

GW - 76

**INSPECTIONS &
DATA**



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

May 9, 1997

CERTIFIED MAIL
RETURN RECEIPT NO. P-410-431-376

Mr. David T. Taylor
President
Star Tool Company
P.O. Box 2008
Hobbs, New Mexico 88240

**RE: Renewal Inspection
Discharge Plan GW-076
Star Tool Hobbs Facility**

Dear Mr. Taylor:

The New Mexico Oil Conservation Division (OCD) has completed this inspection report as part of the permit renewal process for discharge plan GW-076. The following OCD staff members were present during the renewal inspection on Thursday April 10, 1997 - Mr. Wayne Price and Mr. Patricio Sanchez. The purpose of this report is to provide Star Tool Company with the information that is needed to comply with the terms and conditions of GW-076 as renewed by the OCD on July 24, 1996. However, it will be Star Tool Company's responsibility to comply with the terms and conditions of GW-076.

1. Star Tool Company will submit a plan to pressure test all below grade lines (waste water) to 3 psig above normal working pressure of the line - see OCD "Discharge Plan Guidelines, Revised 12-95" page 9. **The testing plan must be approved by the Santa Fe OCD office.** Also, all below grade sumps that do not have leak detection and secondary containment must be cleaned and inspected for integrity yearly - with written documentation kept at the facility so that OCD may view the inspection results at any time during a facility inspection. Any below grade sump or tank that is found not to have integrity shall be reported to the Santa Fe OCD office with a proposed corrective action plan to repair the sump or below grade tank and identify possible contamination. (See permit condition number (8) and (9) from the permit renewal dated July 24, 1996 from OCD.)

Mr. David T. Taylor
Star Tool Company
May 9, 1997
Page 2

Note: Any new sumps, below grade tanks, double lined evaporation ponds, or modifications to the discharge plan will be approved by the OCD Santa Fe office before installation or alteration of an approved permit condition or commitment - Please see the enclosed "Discharge Plan Guidelines, Revised 12-95" for other items that require OCD approval.

2. A work plan to investigate the Class V well at the facility that is in the parking lot (grated storm water well) needs to be proposed by Star Tool Company. The plan shall address the nature and vertical as well as horizontal extent of possible contamination so that WQCC Groundwater Standards 20 NMAC 6.2.3103 will not be exceeded. (See permit condition number (10) from the permit renewal dated July 24, 1996 from OCD.)

Note: If the soil in the Class V area test Hazardous per TCLP and RIC, or contain listed Hazardous Waste - Star Tool Company will contact the New Mexico Environment Department, Hazardous and Radioactive Materials Bureau at (505)- 827-1558 for guidance.

3. All filters - oil, paint, etc must be properly drained and characterized per 40 CFR Part 261. The filters that are currently sent to "Waste Management" should have been profiled - please provide the OCD with a signed profile from "Waste Management" indicating that they can accept the filters, the certification should also include a listing of filter(s) taken and the number per month taken from the Star Tool Company facility. (See permit condition number (11) from the permit renewal dated July 24, 1996 from OCD.)
4. All Chemical storage need to be properly secured in terms of labeling, and storage. (See permit condition (3) from the permit renewal dated July 24, 1996 from OCD.)
5. The effluent that is collected at the wash tank must be properly characterized per 40 CFR Part 261.(See permit condition number (11) from the permit renewal dated July 24, 1996 from OCD.)

Note: It was observed that this effluent may have been disposed of in a Class II SWD, this type of disposal for non-exempt fluids is not allowed for under the UIC program. Any future instance of such a disposal may result in an NOV (Notice of Violation) being issued by the Director of the OCD pursuant to WQCC and OCD regulations.

6. The fuel island does not appear to be on an impermeable liner (photo number 8) , Star Tool needs to resolve this matter, propose a date (time line) before the next discharge plan renewal to meet permit conditions (3), (4), (5), (6), and (7) where applicable, from the permit renewal dated July 24, 1996 from OCD.)

Mr. David T. Taylor
Star Tool Company
May 9, 1997
Page 3

7. The OCD has received the recycle system proposal for the facility dated April 28, 1997 and is in the process of evaluating the proposal and determining if the request is a "Major" or "Minor" modification to the discharge plan. OCD hopes to have a response for Star Tool Company by May 28, 1997.

If Star Tool Company has any questions with regards to this inspection report feel free to contact the me at (505)-827-7156.

