the District Tools Manager. The District Tools Manager will follow procedures in the US Environmental Standards when reporting spills.

Facility Supervisor	Dean Duarte	505-390-9978 cell
		505-393-7791 office
District Tools Mgr.	Jason Taylor	432-381-2301 office
RSTM	David Winkles	432-683-2781 office

CHEMICAL SPILLS OCCURING OFFSITE OR LARGE ONSITE SPILLS

Call CURA National Emergency Response Service at (800) 579-2872

Contact the Environmental Department during work hours at (281) 351-8131 (Main Tomball Number). All agency reporting and reports will be taken care by CURA.

After hours Dispatch Personnel are to obtain the following information from the caller:

Incident Location (address, mile marker, nearest city, etc.)
Person Reporting the Spill (name, title) and phone number
On scene contact (name, title) and phone number
Description of the incident (type and volume of release, substance released, etc.)
Surfaces affected (soil/grass, asphalt, concrete, other)
Water affected (surface, groundwater, coastal)
Sensitive receptors (parks, storm sewer, drainage ditch, residential or populated areas)
Note any initial actions taken to control release.

The Facility Supervisor will call the following people, starting at the top of the list until someone on the list is contacted:

Jo Ann Cobb	(281) 357-2572	Office
	(713) 898-6635	Cellular/Pager
	(281) 353-4481	Home
Jake Graf	(281) 357-2705	Office
	(713) 412-7196	Cellular/Pager
	(281) 516-7669	Home
Josh Morrissette	(281) 357-2573	Office
	(713) 705-4875	Cellular/Pager
	(281) 419-0723	Home

Tomball Research & Technology Center	Address: 11211 FM 2920, Tomball, TX 77375	
	Main Number:	(281) 351-8131
	QHSE Fax	(281) 357-2585

NATIONAL RESPONSE CENTER (Oil Spills)..... (800) 424-8802

ATTACHMENT 4

BORING LOG

Project Name: BJ Services Company U.S.A. (Hobbs, New Mexico) Project Number: 6240.01 Sheet 1 of 2

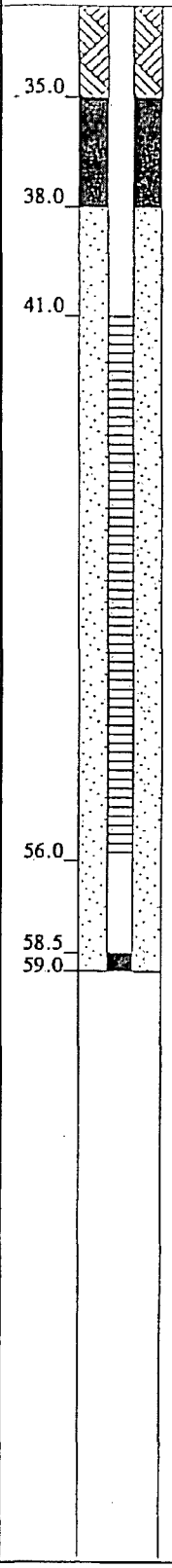
Project Location: Northeast Corner of Claiche Pit		Logged By: T. Jenkins	Approved: T. Jenkins
Drilling Contractor: West Texas Water Well		Date Started: 11/19/97	Date Finished: 11/19/97
Drilling Equipment: Badger 1250	Driller: Bernie Brockman	Total Boring Depth: (feet) 60.0	Depth to Static Water: (feet) 47.0
Drilling Method: Air Rotary	Borehole Diameter: 4.875"	TOC Elevation:	Ground Elevation: NA
Sampling Method: Core/Split Spoon		Diameter and Type of Well Casing: 2" Sch. 40 - PVC	
Comments: Monitor Well MW-2 was installed in Soil Boring SB-3		Slot Size: 0.010	Filter Material: Silica Sand
		Development Method: Surge and Bail	

Depth (feet)	Depth to Water	USC Soil Type	Lithology	Description	PID Readings	Sampled Interval	Recovery (feet)	Sample ID	Monitoring Well Remarks
2		SM		GRAVEL/MEDIUM with sand					
4									
6				Light tan colored, caliche/sand mixture	5		1		
8				Dense Caliche, Tan, mixed with small gravel					
10				Tan colored, Caliche	6		1		
12				Caliche, becoming darker with depth					
14									
16				Reddish, Tan colored caliche	5		1		
18									Cement grout with 5% bentonite.
20		SM		Tan caliche mixed with coarse sand and gravel	6		1	SB-3-20	
22									
24									
26				No recovery first attempt			0		
				No recovery second attempt			0		
28				Limestone	8		1		
		SM		reddish Brown Sand					
30				Reddish brown sand	8		1		
32									

CALDWELL

Project Name: BJ Services Company U.S.A. (Hobbs, New Mexico) Project Number: 6240.01 Sheet 2 of 2

Depth (feet)	Depth to Water	USC Soil Type	Lithology	Description	PID Readings	Sampled Interval	Recovery (feet)	Sample ID
34								
36				Reddish brown sand	15		1	
38								
40				Reddish Brown sand	18		1	SB-3-40
42								
44								
46	▼			Attempt split spoon sample obtained about 3" sample -Reddish-brown sand 6" recovery	>244		0.75	SB-3-45
48								
50				Saturated reddish-brown sand	11		2	
52								
54								
56				No sample obtained			0	
58								
60				No sample obtained			0	
				Total depth = 60 feet				



Monitoring Well Remarks

- 35.0: Top of bentonite seal at 35.0 feet.
- 38.0: Top of sand filter pack at 38.0 feet.
- 41.0: Top of screen at 41.0 feet.
- 56.0: Bottom of screen at 56.0 feet.
- 59.0: Bottom of well at 59.0 feet.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Revised June 10, 2003

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

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

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

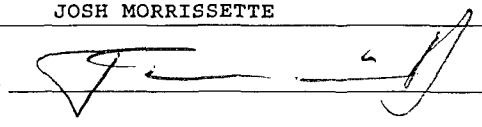
☐ New ☒ Renewal ☐ Modification

1. Type: OIL FIELD SERVICES
2. Operator: BJ SERVICES COMPANY, U.S.A.

   Address: 5514 Carlsbad Highway, HOBBS, NM 88240

   Contact Person: JOSH MORRISSETTE Phone: 281.357.2573
3. Location: _____/4 _____/4 Section 36 Township 18 SOUTH Range 37 EAST
   Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site.
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
6. Attach a description of all materials stored or used at the facility.
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
10. Attach a routine inspection and maintenance plan to ensure permit compliance.
11. Attach a contingency plan for reporting and clean-up of spills or releases.
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
14. CERTIFICATIONI hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

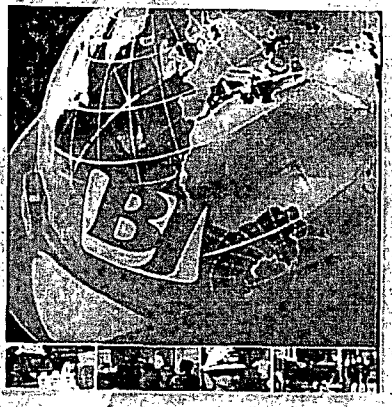
Name: JOSH MORRISSETTE Title: HSE SPECIALIST

Signature:  Date: 3-4-2008

E-mail Address: joshua.morrissette@bjservices.com

COPY

Hobbs Tools
Discharge Plan



BJ Services Company, USA
5514 Carlsbad Hwy.
Hobbs, NM 88240

BJ Services Company, U.S.A.
Discharge Plan
Hobbs, New Mexico

March 2008

I. Type of Operation

BJ Services Company, U.S.A. provides oilfield services, including cementing, acidizing, and fracturing services at oil and gas well sites.

II. Operator

BJ Services Company, U.S.A. (ServicesTools)
5514 Carlsbad Hwy
Hobbs, NM 88240
Contact: Blake Cox
432-530-0016

BJ Services Company, U.S.A. (Chemical Services)
707 N. Leech
Hobbs, NM 88240
Contact: Jeff Day
505-393-7751

III. Location

See attachment 1, Figure 1 – Site Location Map

IV. Landowner of Facility Site

BJ Services Company, U.S.A.
11211 FM 2920
Tomball, TX 77375
Contact: Jo Ann Cobb, R.E.M.
281-357-2572

V. Facility Description

See attachment 1, Figure 2 – Facility Layout

VI. Materials Stored or Used at the Facility

Material	General Makeup (includes additives)	Form	Type of Container	Estimated Volume Stored	Location
Degreaser	various	Liquid	Drum	55 - gal	Shop
Spray Paint	various	Liquid	Cans	5 - gal	Shop
AL-133	Biocide	Liquid	Storage Tank	80 - gal	Bulk Chemical Storage
AL-160	Biocide	Liquid	Storage Tank	220 - gal	Bulk Chemical Storage
KTL-22W	Water Based Scale Inhibitor	Liquid	Storage Tank	180 - gal	Bulk Chemical Storage
RPD-02211	Aromatic/Aliphatic Paraffin Solvent	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TC-410	Water Based Cleaning Agent	Liquid	Storage Tank	220 - gal	Bulk Chemical Storage
TCX-3125	Aromatic/Aliphatic Corrosion Inhibitor	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TCX-3740	Alcohol Based Corrosion Inhibitor	Liquid	Storage Tank	180 - gal	Bulk Chemical Storage
TH-302	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TH-3036	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TH-3113	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	400 - gal	Bulk Chemical Storage
TH-315	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TH-324	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	400 - gal	Bulk Chemical Storage
TH-369W	Water/Alcohol Based Corrosion Inhibitor	Liquid	Storage Tanks	1,500 - gal	Bulk Chemical Storage
TH-5324	Aromatic Corrosion Inhibitor	Liquid	Storage Tank	400 - gal	Bulk Chemical Storage
TS-161	Aromatic/Aliphatic Paraffin Solvent	Liquid	Storage Tank	400 - gal	Bulk Chemical Storage
TS-164	Aromatic Paraffin Solvent	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TW-4273	Water Based Cleaning Agent	Liquid	Storage Tank	80 - gal	Bulk Chemical Storage
TW-447	Water Based Cleaning Agent	Liquid	Storage Tank	750 - gal	Bulk Chemical Storage
TW-467	Water Based Cleaning Agent	Liquid	Storage Tank	180 - gal	Bulk Chemical Storage
AL-133	Biocide	Liquid	5 - gal pail	20 -gal	Chemical Storage Building
AL-160	Biocide	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
METHANOL	Methanol	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
RPD-03085	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TB-100	Oil Based Demulsifier	Liquid	5 - gal pail	100 - gal	Chemical Storage Building
TB-4314	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TC-410	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TC-420	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TC-436	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TCX-3220	Aromatic Corrosion Inhibitor	Liquid	5 - gal pail	30 - gal	Chemical Storage Building

