

GW - 240

**INSPECTIONS &
DATA**

STATE OF NEW MEXICO
NMOCD District I

INTER-OFFICE MEMO

To file: **Diamond Rental**
3400 Industrial Dr.
Hobbs, NM

Date: April 27, 1995

Time: 1:30pm-4:30pm

Telephone call: Meeting: Other:

On site inspection

Person called or attending:

Harry Teague-Diamond Rental
Larry Teague-Diamond Rental
Wayne Price-NMOCD

REFERENCE: Diamond Rental Co.-Hobbs NM

Subject: Request from NMOCD Environmental Bureau to make
an on-site inspection of Diamond Rental.

Comments:

The Site inspection included an introductory meeting, session on identifying Diamond's different waste streams and the disposition of those waste, a site tour conducted by Mr. Teague which included taking pictures, and a closing session which included discussing exempt/non-exempt waste issues, history of the site as it pertains to these waste issues and obtaining copies of certain documents on hand.

Diamond Rental is an oil field type service company that provides frac tanks, pulling units, trucks for heavy hauling, and a pit lining service. The Manager is Mr. Harry Teague. The property is owned by Mr. Harry Teague and his brother Larry Teague. Diamond Rental leases the property from them.

The site has fresh water supplied to them by the city of Hobbs, but is not connected to the city sewer system.

11

Diamond Rental has a large yard with the following items noted on site. (see attached plot plan sketch and pictures).

1. Main office building with two shop bays attached. The shop bays are mainly used for minor or light maintenance on their equipment. They do not have full time mechanics. One bay is dedicated to storing material for their pit lining business. There were no sumps noticed in the buildings.
2. Main yard for parking of equipment. The yard is mainly composed of nature soils overlaid in part with a caliche pad.
3. Wash-out tank area and pit. Note: This area is partially concreted with a concrete drain sump connected to the concrete pit. The pit is suppose to have some sort of secondary liner and leak detection. Drawings could not be found at the time of the inspection.
4. Solids accumulation pit. Note: This pit is lined, small berm and no leak detection.
5. Steamer shed and soap and chemical storage area. Note: Mounted on concrete pad, no curbs or berm. This area stores chemicals, soaps, etc., some of these drums are on concrete and others are off of it.
6. Chemical storage area. Note: This area was noted to be on dirt, there were visible chemical stains. Chemicals noted in this area were; Methanol, transmission fluids, soaps, lube oil. These were in 55 gallon drums. Also empty drums were stored here.
7. Oil and waste water tank storage area. Note: These two tanks have a liner under them but no berm.
8. Used motor oil storage tank area. Note: no liner or berm.
9. Landfarm areas; There are two areas that have been landfarmed. The most recent area is an active landfarm and the other area lies just north of it. (see attached plot plan sketch).

Pictures attached-next page

J

**Diamond Rental
3400 Industrial Av.
Hobbs, New Mexico**

List of pictures taken at above listed location:

Date: April 27, 1995
Time: 2:00 pm-2:30 pm
Location: see above
Conditions: Temp app. 75-80 f, wind 0-5 mph, sky overcast.
Film: Kodak Gold Ga-135-12 plus 100 ISO 100/21
Camera: Polaroid 35 mm DX Film Sensing, auto flash, focus
free, Red-eye Reduction
Camera I.D. (T-054-c)

Developing procedures: Film delivered to Wal-Mart film
processing at app. 9:45 am on April 28,
1995, picked up at app. 11:45am.

Pictures taken by Wayne Price-NMOCD.
Witness: Harry Teague-Diamond Rental.