Sincerely,



Patricio W. Sanchez
Petroleum Engineering Specialist
Environmental Bureau - OCD

(Enclosure - Photographs taken on April 10, 1997 by the OCD of Star Tool Company, permit conditions from the renewal dated July 24, 1996, and Discharge Plan Guidelines, Revised 12-95)

c: Mr. Wayne Price - Environmental Engineer, OCD Hobbs District

P 410 431 376

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	Star Tool - GW-076
Street & Number	Mr. Taylor
Post Office, State, & ZIP Code	Discharge Plan Renewal
Postage	Inspection - 1997
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

Star Tool GW-076
(PHOTOS BY OCD)



PHOTO NO. 1

DATE: 4/10 /97



PHOTO NO. 2

DATE: 4/10/97

Star Tool GW-076
(PHOTOS BY OCD)



PHOTO NO. 3

DATE: 4/10 /97



PHOTO NO. 4

DATE: 4/10/97

Star Tool GW-076
(PHOTOS BY OCD)



PHOTO NO. 5

DATE: 4/10 /97



PHOTO NO. 6

DATE: 4/10/97

Star Tool GW-076
(PHOTOS BY OCD)



PHOTO NO. 7

DATE: 4/10 /97



PHOTO NO. 8

DATE: 4/10/97

Mr. John Brown
GW-076 Approval
Star Tool
July 24, 1996
Page 3

RECEIVED

AUG 05 1996

Environmental Bureau
Oil Conservation Division

JUL 31 1996

ATTACHMENT TO DISCHARGE PLAN RENEWAL GW-076
Star Tool - Hobbs Facility
DISCHARGE PLAN REQUIREMENTS
(July 24, 1996)

1. **Payment of Discharge Plan Fees:** The \$690 flat fee shall be submitted upon receipt of this approval. The required flat fee may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the plan, with the first payment due upon receipt of this approval.
2. **Star Tool Commitments:** Star Tool will abide by the following commitments and requirements made in the following: The approval letter from OCD dated October 2, 1991, the renewal application from Star Tool dated May 31, 1996, and this renewal letter with conditions of approval from OCD dated July 24, 1996.
3. **Drum Storage:** All drums containing materials other than fresh water must be stored on an impermeable pad and curb type containment. All empty drums should be stored on their sides with the bungs in place and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets should also be stored on an impermeable pad and curb type containment.

All drums and chemical containers shall be clearly labeled to identify their contents and other emergency information necessary if they were to rupture, spill, or ignite.
4. **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.
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. **Tank Labeling:** All tanks should be clearly labeled to identify their contents and other emergency information necessary if the tank were to rupture, spill, or ignite.

Mr. John Brown
GW-076 Approval
Star Tool
July 24, 1996
Page 4

8. **Below Grade Tanks/Sumps**: All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks that do not have secondary containment and leak detection must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks /or sumps.

9. **Underground Process/Wastewater Lines**: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years there after. Companies may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing so that an OCD representative may witness the testing.

10. **Class V Wells**: Leach fields and other wastewater disposal systems at OCD regulated facilities which inject fluid other than sewage below the surface are considered Class V injection wells under the EPA UIC program. All class V wells will be closed unless, it can be demonstrated that protectable groundwater will not be impacted in the reasonably foreseeable future. Class V wells must be closed through the Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, environment and groundwater as defined by the WQCC, and are cost effective.

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

Any solid wastes that are collected at the facility will be tested for hazardous constituents and characteristics, and after receiving OCD approval, will be disposed of at an OCD approved site.

Any waste that is Hazardous by Characteristics, Constituents, or Listing will have to be reported to the New Mexico Environment Department, Hazardous and Radioactive Materials Bureau, telephone at (505)-827-1558, for proper disposal/treatment guidance for Hazardous Waste.

Any soils that are bioremediated onsite will utilize a method that has been proposed in writing to the Santa Fe OCD office, and approved of by the OCD Santa Fe office.

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

Mr. John Brown
GW-076 Approval
Star Tool
July 24, 1996
Page 5

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

14. **New Mexico Oil Conservation Division Inspections:** Additional requirements may be placed on the facility based upon results from New Mexico Oil Conservation Division inspections.

15. **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.

16. **Conditions accepted by:**

David T. Taylor 7-29-96
Company Representative Date

President
Title

**GUIDELINES FOR THE PREPARATION OF
DISCHARGE PLANS**

**AT OIL FIELD SERVICE FACILITIES
(Revised 12-95)**

**OIL CONSERVATION DIVISION
2040 SOUTH PACHECO
SANTA FE, NEW MEXICO 87505
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Fax: (505)-827-8177**