Material	General Makeup (includes additives)	Form	Type of Container	Estimated Volume Stored	Location
TH-369W	Water/Alcohol Based Corrosion Inhibitor	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TH-370	Water/Alcohol Based Corrosion Inhibitor	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TH-5324	Aromatic Corrosion Inhibitor	Liquid	5 - gal pail	110 - gal	Chemical Storage Building
TH-606	Water/Alcohol Based Corrosion Inhibitor	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TH-756	Water Based Scale Inhibitor	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TS-161	Aromatic/Aliphatic Paraffin Solvent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TS-163	Aromatic/Aliphatic Paraffin Solvent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TS-164	Aromatic Paraffin Solvent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TS-175	Aromatic/Aliphatic Paraffin Solvent	Liquid	5 - gal pail	10 - gal	Chemical Storage Building
TS-270	Aromatic/Aliphatic Paraffin Solvent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TS-2817	Aromatic/Aliphatic Paraffin Solvent	Liquid	5 - gal pail	55 - gal	Chemical Storage Building
TW-4222	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TW-425	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TW-4273	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TW-438	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
TW-447	Water Based Cleaning Agent	Liquid	5 - gal pail	110 - gal	Chemical Storage Building
TW-467	Water Based Cleaning Agent	Liquid	5 - gal pail	30 - gal	Chemical Storage Building
KTL-22W	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
Methanol	Methanol	Liquid	Drum	550 - gal	Drum Storage Area A
NH7003	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
RCI-05125	Aromatic Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
RCI-05234	Aromatic Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
REB-02125	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
REB-04327	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
REB-05315	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
REB-06167	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
RIS-03297	Water Based Scale Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area A
RPD-02211	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	550 - gal	Drum Storage Area A
RPD-03085	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	550 - gal	Drum Storage Area A
RPI-03071	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	55 - gal	Drum Storage Area A

Material	General Makeup (includes additives)	Form	Type of Container	Estimated Volume Stored	Location
TB-100	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-104	Oil Based Demulsifier	Liquid	Drum	55 -gal	Drum Storage Area A
TB-5902	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-5916	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-5942	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-5979	Oil Based Demulsifier	Liquid	Drum	330 -gal	Drum Storage Area A
TB-5986	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-832	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-8811	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-916	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-917	Oil Based Demulsifier	Liquid	Drum	330 -gal	Drum Storage Area A
TB-9421	Oil Based Demulsifier	Liquid	Drum	55 - gal	Drum Storage Area A
TB-9551	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-9614	Oil Based Demulsifier	Liquid	Drum	55 - gal	Drum Storage Area A
TB-974	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-976	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TB-979	Oil Based Demulsifier	Liquid	Drum	220 - gal	Drum Storage Area A
TB-986	Oil Based Demulsifier	Liquid	Drum	110 - gal	Drum Storage Area A
TC-405	Water Based Scale Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area A
TC-410	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area A
TC-4402	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area A
TCX-3220	Aromatic Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area A
TEG	Triethylene Glycol	Liquid	Drum	220 - gal	Drum Storage Area A
TH-302	Aromatic Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
TH-315	Aromatic Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
TH-324	Aromatic Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area A
TS-159	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	550 - gal	Drum Storage Area A
TS-161	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	220 - gal	Drum Storage Area A
TS-163	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	220 - gal	Drum Storage Area A
TS-164	Aromatic Paraffin Solvent	Liquid	Drum	550 - gal	Drum Storage Area A
TS-175	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	110 - gal	Drum Storage Area A
TS-253	Water Based Paraffin Dispersant	Liquid	Drum	110 - gal	Drum Storage Area A
TS-270	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	550 - gal	Drum Storage Area A
TS-2710	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	220 - gal	Drum Storage Area A
TS-275	Water Based Paraffin Dispersant	Liquid	Drum	220 - gal	Drum Storage Area A

Material	General Makeup (includes additives)	Form	Type of Container	Estimated Volume Stored	Location
TS-2817	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	330 -gal	Drum Storage Area A
TS-2917	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	110 - gal	Drum Storage Area A
UI-3141	Water Based Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area A
WCX-5121	Aromatic/Aliphatic Paraffin Solvent	Liquid	Drum	220 - gal	Drum Storage Area A
AL-125	Biocide	Liquid	Drum	220 - gal	Drum Storage Area B
AL-133	Biocide	Liquid	Drum	220 - gal	Drum Storage Area B
AL-137	Biocide	Liquid	Drum	110 - gal	Drum Storage Area B
AL-160	Biocide	Liquid	Drum	220 - gal	Drum Storage Area B
PSI-720	Water Based Scale Inhibitor	Liquid	Drum	330 -gal	Drum Storage Area B
RDF-03266	Water Based Foamer	Liquid	Drum	220 - gal	Drum Storage Area B
RFO-02238	Water Based Foamer	Liquid	Drum	220 - gal	Drum Storage Area B
RFO-03311	Water Based Foamer	Liquid	Drum	220 - gal	Drum Storage Area B
RFO-04142	Water Based Foamer	Liquid	Drum	660 - gal	Drum Storage Area B
RFO-06209	Water Based Foamer	Liquid	Drum	44 - gal	Drum Storage Area B
TC-2420	Water Based Cleaning Agent	Liquid	Drum	110 - gal	Drum Storage Area B
TC-420	Water Based Cleaning Agent	Liquid	Drum	550 - gal	Drum Storage Area B
TC-436	Water Based Cleaning Agent	Liquid	Drum	550 - gal	Drum Storage Area B
TCX-3700	Water Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TCX-3740	Water Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TF-5550	Water Based Foamer	Liquid	Drum	220 - gal	Drum Storage Area B
TF-5561	Water Based Foamer	Liquid	Drum	330 -gal	Drum Storage Area B
TF-570	Water Based Foamer	Liquid	Drum	220 - gal	Drum Storage Area B
TF-578	Water Based Foamer	Sticks	Box	1	Drum Storage Area B
TF-579	Water Based Foamer	Sticks	Box	1	Drum Storage Area B
TH-356	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-366	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-368	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	440 - gal	Drum Storage Area B
TH-370	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-3743	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-377	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-3921	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-5798	Water Based Scale Inhibitor	Liquid	Drum	330 -gal	Drum Storage Area B

Material	General Makeup (includes additives)	Form	Type of Container	Estimated Volume Stored	Location
TH-604	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-606	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	550 - gal	Drum Storage Area B
TH-6316	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-6389	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-701	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	550 - gal	Drum Storage Area B
TH-704	Water/Alcohol Based Corrosion Inhibitor	Liquid	Drum	220 - gal	Drum Storage Area B
TH-756	Water Based Scale Inhibitor	Liquid	Drum	660 - gal	Drum Storage Area B
TH-758W	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-760	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-765	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-767	Water Based Scale Inhibitor	Liquid	Drum	550 - gal	Drum Storage Area B
TH-781	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-790W	Water Based Scale Inhibitor	Liquid	Drum	110 - gal	Drum Storage Area B
TH-793	Water Based Scale Inhibitor	Liquid	Drum	550 - gal	Drum Storage Area B
TH-794	Water Based Scale Inhibitor	Liquid	Drum	330 -gal	Drum Storage Area B
TH-798	Water Based Scale Inhibitor	Liquid	Drum	550 - gal	Drum Storage Area B
TW-401	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area B
TW-425	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area B
TW-430	Water Based Cleaning Agent	Liquid	Drum	550 - gal	Drum Storage Area B
TW-438	Water Based Cleaning Agent	Liquid	Drum	110 - gal	Drum Storage Area B
TW-447	Water Based Cleaning Agent	Liquid	Drum	1,100 - gal	Drum Storage Area B
TW-4471	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area B
TW-467	Water Based Cleaning Agent	Liquid	Drum	220 - gal	Drum Storage Area B
Uniklor B	Bleach	Liquid	Drums	165 - gal	Drum Storage Area C
Uniklor C	Sodium Chlorite	Liquid	Drums	220 - gal	Drum Storage Area C
Uniklor A	Hydrochloric Acid	Liquid	Drums	110 - gal	Drum Storage Area D

VII. Sources of Effluent and Waste Solids

Waste Type	Source and Composition	Volume per Month	Major Additives
Tank Residual from Clean-outs	Storage Tank	100 gallons	Varies by product
Off-Spec Chemical	Storage Tank	100 gallons	Varies by product
Gloves, Absorbent socks, and rags	Operations	50-lbs	Varies by product

VIII. Current Liquid and Solid Waste Collection/Treatment/Disposal Procedures

Waste Type	On Site Handling	Disposal	Disposal Facilities
Tank Residual from Clean-outs	Stored in drums	Offsite Disposal	Univar 311 Lark Ave Odessa, TX 79760
Off-Spec Chemical	Stored in drums	Offsite Disposal	Univar 311 Lark Ave Odessa, TX 79760
Gloves, Absorbent socks, and rags	Stored in drums	Offsite Disposal	Univar 311 Lark Ave Odessa, TX 79760

IX. Proposed Modifications

Currently there are no proposed modifications scheduled.