- #1. Looking west, picture show bioremediation landfarm.
- #2. Looking southwest, picture shows bioremediation landfarm.
- #3. Standing on SW corner of landfarm and looking NE. Background area shows green wheat growth from previous land farming operations.
- #4. Used Oil tanks and filters.
- #5. Looking NE- picture foreground shows water and oil storage tanks. No berm but liner is visible in picture. Background shows frac tank and wash-out area.
- #6. Standing in middle of yard background shows Diamond Rental main warehouse and office building on the left side of picture. Another business building is show on right not Diamond Rental.
- #7. Standing in middle of yard looking to the SW picture shows FRAC tanks.
- #8. Standing just south of the tank wash-out area. Picture shows back side of wash out area, old truck used for a pump, shed that contains steamer. Under the small pipe rack shown in foreground is what appears to be the main city water line and meter. Behind that is an undetermined underground device with a pipe connected to it. (possible UST, underground line, leak detector) ?? Unknown at this time.

J



4/27/95

DIAMOND RENTAL
3400 INDUSTRIAL AVE
HOBBS, N.M.

~ 2:00 PM

PICTURES BY
WAYNE PRICE - AMOCO

WITNESS

HARRY TRAGUE

#1



4/27/95 DIAMOND REACTOR

#2



3

4/27/95 DIAMOND RENTAL



4 4/27/95 DIAMOND RENTAL



#5 4/27/95 DIAMOND
RENTAL



#6

4/27/95

DICKMORS
RENTAL



7

4/27/95

DID MOLO
RENTAL



8

4/27/95

DIAMOND
RENTAL

NO. 5021102 NH-2700 506



9

4/27/95

DIAMONDS
RENTAL

886. 0822-444-2289 988



DANGER

H₂S GAS

WARNING

**NO UNAUTHORIZED
PERSONNEL**

KEEP OUT

CAUTION

HARD HAT

#10 4/27/95

DIAMOND
RENTAL



11

4/27/95

DIA MOLD
RENTAL



12

4/27/95

DIAMOND
RENTAL



192-6450

51

#13

4/27/95

DIA MONS

RETA C



#14

9/27/95

DID MOND

RENTAL

**DIAMOND
RENTAL INC.**



15

4/27/95

DIAMOND
RENTAL



