

**GW - 199-1**

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**PERMITS,  
RENEWALS,  
& MODS  
Application**

**Lowe, Leonard, EMNRD**

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**From:** Lowe, Leonard, EMNRD  
**Sent:** Tuesday, January 29, 2008 2:15 PM  
**To:** 'Johnson, Clint'  
**Cc:** 'clay.bingham@champ-tech.com'; Campbell, Vaughn  
**Subject:** Initial closure

Mr. Clint Johnson,

Good afternoon.

Sorry for getting back to you late on this Closure Report for the Champion Technologies facility in Farmington N.M. Discharge Plan GW-199-1.

I met with Mr. Clay Bingham on January 15, 2008 to perform an inspection of this old facility. Mr. Brandon Powell from the OCD Aztec office was present as well.

I will be heading back out to this site in the near future due to the fact that there was snow present on this inspection date. At the time, all looked good.

An inspection of this facility is the initial step in creating a Closure Report.

What I need from Champion Tech is an initial report of what was at this facility (i.e. processes, drums, storage, etc.) prior to it being moved. The report should entail all items that were moved and any thing that was left behind (if there was anything) i.e. buildings, sewer lines, septic tank, etc. If you have any pictures of this facility in use that would compliment the report. A schematic of the facility will be helpful as well.

This report will be the first step in performing this close out.

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

llowe

**Leonard Lowe**  
Environmental Engineer  
Oil Conservation Division, EMNRD  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505  
Phone: (505) 476-3492  
Fax: (505) 476-3462  
E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)



January 2, 2008

State of New Mexico Energy, Minerals, and Natural Resources Department  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501

RE: Champion Technologies Farmington, NM Facility (GW-199) Being Transferred to a  
New Location

Dear Sir or Madam,

This letter is to confirm that the Champion Technologies Farmington, NM facility located at 3900 Southside River Road Farmington, NM. 87499 is being transferred to a new location. The new physical location is:

Champion Technologies  
#6 County Road 3145  
Aztec, NM 87410

All products are currently being transferred from the old location to the new one.

Champion is in the process of updating the Discharge Plan at the new facility to match products stored, management practices, secondary containment, physical address updates, etc. to meet the discharge plan guidelines required by the state of New Mexico.

If you have any questions, please contact me at (713) 627-3303. You may also call me on my cell phone at (281) 382-8915.

Regards,

Clint Johnson



**Lowe, Leonard, EMNRD**

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**From:** Johnson, Clint [Clint.Johnson@CHAMP-TECH.com]  
**Sent:** Wednesday, January 02, 2008 7:56 AM  
**To:** Lowe, Leonard, EMNRD  
**Cc:** Campbell, Vaughn; Culpepper, Barry; Bingham, Clay  
**Subject:** FW: GW-199-1  
**Attachments:** Farmington Transfer Letter.pdf

Mr. Leonard,

Attached is the letter on Champion letterhead stating that the facility in Farmington, NM. is being moved to Aztec, NM. All operations at the Farmington location including products stored are being transferred to the Aztec, NM. location.

In addition, as you state below, the Champion Hobbs facility is a separate location with a discharge plan.

Please contact me at 713-627-3303 with questions.

Thanks,

Clint Johnson  
Safety Supervisor

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**From:** Lowe, Leonard, EMNRD [mailto:Leonard.Lowe@state.nm.us]  
**Sent:** Fri 12/28/2007 1:04 PM  
**To:** Campbell, Vaughn  
**Subject:** RE: GW-199-1

Vaughn,

Thank you for sending me a copy of your previous discharge plan.

After looking through our data base it appears that GW-199 covers TWO discharge plans;

GW-199, Champion Technologies Hobbs Yard

&

GW-199-1, Champion Technologies Farmington Facility

I'm not sure why these two facilities (in different parts of the state) fall under one discharge plan number. From what I understand each location/facility/owner needs to have their own discharge plan identified.

In any case you have changed locations and I will delete the GW-199-1 discharge plan in reference to your other facility.

What I need from you is a letter stating what you are doing. Basically stating that you have moved from FACILITY ONE and are moving to FACILITY TWO, NEW and that you wish to remove GW-199-1 from Champion Technologies ownership. It needs to be recorded to the OCD that there was a change in discharge plans.

If you have any questions please give me a call.

1/31/2008

llowe

**Leonard Lowe**  
Environmental Engineer  
Oil Conservation Division, EMNRD  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87505  
Phone: (505) 476-3492  
Fax: (505) 476-3462  
E-mail: [leonard.lowe@state.nm.us](mailto:leonard.lowe@state.nm.us)

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**From:** Campbell, Vaughn [mailto:[Vaughn.Campbell@CHAMP-TECH.com](mailto:Vaughn.Campbell@CHAMP-TECH.com)]  
**Sent:** Wednesday, December 26, 2007 8:00 AM  
**To:** Lowe, Leonard, EMNRD  
**Cc:** Powell, Brandon, EMNRD  
**Subject:**

Mr. Lowe,

I have sent the attachment to the discharge plan for Champions' past facility.