X. Inspection and Maintenance

See Attachment 2, Base/District HSE Inspection Report

XI. Contingency Plan

See Attachment 3, Facility Emergency Response Contingency Plan

XII. Site Characteristics

Bodies of Water: None

Arroyos: None

Groundwater Characteristics: Depth to Groundwater (bgs): 20 feet (see Attachment 4 for boring log.). Total Dissolved Solids concentration of approximately 300 mg/L.

Flooding Potential: None

XIII. Closure Plans

BJ Services submitted a letter to the OCD on July 11, 1997 outlining the closure activities that had been performed to date and planned closure activities. As a result of some of the items in the letter, BJ Services retained Brown and Caldwell to perform some closure and assessment activities. Brown and Caldwell have submitted two closure plans related to these activities to the OCD. Additional closure plans will be submitted throughout the closure procedure.

ATTACHMENT 1

SITE PLANS

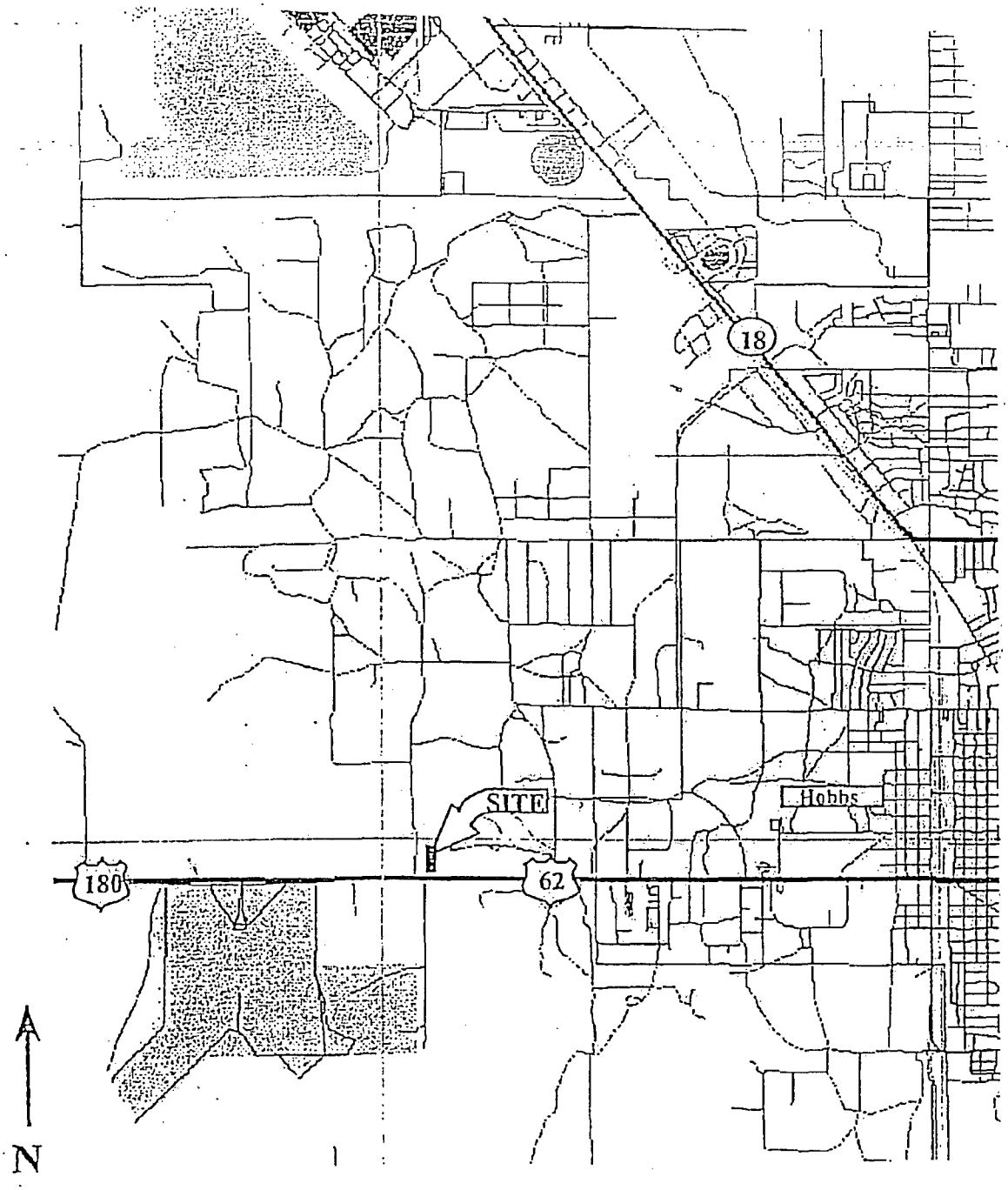
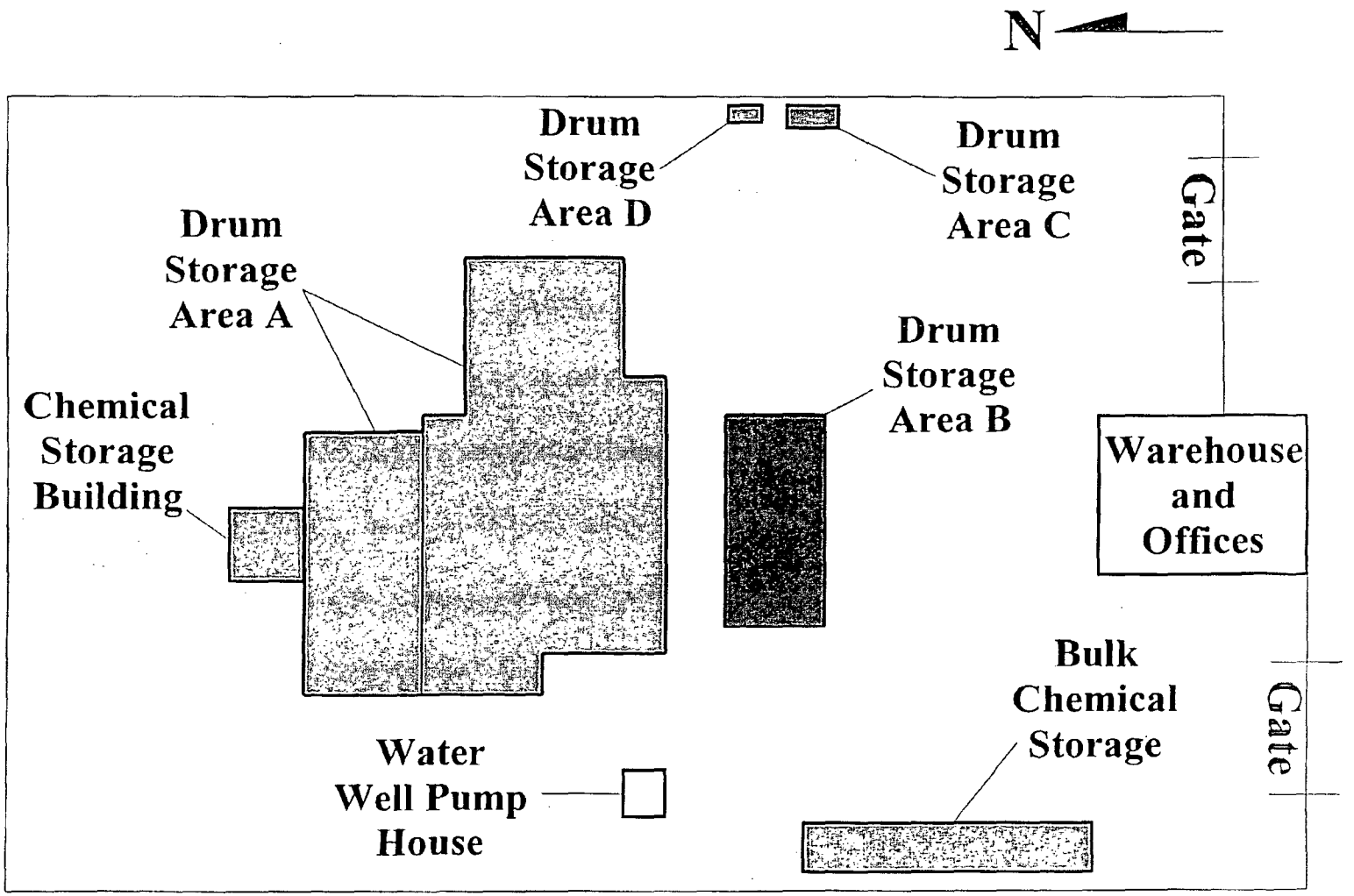


	Figure 1: Site Location Map Last Revised: 3/12/98
BJ Services Company, U.S.A. 8701 New Trails Drive The Woodlands, TX 77381	Facility Name: BJ Services Company, U.S.A. Facility Address: 5514 Carlsbad Highway Hobbs, NM 88240