#16

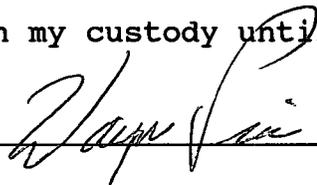
4/27/95

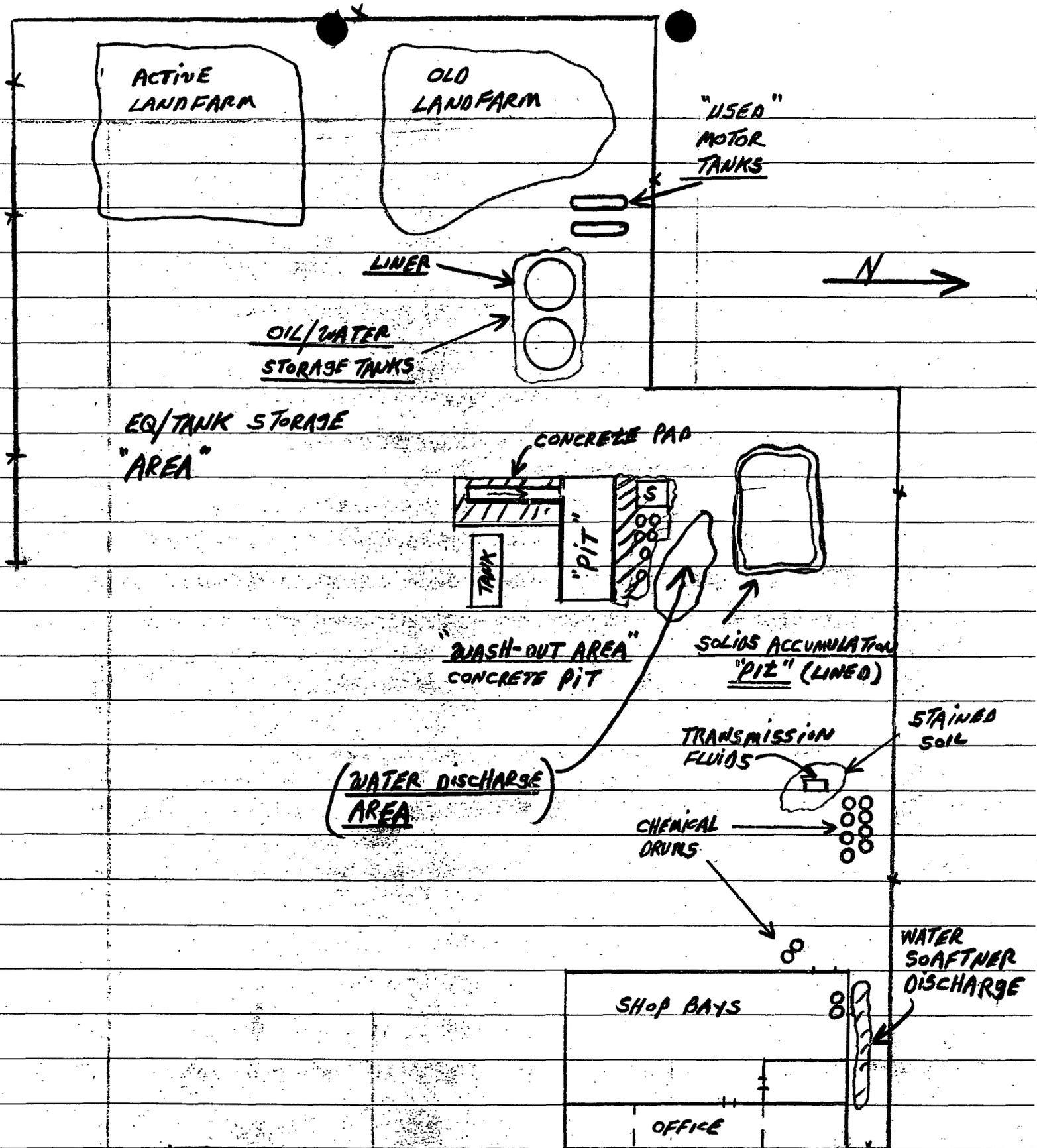
DID MOND
REATHC

- #9. Standing just east of the tank wash-out facility. Pictures show tanks draining into concrete sump which is connected to concrete wash-out pit show behind the metal fence.
- #10. Standing just east of wash-out pit looking to the NW. Background shows the solids accumulation pit. Does have liner but no leak detection.
- #11. Looking down into concrete wash-out pit, picture looking west.
- #12. Solids accumulation pit. Picture looking to the NE. Foreground shows recent wash water discharge on the ground.
- #13. Picture taken just west of the main Diamond warehouse building looking to the SW. Pictures shows a barrel of automatic transmission fluid (hydraulic fluid). It also shows stained soil below the drum from a recent spill.
- #14. Picture taken just west of the main Diamond warehouse building looking back to the east. Two old drums of unidentified contents. One drum was thought to be soap and the other drum had contained transmission fluids and now has water in it.
- #15. Picture taken from the east side of Industrial Av. looking SW.
- #16. Picture taken from the main entrance of Diamond Rental picture looking west.

The above film was in my custody until I delivered it to the film processor.

Signed: Wayne Price





"PLOT PLAN SKETCH"
 DIAMOND RENTAL
 3400 IND. DR. BY LWP
 HOBBS, N.M. MICO
 5/1/95
 "NO SCALE"

← INDUSTRIAL DR. →

Handwritten signature

The following current waste streams were identified by Mr. Teague and the disposal practice listed below.

WASTE STREAM

DISPOSAL

1. Frac tank clean outs: Concrete wash-out pit
(contains various exempt materials generated on production sites and returned to yard for clean-out). (Mr. Teague indicated that the pit has some sort of leak detection, but could not find drawings).