Thank you,

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This inbound email has been scanned by the MessageLabs Email Security System.

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1/31/2008

The information in this email may be confidential and/or privileged. This email is intended to be reviewed by only the individual or organization named above. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this email and its attachments, if any, or the information contained herein is prohibited. If you have received this email in error, please immediately notify the sender by return email and delete this email from your system.

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-199-1  
Champion Technologies, Inc.  
Farmington New Mexico Facility  
DISCHARGE PLAN APPROVAL CONDITIONS  
December 20, 2005

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the NMOCD. There is a required permit fee of \$1,700 for oil and gas service companies, which is due and payable upon receipt of this approval. Please make all checks payable to:  

Water Quality Management Fund  
c/o Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505
2. Commitments: Champion will abide by all commitments submitted in the discharge plan renewal application letter dated February 7, 2005 and these conditions.
3. Waste Disposal: All wastes will be disposed of at an NMOCD-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 NMOCD-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 NMOCD on a case-by-case basis.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. 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.
6. 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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. 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.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the NMOCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. Operators 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 NMOCD approved methods. The NMOCD will be notified at least 72 hours prior to all testing.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every five (5) years. Operators 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 NMOCD. The NMOCD will be notified at least 72 hours prior to all testing.
  11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at NMOCD 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.
  12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
  13. Spill Reporting: All spills/releases will be reported pursuant to NMOCD Rule 116 and WQCC 1203 to the NMOCD Aztec District Office.
  14. Transfer of Discharge Plan: The NMOCD 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 NMOCD prior to transfer.
  15. Storm Water Plan: A description of the storm water plan has been received by the NMOCD.
  16. Closure: The NMOCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility, the operator will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
  17. Conditions accepted by: Champion, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Champion further acknowledges that the Division for good cause shown as necessary to protect fresh water, human health and the environment may change these conditions and requirements of this permit administratively.

Error! Reference source not found.

Print Name: Clint Johnson

Signature: R. Clint Johnson

Title: Safety Supervisor

Date: 1/16/06



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

December 20, 2005

Mr. R. Clint Johnson  
Champion Technologies, Inc.  
P.O. Box 450499  
Houston, Texas 77245-0499

RE: Discharge Plan Renewal GW-199-1  
Champion Technologies, Inc.  
Farmington, New Mexico Facility  
San Juan County, New Mexico

Dear Mr. Johnson:

The ground water discharge plan renewal GW-199-1 for the Champion Technologies, Inc. (Champion) Farmington, New Mexico facility located in the NE/4 NW/4 of Section 12, Township 29 North, Range 13 West, NMPM, San Juan 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 (NMOCD) Santa Fe office within 10 working days of receipt of this letter.

The discharge plan renewal application letter, dated February 7, 2005, 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 Champion of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve Champion 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 tanks (exceeding 16 feet in diameter) shall be screened, netted or otherwise rendered non-hazardous to wildlife including migratory birds.

Please note that Section 3104 of the regulations provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C, Champion 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 renewal plan is for a period of five years. This renewal will expire on July 21, 2010, and Champion should submit an application for renewal in ample time before this date. Note that under Section 3106.F of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan.

Champion Technologies, Inc.

GW-199-1

December 20, 2005

Page 2 of 4

The discharge plan renewal application for the Champion Farmington New Mexico facility is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a filing fee of \$100.00. There is a permit fee assessed for oil and gas service companies of \$1,700. The NMOCD has received the filing fee. The flat fee is due upon receipt of this approval.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Roger C. Anderson", written over a horizontal line.

Roger C. Anderson  
Chief, Environmental Bureau  
Oil Conservation Division

RCA/eem  
Attachment

cc: NMOCD Aztec Office

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-199-1  
Champion Technologies, Inc.  
Farmington New Mexico Facility  
DISCHARGE PLAN APPROVAL CONDITIONS  
December 20, 2005

1. Payment of Discharge Plan Fees: The \$100.00 filing fee has been received by the NMOCD. There is a required permit fee of \$1,700 for oil and gas service companies, which is due and payable upon receipt of this approval. Please make all checks payable to:

Water Quality Management Fund  
c/o Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

2. Commitments: Champion will abide by all commitments submitted in the discharge plan renewal application letter dated February 7, 2005 and these conditions.
3. Waste Disposal: All wastes will be disposed of at an NMOCD-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 NMOCD-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 NMOCD on a case-by-case basis.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment.
5. 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.
6. 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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.
7. 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.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
9. Below Grade Tanks/Sumps: All below grade tanks, sumps, and pits must be approved by the NMOCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. Operators 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 NMOCD approved methods. The NMOCD will be notified at least 72 hours prior to all testing.