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

Figure 2: Facility Layout

Hobbs Tools 5514 Carlsbad Highway Hobbs, NM 88240	Not To Scale	REVISION DATE: 10/18/06	DRAWN BY JSG

ATTACHMENT 2

BASE/DISTRICT HSE INSPECTION REPORT

US Inspection - 2006
Base/District HSE Inspection Report

Region: BJ Chemical Services
District/Base: Support - Hobbs Warehouse - Chemical Services
Inspector: _____

Job Title of Inspector(s): _____

Date of Inspection: _____

Product Line : BJ Chemical Services - Manufacturing

Key
N/A - Not Applicable (Default Value)
0 - Needs Immediate Attention
1 - Needs Attention
2 - Meets Standards

Housekeeping Key
N/A - Note Applicable (Default Value)
0 - Needs Immediate Attention
1 - Poor
2 - Needs some attention
4 - Good - Meets Standards

SUMMARY - AREAS

QUESTIONS

HSE Management Standards	
1	Managers and Supervisors demonstrate ability to navigate QHSE Standards and other HSE system databases
2	Managers and Supervisors are knowledgable of the QHSE Standards that apply to their area of responsibility (have read the standards)
3	HSE Plan for facility, region, or country in place per standard (QHSE Standard - Health & Safety 3.8)
4	All Trainers are competent (demonstrated by CAP participation, certifications, education, or Training Plan in place)
5	Field personnel oriented per standards prior to field assignment (QHSE Standard - Health & Safety 6.3 plus Region Req'd orientation)
6	Facility APT in place per standard (QHSE Standards - Health & Safety 5.2)
7	HSE Facility and Jobsite Inspections by region/district staff are current for previous quarter
8	Corrective actions from previous inspections (30 days and older) are closed out

9	Journey Management guidelines followed (QHSE Standard - Health & Safety Section 14._)
10	Quality of accident reports - complete, corrective action taken, and closed out

General Facility Conditions

1	Emergency plans for fire, injury or chemical spill (posted, current)
2	Fire extinguishers - (operable, inspected, proper location, proper type)
3	Personal protective equipment (used as required)
4	PPE available for visitors or vendors
5	Trained first aiders at facility (sufficient number, identified, posted)
6	Safety signs and notices (sufficient number, all hazards, current)
7	Safety bulletin board (current)
8	Entryway/gateway (signed, unobstructed)
9	Parking (sufficient, unobstructed, signed)
10	Road surfaces (safe, maintained)
11	Lighting (sufficient, working, assess both internal and external)
12	Heating and cooling system (radiators free/clear, system checked annually, adequate records)
13	Electrical panels and wiring (labeled, secure, maintained)
14	Landscape (presentable, maintained)
15	Safety signs for LTI free days (up to date, visible)
16	Notice to visitors and vendors (where to go, posted)
17	Speed limit signs (posted, visible, adhered to)
18	Security fence (sufficient, maintained)
19	Fixed stairs, ladders, walkways, handrails, gates and doors (maintained, clear, safe)
20	Material safety data sheets (accessible locally, current) Dispatch?
21	Containers (appropriate, stacked, labeled)
22	Pallets (adequate, maintained, safe)
23	Noise levels (signage, measured)
24	Flammable gas (caged, signed, segregated)
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services

Manufacturing - General Conditions

1	Current mandatory safety legislation posters
2	Local legislative accident log (e.g. OSA 300 or equivalent)
3	Emergency evacuation assembly point (posted, visible, unobstructed)
4	Emergency plans for fire, injury or chemical spill (posted, current)
5	Emergency phone numbers posted (fire, ambulance, police, doctor, chemical spills, injuries)
6	Fire extinguishers (operable, inspected, proper location, proper type)
7	Personal protective equipment (available, provided, and used as required)
8	PPE available for visitors or vendors)
9	First aid kit (adequate number of, adequately stocked, highly visible)
10	Trained first aiders at facility (sufficient number, identified, posted)
11	Safety signs and notices (sufficient number, all hazards, current)
12	Safety bulletin board (current)
13	Entryway/gateway (signed, unobstructed)
14	Parking (sufficient, obstructed, signed)
15	Road surfaces (safe, maintained)
16	Lighting (sufficient, working, assess both internal and external)
17	Heating and cooling system (radiators free/clear, system checked annually, adequate records)
18	Electrical panels and wiring (labeled, secure, maintained)
19	Landscape (presentable, maintained)
20	BJ Services company signs (visible, maintained)
21	Prohibited articles/substances sign (visible, maintained)
22	Safety signs for LTI free days (up to date, visible)
23	Notices to visitors and vendors (where to go, posted)
24	Speed limit signs (posted, visible, adhered to)
25	Security fence (sufficient, maintained)
26	Fixed stairs, ladders, walkways, handrails, gates, and doors (maintained, clear, safe)
27	Emergency exits/routes (signed, unobstructed, site plane of)
28	Hazardous chemicals inventory (held locally, current-6 Month Rule)
29	Material safety data sheets (accessible locally, current) Dispatch?
30	Spills or leaks visible
31	Spill control material (available, appropriate, utilized)
32	Knowledge of environmental and safety (HSE) manuals

33	Knowledge of emergency response plans (fire, injury, spillage)
34	No open containers outside collecting water
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services
Manufacturing - Office

1	Heating and cooling checked annually
2	Adequacy and cleanliness of toilet facilities
3	Floors clean and free of obstructions
4	Doorways and passageways free of obstructions
5	Exits clearly marked
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services
Manufacturing - Chemical
Storage Area

1	All chemicals (identified, labeled)
2	Proper stacking (drums and bag pallets-no more than three (3) high)
3	Safety shower and eyewash (maintained, tested)
4	Hoses, piping, and valves (clear, operable, stowed appropriately)
5	Proper chemical segregation (types, aisles, labeled)
6	Used spill material container (available, empty, clean, isolated)
7	Floors (flat, clean, impermeable)
8	Sump (empty, clean, isolated)
9	Racking (capacity signed, inspections)
10	Material safety data sheets (accessible locally, current)
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services
Manufacturing - Empty Drum
Storage Area

1	Empty drums and pails removed on a routine basis
2	Empty drums stored horizontally with bungs at 3 & 9
3	Empty drums and pails completely empty
4	No leakers
5	Empty drums stored without connections
6	Salvage drum available
7	Empty drums on pallets, cement or asphalt
8	No standing water, sump empty and clean

BJ Chemical Services
Manufacturing - Tank Farms

1	All tanks properly labeled (metal sign, NFPA diamond)
2	No visible leaks around tanks or header
3	Catch buckets (empty, properly labeled, and lid on container)
4	No chemical or water in sumps
5	Spill kits available and stocked
6	Bonding cables available, coiled, and in proper working condition
7	Connections properly stored in cabinet
8	Lids, PVVs closed, operable on all tanks
9	No leaking or damaged hoses, valves, or pumps
10	Safety shower/eyewash functioning, inspected, not obstructed, clean
11	Catwalks available and in working order
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services
Manufacturing - Yard/External
Equipment Storage Area

1	Pallets (adequate, maintained, safe)
2	Noise levels (signage, measured)
3	Road traffic signage (speed limits posted, warning signage for pedestrians)
4	Segregation of pedestrians/vehicles (walkways marked, railings)
5	PPE (signage, appropriate to risk assessed)

6	Washbay sump(s) clean (routinely maintained and emptied)
7	POTW (inspected, cleaned routinely, randomly sampled)
8	All drums labeled, stacked neatly
9	Inventory controlled (LIFO = taken monthly)

BJ Chemical Services - Chemical Storage Area

1	All chemicals (identified, labeled)
2	Proper stacking (drums and bag pallets-no more than three (3) high)
3	Pallets (adequate, maintained, safe)
4	Inventory controlled (LIFO - taken monthly)
5	Hoses, piping, and valves (clear, operable, stowed appropriately)
6	Proper chemical segregation (types, aisles, labeled)
7	Used spill material container (available, empty, clean, isolated)
8	Floors (flat; clean, impermeable)
9	Material safety data sheets (accessible locally, current)
10	Waste/surplus chemicals (routinely identified, correct storage, correct and regular disposal)
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services Manufacturing - Waste Management

1	Waste documents filed properly
2	Waste log sheets attached and properly completed
3	Lab waste properly labeled and handled
4	No chemically contaminated waste in ordinary waste containers
5	Parts cleaner waste being properly handled
6	Waste documents filed properly
7	Weekly inspection of hazardous waste area documented (SQG & LQG only)
8	Waste/surplus chemicals (routinely identified, correct storage, correct and regular disposal)
9	Hazardous Waste Satellite accumulation point(s) labeled properly and lid secured
HK	Housekeeping (Rating 0,1,2,4)

BJ Chemical Services Manufacturing - Laboratory	
1	Chemical containers identified (BJ Chemical Services policy)
2	Only required chemicals on hand
3	Vent hood installed and operating properly
4	Ground-fault interruption provided for electrical sockets near water
5	Waste containers (labeled, log sheets attached, lids secured, disposed of routinely)
6	MSDSs available
7	Sinks labeled "No Chemical Down Sink"
8	No excessive accumulation of samples
9	Hazardous Waste Satellite accumulation point(s) (labeled and lid secured)

BJ Chemical Services **Manufacturing - Shop**	
1	Condition of hand tools
2	Grinding equipment and signs
3	Welding and cutting equipment
4	Overhead storage posted for capacity
5	Oily rag container provided and labeled
6	Fixed stairs and railings
7	Paint, lubricants, cleaning agents and solvents properly stored and MSDSs available
8	Confined space permit system
9	Hot work permit system
10	Lockout/Tagout system
11	Ladders
12	Lighting
13	Signs
14	Air Compressors (belts guarded, PRV checked annually)