2. Oil, Wash Water & BS&W from Concrete wash-out pit.

Oil and water pumped out of pit into tanks.

Oil.....sold-truck off-site
Water.....Truck off-site to SWD well

Solids.....Solids Accumulation Pit
(lined no leak detector)

- 2A. Contaminated soils from Yard.....Solids Accumulation Pit
:
(This would include soils contaminated with crude oil, transmission fluids, chemicals, motor oils, frac sand, etc.)

- 2B. Solids from Accumulation Pit.....Discharged into on-site Landfarms.

3. Vehicle wash water.....Discharged to ground
(Diamond washes the out side of some of their trucks periodically, However according to Larry Teague the pulling units which would have the most contamination is washed at commercial wash companies)

4. Used motor oil.....off-site; E&E oil recycler
(stored in un-marked tanks) no berm, no liner.

5. Used motor oil filters.....Off-site; Hobbs Iron & Metal
(Drained and crushed)

WASTE STREAM(cont)

DISPOSAL(cont)

- 5A. Scrap Iron..... Same as 5.
- 6. Common trash.....Off-site; Waste Mgt. of NM
- 7. Oil field common trash.....Off-site; Waste Mgt. of NM
(oily gloves, hoses, empty
oil cans, oily rags,
floor sweep, etc.)
- 8. Office waste water.....Septic system
- 9. Septic System Sludge.....Lea Co. Septic Co.
- 10. Empty drums.....Return to supplier and/or
give away to employees.
- 11. **Drums with unknown
contents.....Undecided/did not discuss**
(presently there is a few where these type of liquids
drums on-site that the actual are disposed of.
contents are unknown. Mr.
Teague seems to think it might
be water or soap).

Waste Issues Discussed and History of Site:

Mr. Teague indicated that in 1978 he purchased the property. At that time their fresh water was supplied by an on-site water well. They could not drink the water because it was contaminated. He indicated they do not have any UST's (underground storage tanks) on site, or any fuel tanks of any kind at this time, (except propane tanks for their steamer).

He indicated at that time and up to around 1988 or sometime near then they would dispose of all their waste off-site. He indicated he did not know exactly where it went in those days because it was not a real concern. He remembered that when the NMOCD had the Public meeting at the Hobbs Library around "he though" 1988 - 1990 that the issue of how to handle oil field service co. waste became an issue. It was at this time that he began to segregate his waste streams. At that time is when he began to discharge his truck wash water to the ground instead of putting it in the washout pit. Since they were using a bio-degradable soap they did not have a concern and actually though they were doing the right thing.

It was at this time that they began to stock pile the solid waste (BS & W) generated in the wash-out pits on site, in the close proximity of where the landfarms are located now.

As with any service company Mr. Teague indicated that he can not absolutely guarantee that one of his employees hasn't co-mingled some of the exempt and non-exempt waste streams on site. However if it has happen he thinks it would probably be very minor.

We also discussed the fact that when they do house keeping around the yard and pick-up miscellaneous contaminated soils that these materials probably have been placed into the solids accumulation pit. There was some discussion by one of his employees (ED) as to when they did that last.

Mr. Teague did indicate that the present landfarm was started in OCT of 1994 and his company is working with a consultant and the New Mexico Junior College (NMJC) on different bioremediation techniques.

Mr. Teague showed me Diamond's Safety Program and Policy Manual, indicated that they filled out a Storm Water Permit but could not find a copy of it at that time.

At the closing of the meeting certain possible compliance issues were discussed. I indicated that I could not guarantee that compliance issues would not be brought against his company.

Mr. Teague wanted to know what I though would occur. I told him it strictly will be up to our Environmental Group in Santa Fe, but I though that they (Diamond Rental) might be required to obtain a Discharge Permit. He wanted to know what that consisted of and we discussed this in detail. I also recommended to him that he might want to sample his non-exempt waste to make sure it is not classified as a hazardous waste. He though that was a good Ideal. I ask Mr. Teague if he knew of any hazardous waste that has been generated on site. He did not know the answer to that question!