10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every five (5) years. Operators 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 NMOCD. The NMOCD will be notified at least 72 hours prior to all testing.
11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at NMOCD 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.
12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to NMOCD Rule 116 and WQCC 1203 to the NMOCD Aztec District Office.
14. Transfer of Discharge Plan: The NMOCD 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 NMOCD prior to transfer.
15. Storm Water Plan: A description of the storm water plan has been received by the NMOCD.
16. Closure: The NMOCD will be notified when operations of the facility are discontinued for a period in excess of six months. Prior to closure of the facility, the operator will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Conditions accepted by: Champion, by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Champion further acknowledges that the Division for good cause shown as necessary to protect fresh water, human health and the environment may change these conditions and requirements of this permit administratively.

Error! Reference source not found.

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



P.O. BOX 450499  
HOUSTON, TEXAS 77245-0499



Telephone (281) 431-2561  
Fax (281) 431-1655

**CERTIFIED RETURN RECEIPT 7099 3400 0017 1144 7276**

December 19, 2000

Mr. Roger Anderson  
Energy, Minerals and Natural  
Resources Department  
Oil Conservation Division (OCD)  
2040 South Pacheco  
P.O. Box 6429  
Santa Fe, NM 87505-5472

Subject: Discharge Plan GW-199-1, Farmington Facility

Dear Sir or Madam:

Find enclosed the signed attachment to the Discharge Plan Renewal GW-199-1 for our Farmington facility. The renewal flat fee of \$690.00 has already been mailed to Mr. Wayne Price.

If there are any questions, please call me at 281-431-2561.

Sincerely,

*Ralph Corry*

Ralph Corry  
Environmental Specialist

*Wayne,  
I don't see any record  
of receiving this check.  
Do you have it?  
Ed*

Mr. Ralph Corry  
GW-199-1  
November 13, 2000  
Page 3

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-199-1  
CHAMPION TECHNOLOGIES, INC.  
FARMINGTON, NEW MEXICO FACILITY  
DISCHARGE PLAN APPROVAL CONDITIONS  
November 13, 2000

1. Payment of Discharge Plan Fees: The \$50.00 filing fee has been received by the OCD. There is a required flat fee equal to one-half of the original flat fee for oil and gas service companies. The renewal flat fee required for this facility is \$690.00 which may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval. Please make all checks payable to:  

Water Quality Management Fund  
c/o Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505
2. Commitments: Champion Technologies, Inc. will abide by all commitments submitted in the discharge plan renewal application letter dated April 27, 2000 and these conditions for approval.
3. 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.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment. During the OCD inspection of the facility on March 31, 2000, it was noted that some drums were not being stored in the above manner. Please advise if this has now been corrected.

5. 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.
6. 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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure. During the OCD inspection of the facility, it was noted that there was one diesel tank without containment. Please advise if this has now been corrected and the method used for this correction.
7. 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.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
9. 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. 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.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every five (5) years. 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.
11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells

under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.

12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. 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.
15. Storm Water Plan: A description of the storm water plan has been received by the OCD.
16. Closure: The OCD will be notified when operations of the Farmington, New Mexico Facility are discontinued for a period in excess of six months. Prior to closure of the Farmington, New Mexico Facility, the Director will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Conditions accepted by: Champion Technologies, Inc., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Champion Technologies, Inc. further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

**Champion Technologies, Inc.**

Print Name: ROBERT K. HONEA

Signature: *Robert K. Honea*

Title: VICE PRESIDENT

Date: DECEMBER 21, 2000



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

November 13, 2000

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 3771-6920**

**Mr. Ralph Corry**  
**Champion Technologies, Inc.**  
**P.O. Box 450499**  
**Houston, Texas 77245-0499**

**RE: Discharge Plan Renewal GW-199-1**  
**Champion Technologies, Inc.**  
**Farmington, New Mexico Facility**  
**San Juan County, New Mexico**

Dear Mr. Corry:

The ground water discharge plan renewal **GW-199-1** for the **Champion Technologies, Inc. Farmington, New Mexico Facility** located in Section 12, Township 29 North, Range 13 West, NMPM, San Juan 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 10 working days of receipt of this letter.**

The original discharge plan application was submitted on May 19, 1995 and approved July 21, 1995. The discharge plan renewal application letter, dated April 27, 2000, 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 Champion Technologies, Inc. of responsibility should operations result in pollution of surface water, ground water or the environment. Nor does it relieve Champion Technologies, Inc. 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 tanks (exceeding 16 feet in diameter) shall be screened, netted or otherwise rendered nonhazardous to wildlife including migratory birds.