BJ Chemical Services
Manufacturing - Forklifts

1	Forks (condition, maintained, appropriate)
2	Pre-use daily check sheets (available, utilized)
3	Area FLT warning signage (visible)
4	Rated capacity shown on FLT
5	Backup alarm and/or flashing light (audible, working)
6	FLT Operators (trained, licensed, nominated)
7	Controls (operate properly, maintained)
8	Brakes (operate properly, maintained)
9	Horn (operates properly, maintained)
10	Seat condition (maintained, comfortable)
11	Headlights (sufficient, working)
12	Rollover protection fitted

BJ Chemical Services
Manufacturing - Vehicles

1	Documentation (shipping papers, placards, ERG, DOT, & Haz Material Guidebook; log book, trip inspections)
2	Tanks inspection markings
3	Safety items (1st aid kit, 32 oz. eye wash, water, triangle reflectors, fuses, bulbs, shovel)
4	PPE (gloves, goggles, cartridge respirator, tyvek, absorbents)
5	Fire extinguishers (monthly and yearly inspections)
6	Spill kit available

BJ Chemical Services
Manufacturing - Facility Files

1	Waste manifests, LDRs, profiles, analyses
2	EPA ID
3	Facility inspections
4	Safety meetings
5	Waste tracking reports
6	Annual and Biennial reports (SARA Tier II, SARA TRI, Hazardous Waste)
7	DOT and hazard communication labels

8	DOT Drivers qualification files
9	Spill reports
10	Injury/illness and vehicle accident reports
11	H2S monitors calibrations
12	Tank inspection certifications
13	Training records
14	Policies and procedures (HazComm, respiratory protection, LO/TO, ER, Drug Alcohol)

BJ Chemical Services
Maunfacturing - SCBA

1	Facepiece - Clean and sealed
2	Facepiece - Skirt flexible and clean
3	Facepiece - Headstraps and buckles adjusted out and ok
4	Facepiece - Exhalation valve
5	Rubber Hose - Fitting tight, O-rings, crack, cuts
6	Regulator - Bypass valve closed
7	Regulator -Main valve locked open
8	Regulator - regulator knob in DON position
9	Alarm Bell - Open cylinder valve, close cylinder valve, vent air slowly by opening bypass valve and bleed down to 500 psi on regulator, "bell rings",close bypass valve
10	Cylinder Valve - Leaks, excessive torque
11	Cylinder Valve - Leaves in close position
12	Pressure Gauges - Pressure above 1500 psi, check for cracks
13	Compressed Air Cylinder - Hydrostatic test date less than 5 years old for steel and 3 years old for composite
14	Compressed Air Cylinder -Rust, pits, dents and scratches
15	Back Pack - Broken, twisted or frayed straps
16	Back Pack - Buckles ok and adjusted out

BJ Chemical Services
Manufacturing - Locker Room -
Washrooms - Break Rooms

1	Ventilation (adequate)

2	Showers and sinks (adequate, clean, maintained)
3	Toilets (adequate, clean, maintained)
4	Lockers (sufficient size/number, accessible, lockable)
5	Drinking water (available)
6	Sufficient personal storage and changing space (clean, maintained, adequate)
7	Any required regulations/posters

Significant Facility Changes

1	Tank Change (N/A - No Change , 2 - if changed and made proper notification, 1 - if changed but did not notify)
2	Product Volume (N/A - No Change , 2 - if changed and made proper notification, 1 - if changed but did not notify)
3	Facility Moved (N/A - No Change , 2 - if changed and made proper notification, 1 - if changed but did not notify)
4	Number of Employees (N/A - No Change , 2 - if changed and made proper notification, 1 - if changed but did not notify)
5	Biocide Used (N/A - No Change , 2 - if changed and made proper notification, 1 - if changed but did not notify)

Additional Information Required
Please contact Bill Steiner if any of the above have significantly changed. If the facility has moved, please type in the date it was moved:

Environmental

1	Environmental recordkeeping systems established
2	Permits & registrations available & current when applicable
3	Waste records maintained (Bill of lading, manifests)
4	Waste disposed of by certified or Company approved vendor
5	Environmental plans current (storm water, spill prevention, emergency response)
6	Proper storage of waste mateials (segerated and labeled)
7	Spill control material (available, appropriate, utilized)
8	Surface-water/storm-water drains & discharge points free of oil, debris, etc
9	No open containers outside collecting water
10	Yard free of leaks and spills
11	Trash containers closed - Lids viable
12	Containers present to contain leaking drums, fluids or clean up materials
13	All fuel, oil and diesel tanks in good condition
14	All fuel and oil tanks have adequate containment and free of spills

CORRECTIVE ACTION RESPONSIBILITY

Corrective Actions Assigned to: _____

Due Date for Completion: _____

Corrective Action Status: _____

SIGNATURE SECTION

If you are the relevant District/Facility Manager, Region/Country/Area Manager, District/ HSE Officer or Other Relevant Manager you should sign the report when you have read it. To add your signature to the appropriate section, click the **Edit** button (to enter Edit mode), then click on the **Review and Sign Off** button. This will add your name and the current date to the Accident Report in the relevant section below.

Reviewed and Signed Off by the Following:-

District Safety/Training Supervisor _____

District Manager _____

Region Safety/Training Manager _____

Region Manager _____

Facility / Service Supervisor _____

Other Relevant Personnel _____

ATTACHMENT 3

SPILL HANDLING AND CONTINGENCY PLAN

BJ SERVICES COMPANY, U.S.A.
HOBBS CHEMICAL SERVICES WAREHOUSE / TOOLS
EMERGENCY RESPONSE PLAN

IN THE CASE OF ANY OIL OR CHEMICAL SPILLS

The Facility Supervisor will immediately notify the District Tools Manager. The District Tools Manager will follow procedures in the US Environmental Standards when reporting spills.

Facility Supervisor	Dean Duarte	505-390-9978 cell 505-393-7791 office
District Tools Mgr.	Jason Taylor	432-381-2301 office
RSTM	David Winkles	432-683-2781 office

CHEMICAL SPILLS OCCURING OFFSITE OR LARGE ONSITE SPILLS

Call CURA National Emergency Response Service at (800) 579-2872

Contact the Environmental Department during work hours at (281) 351-8131 (Main Tomball Number). All agency reporting and reports will be taken care by CURA.

After hours Dispatch Personnel are to obtain the following information from the caller:

Incident Location (address, mile marker, nearest city, etc.)
Person Reporting the Spill (name, title) and phone number
On scene contact (name, title) and phone number
Description of the incident (type and volume of release, substance released, etc.)
Surfaces affected (soil/grass, asphalt, concrete, other)
Water affected (surface, groundwater, coastal)
Sensitive receptors (parks, storm sewer, drainage ditch, residential or populated areas)
Note any initial actions taken to control release.

The Facility Supervisor will call the following people, starting at the top of the list until someone on the list is contacted:

Jo Ann Cobb	(281) 357-2572	Office
	(713) 898-6635	Cellular/Pager
	(281) 353-4481	Home
Jake Graf	(281) 357-2705	Office
	(713) 412-7196	Cellular/Pager
	(281) 516-7669	Home
Josh Morrissette	(281) 357-2573	Office
	(713) 705-4875	Cellular/Pager
	(281) 419-0723	Home

Tomball Research & Technology Center	Address: 11211 FM 2920, Tomball, TX 77375	
	Main Number:	(281) 351-8131
	QHSE Fax	(281) 357-2585