Mr. Teague and his brother both expressed their wiliness to cooperate and they wanted me to know that they want to comply with the law and stay in compliance. He indicated they would try to get the analytical results that have already been run on the landfarm. He also committed that they are going to stop discharging water to the ground immediately as of today.

Mr. Teague acknowledged the site visit by Jerry Sexton and Myself (Wayne Price) in October of 1994. Mr. Sexton had indicated that there had been a complaint issued to our office about nuisance odors and smells coming from Diamond Rental's yard. At that time it was understood Diamond would be allowed to finish the bioremediation project and then if they remediate any more it would have to be taken somewhere else. Mr. Teague owns a farm outside of town and had plans on moving it there. He understood he would have to get a permit before he could haul it out there.



The following documents were received from Diamond Rental and are attached to this report:

1. Nine MSDS Sheets;
2. E & E Enterprises EPA Manifest Record Non-Hazardous Waste Manifest #24131
3. Active Landfarm Plot Plan and log sheets.
4. Copy of Diamond Rental EPA/NMEID file.
 - A. Letter dated 1/31/86 to Harry Teague from Steve Cary (NMEID). Attached was a "Potential Hazardous Waste Site" site inspection report.
 - B. Letter DATED March 19, 1986 to Mr. Harry Teague from EPA Martha M. McKee Chief Superfund Site Assessment Section. Attached is site inspection report and sample analysis.
 - C. Miscellaneous info and maps of area.

Wayne Price Wayne Price
NMOCD Environmental Engineer-District I

5/1/95

W

OCD ENVIRONMENTAL BUREAU

SITE INSPECTION SHEET

DATE: 5/3/01 Time: 1:15 pm

Type of Facility: Refinery Gas Plant Compressor St. Brine St. Oilfield Service Co.
Surface Waste Mgt. Facility E&P Site Crude Oil Pump Station
Other _____

Discharge Plan: No Yes DP# GW-240

FACILITY NAME: 220 AREA HOBBS YARD

PHYSICAL LOCATION: 3900 N INDUSTRIAL P.O. 5275 HOBBS 68240

Legal: QTR QTR Sec TS R R County LEA

OWNER/OPERATOR (NAME) BASIC ENERGY SERVICES - WELL SERVICING

Contact Person: MR. DAVID ALVARADO - MR Tele:# 505-972-6998

MAILING

ADDRESS: P.O. 5275 HOBBS State NM ZIP 88241

Owner/Operator Rep's: SAB.

OCD INSPECTORS: W PRICE, P SHEEHY

1. **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.

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

3. **Above Ground Tanks:** All above ground tanks which contain fluids other than fresh water must be bermed to contain a volume of one-third more than the total volume of the largest tank or of all interconnected tanks. All new tanks or existing tanks that undergo a major modification, as determined by the Division, must be placed within an impermeable bermed enclosure.

4. **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.

5. **Labeling:** All tanks, drums and containers will be clearly labeled to identify their contents and other emergency notification information.

6. **Below Grade Tanks/Sumps:** All below grade tanks, sumps, and pits must be approved by the OCD prior to installation or upon modification and must incorporate secondary containment and leak-detection into the design. All pre-existing sumps and below-grade tanks must demonstrate integrity on an annual basis. Integrity tests include pressure testing to 3 pounds per square inch above normal operating pressure and/or visual inspection of cleaned out tanks and/or sumps, or other OCD approved methods. The OCD will be notified at least 72 hours prior to all testing.