U.S. Postal Service  
**CERTIFIED MAIL RECEIPT**  
(Domestic Mail Only; No Insurance Coverage Provided)

7000 0520 002J 377J 6920

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Postmark Here

Recipient's Name (Please Print Clearly) (To be completed by mailer)  
**RALPH CORRY / CHAMPION TECH.**

Street, Apt. No.; or PO Box No.  
**P.O. Box 450499**

City, State, ZIP+4  
**HOUSTON TX 77245-0499**

PS Form 3800, February 2000 See Reverse for Instructions

Mr. Ralph Corry  
GW-199-1  
November 13, 2000  
Page 2

Please note that Section 3104 of the regulations provides: "When a plan has been approved, discharges must be consistent with the terms and conditions of the plan." Pursuant to Section 3107.C, Champion Technologies, Inc. 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 renewal plan is for a period of five years. This renewal will expire on **July 21, 2005**, and Champion Technologies, Inc. should submit an application for renewal in ample time before this date. Note that under Section 3106.F of the regulations, if a discharger submits a discharge plan renewal application at least 120 days before the discharge plan expires and is in compliance with the approved plan, then the existing discharge plan will not expire until the application for renewal has been approved or disapproved. It should be noted that all discharge plan facilities will be required to submit the results of an underground drainage testing program as a requirement for discharge plan.

The discharge plan renewal application for the Champion Technologies, Inc. Farmington, New Mexico Facility is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan application will be assessed a fee equal to the filing fee of \$50.00. There is a renewal flat fee assessed for oil and gas service companies equal to one-half of the original flat fee or \$690.00. The OCD has received the filing fee. The flat fee is due upon receipt of this approval.

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  
Chief, Environmental Bureau  
Oil Conservation Division

RCA/eem  
Attachment

cc: OCD Aztec Office

ATTACHMENT TO THE DISCHARGE PLAN RENEWAL GW-199-1  
CHAMPION TECHNOLOGIES, INC.  
FARMINGTON, NEW MEXICO FACILITY  
DISCHARGE PLAN APPROVAL CONDITIONS  
November 13, 2000

1. Payment of Discharge Plan Fees: The \$50.00 filing fee has been received by the OCD. There is a required flat fee equal to one-half of the original flat fee for oil and gas service companies. The renewal flat fee required for this facility is \$690.00 which may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan, with the first payment due upon receipt of this approval. The filing fee is payable at the time of application and is due upon receipt of this approval. Please make all checks payable to:

Water Quality Management Fund  
c/o Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

2. Commitments: Champion Technologies, Inc. will abide by all commitments submitted in the discharge plan renewal application letter dated April 27, 2000 and these conditions for approval.
3. 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.
4. Drum Storage: All drums containing materials other than fresh water must be stored on an impermeable pad with curbing. All empty drums will be stored on their sides with the bungs in and lined up on a horizontal plane. Chemicals in other containers such as sacks or buckets will also be stored on an impermeable pad and curb type containment. During the OCD inspection of the facility on March 31, 2000, it was noted that some drums were not being stored in the above manner. Please advise if this has now been corrected.

5. 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.
6. 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 tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure. During the OCD inspection of the facility, it was noted that there was one diesel tank without containment. Please advise if this has now been corrected and the method used for this correction.
7. 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.
8. Labeling: All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.
9. 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. 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.
10. Underground Process/Wastewater Lines: All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity every five (5) years. 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.
11. Class V Wells: No Class V wells that inject non-hazardous industrial wastes or a mixture of industrial wastes and domestic wastes will be closed unless it can be demonstrated that groundwater will not be impacted in the reasonably foreseeable future. Leach fields and other wastewater disposal systems at OCD regulated facilities which inject non-hazardous fluid into or above an underground source of drinking water are considered Class V injection wells

under the EPA UIC program. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.

12. Housekeeping: All systems designed for spill collection/prevention will be inspected weekly and after each storm event to ensure proper operation and to prevent overtopping or system failure. A record of inspections will be retained on site for a period of five years.
13. Spill Reporting: All spills/releases will be reported pursuant to OCD Rule 116 and WQCC 1203 to the OCD Aztec District Office.
14. 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.
15. Storm Water Plan: A description of the storm water plan has been received by the OCD.
16. Closure: The OCD will be notified when operations of the Farmington, New Mexico Facility are discontinued for a period in excess of six months. Prior to closure of the Farmington, New Mexico Facility, the Director will submit a closure plan for approval. Closure and waste disposal will be in accordance with the statutes, rules and regulations in effect at the time of closure.
17. Conditions accepted by: Champion Technologies, Inc., by the officer whose signature appears below, accepts this permit and agrees to comply with all terms and conditions contained herein. Champion Technologies, Inc. further acknowledges that these conditions and requirements of this permit may be changed administratively by the Division for good cause shown as necessary to protect fresh water, human health and the environment.

**Champion Technologies, Inc.**

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_