NATIONAL RESPONSE CENTER (Oil Spills)..... (800) 424-8802

ATTACHMENT 4

BORING LOG

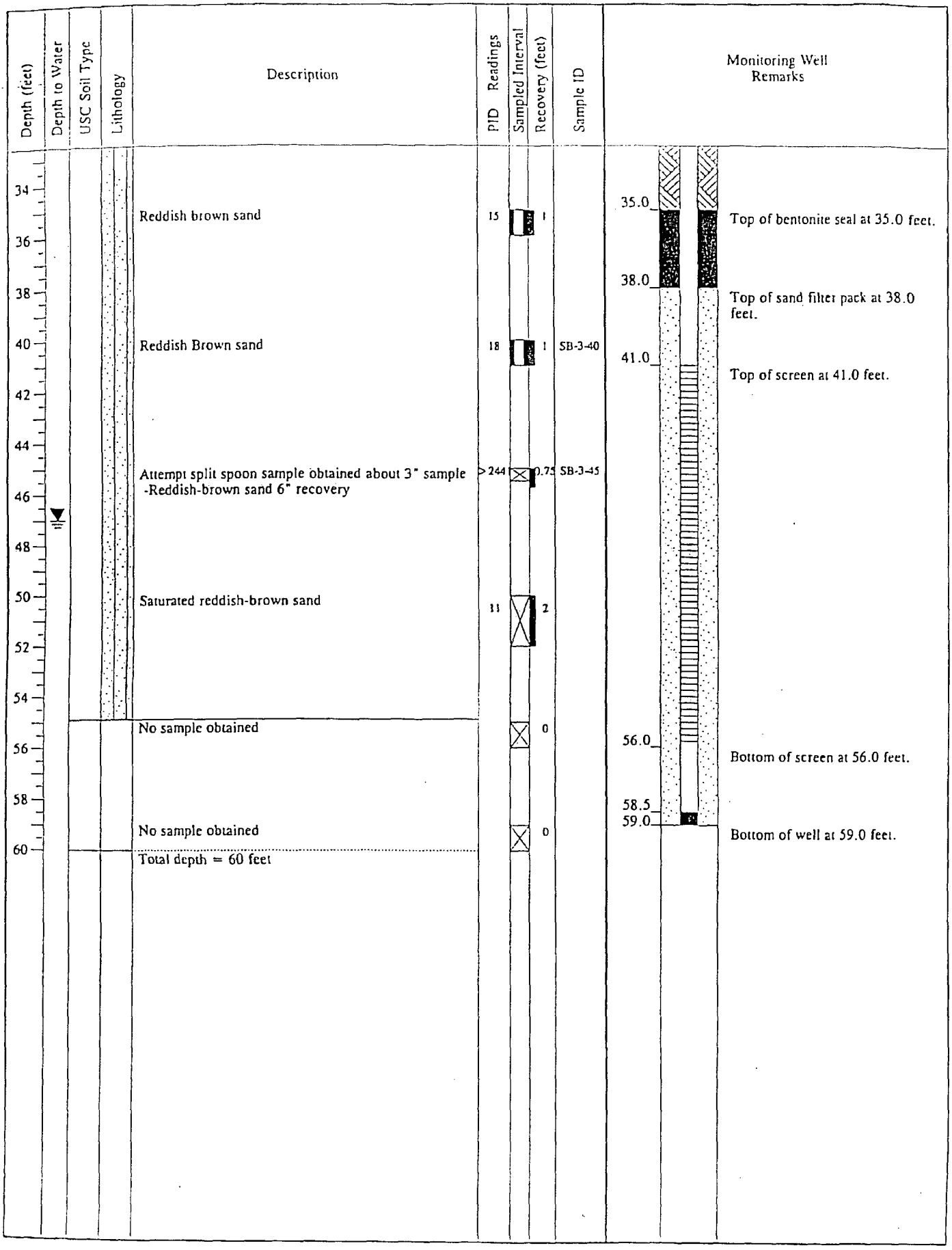
Project Name: BJ Services Company U.S.A. (Hobbs, New Mexico) Project Number: 6240.01 Sheet 1 of 2

Project Location: Northeast Corner of Claiche Pit		Logged By: T. Jenkins	Approved: T. Jenkins
Drilling Contractor: West Texas Water Well		Date Started: 11/19/97	Date Finished: 11/19/97
Drilling Equipment: Badger 1250	Driller: Bernie Brockman	Total Boring Depth: (feet) 60.0	Depth to Static Water: (feet) 47.0
Drilling Method: Air Rotary	Borehole Diameter: 4.875"	TOC Elevation:	Ground Elevation: NA
Sampling Method: Core/Split Spoon		Diameter and Type of Well Casing: 2" Sch. 40 - PVC	
Comments: Monitor Well MW-2 was installed in Soil Boring SB-3		Slot Size: 0.010	Filter Material: Silica Sand
		Development Method: Surge and Bail	

Depth (feet)	Depth to Water	USC Soil Type	Lithology	Description	PID Readings	Sampled Interval	Recovery (feet)	Sample ID	Monitoring Well Remarks
2		SM		GRAVEL/MEDIUM with sand					
4									
6				Light tan colored, caliche/sand mixture	5		1		
8				Dense Caliche, Tan, mixed with small gravel					
10				Tan colored, Caliche	6		1		
12				Caliche, becoming darker with depth					
14									
16				Reddish, Tan colored caliche	5		1		
18									Cement grout with 5% bentonite.
20		SM		Tan caliche mixed with coarse sand and gravel	6		1	SB-3-20	
22									
24									
26				No recovery first attempt			0		
				No recovery second attempt			0		
28				Limestone	8		1		
30		SM		reddish Brown Sand					
32				Reddish brown sand	8		1		

C A L D W E L L

Project Name: BJ Services Company U.S.A. (Hobbs, New Mexico) Project Number: 6240.01 Sheet



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

July 13, 2000

Lori Wrotenbery
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 5581

Mr. Rick N. Johnson
BJ Services Company
11211 FM 2920
Tomball, Texas 77375

Re: Discharge Plan GW-017 Renewal
Old Nowsco (Acid Engineering) Facility
Lea County, New Mexico

Dear Mr. Rick N. Johnson:

The groundwater discharge plan renewal for the BJ Services Company Old Nowsco (Acid Engineering) Facility operated by BJ Services Company located in the SE/4 SW/4 of Section 36, Township 18 South, Range 37 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 ten working days of receipt of this letter.**

The original discharge plan was issued by the New Mexico Environment Improvement Division (EID) on Jan 06, 1983, transferred to the OCD April 18, 1988, subsequently renewed on December 13, 1993, modified on March 21, 1996 with an expiration date of April 18, 1998. The discharge plan renewal application dated April 02, 1998 including attachments, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals.

The discharge plan is renewed pursuant to Section 3109.C. Please note Section 3109.G., which provides for possible future amendment of the plan. Please be advised that approval of this plan does not relieve BJ Services Company of liability should operations result in pollution of surface or ground waters, or the environment.

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

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

Pursuant to Section 3109.H.4., this approval is for a period of five years. **This approval will expire April 18, 2003** and an application for renewal should be submitted in ample time before that date. Pursuant to Section 3106.F. of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit plans for, or the results of, an underground drainage testing program as a requirement for discharge plan renewal.

The discharge plan application for the BJ Services Company, Old Nowsco (Acid Engineering) Facility is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of $50 plus a renewal flat fee of $ 690.00 for an Oil Field Service Company. The OCD has received the filing and flat fee.

Please make all checks payable to: Water Quality Management Fund
C/o: Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505.

If you have any questions, please contact Wayne Price of my staff at (505-827-7155). On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,

Roger C. Anderson
Environmental Bureau Chief

RCA/lwp
Attachment-1

xc: OCD Hobbs Office

ATTACHMENT TO THE DISCHARGE PLAN GW-017 APPROVAL
BJ Services Company, Old Nowsco (Acid Engineering) Facility
DISCHARGE PLAN APPROVAL CONDITIONS
July 13, 2000

1. Payment of Discharge Plan Fees: The $50.00 filing fee and the $ 690.00 flat fee has been paid.

2. Commitments: BJ Services Company will abide by all commitments submitted in the discharge plan renewal application dated April 02, 1998, and these conditions for approval.

3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.

4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.

5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.

6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

7. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

8. Below Grade Tanks/Sumps: All active below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must be tested to demonstrate their mechanical integrity no later than August 15, 2000 and every year from tested date, thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing. The test results will be submitted to OCD in an annual report due on August 15, of each year.

9. Underground Process/Wastewater Lines: All active underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity no later than August 15, 2000 and every 5 years, from tested date, thereafter. Permittees may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours

prior to all testing. The test results will be submitted to OCD in the annual report due on August 15, 2000.

10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.

11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery.

12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. and WQCC 1203. to the OCD Hobbs District Office.

13. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge plan will be approved by OCD on a case-by-case basis.

14. Storm Water Plan: BJ Services Company will submit a storm water run-off plan for OCD approval by August 15, 2000. This plan is not required unless BJ Services Company resumes operations at this site or if any on-site contamination has potential to cause water pollution of any fresh water.

15. Transfer of Discharge Plan: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge plan. A written commitment to comply with the terms and conditions of the previously approved discharge plan must be submitted by the purchaser and approved by the OCD prior to transfer.

16. 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.

17. Vadose Zone and Water Pollution: The previously submitted investigation and remediation plans were submitted pursuant to the discharge plan and all future discoveries of contamination will be addressed through the discharge plan process.

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

Conditions accepted by: **BJ Services Company**

_____
Company Representative- print name

_____Date_____
Company Representative- Sign

Title_____

DRAFT

February 04, 2004

CERTIFIED MAIL
RETURN RECEIPT NO.

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

Re: Discharge Permit GW-017 Renewal
Old Nowsco (Acid Engineering) Facility
Lea County, New Mexico

Dear Ms. Cobb:

The groundwater discharge permit renewal for the BJ Services Company Old Nowsco (Acid Engineering) Facility operated by BJ Services Company located in the SE/4 SW/4 of Section 36, Township 18 South, Range 37 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 permit was issued by the New Mexico Environment Improvement Division (EID) on Jan 06, 1983, transferred to the OCD April 18, 1988, subsequently renewed on December 13, 1993, modified on March 21, 1996 with an expiration date of April 18, 1998. The discharge permit renewal application dated December 18, 2003 including attachments, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals.

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

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

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

Pursuant to Section 3109.H.4., this approval is for a period of five years. **This approval will expire April 18, 2008** and an application for renewal should be submitted in ample time before that date. Pursuant to Section 3106.F. of the regulations, if a discharger submits a discharge 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.

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

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

If you have any questions, please contact Wayne Price of my staff at (505-476-3487) or E-mail WPRICE@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,

Roger C. Anderson
Environmental Bureau Chief
RCA/lwp
Attachment-1
Xc: OCD Hobbs Office

ATTACHMENT TO THE DISCHARGE PERMIT GW-17 APPROVAL
BJ Services Hobbs Yard (Carlsbad Hwy)
DISCHARGE PERMIT APPROVAL CONDITIONS
February 04, 2004

1. Payment of Discharge Permit Fees: The $100.00 filing fee has not been received by the OCD. There is a required flat fee of $ 1700.00 for oilfield service company facilities. The flat fee required for this facility may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge permit, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval.

2. Commitments: BJ Services will abide by all commitments submitted in the discharge permit renewal application dated December 18, 2003 including attachments and these conditions for approval.

3. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets must also be stored on an impermeable pad with curbing.