PIC # 2 FRAC TANK WASH-OUT COVERABLE SUMP - NO SECONDARY CONTAINMENT -

7. **Underground Process/Wastewater Lines:** All underground process/wastewater pipelines must be tested to demonstrate their mechanical integrity at present and then every 5 years thereafter, or prior to discharge plan renewal. The permittee may propose various methods for testing such as pressure testing to 3 pounds per square inch above normal operating pressure or other means acceptable to the OCD. The OCD will be notified at least 72 hours prior to all testing.

8. **Onsite/Offsite Waste Disposal and Storage Practices:** Are all wastes properly characterized and disposed of correctly? Does the facility have an EPA hazardous waste number? Yes No

ARE ALL WASTE CHARACTERIZED AND DISPOSED OF PROPERLY? YES NO IF NO DETAIL BELOW.

9. Class V Wells: 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. All 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. Closure of Class V wells must be in accordance with a plan approved by the Division's Santa Fe Office. The OCD allows industry to submit closure plans which are protective of human health, the environment and groundwater as defined by the WQCC, and are cost effective. Class V wells that inject domestic waste only must be permitted by the New Mexico Environment Department.

ANY CLASS V WELLS NO YES IF YES DESCRIBE BELOW! Undetermined

BATH ROOM WATER ONLY

10. 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.

GOOD

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

N.A.

12. Does the facility have any other potential environmental concerns/issues?

NO!

13. Does the facility have any other environmental permits - i.e. SPCC, Stormwater Plan, etc.?

NO!

14. ANY WATER WELLS ON SITE? NO YES IF YES, HOW IS IT BEING USED?

Miscellaneous Comments:

Number of Photos taken at this site: PIC #1- ENTRANCE
attachments-

OCD Discharge Plan Inspection- May 03, 2000
Basic Energy Services-Hobbs Yard
OCD Inspectors: Wayne Price, Paul Sheeley



Pic # 2- Wash Out Pit constructed of concrete has no secondary liner.

To: Wane Price
From: Basic Energy Services, Inc. 220 Hobbs N.M.
Date: 5/4/01
Re: Recommendations at our Hobbs Facility.



Wayne,

Thank you for being here for us to explain the needs that was recommended to us.
As to what will be done are as follows.

- A. The front of the sump will be cleaned up.
- B. Sump will be steamed, cleaned and visually inspected for any cracks. (Repaired if necessary).
- C. A 10mil liner will be placed over the sump as recommended.
- D. A 3" PVC pipe will be installed between the liner and our cement floor to detect any fluids.

We would like to lay a pad of sand down on top of the 10 mil liner with a second liner on top of the sand bed. This will give us more protection.

Your thoughts are welcomed and greatly appreciated.

Sincerely;

A handwritten signature in cursive script, appearing to read "David Alvarado".

David Alvarado
Basic Energy Services Inc.
New Mexico Area Mgr.

Cc: Lyn Sockwell

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

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

Revised January 24, 2001

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

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

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

New Renewal Modification

*will be the
Same*

*GW-240
Hobbs Service yard*

1. Type: Frac Tank Clean out of exempted wastes
2. Operator: BASIC Energy Services, INC. 220 Area
Address: 3400 Industrial Hobbs New Mexico PO Box 5275 Hobbs NM 88241
Contact Person: David Alvarado Phone: (505) 392-6498
3. Location: _____ /4 _____ /4 Section 21 Township 18S Range 38E
Submit large scale topographic map showing exact location.
4. Attach the name, telephone number and address of the landowner of the facility site. *Same*
5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility. *Same*
6. Attach a description of all materials stored or used at the facility. *Same*
7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water *Same* must be included.
8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures. *Same*
9. Attach a description of proposed modifications to existing collection/treatment/disposal systems. *Same*
10. Attach a routine inspection and maintenance plan to ensure permit compliance. *Same*
11. Attach a contingency plan for reporting and clean-up of spills or releases. *Same*
12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included. *Same*
13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD *Same* rules, regulations and/or orders.

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

Name: David Alvarado Title: AREA Mgr.

Signature: David Alvarado Date: 5/3/01