4. Process Areas: All process and maintenance areas which show evidence that leaks and spills are reaching the ground surface must be either paved and curbed or have some type of spill collection device incorporated into the design.

5. Above Ground Tanks: All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new facilities or modifications to existing facilities must place the tank on an impermeable type pad within the berm.

6. Above Ground Saddle Tanks: Above ground saddle tanks must have impermeable pad and curb type containment unless they contain fresh water or fluids that are gases at atmospheric temperature and pressure.

7. Labeling: All tanks, drums, and other containers should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

8. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All below grade tanks, sumps and pits must be tested annually, except systems that have secondary containment with leak detection. These systems with leak detection shall have a monthly inspection of the leak detection to determine if the primary containment is leaking. Results of tests and inspections shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Any system found to be leaking shall be reported pursuant to Item # 12. Permit holders may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.

9. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be approved by the OCD prior to installation and must be tested to demonstrate their mechanical integrity every five (5) years. Results of such tests shall be maintained at the facility covered by this discharge plan and available for NMOCD inspection. Permit holders 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.

10. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be approved for construction and/or operation unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.

11. Housekeeping: All systems designed for spill collection/prevention, and leak detection will be inspected daily to ensure proper operation and to prevent over topping or system failure. All spill collection and/or secondary containment devices will be emptied of fluids within 48 hours of discovery. A record of inspections will be retained on site for a period of five years.

12. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116. and WQCC 1203. to the OCD District Office.

13. Waste Disposal: All wastes will be disposed of at an OCD approved facility. Only oilfield exempt wastes shall be disposed of down Class II injection wells. Non-exempt oilfield wastes that are non-hazardous may be disposed of at an OCD approved facility upon proper waste determination per 40 CFR Part 261. Any waste stream that is not listed in the discharge permit will be approved by OCD on a case-by-case basis.

    Rule 712 Waste: Pursuant to Rule 712 disposal of certain non-domestic waste is allowed at solid waste facilities permitted by the New Mexico Environment Department as long as the waste stream is identified in the discharge permit, and existing process knowledge of the waste stream does not change without notification to the Oil Conservation Division.

14. OCD Inspections: Additional requirements may be placed on the facility based upon results from OCD inspections.

15. Storm Water Permit: Stormwater runoff controls shall be maintained. As a result of operations, if any water contaminant that exceeds the WQCC standards listed in 20 NMAC 6.2.3101 is discharged in any stormwater run-off, then immediate actions shall be taken to mitigate the effects of the run-off, notify the OCD within 24 hours, and modify the discharge permit to include a formal stormwater run-off containment permit and submit for OCD approval within 15 days.

16. Transfer of Discharge Permit: The OCD will be notified prior to any transfer of ownership, control, or possession of a facility with an approved discharge permit. A written commitment to comply with the terms and conditions of the previously approved discharge permit must be submitted by the purchaser and approved by the OCD prior to transfer.

17. 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 permit 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.

18. Vadose Zone and Water Pollution: The previously submitted investigation and remediation plans were submitted pursuant to the discharge permit and all future discoveries of contamination will be addressed through the discharge permit process.

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

Conditions accepted by: **BJ Services**

_____
Company Representative- print name

_____Date_____
Company Representative- Sign

Title_____

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

July 13, 2000

JUL 27

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 5581

Mr. Rick N. Johnson
BJ Services Company
11211 FM 2920
Tomball, Texas 77375

Re: Discharge Plan GW-017 Renewal
Old Nowsco (Acid Engineering) Facility
Lea County, New Mexico

Dear Mr. Rick N. Johnson:

The groundwater discharge plan renewal for the BJ Services Company Old Nowsco (Acid Engineering) Facility operated by BJ Services Company located in the SE/4 SW/4 of Section 36, Township 18 South, Range 37 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 ten working days of receipt of this letter.**

The original discharge plan was issued by the New Mexico Environment Improvement Division (EID) on Jan 06, 1983, transferred to the OCD April 18, 1988, subsequently renewed on December 13, 1993, modified on March 21, 1996 with an expiration date of April 18, 1998. The discharge plan renewal application dated April 02, 1998 including attachments, submitted pursuant to Section 3106 of the New Mexico Water Quality Control Commission (WQCC) Regulations also includes all earlier applications and all conditions later placed on those approvals.

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The discharge plan application for the BJ Services Company, Old Nowsco (Acid Engineering) Facility is subject to the WQCC Regulation 3114. Every billable facility submitting a discharge plan will be assessed a fee equal to the filing fee of $50 plus a renewal flat fee of $ 690.00 for an Oil Field Service Company. The OCD has received the filing and flat fee.

Please make all checks payable to: Water Quality Management Fund
C/o: Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505.

If you have any questions, please contact Wayne Price of my staff at (505-827-7155). On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,

Roger C. Anderson
Environmental Bureau Chief

RCA/lwp
Attachment-1

xc: OCD Hobbs Office

ATTACHMENT TO THE DISCHARGE PLAN GW-017 APPROVAL
BJ Services Company, Old Nowsco (Acid Engineering) Facility
DISCHARGE PLAN APPROVAL CONDITIONS
July 13, 2000

1. Payment of Discharge Plan Fees: The $50.00 filing fee and the $ 690.00 flat fee has been paid.

2. Commitments: BJ Services Company will abide by all commitments submitted in the discharge plan renewal application dated April 02, 1998, and these conditions for approval.

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prior to all testing. The test results will be submitted to OCD in the annual report due on August 15, 2000.

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

Conditions accepted by: **BJ Services Company**

RICK N. JOHNSON
Company Representative- print name

Date 7-24-00
Company Representative- Sign

Title SR. ENVIRONMENTAL SPECIALIST

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 3/17/98.

or cash received on _____ in the amount of $ 740.00

from BJ Services

for Hobbs (Facility Name) GW-17 (OCD No.)

Submitted by: _____ Date: _____

Submitted to ASD by: RC Anderson Date: 4/18/98

Received in ASD by: _____ Date: _____

Filing Fee XR New Facility X Renewal ____

Modification ____ Other _____ (specify)

Organization Code 521.07 Applicable FY 98

To be deposited in the Water Quality Management Fund.

Full Payment X or Annual Increment ____

BJ SERVICES COMPANY
P.O. BOX 4442
HOUSTON, TX 77210
713/462-4239

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

50-937
213

VENDOR NO.	CHECK NO.
153892	[redacted]

CHECK DATE	CHECK AMOUNT
03/17/98	*******740.00

PAY SEVEN HUNDRED FORTY AND 00/100 **********

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
2040 SOUTH PACHECO
STATE LAND OFFICE BLDG
SANTA FE, NM 87505

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

[redacted]

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 3/25/96,

or cash received on _____ in the amount of $ 50.00

from Ward Hawkins

for Dawsco Well Svc Hobbs Facility GW-017
(Facility Name) (DP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: [signature] Date: 3/29/95

Received in ASD by: Angela Herrera Date: 3-29-95

Filing Fee X New Facility ___ Renewal ___

Modification ___ Other _____
(specify)

Organization Code 521.07 Applicable FY 96

To be deposited in the Water Quality Management Fund.

Full Payment ___ or Annual Increment ___

[redacted]

DOWSCO WELL SERVICE
WARD S. HAWKINS 1-96
PETTY CASH 505-393-1377
5514 CARLSBAD HWY.
HOBBS, NM 88240-1778

[redacted]

3-25 19 96

95-321/1122

PAY TO THE ORDER OF NMED-WATER QUALITY MANAGEMENT $ 50.00

FIFTY & NO/100 DOLLARS

SUNWEST

SUNWEST BANK OF HOBBS, N.A.
HOBBS, NEW MEXICO 88241 (505) 393-6460

MEMO FILING FEE

Linda Hazzaway

[redacted]

ATTACHMENT TO THE DISCHARGE PLAN GW-17 MODIFICATION APPROVAL
NOWSCO WELL SERVICE, INC.
HOBBS FACILITY
DISCHARGE PLAN MODIFICATION REQUIREMENTS
(March 21, 1996)

1. Payment of Discharge Plan Fees: The $50 filing fee shall be submitted upon receipt of this approval.

2. NOWSCO Commitments: NOWSCO will abide by all commitments submitted in the modification application letter dated February 27, 1996 from NOWSCO as well as the discharge plan approval dated December 13, 1993.

3. Waste Water Testing: Prior to disposal at an OCD approved site, all waste water will be tested for hazardous constituents.

4. Housekeeping: All systems designed for spill collection/prevention should be inspected frequently to ensure proper operation and to prevent overtopping or system failure.

5. Spill Reporting: All spills/releases shall be reported pursuant to OCD Rule 116 and WQCC 1203 to the appropriate OCD District Office.

6. Conditions accepted by: [signature] 3-25-96
Company Representative Date

BASE MANAGER
Title

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

March 21, 1996

CERTIFIED MAIL
RETURN RECEIPT NO. Z-765-962-935

Mr. Ward Hawkins
NOWSCO Well Service, Inc.
5514 Carlsbad Hwy
Hobbs, New Mexico 88240

GW-17 mod 10-31-96

RE: Discharge Plan GW-17 Modification
Hobbs Facility
Lea County, New Mexico

Dear Mr. Hawkins:

The discharge plan modification GW-17, for the NOWSCO Well Service, Inc. Hobbs Facility located in the SW/4 SW/4 of Section 36, Township 18 South, Range 37 East, NMPM, Lea County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan modification consists of the request dated February 27, 1996 to upgrade the subgrade waste water and product collection system by elevating the existing concrete divider and applying an external coating. Enclosed are two copies of the conditions of approval. **Please sign and return one copy to the New Mexico Oil Conservation Division (OCD) Santa Fe Office within five working days of receipt of this letter.**

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

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

An International Company

NOWSCO Well Service Inc.

P.O. BOX 753 KILGORE, TEXAS 75663 TELEPHONE (903) 983-2086 FACSIMILE (903) 984-4536

'94 FEB 15 AM 8 35

ACID ENGINEERING

February 8, 1994

State of New Mexico
Energy, Minerals and Natural Resc. Dept.
Attn: Mr. William J. LeMay
P. O. Box 2088
Santa Fe, NM 87504

RECEIVED
MAR 15 1994
OIL CONSERVATION DIV.
SANTA FE

RE: Discharge Plan GW-17 Approval
Hobbs Service Facility
Lea County, New Mexico

Dear Mr. LeMay:

In regard to your letter dated December 13, 1994 concerning the above reference, please note the following.

Enclosed is Acid Engineering, Inc. Check #37975 for $740.00. This check is for a filing fee of $50.00 and a single payment of $690.00 for the flat fee for an approved discharge plan.

Also, please be advised that effective November 1, 1993, Acid Engineering, Inc. was sold to Nowsco Well Service, Inc. All operations and personnel will remain the same. If there is any further information needed to amend this to reflect the Nowsco name, please let us know.

Sincerely,

Ronnie Harpe
Safety Director

RH/smw
encl

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 3/9/94,

or cash received on 3/21/94 in the amount of $ 690.00

from Acid Engineering, Inc

for Hobbs Service Facility (Facility Name) GW-17 (DP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: Kathy Brown Date: 3/21/94

Received in ASD by: [illegible] Date: 3/21/94

Filing Fee ___ New Facility ___ Renewal X

Modification ___ Other _____ (specify)

Organization Code 521.07 Applicable FY 94

To be deposited in the Water Quality Management Fund.

Full Payment X or Annual Increment ___

CHECK NO.	CHECK DATE	VENDOR NO.
[redacted]	3-9-94	

CHECK NO. [redacted]

CITIZENS BANK
KILGORE, TEXAS

ACID ENGINEERING INC. P.O. BOX 753 • KILGORE, TEXAS 75663

SIX HUNDRED NINETY DOLLARS AND 00/100*******

CHECK AMOUNT
$**690.00**

PAY TO THE ORDER OF
NMED-WATER QUALITY MANAGEMENT
P C BOX 2088
SANTA FE, NM 87504

ACID ENGINEERING, INC.
ACCOUNT I

AUTHORIZED SIGNATURE

[redacted]

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 3-19-04,
or cash received on 4-29-04 in the amount of $ 1800.00
from BJ Services Company
for BJ Services Company (Facility Name) GW-017 (DP No.)
Submitted by: Martyne Kieling Date: 4-29-04
Submitted to ASD by: Martyne Kieling Date: 4-29-04
Received in ASD by: _____ Date: _____
Filing Fee ✓ New Facility ___ Renewal ✓
Modification ___ Other _____ (specify)
Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.
Full Payment ✓ or Annual Increment ___

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

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

50-937
213

VENDOR NO.	CHECK NO.
157889	[redacted]

CHECK DATE	CHECK AMOUNT
03/19/04	*****1,800.00

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

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

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

[redacted]

ACKNOWLEDGEMENT OF RECEIPT OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 11/30/93,
or cash received on 12/6/93 in the amount of $ 50.00
from Acid Engineering, Inc.
for Hobbs Service Facility (Facility Name) GW-17 (DP No.)
Submitted by: _____ Date: _____
Submitted to ASD by: Kathy Brown Date: 12/6/93
Received in ASD by: Angie Olivas Date: 12-6-93

Filing Fee X New Facility ___ Renewal ___
Modification ___ Other _____ (specify)

Organization Code 521.07 Applicable FY 94

To be deposited in the Water Quality Management Fund.

Full Payment ___ or Annual Increment ___

CHECK NO.	CHECK DATE	VENDOR NO.
[redacted]	11-30-93	

CHECK NO. [redacted]

CITIZENS BANK
KILGORE, TEXAS

ACID ENGINEERING INC. P.O. BOX 753 • KILGORE, TEXAS 75663

FIFTY DOLLARS AND 00/100*****

CHECK AMOUNT
$**50.00***

ACID ENGINEERING, INC.
ACCOUNT I

PAY
TO THE
ORDER OF

NMED - WATER QUALITY MANAGEMENT
P O Box 2088
Santa Fe NM 87504

Tommy Broome
AUTHORIZED SIGNATURE

[redacted]

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

December 13, 1993

CERTIFIED MAIL
RETURN RECEIPT NO. P-667-241-138

Mr. Lloyd Bolding
Acid Engineering, Inc.
5514 Carlsbad Highway
Hobbs, New Mexico 88240

RE: DISCHARGE PLAN GW-17 APPROVAL
ACID ENGINEERING, INC. HOBBS SERVICE FACILITY
LEA COUNTY, NEW MEXICO

Dear Mr. Bolding:

The **discharge plan renewal GW-17** for Acid Engineering, Inc. Hobbs Service Facility located in the SW/4, SW/4, Section 36, Township 18 South, Range 37 East, NMPM, Lea County, New Mexico, **is hereby approved** under the conditions contained in the enclosed attachment. The discharge plan consists of the application dated June 16, 1993, and the materials dated November 30, 1993 submitted as supplements to the application.

The discharge plan was submitted pursuant to Section 3-106 of the New Mexico Water Quality Control Commission Regulations (WQCC). It is approved pursuant to Section 3-109.A. Please note Sections 3-109.E and 3-109.F which provide for possible future amendments or modifications of the plan. Please be advised that the 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. In addition, the OCD approval does not relieve you of liability for compliance with any 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, production increase, or process 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 (5) years. The discharge plan GW-17 expired on April 18, 1993, and this approval is for five years from that date. This approval will expire April 18, 1998, and you should submit an application for renewal in ample time before this date.

The discharge plan renewal application for the Acid Engineering, Inc. Hobbs Service Facility is subject to the WQCC Regulation 3-114 discharge plan fee. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of fifty (50) dollars plus one-half of the flat fee or six hundred and ninety (690) dollars for service companies.

The OCD has received your $50 filing fee. The flat fee for an approved discharge plan may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval.

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

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/kmb

Attachment

xc: Jerry Sexton, OCD Hobbs Office

ATTACHMENT TO DISCHARGE PLAN GW-17 APPROVAL
ACID ENGINEERING INC. HOBBS SERVICE FACILITY
DISCHARGE PLAN REQUIREMENTS
(December 13, 1993)

1. Drum Storage: All drums will be stored on pad and curb type containment.

2. Sump Inspection: All sumps at this facility will be cleaned and visually inspected on an annual basis. Any new sumps or below-grade tanks will be approved be the OCD prior to installation and will incorporate secondary containment and leak detection in their designs.

3. Tank Berming: All tanks that contain materials other than fresh water that, if released, could contaminate surface or ground water or the environment will be bermed to contain one and one-third times the capacity of the tank.

4. Spills: All spills and/or leaks will be reported to the OCD district office pursuant to WQCC Rule 1-203 and OCD Rule 116.

5. Modifications: All proposed modifications that include the construction of any below grade facilities or the excavation and disposal of wastes or contaminated soils will have OCD approval prior to excavation, construction or disposal.

6. Sump Effluent: All effluent generated from the Acid Dock sump will be recycled as a disposal well treatment fluid.

7. Sump Solids: All solids generated in any sumps will be appropriately tested and receive OCD approval prior to disposal.

HEALTH & ENVIRONMENT department

STATE OF NEW MEXICO
ENVIRONMENTAL IMPROVEMENT DIVISION
P.O. Box 968, Santa Fe, New Mexico 87504-0968
(505) 984-0020
Russell F. Rhoades, M.P.H., Director

TONEY ANAYA
GOVERNOR

ROBERT P. MCNEILL
SECRETARY

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 6, 1983

Lloyd Bolding
Acid Engineering, Inc.
P.O. Box 753
Kilgore, Texas 75662

Dear Mr. Bolding:

The discharge plan (DP-249) for Acid Engineering, Inc., located on the north side of U.S. Highway 82 across from the Hobbs Airport, in Lea County, New Mexico (T18S, R37E, Section 36) is hereby approved. The approved plan consists of the plan dated September 14, 1982 and the materials dated April 29, 1982, October 28, 1982, December 7, 1982, and December 28, 1982 submitted as supplements to the discharge plan.

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

There will be no monitoring or reporting requirements.

Pursuant to subsection 3-109.G.4., this plan approval is for a period of five years. This approval will expire January 6, 1988, and you should submit an application for new approval in ample time before that date.

Sincerely,

for RUSSELL F. RHOADES
Director

RFR:JH:jba

cc: John Guinn, District IV Manager, Roswell
Hobbs EID Field Office
Jack Ellvinger, EID Hazardous Waste Section

DISCHARGE PLAN

Monitoring and Reporting

Discharge Plan Number: DP-249 Original DP [X]

Date Approved: _____ Modification [ ]

Date Expires: _____

Type of Facility: Oil Well Acidizing

Name and Location of Facility: Acid Engineering, Inc

West of Hobbs on Highway 62/180 across the road from Hobbs Country Club, T18S, R37E, Section 36

Name, address and Telephone Number of Discharger's Representative to Contact: Lloyd Golding

Acid Engineering, Inc

P.O. Box 753

Kilgore, Texas 75662

EID Reviewer of Discharge Plan: Joel Hubbell

Monitoring Requirements: None

Reporting Requirements: None

Reports Due: None